

# Hamilton City Council 2007/08 Annual Report

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## *Building A Vibrant Hamilton*

INVESTING IN OUR PEOPLE  
CREATING IDENTITY & PROSPERITY  
PROTECTING OUR FUTURE

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## Whakatauki and He Mihi

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

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

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

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

*Na Potatau Te Wherowhero, 1858*

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(RAARANGI KORERO)

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## 1.0 Mayor and Chief Executive's Letter

(HE RETA MAI TE KOROMATUA ME TE RANGATIRA KAIWHAKAHAERE)

### Introduction

With the city now home to almost 140,000 residents, Hamilton continues to grow in both popularity and reputation. Over 8,000 Aucklanders moved to Hamilton and its environs between 2001 and 2006. An additional 20,000 people are projected to live in the city by 2017. Results from the 2007/08 Residents Survey show very high levels of resident satisfaction with Council provided facilities and services. With a customer satisfaction score of 82.3, the survey also showed that Hamilton's residents are extremely happy about living in Hamilton.

This Annual Report focuses on a number of key achievements undertaken by Council in the 2007/08 financial year (this being year 2 of Council's 2006-16 Long -Term Plan).

### Hamilton 400

2007/08 saw Hamilton stage its first V8 Supercars Stretrace. The Hamilton 400 (attended by 172,000 spectators over three days in April 2008) is now officially New Zealand's largest annual event and has elevated Hamilton's status as an events-based city. Feedback on the event has been very positive, particularly in relation to the city's hospitality and friendliness. Council made it a priority to ensure that provisions were in place for fans to reduce their V8 carbon footprint.

Council also undertook a formal V8 review process, with the key finding being that all critical resource consent conditions were met and that the maximum number of people attending the event in 2009 may increase. Hamilton will host the Stretrace through to 2014. An independent economic impact assessment showed that \$28.3 million of new money was generated by the event in its first year. It is anticipated that a similar amount of expenditure will be injected into the Hamilton and regional economy in each of the remaining six years of the event.

### Development of the City Strategies

The City Strategic Framework comprises eight city-wide strategies that will provide a focus for Hamilton's ongoing sustainable development. Formation of the city's Urban Design Panel in February 2008 has provided increased effect to the city's first strategy - CityScope (the city's urban design strategy) and its design guidelines 'Vista'. The next three strategies developed (in partnership with a range of key Hamilton organisations) were adopted by Council in 2007/08. i.e. the Social Well-Being Strategy; Creativity and Identity Strategy; and the Economic Development Strategy.

### Sub-Regional Growth Strategy

Hamilton City Council, Environment Waikato, Waipa and Waikato District Councils have embarked on the development of a sub-regional growth strategy, known as 'Future Proof'. The partner councils want to take a strategic approach to managing growth and ensure that land resources are used sustainably and that associated infrastructure implications are understood, planned for and appropriately funded. The overall shared cost of the project is \$1.1m.

### Governance

Council adopted its 2008/09 Annual Plan on 30 June 2008 and confirmed an average rate rise to existing ratepayers of 5.29%, lower than the 6.56% rise forecasted in year 3 (2008/09) of the 2006-16 Long -Term Plan. The Annual Plan reflects a level of

renewed fiscal restraint, which is in direct response to a period of financial uncertainty and slowing growth for both the city and national economy. This meant that a number of submissions for new or increased funding were declined, with major proposals to the Plan to be considered as part of the 2009-19 LTCCP.

Considerable progress was made in 2007/08 towards developing Council's 2009-19 LTCCP. This included re-examining the city's growth assumptions using a comprehensive four day Enquiry by Design workshop attended by Council representatives and external participants.

Other projects included Council's participation in the Quality of Life project; release of Council's updated Governance Statement; agreement in May 2008 to fully review Hamilton's District Plan to ensure alignment with the eight city strategies; and preparation of 34 submissions to a range of external organisations on issues that have the potential to impact on the city and/or Council's operations.

### **City Heart**

City Heart aims to develop a quality urban environment and revitalise the centre of the city. Through a public and interactive 'Enquiry by Design' process held towards the end of 2007, a range of potential concepts were developed for Victoria Street, Ward St, the River Road Car park, O'Neill Street, Claudelands Bridge and Garden Place. The project is driven by a need to deliver connectivity and cohesiveness in the city's future redevelopment. A number of the concepts and ideas require further investigation, planning and design, and will be considered as part of Council's 2009-19 LTCCP.

### **Environmental Initiatives**

A number of initiatives that minimise the impact Council's operations may have on the natural environment (and that also reduce operating costs) are underway, with energy efficiency initiatives being a key focus. Council is also facilitating various community initiatives that make Hamilton a more sustainable city, including participation in the Communities for Climate Protection programme; working in partnership with Landcare Research to measure carbon emissions from the Hamilton 400 V8 Supercar Stretrace; commitment to the Hamilton EnviroSchools Programme; and coordination of Hamilton's first eDay to collect electronic waste.

### **Social and Recreational Initiatives**

Initiatives progressed included the introduction of the tagging hotline 0800 TAGBUSTERS (0800 824 287); the opening of a new Information Centre at Hamilton Gardens; new hydrosides and a toddlers splash pad area at Waterworld; various shows held at Hamilton City Theatres; numerous exhibitions at Waikato Museum; launch of Library Elf reminder service in October 2007 and coordination of the successful Enderley Working Bee.

The design phase of the upgrade and redevelopment of the Claudelands Events Centre has also been ongoing during 2007/08, with the first of the physical works seeing the historic Claudelands grandstand being relocated from the Heaphy Terrace side of the site to make way for the proposed development. This will enable the grandstand to take maximum advantage of the Park.

### **Transportation Projects**

Key roading infrastructure projects progressed in 2007/08 included:

- Upgrading the Avalon Drive/Wairere Drive/Te Rapa Road intersection (replacing the former roundabout with traffic signals).

- Four-laning Te Rapa Road from Church Road to Avalon Drive.
- Continuation of the \$20m Wairere Drive extension.
- Upgrades to Norton Road and Heaphy Terrace.

Other key initiatives undertaken included the introduction of 40 km/h speed zones around 18 Hamilton primary and intermediate schools in April 2008 and the opening of Hamilton's first dedicated bus lane in May 2008 (which runs along part of Hukanui Road).

### **Water and Wastewater**

Hamilton's Water Treatment Station was recognised with a 'highly commended' award at the 2007 INGENIUM Excellence Awards for physical works projects in New Zealand. The Water Treatment Station upgrade (completed in February 2007) has improved capacity and addressed immediate concerns regarding Hamilton's water supply.

Council was granted a 20-year resource consent for the management and discharge of wastewater at Pukete's Wastewater Treatment Plant in August 2007. The application identified conditions that deliver a high level of public health, environmental protection and the best practical solution for Hamilton's future wastewater management - all in keeping with sustainable management principles.

### **Looking Ahead**

This snapshot of projects and initiatives demonstrates that considerable progress was made in 2007/08 in enhancing the city's physical and social infrastructure to assist in Hamilton's ongoing sustainable development. A number of these projects will continue throughout 2008/09 and beyond. Council will also be undertaking a full review and assessment of all projects and programmes as part of developing its ten year 2009-19 LTCCP.



**Bob Simcock**  
HAMILTON MAYOR



**Michael Redman**  
CHIEF EXECUTIVE





## **Te Koromatua me Te Kaiwhakahaere matua Reta**

### **Whakataki**

Kotahi rau, wha tekau mano nga hunga e noho nei ki Kirikiriroa, e piki haere ana whera me te rongonui te ingoa pai ranei o te waahi nei. Hipa atu waru mano nga tangata o Tamaki Makaurau e huunuku ki konei noho ai, i waenganui nga tau 2001 ki 2006. Tapiri atu ki whena rua tekau mano nga tangata e noho nei ki konei koinei te tumanako mo te tau 2017. Ko nga hua i puta mai nga riipoata mo nga tau 2007/2008 e tutuki te katoa o nga mahi e pa ana ki nga ratonga mahi o te kaunihera. Ko nga wahanga awhina kua tutuki noa atu, 82.3 orau pai heneti.

Ko whenei te riipoata e tirohia ana matou mo whenei tau me te tau kua pahure ake nei, heoi ano whenei te tau tuarua mo te tirohanga whanui 2006 ki 2016.

### **Kirikiriroa 400**

Kei Kirikiriroa nei katahi ano ka kite te reihi tuatahi mo nga waka tere ki runga i te huarahi. He kaupapa nui te reihi nei Kirikiriroa 400 no te mea kotahi rau whitu tekau ma rua mano nga kaititiro e matakitaki nei na e toru nga ra ki te marama o Paengawhaha 2008. Ko nga korero i puta mai he tino pai rawa atu te reihi me nga whanaungatanga whakahoahoa hoki o te taone nei. Na te kaunihera i whai tikanga he nui nga rawa mo nga hunga kaititiro kia pai te haere o tena, o tena.

Na te kaunihera i rapu nga whainganga o te V8 whakanekeneke i reira tutuki nga puna whakawhitiwhiti whakaaro na te tokomaha o nga kaititiro mo te tau 2009, e whakaae ana matou te kaunihera. Ma te kaunihera e manaaki te kaupapa mai whenei tau tae noa ki 2014. He nui nga putea e uru mai ki te kaupapa nei \$28.3 miriona taara mo te tau tuatahi, na tetehi atu i rapaina whenei putea taihoa pea he orite whenei putea mo nga tau e ono i heke mai nei.

### **He ahu whakamua mo te taone nui**

E waru nga momo rautaki e tirohia ana te kaunhira, tuatahi ko te taone 'Urban design Panel' timata ai i te marama o Hui Tanguru 2008 hei tautoko i te kaupapa 'CityScope' me te 'Vista' hoki, ara ko te toenga e toru, e ahei ana i te kaunihera 2007/08, ko te rautaki oranga, te rautaki waihanga me te rautaki putea.

### **Nga rautaki whakatipuranga a rohe**

Ko te kaunihera o Kirikiriroa, Te Taiao o Waikato, nga kaunihera a rohe o Waipa, Waikato e tuhonohono ki a tatou ano. Ko te ingoa to matou roopu ko 'Future Proof'. Ko te take o te hononga nei kia tika ai nga whakahaeretanga o nga rawa whenua, ka marama pai, ka ahei te tono putea. \$1.1m te utu mo te kaota.

### **Mana whakahaere**

Na te kaunihera i taurima te mahere a tau 30 o Pipiri 2008 i reira whakapumau nga reti 5.29 orau pai heneti, e heke ana ki 6.56 orau pai heneti ki roto i te (2008/0) o te mahere a tau tirohanga whanui 2006-16. Ko te tikanga o te mahere a tau kia ata tupato i nga putea mo te taone nui huri noa o te motu. No reira koinei te take i whakakorengia e te kaunihera ngetehi o nga tono 2009-19 LTCCP.

He nui nga mahi e pa ana ki te 2007/08 whakapakari kaunihera 2009-19 LTCCP. Tapiri atu ki whenei e wha nga ra e wananghia e matou e pa ana ki te tipuranga o te taone, me tetehi roopu ke atu.

Tetehi atu mahi o te kaunihera ko te 'Quality of Life', nga korero no naianei o te kaunihera mana whakahaere, te whakaaetanga o te kaunihera te marama o Haratua 2008 mahere a tau hei hono ki nga kaupapa e waru. Tetehi ano ko te 34 o nga tono mai nga ratonga e pa ana ki nga mahi o te kaunihera.

### **Te Manawa o te taone**

Ko te tino kaupapa o te manawa o te taone kia whakahoutia ki waenganui te taone. I te mutunga o te tau 2007 e kawea nei matou he 'Enquiry by Design' e pa ana ki te huarahi o Victoria, te huarahi o Ward, te waahi mo nga waka te huarahi River, te huarahi o O'Neill, te piiriti Claudelands waahi maara no reira kei te titiro whakamua te kaupapa nei. E rapu ana tonu te kaupapa nei mo te kaunihera 2009-19 LTCCP.

### **He Kokiri Taiao**

He maha nga kaupapa e pa ana ki Te Taiao ko te mea nui ata tupato ki te kaupapa nei. Na te kaunihera i kokiri te kaupapa nei ara ki te rapu ki waenganui nga ratonga ara noa atu te whakangungu taiao, te rangahau whenua ko te Kirikiriroa 400 whera, ka mau ki te Enviro kura hotaka, me te whakahaeretanga o te eDay ki Kirikiriroa.

### **Tikanga-a-lwi, Hakinakina**

Katahi ano ka uru mai te kaupapa ukui nga panui anuanu ki nga pakitara o te taone anei te nama waea 0800 TAGBUSTERS (0800 824 387). Te whakatuwheratanga o tetehi puna korero hwai mhio ki nga Maara o Kirikiriroa, ko nga hydrosides he puna mo nga pepe hou ki te Waterworld, nga momo whakakitea ki te taiwhanga o Kirikiriroa, maha nga whakaaturanga ki te Whare Taonga o Waikato, he mea hou ano Elf reminder ki nga Whare pukapuka timata a te Whiringa-a-nuku 2008 te mutunga nga pukui mahi ki Enderley.

Ko te mahi hou ki te Taiwhanga hou o Claudelands kei te mahi tonu te tuwheratanga kei te haere mai 2007/08, ka mau tonu i te Heapy Terrace grand stand.

### **Nga Waka Hari Kaupapa**

Anei nga kaupapa hou mo nga tau 2007/08:

- Nga whakahoutia e nga huarahi Avalon/Wairere/Te Rapa (inaianei he rama huarahi kaore kau he huri rauna)
- E wha nga reina mai a Te Rapa ki Church ki Avalon.
- Haere tonu te huarahi Wairere \$20 miriona
- Whakahoutia te huarahi e Norton raua ko Heaphy

Etehi atu kaupapa 40 km/h huri noa 18 o nga kura tuatahi tuarua timata Paenga whawha tetehi kaupapa hou ko te huarahi mo nga paahi (te huarahi o Hukanui).

### **Nga Wai me nga Parawhakakino**

Kua whiwhi tohu teitei rawa atu te waahi parawhakakino wai o Kirikiriroa mai a 2007 INGENIUM mo Aotearoa. Kua oti te whakapai waahi parawhakakino wai i te marama o Hui tanguru na reira kua tutuki pai.

Katahi ano ka whiwhi 20 tau te whakaaetanga whenua ki Pukete waahi parawhakakino wai i te marama Here turi koka 2007. Ko nga whainganga otira nga hua i puta mai e pa ana ki whenei kaupapa kua tohungia kua whai mana nga ahautanga katoa.

### **Te Anga Whakamua**

He maha nga rautaki kaupapa hoki i tutuki i whenei tau 2007/08 me nga ahuatanga e pa ana ki to taatou taone. Kei te haere tonu whenei ahuatanga mo nga tau 2008/09 ake tonu atu. Na te kaunihera i whariki whenei ki nga tau tekau hangai ki 2009-19 LTCCP.



A handwritten signature in black ink, appearing to be 'B. Simcock'.

**Bob Simcock**  
**KOROMATUA**

A handwritten signature in black ink, appearing to be 'Michael Redman'.

**Michael Redman**  
**KAIWHAKAHAERE MATUA**

## 2.0 The Annual Report in Context

### (HE RAUTAKI RIIPOATA)

The majority of the provisions in the Local Government Act 2002 (LGA 2002) took effect from July 2003. The LGA 2002 provides a more transparent way for councils to plan for and interact with their communities than previous legislation had done. It also means that councils have to be more accountable to their communities for the decisions they make.

The LGA 2002 states that the **purpose of local government** is to:

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

The LGA 2002 makes the links between the planning and reporting processes of councils clearer. The legislation calls for councils to produce a Long-Term Council Community Plan (LTCCP) every three years. Each council's LTCCP must outline what it wants to do over a 10-year period, the activities that it proposes to undertake, and how these activities will be paid for. Hamilton City Council's current LTCCP is called the *2006-16 Long-Term Plan*.

The LGA 2002 provides the legal framework and guiding principles for the development of the Long-Term Plan, Annual Plan and Annual Report which help to form a planning and reporting cycle that all councils within New Zealand must participate in.

#### **Long-Term Plans**

Council is required to review its Long-Term Plan every three years. The Long-Term Plan is Council's primary long-term planning document that outlines its contribution to Hamilton's development over the next 10 years. The Long-Term Plan provides an opportunity for people to participate in decision-making processes on the activities that Council plans to undertake over the next 10 years. A draft plan is produced and is open for public consultation before it is finalised. Each Long-Term Plan also serves as the Annual Plan for the first year of its 10-year focus.

#### **Annual Plans**

Council is also required to produce an Annual Plan in the two years between each three-yearly Long-Term Plan. The purpose of the Annual Plan is to show any major changes (amendments or variations) to the Long-Term Plan. In the same way that the public's comments help to shape the Long-Term Plan, Council also produces a draft annual plan that is open for consultation before it is finalised.

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

#### **Annual Reports**

Council must also produce an Annual Report at the end of each June financial year. The Annual Report shows how Council's actual activities, services and performance measured up to its intended levels of service and performance that were outlined in a

specific year of the Long-Term Plan (as well as any changes outlined in the relevant Annual Plan).

The planning and reporting cycle for our Long-Term Plan, Annual Plan and Annual Report is shown in the table below.

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

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

#### What are Community Outcomes?

The LGA 2002 requires local authorities to get their local communities thinking about long-term priorities for the city that people want to work towards over the next 10 years. The outcomes identified by the community indicate the community's desire for how the city should progress socially, economically, environmentally and culturally (described in the LGA 2002 as the four well-beings). Community outcomes can be thought of as the things the community thinks are important for its well-being and for Hamilton's future i.e. the community's goals. The community outcomes and the processes required to work towards them serve as decision-making inputs for Council and other organisations when undertaking their activities and when planning for the city's overall and ongoing sustainable development.

Section 9.0 outlines the community outcomes for Hamilton, the process used in their development, how they will be used, and how the city's progress towards them will be monitored.

## 3.0 Your City, Your Council

(TAU TAAONE-NUI, TAU KAUNIHERA)

### 3.1 Hamilton at a Glance

	Hamilton present	Hamilton past	A growing city...
<b>Population</b>	In 2008, Hamilton's estimated population is 139,136.	In 2001, Hamilton had a population of 121,000.	Hamilton has seen an estimated population increase of 11.2% between June 2001 and 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 77,310 people employed in Hamilton as at February 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 16.6%).
<b>Average earnings</b>	On average, Hamilton employees earn \$23.32 per hour (March 2008 quarter).	Hamilton employees earned an average of \$17.74 per hour in February 2001.	The average weekly income in the Waikato Region was \$641 per week in the June 2007 quarter (an increase of 8.6% compared with the June 2006 quarter).
<b>Average sale price of houses</b>	The average Hamilton home now costs \$391,668 (March 2008 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 2008, 1,031 new houses worth \$211.3 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 tripled in the past five years, from \$71.6 million in 2003 to \$248.2 million in 2008.
<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 2008 were up 3.0% on the previous year. Total retail sales for the year stood at \$2.5 billion.	Hamilton's retail sales for the year ending March 2001 totalled \$1.7 billion.	Westfield Chartwell extensions finished in December 2006, adding a multi level covered car park providing 270 car spaces, a new food court, 25 new stores and cinemas.

### 3.2 Council's Governance Structure

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

Council's elected members are responsible for:

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

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

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

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

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

#### Council Committees

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

COMMITTEE		ROLE
1.	<b>City Development Committee</b>	Considers and recommends policy to Council on relevant strategic matters that relate to the economic development of the city.
2.	<b>Community and Environment Committee</b>	Considers and recommends policy to Council for the community and environmental areas of activity and monitors the implementation of that policy.
3.	<b>Finance and Audit</b>	Monitors the financial performance of Council against

COMMITTEE		ROLE
	<b>Committee</b>	the Annual Plan and Long-Term Council Community Plan. Monitors the non-financial performance measures and significant projects specified by Council.
4.	<b>Statutory Management Committee</b>	Hears and considers applications and objections to applications under various Acts and Bylaws. Considers and makes recommendations to Council on regulatory matters.
5.	<b>Transport Committee</b>	Considers and recommends policy to Council and monitors the implementation of that policy in the area of integrated transportation.

SUBCOMMITTEE		ROLE
6.	<b>Applications Subcommittee</b>	Reports to the Statutory Management Committee. Considers and resolves minor planning matters.
7.	<b>Chief Executive's Performance Assessment Panel</b>	Reports to Council. Maintains an overview of the performance of the Chief Executive.
8.	<b>Community Well-being Grant Allocation Subcommittee</b>	Reports to the Community and Environment Committee. Disburses community well-being grants on behalf of Council.
9.	<b>Contracts Subcommittee</b>	Reports to the Finance and Audit Committee. Approves contracts for supply and services and revenue generating contracts in excess of the delegated sum (\$500,000 GST excluded) and when the amount of work involved in a decision not to go to tender exceeds \$100,000 (GST excluded).
10.	<b>Events Sponsorship Subcommittee</b>	Reports to the City Development Committee. Evaluates and makes decisions on which events should receive Event Sponsorship Funding and to what value.
11.	<b>Passenger Transport Subcommittee</b>	Reports to the Transport Committee. Recommends to the Transport Committee: <ul style="list-style-type: none"> <li>• New and altered Hamilton passenger transport routes, timetables and related issues</li> <li>• Passenger transport infrastructure provision, promotional campaigns, and policy issues</li> <li>• Makes recommendations following comments and complaints received about Hamilton passenger transport from passengers and the public</li> <li>• Advocacy of the Hamilton passenger transport strategy.</li> </ul>
12.	<b>Parking Management Subcommittee</b>	Reports to the Transport Committee. Makes recommendations to the Transport Committee and Council on parking management issues.
13.	<b>Active Transport Subcommittee</b>	Reports to the Transport Committee. Examines the ways in which cycling and walking can be promoted as a viable travel choice within Hamilton.
14.	<b>Road Safety Subcommittee</b>	Reports to the Transport Committee. Recommends policy relating to speed limits and traffic calming measures.
15.	<b>Te Runanga o Kirikiriroa</b>	Reports to the Community and Environment



SUBCOMMITTEE		ROLE
	(TeRok) Subcommittee	Committee. Promotes the partnership between Council and TeRok and oversees administration of the Maori and Pacific Project Fund. Receives reports relating to the service contract between the two organisations and works to promote the well-being of Maori and Pacific people in Hamilton.

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

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

### 3.3 Council's Management Structure

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

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

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

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

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

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

The seven groups are:

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>• <b>Programme and Finance Group, incorporating the Deputy Chief Executive role</b><br/>(Blair Bowcott)</li> </ul> | <ul style="list-style-type: none"> <li>• <b>Organisational Development Group</b><br/>(Paul Dumble)</li> </ul> |
| <ul style="list-style-type: none"> <li>• <b>Community Services Group</b><br/>(Sue Duignan)</li> </ul>   | <ul style="list-style-type: none"> <li>• <b>Strategic Group</b><br/>(Brent McAlister)</li> </ul>              |
| <ul style="list-style-type: none"> <li>• <b>Communication and Marketing Group</b><br/>(Philip Burton)</li> </ul>  | <ul style="list-style-type: none"> <li>• <b>Works and Services Group</b><br/>(Chris Allen)</li> </ul>         |
| <ul style="list-style-type: none"> <li>• <b>Environmental Services Group</b><br/>(Brian Croad)</li> </ul>   |   |

#### 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, Values and the City Strategic Framework (including 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, 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.

## 4.0 Council's Direction for the City

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

### 4.1 Council's Strategic Framework for the City

Council has developed a Strategic Framework for Hamilton which:

- provides a focus for Council's planned direction for the city's development
- 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. The Strategic Framework provides a reference point for Council's decision-making.

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

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

#### **VIBRANT HAMILTON**

##### **Investing in Our People**

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

##### **Creating Identity and Prosperity**

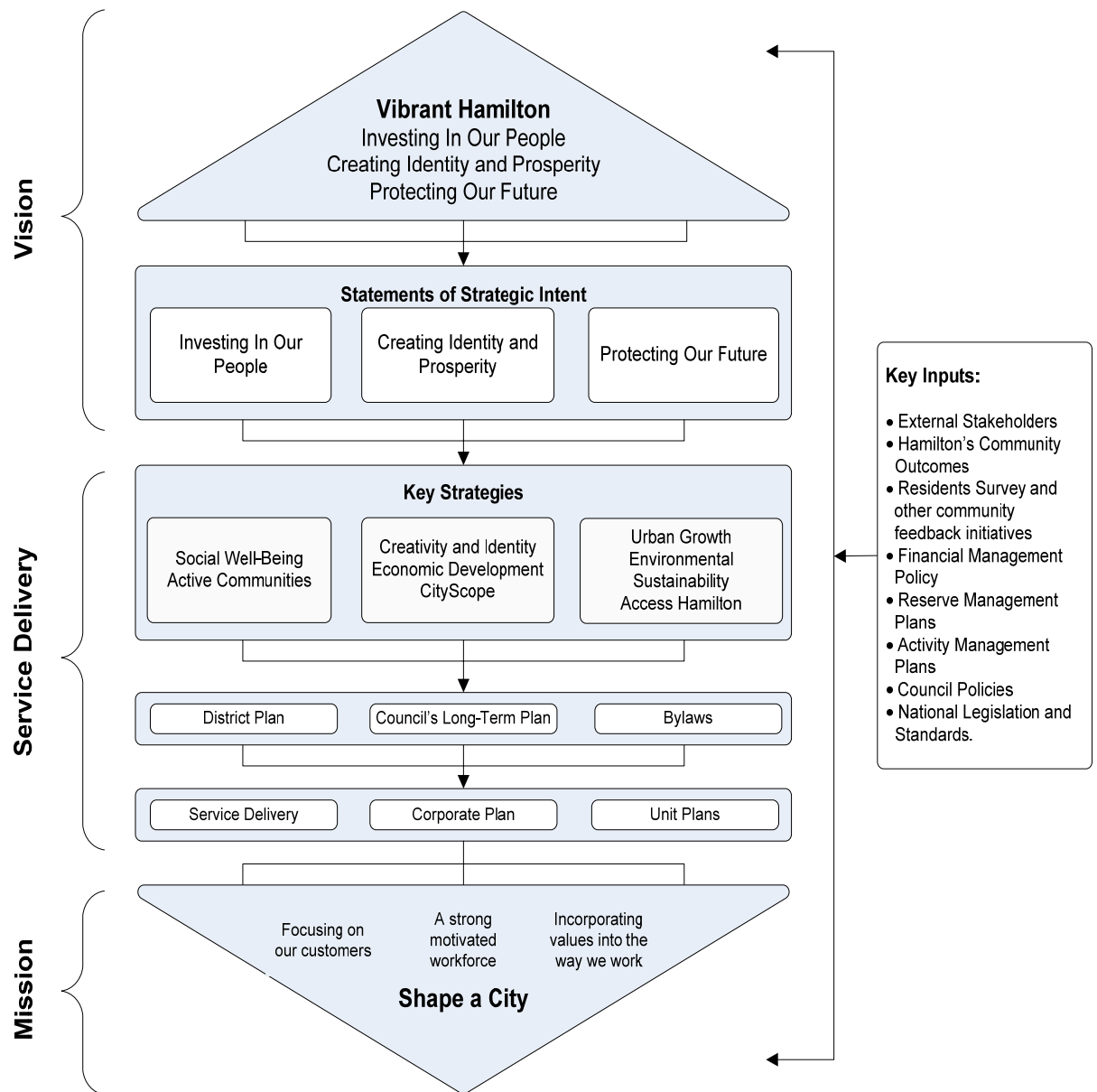
*Hamilton is a city that is making its mark on the political, social, cultural, and economic maps of New Zealand. Our vision is for a place of entertainment, celebration, and culture, enabled by a sharp, and wealthy economy built on the city's strategic advantages, innovation, and entrepreneurial spirit.*

##### **Protecting Our Future**

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

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

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



**4.2 Progress on the Key Strategies in 2007/08**

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

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

The Environmental Sustainability, Urban Growth and Access Hamilton strategies are currently under development. The Active Communities strategy is planned to commence in September 2008.

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

The Social Well-Being Strategy (adopted on 2 October 2007) represents an exciting collaborative approach to improving social issues in Hamilton. The development of the strategy has been driven by a steering group comprising chief executives from organisations that will be able to make the greatest contribution to the strategy's outcomes across the city.

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

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

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

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

### **Creativity and Identity Strategy**

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

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

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

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

- *Making small effective* - recognising Hamilton's size as its advantage.

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

Council has included funding provision of \$100,000 per annum from 2008/09 through until 2015/16 in to support implementation of the strategy.

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

### **CityScope - Urban Design Strategy**

CityScope is the city's Urban Design Strategy, which Council formally adopted in July 2006. The intention of CityScope is to raise the standard of urban design throughout the city and to actively plan toward the building of communities as the city expands. Its purpose is to establish a framework to guide the city towards a sustainable, quality urban environment. It is not about the look of buildings but the whole 'look and feel' of the city. It is about how the buildings, spaces and places of Hamilton all contribute towards making the city more liveable, enjoyable and valuable for people.

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

*Vista* outlines Hamilton's expectations for better-designed environments and describes how a well-designed place should look, feel and function. The guide highlights key urban design principles considered fundamental to Hamilton's development as a prosperous, memorable and sustainable city. It is intended that designers, developers and investors, as well as Council planners and policy makers, will use the design guide as a tool to help design buildings and spaces that work well now and into the future. The guide is not a statutory document with rules, but a summary of the community's expectations for beautiful and functional spaces.

*Vista* will be used as the basis for Hamilton's Urban Design Panel (which commenced operation in February 2008) in the review of significant development proposals in the city. The Urban Design Panel is a group of experts commissioned by Council to advise developers, their design teams and Council planners on ways to improve significant developments in the city. Advice from the Council's urban design staff and the Urban Design Panel is free to applicants. Developers are encouraged to engage with Council while proposals are at an early stage so they can benefit from the input and expertise of the panel.

### **Economic Development Strategy**

The Economic Development Strategy was adopted by Council in July 2008. Over an eight month period in 2007 and 2008, 12 Hamilton agencies with an interest in economic development came together to exchange ideas, build networks and explore potential opportunities. The result was a new strategic vision for Hamilton that provides a set of shared outcomes that the signatories will work together to achieve. The Strategy's major themes are around city leadership, business environment, building on economic strengths, attracting and growing talent and developing an enterprise culture.



A series of exciting flagship projects are proposed that will be developed through ongoing partnership work. As signatories to the Strategy, each agency has committed to work together over the next three to five years to deliver on these priorities for Hamilton. Hamilton City Council is the lead agency for Hamilton Economic Development Endowment Fund, Digital Hamilton, City Heart Revitalisation, Ruakura Innovation Precinct, Visitor Attraction, Hamilton Network and Creative Industries Incubator.

### **4.3 Developing Council's 2009-19 Long-Term Plan**

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

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

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

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

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

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

### **4.4 Future Proof - Sub-Regional Growth Strategy**

#### **Introduction**

In partnership, Hamilton City Council, Environment Waikato, and Waipa and Waikato District Councils have embarked on the development of a sub-regional growth strategy, known as "Future Proof". This strategy covers the administrative areas of the three territorial authorities and the associated area of Environment Waikato. Other key organisations and groups involved in the project include New Zealand Transport Agency, Matamata-Piako District Council and tangata whenua.

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

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

### **Benefits of Undertaking a Sub-Regional Growth Strategy**

The benefits of completing a growth strategy include:

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

### **Strategy Project**

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

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

### **Timeframes and Costs**

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

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

**Project Structures**

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

**Project Phases**

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

- Phase 1: Research input - this phase included the production of reports investigating the perception of developers relating to greenfield residential and industrial subdivision in the sub-region. Further work was also undertaken producing a set of detailed demographic projections (in conjunction with the University of Waikato) for the sub-region (March - September 2008).
- Phase 2: Scenario development and consultation (April - October 2008).
- Phase 3: Preferred scenario development and evaluation (Late 2008).
- Phase 4: Growth management strategy document publication, consultation and adoption (December 2008 - June 2009).

## 5.0 2007/08 Financial Overview

(TE TIROHANGA WHAANUI MO NGA PUTEA 2007/08)

Council and its group of entities has reported a net surplus after tax of \$2.2m for the 2007/08 financial year (2006/07 \$26.6m). The net surplus for 2007/08 includes non cash vested assets received \$20.6m, and capital subsidies/other capital contributions of \$19.4m used to fund capital expenditure.

The significant variances to the financial result for 2006/07 included:

- net rates revenue was \$91.9m, an increase of \$6.4m over last year (2006/07 \$85.5m), of which \$1.4m was from city growth (new rateable properties).
- other revenue was \$87.0m, an increase of \$16.4m over last year (2006/07 \$70.6m). This was mainly due to a greater value of assets being vested to Council compared to the previous year, and an increase in capital subsidies from Land Transport New Zealand being received.
- other gains decreased by \$7.0m compared to 2006/07 and other losses increased by \$20.7m. This was due to a loss being realised on disposals of property, plant and equipment rather than a gain in the previous year, unrealised losses being recorded on valuation of investment properties and interest rate swaps. There were also adjustments to fixed assets upon revaluation.
- employee benefit expenses increased by \$6.1m to \$49.3m as a result of salary and wage increases and greater staff numbers.
- depreciation and amortisation increased by \$8.0m to \$44.1m due to infrastructure asset values increasing substantially upon revaluation.

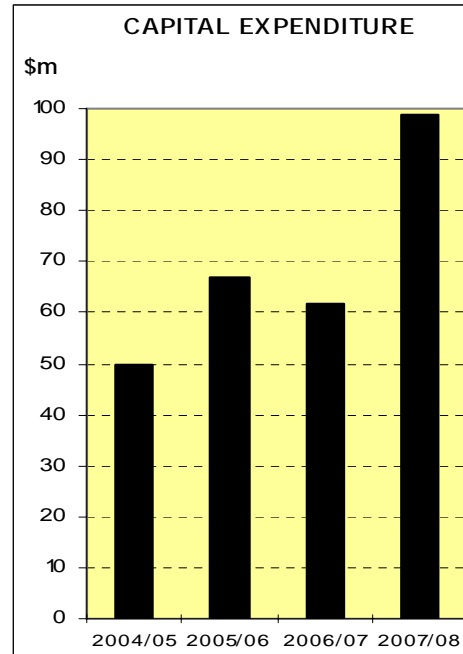
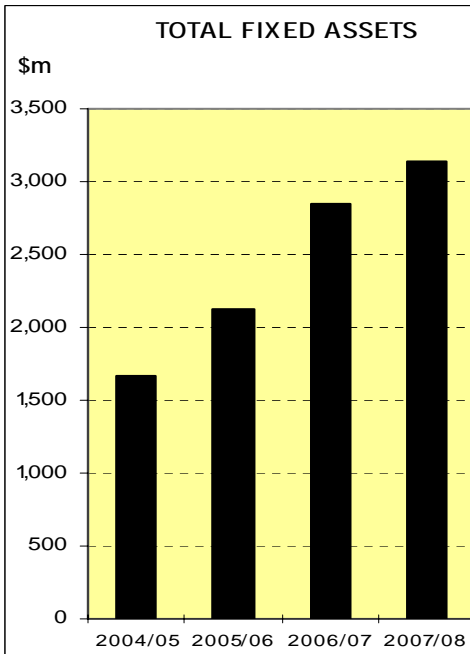
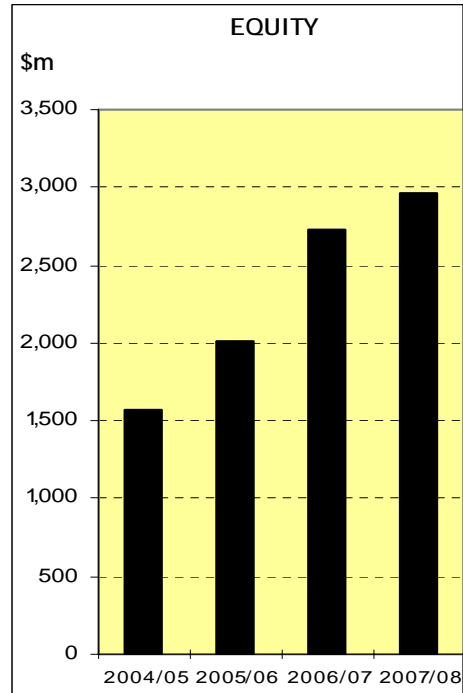
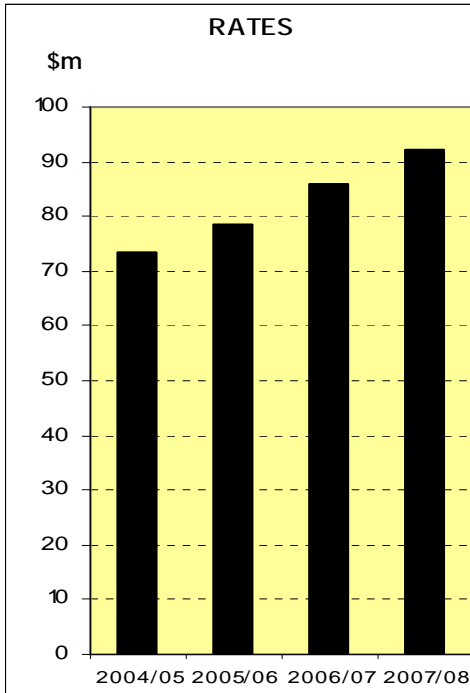
Interest cost incurred in servicing debt (excluding internal borrowing interest) increased to \$12.9m (2006/07 \$9.7m). Overall net debt (including internal borrowing) increased to \$229.0m (2006/07 \$187.5m) due to further loan funded capital expenditure.

During the year a revaluation of infrastructure assets was undertaken which resulted in a \$240.8m increase in the values of these assets. Largely as a result of these revaluations, total fixed assets increased to \$3,144.4m (2006/07 \$2,851.6m).

Capital expenditure for the 2007/08 financial year was \$98.7m (2006/07 \$61.6m). A number of significant projects were undertaken during the 2007/08 financial year. These include work associated with upgrading Claudelands Event Centre (\$3.5m), V8 related projects (\$13.2m), major roading projects at Wairere Drive (\$6.0m) and Rototuna roading growth (\$6.2m), and land purchases for reserves (\$11.4m).

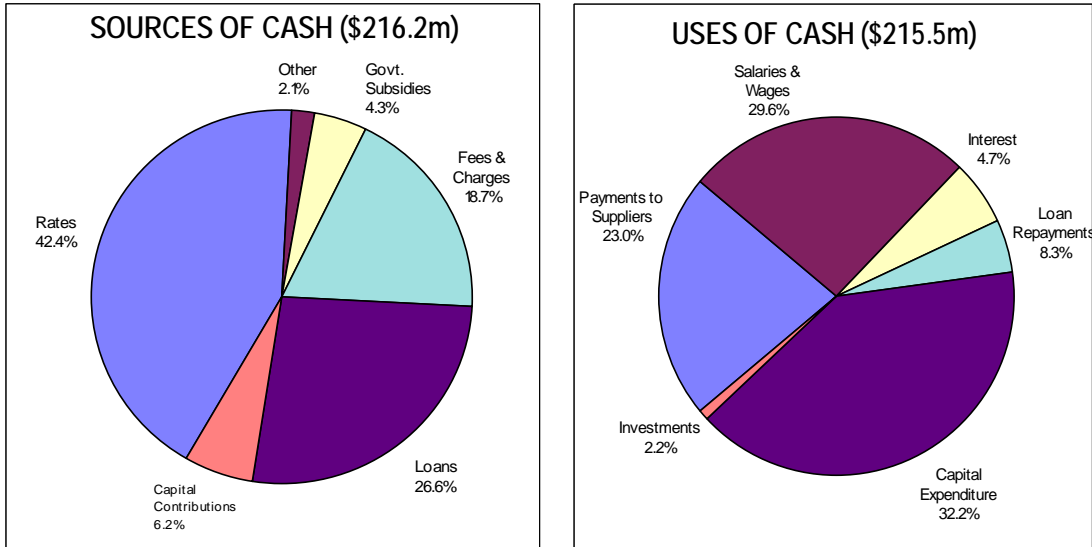
**Financial Summary**

The financial summary of key items from June 2005 to June 2008 is shown as follows:



**Cash Flow**

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

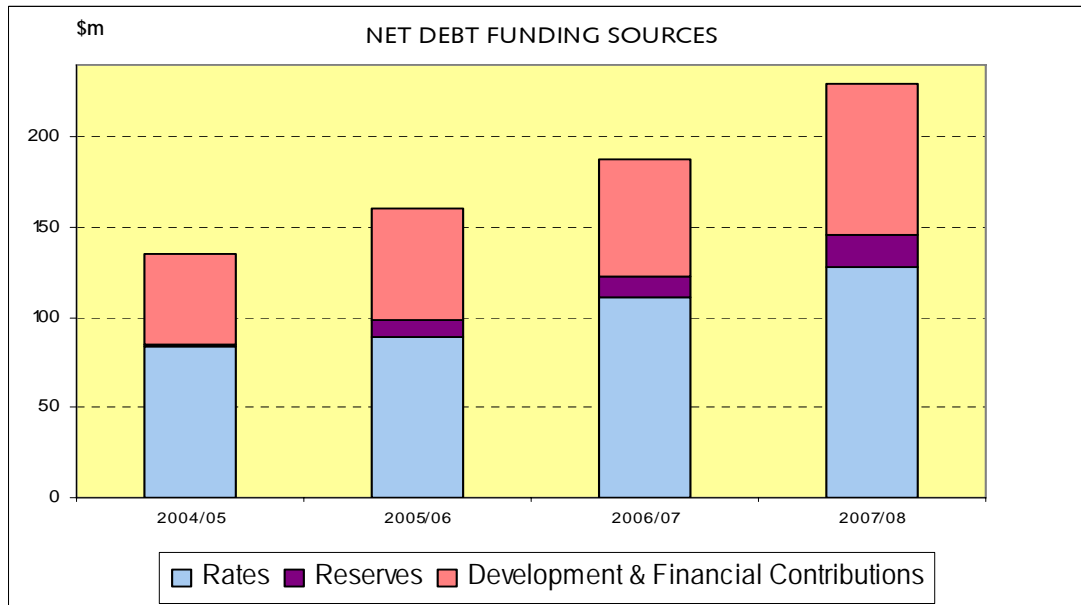


**City Debt**

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 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 2005 to June 2008 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 2008 was \$8.6m, compared with rating income of \$92.2m.
  - The target has been met at 9.3%.
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 2008 was \$146.0m, compared with total income of \$173.0m.
  - The target has been met at 84.4%.
3. **Net debt (Council) per capita shall not exceed \$1,800.**  
Council's net debt as at 30 June 2008 was \$146.0m, compared with the estimated population of Hamilton of 139,136.
  - The target has been met at \$1,050.

### Policy Limits - Total Net Debt

1. **Net debt shall not exceed 25% of total assets.**  
Total net debt as at 30 June 2008 was \$229.0m, compared with total assets of \$3,215.5m.
  - The target has been met at 7.1%.
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 2008 was \$229.0m, compared with total income of \$178.9m.
  - The target has been met at 128.0%.
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 2008 was \$14.7m, compared with total income of \$178.9m.
  - The target has been met at 8.2%.
4. **Liquidity (on total net debt and working capital) will be at least 110%.**
  - The target has been met at 123.1%.

## 6.0 Key Achievements in 2007/08

(NGA TUTUKITANGA 2007/08)

This section highlights some of the key projects and programmes that Council completed or worked towards in 2007/08.

### 6.1 Minimising Council's and the Community's Environmental Impact

This section highlights a number of initiatives that Council is undertaking to minimise the impact of its various operations on the natural environment. Council has introduced a number of programmes to raise staff and community awareness about the impact they may be having on the environment and, in particular, how they can minimise their carbon footprint.

A selection of these programmes is highlighted below.

#### Biodiversity

Community focused projects and programmes include:

- **Gully Restoration** - The Gully Restoration Programme provides practical support and restoration information to gully restorers and fosters appreciation of Hamilton's extensive gully systems. Currently there are 893 people on Council's gully database, representing approximately 29% of properties in Hamilton containing a gully. Major annual events include lectures, workshops and tours aimed at raising awareness, as well as the annual allocation of eco-sourced plants via the 'Plants for Gullies Scheme'.
- **Plants for Gullies** - This scheme promotes and enables the restoration of gullies by encouraging Hamilton residents with gully properties to apply for eco-sourced native plants for their gullies. Just over 1,600 eco-sourced native plants were distributed to gully owners as part of the scheme in 2007/08. Advice on planting location and the most appropriate species to use is also provided.

#### Energy

Corporate projects and programmes include:

- **Energy Use for Council** - As part of its Energy Management Programme, Council is aiming to gain greater energy efficiencies in the key energy types that are used in its operations and service delivery. Council's usage of the two main energy types over the last three years is outlined below.

Energy Type	2005/06	2006/07	2007/08
Electricity (kWh)	26,265,866	29,528,654	33,751,248
Gas (kWh)	23,565,343	22,911,390	20,219,668

Source: Council's energy data.

NB Council currently employs a total of 1,264 staff (2007/08).

Council's gas usage decreased by 11.7% between 2006/07 and 2007/08. This was primarily due to operational changes at Waterworld and the Pukete Wastewater Treatment Plant. In addition, Waterworld and the Municipal building have introduced further energy efficiency measures.



The 14.3% increase in electricity usage between 2006/07 and 2007/08 was also related to a situation at the Pukete Wastewater Treatment Plant where the co-generation plant was temporarily out of action due to a system malfunction. Other contributing factors such as the ongoing provision of street lighting throughout the city (particularly in new subdivisions) and the fluctuating temperatures impacting on the air-conditioning load at various Council sites may have also contributed to the increase. These trends have impacted on a range of continued energy efficiency gains that Council has made. e.g. improved lighting control at the Knox Street Carpark.

Council's overall growth in energy demand has slowed from 5.3% in 2006/07 to 2.9% in 2007/08.

Community focused projects and programmes include:

Council produced an Energy Booklet in May 2005 which provides simple energy saving tips that could help Hamilton residents to reduce their energy consumption. Booklets are available from the main Council building or can be downloaded from Council's website [www.hamilton.co.nz](http://www.hamilton.co.nz).

### **Greenhouse Gas Emissions**

Corporate and Community focused projects and programmes include:

- **Communities for Climate Protection (CCP)** - In October 2004 Hamilton City Council joined the Communities for Climate Protection-New Zealand Programme (CCP-NZ), an international campaign to assist councils worldwide to reduce greenhouse gas emissions. The programme aims to reduce emissions by each council taking action, as well as councils influencing reductions in their communities. To assist councils and their communities address climate change, the programme comprises five key milestones:
  - Milestone 1 - Conduct an inventory and forecast for greenhouse gas emissions.
  - Milestone 2 - Establish emission reduction goals.
  - Milestone 3 - Develop and adopt a local action plan.
  - Milestone 4 - Implement the local action plan.
  - Milestone 5 - Monitor and report on achievements.

Each milestone has a council (corporate) component and a community component. In July 2008 Council was one of the first two councils in New Zealand to be awarded Milestone 4 for being able to demonstrate reductions in emissions from its facilities.

- **Hamilton's Local Action Plan** - Hamilton's Local Action Plan is Council's blueprint for putting together a set of effective and practice measures to reduce greenhouse gas emissions generated from Council operations and from the community to target levels set in Milestone 2.

Some of the key actions outlined in Hamilton's Local Action plan are:

- Initiation of staff education programmes encouraging the reduction of energy use in the municipal building.
- Implement Council's 'Every Trip Counts' corporate travel plan.
- Implement actions from the Liquid Waste Management Plan which work to increase energy efficiency.

- In partnership with BRANZ (the Building Research Association of New Zealand) and an independent eco-advisor, work with residents and local building companies to improve performance ratings from Hamilton homes.
- Promote walking and cycling as an integral part of transport planning (including addressing safety, facilities and infrastructure).
- Continue to expand the types of recyclables that can be collected through household recycling bins.
- Continue supporting native plantings to increase carbon captured and stored in biological processes through the Gully Restoration Programme.

Community focused projects and programmes include:

- **V8 Carbon Emissions** - Council worked in partnership with Landcare Research to measure the carbon emissions from the Hamilton 400 V8 Supercar Street Race. It was the first event of this scale to be measured in New Zealand, and will provide Council with a greater understanding of the emissions generated by the event. Over the coming years Council will introduce additional initiatives to further reduce the carbon footprint of the Hamilton 400. Council will also work towards CarbonZero certification over the first few years of the event.
- **V8 Greening** - Council put in place a number of initiatives that assisted in reducing the carbon footprint of the Hamilton 400 V8 event (including provision of information to the public about their environmental impact) and helped the event run smoothly.

### Promoting Sustainability

Community focused projects and programmes include:

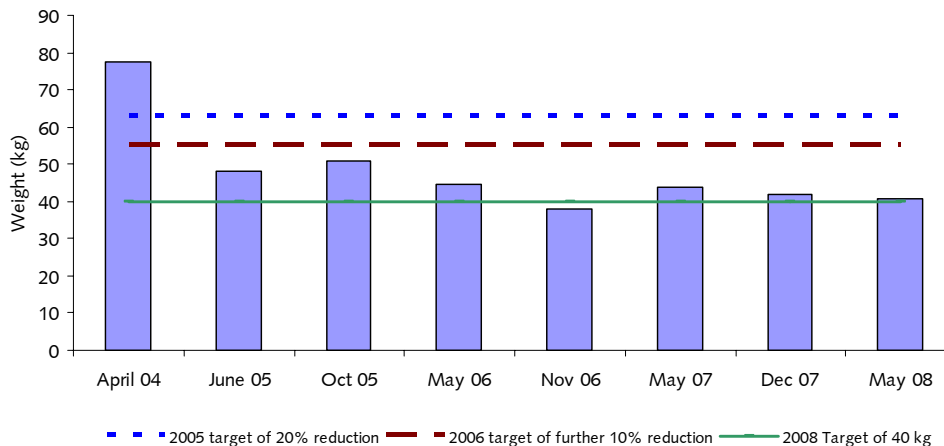
- **Enviroschools** - This programme was launched in Hamilton in December 2001 and takes a whole-of-school approach to environmental education. Staff, students and the community work together to integrate sustainability into school life. Council contributes funding towards facilitators to support the 29 Hamilton schools that currently take part in the programme.
- **Envirofund** - Individuals, schools, community agencies or groups can apply for funding from Council's Envirofund to undertake projects and initiatives that are generally outside of Council's core areas of responsibility. This encourages environmental improvements in Hamilton and contributes to the sustainability of the city. Twenty-eight applications were received in the March 2008 round and the total fund (\$50,000) was distributed.
- **Sustainable Urban Design** - In conjunction with Council's Eco-Design Advisor, a number of workshops and lectures about making homes more sustainable, healthier and more comfortable were held. Information was provided to people retrofitting their homes or building new homes.
- **'Know it?... Live it!' (KiLi)** - KiLi is a community environmental education programme run by Council to inform Hamilton's community of ways in which they can live and work more sustainably. The 936 people on the KiLi database receive newsletters three times a year which discuss sustainability issues and activities within Hamilton.

## Refuse and Recycling

Corporate projects and programmes include:

- **Internal Waste Minimisation Policy** - Council has an internal Waste Minimisation Policy that aims to minimise the amount of solid waste that is produced by all Hamilton City Council managed facilities and to ensure that waste produced is either reused or recycled wherever possible.
- **Waste** - The six-monthly municipal building waste audit confirms that Council has been achieving its waste minimisation targets. The audit also showed that there is effective diversion of recyclables from landfill due to various waste initiatives being undertaken at the main municipal building.

Average Daily Waste to Landfill from Municipal Building in kilogrammes



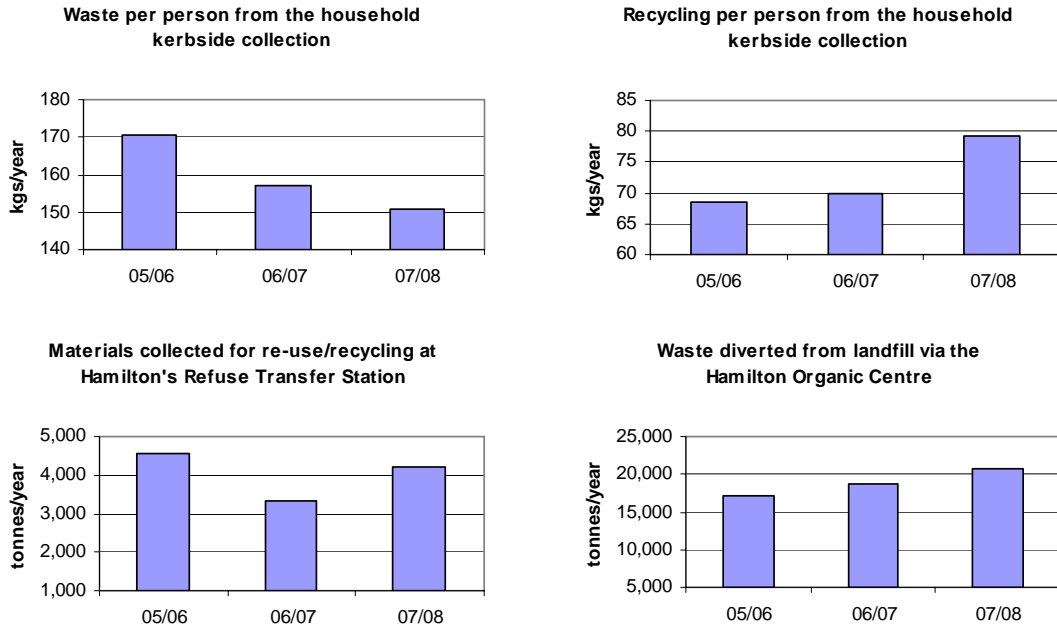
Source: Council's six monthly Waste Audit.

NB Figures have been standardised to reflect increases in municipal building staff numbers (from 344 in April 2004 to 500 in June 2008).

Community focused projects and programmes include:

- **E-Day** - With 864 individuals and a number of schools taking part 40 tonnes of e-waste was diverted from landfill as part of Hamilton's first e-day held on 29 September 2007 (including almost 1,400 monitors and 1,000 computers).
- **Light Bulb Recycling** - Council initiated a recycling service in March 2008 for energy saving lighting/compact fluorescent lamps and fluorescent tubes, with drop-off points at the Environment Centre and Refuse Transfer Station.
- Council produced a Waste Booklet in November 2003 which is a household guide to reducing waste. The booklet provides simple tips on how to reduce, reuse and recycle waste. Booklets are available from the main Council building or can be downloaded from Council's website [www.hamilton.co.nz](http://www.hamilton.co.nz).
- **Recycling/Refuse Collection** - Council provides a kerbside recycling and refuse collection service for residential properties within the city. The graphs below show that the amount of recycling per person is increasing while the amount of refuse per person, from Council's kerbside collection service, is decreasing<sup>1</sup>.

<sup>1</sup> This is from Council's kerbside refuse collection only. It does not include refuse collected from commercial/industrial premises by private contractors or refuse taken directly to the Refuse Transfer Station by residents.



Source: Council's waste data.

**Transport**

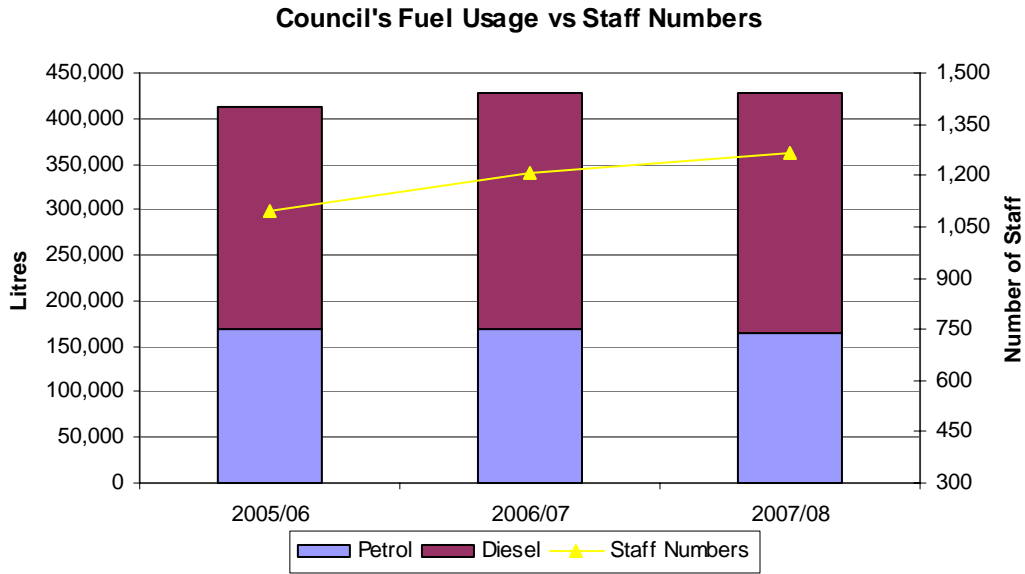
Corporate projects and programmes include:

- Vehicle Fleet** - Council has increased the number of diesel vehicles that it has in its vehicle fleet. The new generation diesel vehicles may be as environmentally friendly as hybrids (Hewitt 2008)<sup>2</sup>. Council considers fuel efficiency and low vehicle emissions a high priority when purchasing new vehicles. The increased number of diesel vehicles in the fleet is likely to be the main reason for the increase in diesel consumption, while the increase in staff numbers is likely to have contributed to the overall increase in fuel use by Council.

Fuel Usage	2005/06	2006/07	2007/08
Petrol (Litres)	168,772	169,910	164,238
Diesel (Litres)	242,998	257,724	263,995
<b>Total</b>	<b>411,770</b>	<b>427,634</b>	<b>428,233</b>

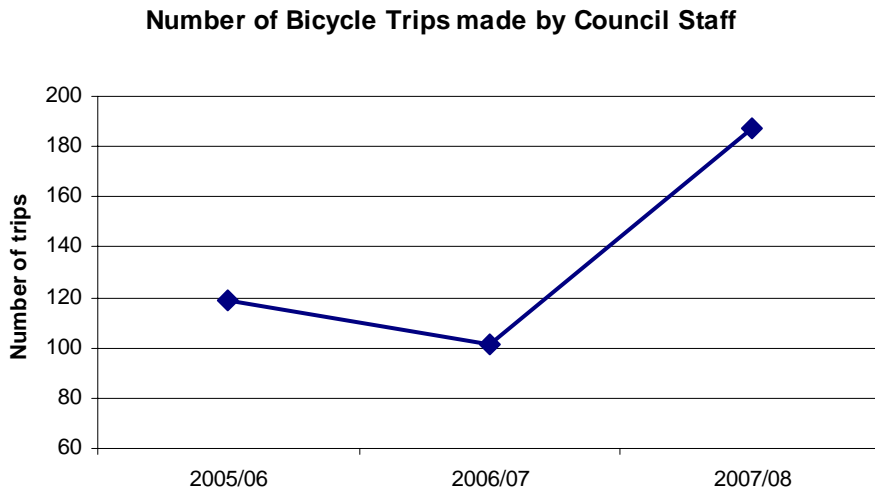
Source: Councils vehicle fleet data.

<sup>2</sup> Hewitt, B. (2008, January). The Case for Diesel: Clean, Efficient, Fast Cars (Hybrids Beware!). *Popular Mechanics*.



Source: Council's vehicle fleet data.

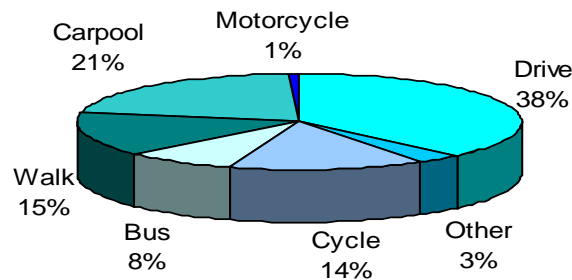
As part of its vehicle fleet Council has made two pool bicycles available for staff in the Municipal building to travel to meetings in and around the city. Since the bikes were introduced in February 2005 they have travelled approximately 3,300km.



Source: Council's vehicle fleet data.

- Staff Travel** - Council has been running a number of programmes under the Staff Travel Plan to influence the way that staff travel to work. These include promoting public transport, carpooling and active transport (including walking and cycling). The following graph details the main means of how Council staff commute to and from work.

### Commuting Habits of Council Staff



Source: Council's Staff Travel Survey 2007.

Umbrellas are provided at each of Council's main sites for staff use, allowing staff to walk to meetings even in wet weather.

Council also ran an internal campaign from August to September 2007 that provided information to staff on how they could save fuel by driving in a more sustainable manner.

Community focused projects and programmes include:

In January 2005 Council produced a Household Guide to Transport, which provides advice on improving health, saving money and getting around Hamilton. Booklets are available from the main Council building or can be downloaded from Council's website [www.hamilton.co.nz](http://www.hamilton.co.nz).

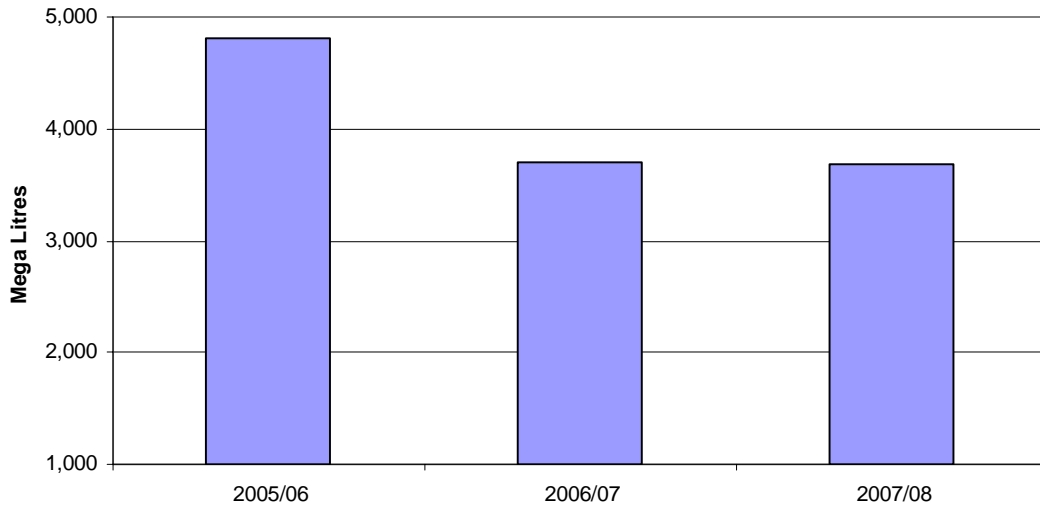
Council also promotes fuel efficiency to the wider community through various slogans on a number of its fleet vehicles e.g. 'Correctly inflated tyres reduce fuel consumption by 10%'.

#### Water

Corporate projects and programmes include:

- **Council's Water Usage** - Council's water usage decreased by 23.32% between 2005/06 and 2007/08.

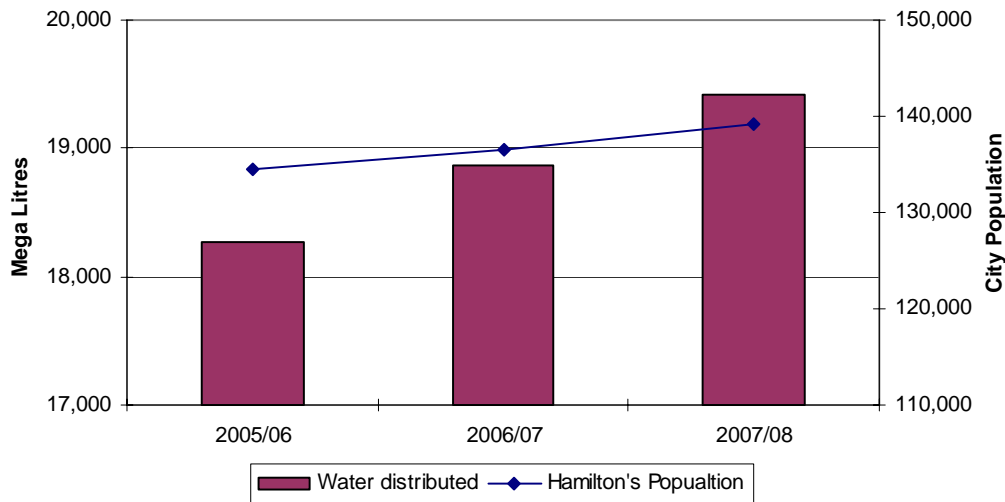
**Council's Water Usage**



Source: Council's Water Treatment Plant data.

- Hamilton's Water Usage** - While there was a large increase in the amount of water distributed from Hamilton Water Treatment Plant between 2003/04 and 2004/05, the increase between 2004/05 and 2007/08 was relatively small. The slight increase between 2004/05 and 2007/08 is likely to be attributed to the increase in the city's population and the growth in businesses (from 10,881 in 2004/05 to 12,706 in 2007/08) within Hamilton that are supplied with water.

**Water distributed from Hamilton's Water Treatment Plant**

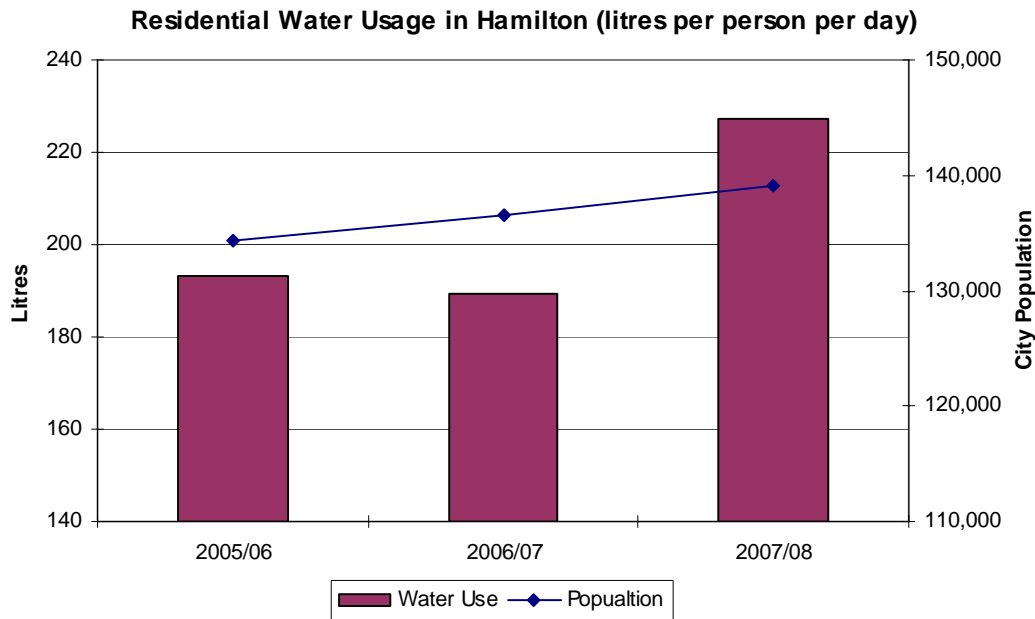


Source: Council's Water Treatment Plant data/Statistics New Zealand Business Frame Survey.

Community focused projects and programmes include:

- Water Saving Campaign** - During the exceptionally dry weather conditions over the 2007/08 summer Council put in place a water saving campaign to inform the public about the total sprinkler ban and other measures that they could use to help conserve water.

Residential water use per person in Hamilton has increased 15.0% from 2005/06 to 2007/08 while the number of residents within the city has increased 3.4% over the same period.



Source: Council's Water Treatment Plant data/Statistics New Zealand Census Information.

Council produced a Water Booklet in December 2006 which is a household guide to improving water quality and managing water use in Hamilton. Booklets are available from the main Council building or can be downloaded from Council's website [www.hamilton.co.nz](http://www.hamilton.co.nz).

## 6.2 Investing In Our People

### COMMUNITY DEVELOPMENT

#### Task Force Green Initiative

Council's Task Force Green programme has helped a significant number of unemployed people find new opportunities and experiences. The Task Force Green programme is run in conjunction with Work and Income, who provide a wage subsidy and assist in finding employment for trainees when they have completed their course.

The trainees undertake a variety of project work throughout the city, both for Council and other community groups. The overall aim of Task Force Green is to prepare trainees for longer-term work opportunities.

Council and Work and Income's vision for the Task Force Green programme is not only to improve job prospects, but to improve participants self-esteem and work ethic. An ongoing contract with Work and Income currently provides for up to twenty 25-week placements, making it the largest local Task Force Green programme.



Currently, around 40 Council staff started their Council employment in Task Force Green. Many of these people are employed by City Parks, Parks and Gardens and Utilities. The job placement rate in the year ending 30 June 2008 was around 50%. Most job placements are outside of Council and these are sourced by liaising with Work and Income Work Brokers.

### **Recognyz 2007 - Youth Awards**

The positive contribution young people in Hamilton make to community services was recognised in 2007 by the Recognyz Youth Awards. Youth Affairs Minister and Tainui MP Nanaia Mahuta attended the awards ceremony, which celebrated those young people aged 12-24 who make a difference in their communities by devoting their own time, skills and energy.

Award categories included: youth supporting their family in challenging circumstances, acknowledging the strength and ongoing commitment it takes to triumph through adversity, community involvement and volunteering, outstanding leadership with youth, innovative and creative ideas, outstanding achievements by a local youth group and displaying leadership amongst peers in the music, culture or arts field.

### **Enderley Working Bee**

Over 500 volunteers walked the streets of Enderley on 8 March 2008 to clean up graffiti and litter and to encourage community spirit in the area.

The Enderley working bee was a great opportunity for Council, the Police and the community to work together, combat vandalism and generate positive neighbourhood activities.

Council provided the majority of the materials, expertise and supervision for the clean up. It is anticipated that this is just the beginning for working bees based around Hamilton City Council community centres.

### **Ethnic Soccer Festival**

On 22 and 23 September 2007, more than 24 teams from different cultures throughout New Zealand took part in the Ethnic Soccer Festival that was held in Hamilton.

Since 2002, the New Zealand Ethnic Soccer Festival has grown into a cultural celebration of New Zealand's increasingly diverse population. At present 83 different ethnic groups reside in Hamilton and this number is steadily growing.

The purpose of the soccer festival is to bring together the diverse cultural groups to participate in activities in their wider community.

The festival included a women's exhibition game and a celebrity team face-off. The games were complemented with numerous food stalls and cultural performances.

### **Tagging Hotline Introduced**

In June 2008, Council introduced a new tagging hotline for members of the public to phone if they see graffiti anywhere in the city.

0800 TAG BUSTERS (0800 824 287) operates 24 hours a day, 7 days a week. When members of the public make a call, Council staff take details of the tagging and its location, give callers the option of making a police report and discuss options for the removal and prevention of further vandalism.

It is Council's priority to remove all tagging on public property and where resources allow, Council will remove all tagging on private property which is visible from public spaces.

While tagging has been a major focus for Council for some time, the introduction of the hotline has taken this one step further. It is a great opportunity for Council, the Police and communities to work together.

Council's tagging response teams have been increased to support the new hotline. Three graffiti removal teams will cover a third of the city each. The teams consist of a professional painter and workers from Council's Task Force Green Employment Development Programme.

## **REPRESENTATION AND CIVIC AFFAIRS**

### **District Plan Review**

Council resolved to take significant steps towards making the city's Proposed District Plan fully operative in 2008/09. At its meeting in May 2008, Council agreed that in order to secure the best planning outcomes for Hamilton, the District Plan would be reviewed in full and subsequently aligned with the city's eight guiding key strategies, which have been developed in partnership with the community.

Since the inception of key strategies such as CityScope, Social Wellbeing and the Creativity and Identity Strategy, it has been identified that the Proposed District Plan is not structured in a way which will enable and support the Strategies desired outcomes. The Proposed District Plan was first notified in 1999 and is no longer in line with current thinking and therefore not always able to deliver on the city's aspirations.

Since the Proposed District Plan was notified, it has been subject to multiple variations that were designed to reflect current thinking around the Strategies. There are also seven outstanding variations currently awaiting hearings.

Council will now aim to resolve outstanding appeals to enable the Proposed District Plan to become operative, with a full review expected to commence in 2009. A combination of community priorities and existing Council commitments has determined that the process now will be to clear the backlog of notified variations, progress only new variations that Council is already committed to, and then make the Proposed District Plan operative before commencing a full review.

### **Local Area Plan for Hamilton East**

As a result of submissions to the Proposed 2007/08 Annual Plan, funding provision of \$250,000 was made to develop comprehensive Local Area Plans for Hamilton East and Frankton residential areas. Work is now underway to develop the Local Area Plan for Hamilton East. A character assessment has been carried out to identify the distinctive elements of the study area and Council is currently preparing to consult with the community on their views on the future of Hamilton East. An open day will be held with the community in September 2008.

Council has also started work on developing a Heritage Policy. This will provide a comprehensive approach to heritage management across the entire city.

**Enquiry by Design process for Council's 2009-19 LTCCP**

Council has started work to develop its Long-Term Council Community Plan for 2009-19. Given Hamilton's significant urban growth in recent years, it is crucial that the development of a clear growth vision is at the heart of the process.

The process used for the 2009-19 LTCCP has varied from the 2006-16 Long-Term Plan process in a number of key ways. In particular, the growth assumptions that are being used in the development of the 2009-19 LTCCP have been developed through a comprehensive Enquiry by Design workshop (held over four days in March 2008). This process reviewed a range of social, cultural, environmental and economic data and examined the various growth options for how the city could grow. The process involved a wide range of Council staff and elected members, and a number of other key agencies (e.g. Land Transport New Zealand, Environment Waikato and the Ministry of Education). The outputs from the workshop were further considered by staff and Elected Members over a number of months, using a robust sustainable development framework.

**Council Submissions to external Organisations**

Council represents the interests of the organisation and city through submissions to a range of external organisations on issues that have the potential to impact on the city and/or Council's operations. This is seen as an important mechanism to raise the profile of Hamilton and ensure the views of Council and the city's residents are advocated at a city, regional and national level. A total of 34 submissions were made to various organisations in 2007/08. These included submissions to various draft strategy documents from Environment Waikato and discussion documents and legislative reviews from central government Ministries (e.g. the Land Transport Management Amendment Bill, Summary Offences (Tagging and Graffiti Vandalism) Amendment Bill, and the Proposed Vision for the Waikato River from the Guardians Establishment Committee).

**Hamilton Quality of Life Report**

The 2007 Quality of Life report, released by the Metropolitan Sector Group, provides a comprehensive assessment of the quality of life in New Zealand's 12 largest cities, as part of a multi-council initiative. Council has participated in this project since 2003. For further information about the project, please see [www.qualityoflifeproject.govt.nz](http://www.qualityoflifeproject.govt.nz).

The December 2007 report indicates that Hamilton residents have a very high quality of life and the city's economy is performing steadily in an environment of rapid population growth.

91% of Hamilton residents rated their overall quality of life as either 'good' or 'extremely good'. The average for all 12 cities was 90%. In addition, 87% of residents rated themselves as 'happy' or 'very happy', and 84% said they were 'satisfied' or 'very satisfied' with their lives.

Hamilton residents were also significantly more positive about their local council than residents of most other cities and Hamilton was also found to have the safest roads of any of the 12 cities measured.

**Kids Get the Vote**

During the local elections held in October 2007, Hamilton children had a chance to have their say with the new "Kids Voting" initiative, designed to give students the opportunity to participate in an authentic voting experience at school. The results are

then compared with the results of the real election. While Kids Voting is designed to work with the year-nine social studies curriculum, other classes can use the resource effectively.

Kids Voting is designed to raise awareness of the electoral process and give school students first hand exposure to the electoral process to encourage greater awareness of and participation in the Local Government Elections.

#### **Broadcast for Sir Edmund Hillary State Funeral**

On 22 January 2008, a 38 square metre screen was set up in Garden Place to broadcast the state funeral of Sir Edmund Hillary.

Mayor Bob Simcock hosted the event and a tribute was made to Sir Edmund Hillary prior to the broadcast. The screen was positioned so members of the public could share the service together on the grassed area in Garden Place.

#### **Council's Governance Statement**

Council is required under Section 40 of the Local Government Act 2002 to produce a new Local Governance Statement within six months of a local authority triennial election.

The governance statement is a web-based publication and contains information that helps people understand how to keep informed of Council's initiatives and planning processes. It provides people with information about how Council makes decisions, as well as outlining the processes available that enable the community to give Council their feedback. To view the governance statement, visit Council's website: [www.hamilton.co.nz/GovernanceStatement](http://www.hamilton.co.nz/GovernanceStatement).

#### **Councils 2008/09 Annual Plan**

Council adopted its 2008/09 Annual Plan on 30 June 2008 and confirmed an average rate rise to existing ratepayers of 5.29%, lower than the 6.56% rise forecasted in year 2 (2008/09) of the 2006-16 Long -Term Plan. The 2008/09 Annual Plan reflects a level of renewed fiscal restraint, which is in direct response to a period of financial uncertainty and slowing growth for both the city and national economy. Council is facing the same challenges as the wider economy. Reduced revenue from rates growth and fees and charges, combined with increased operating costs and rapidly rising construction costs means Council must be increasingly disciplined in its financial decision- making for the coming years.

Council received 193 submissions to its Proposed 2008/09 Annual Plan. However, the current climate of economic uncertainty meant that a number of submissions for new or increased funding were declined. Additionally, in line with the new 3 year LTTC planning model, any major proposals will be considered as part of the 2009-19 LTCCP. It is anticipated that this cautious approach will place Hamilton in the best possible position to balance ongoing public expectation with rates affordability. The Annual Plan can be accessed at [www.hamilton.co.nz/annualplan](http://www.hamilton.co.nz/annualplan).

## **ENVIRONMENTAL HEALTH**

#### **Alcohol Accord**

A unique initiative designed to deliver a safer, more consistent and vibrant entertainment industry for the city was launched on 24 June 2008. The launch of the

Hamilton Alcohol Accord is the product of a unique collaborative project between the city's liquor licensees, the Police, Health Waikato and Council.

The Accord's purpose is to agree a consistent industry approach to responsible and quality practices where the sale and consumption of liquor is involved. This will be achieved by all consenting licensees and agencies embracing a series of key principles that focus on themes of sustainability, safety, responsibility and cooperation.

### **Domestic Food Review**

The central government review of the domestic food legislation is largely complete. The New Zealand Food Safety Authority (NZFSA) is now waiting for the new Food Act to be passed into law. This will require all food businesses in the domestic market to adopt a food control plan over a 5-year transition period, through the operation of a staged implementation programme, starting with high-risk food businesses. This will replace the current premises registration regime under the existing Food Hygiene Regulations 1974.

The transition period was due to start on 1 July 2008 but because of delays with the legislation, it is now due to start on 1 July 2009. However, the NZFSA have implemented a Voluntary Implementation Programme to provide for the voluntary uptake of food control plans before the official start date.

During 2007/08, the Environmental Health Unit staff participated in a data capture project for sale of food activities that would be subject to food handler guidance, rather than to some form of registration, and also undertook a trial involving the implementation of a draft food control plan in several Hamilton food businesses. These projects provided valuable data to NZFSA in finalising the form of the food control plan and food handler guidance.

### **2007 Food Safety Awards**

Hamilton City Council's 13<sup>th</sup> annual Food Safety Awards were held at Waikato Stadium in October 2008. Hamilton's Deputy Mayor, Pippa Mahood, presented Food Safety Excellence Awards to 46 Hamilton food businesses. The award ceremony included a catered breakfast and a keynote speech by Andrew McKenzie, Executive Director of the New Zealand Food Safety Authority, and sponsors of the event.

The Food Safety Excellence Award is presented annually to food businesses identified by Council staff as achieving and maintaining a standard of excellence in food safety. The purpose of the award is to publicly recognise this achievement.

For the second year running an award was also presented to the top food safety student from Wintec's School of Retail and Service Industries. The award is presented to the student nominated by tutors for their academic achievement, course work, excellent kitchen hygiene standards and exemplary attendance.

In addition to the food safety awards a further 27 food businesses have also been presented with the Food Safety Merit Award, which recognises food businesses achieving a high standard of food safety

## **PARKS AND GARDENS**

### **Hamilton Hosts Botanic Gardens Conference**

Hamilton Gardens hosted a number of international names in the gardening world when the Botanic Gardens of Australia and New Zealand conference was held in Hamilton in October 2007.

Attendees discussed diverse topics from conservation to sponsorship and community involvement. The speakers included leaders from renowned international botanic gardens and conservation organisations.

Winning the bid for the conference is a good indicator for future major events to be held at the Gardens.

### **New Information Centre at Hamilton Gardens**

In August 2007, Hamilton Gardens opened their new information centre to the public, offering extended hours (seven days a week from 10am - 4pm) and the benefits of a centralised customer service area.

The attractive new centre provides maps of the gardens in seven different languages to enhance the visitor experience and increase people's understanding and appreciation of the gardens.

An LCD display promotes displays of Hamilton's other attractions and a direct I-SITE phone allows travel and accommodation bookings to be made.

### **Redevelopment of Lake Domain Café and Function Centre**

The new facility, named "The Verandah" due to its distinctive design, will accommodate a range of purposes and see the café transformed into a modern building while utilising and complementing the area's existing natural features.

Demolition of the old tearoom and construction of The Verandah commenced in June 2008 and is due to be completed by March 2009. The café will accommodate a range of purposes including a large function room intended to cater for groups such as the local business community, community and sports clubs, and educational groups.

Environmentally sustainable design will play a key part in the facility's development, incorporating features such as natural day-lighting and rainwater harvesting.

Until The Verandah opens, temporary services will be available to the public, with a range of hot and cold food, beverages and ice-cream. The temporary food service will operate from Hamilton Lake's existing carpark, near the site of The Verandah.

### **Recreation equipment programme**

New neighbourhood playgrounds were installed in Pountney Park and Elliott Park in 2007/08. The existing playgrounds in Chelmsford Park, Dominion Park, Heath Park, Tawa Park and Caernarvon Park have all been upgraded.

## **SWIMMING FACILITIES**

### **New Hydroslides and Splash Pad Area**

The new hydroslide complex and toddlers splash pad area was opened to the public on 24 November 2007. There have been over 100,000 more visitors to Waterworld

compared to last year (i.e. 441,891 visitors in 2006/07 compared to 543,212 in 2007/08). The majority of these extra patrons is primarily attributable to the new slides that have been installed at Waterworld.

The four new slides consist of two twisting and turning hydroslide tubes (which are open 12 months of the year), and two speed slides that have 30 degree speed slopes (open in the summer months). There is fun for toddlers too, in the form of a splash pad with interactive water features such as fountains, water wells, sprays and bubbles.

#### **Waterworld upgrade**

The Waterworld facility had a facelift in July 2007. A new ceiling with lighting and tiles was installed above the main pool. The exterior of the Waterworld building was also painted in November 2007. The new look facility has received positive responses from members of the public following the refurbishments.

### **6.3 Creating Identity and Prosperity**

#### **BUILDING CONTROL**

##### **Energy Efficient Heating Initiative**

Council was recognised for being one of only three councils nationwide to respond to central government's call to make it easier for homeowners to adopt energy efficient heating in their homes through the waiver of building consent fees (which commenced on 1 July 2007).

The New Zealand Energy Efficiency and Conservation Strategy (launched in October 2007) is a key part of the Government's response to meeting its energy, climate change, sustainability and economic transformation goals.

In response to the strategy, Council has ensured that anyone wanting to install solar energy hot water in their home will not incur the building consent fees (usually \$215).

#### **PLANNING GUIDANCE**

##### **Urban Design Panel**

As part of CityScope (the Urban Design Strategy for the city) and its commitment to the New Zealand Urban Design Protocol, Council has set up and made available the advice of an urban design panel for the consideration and review of significant new development proposals within Hamilton.

The Urban Design Panel, which began operation in February 2008, provides free, independent expert advice on the key urban design elements of projects in the first stages. This ensures a quicker, easier consent process by helping address urban design considerations up front. The panel consists of a number of technical experts such as landscape architects, ecology and community design experts and members of the Heritage Protection Trust, Planning Institute and Engineers Institute.

The recommendations of the panel are considered by the Planning Guidance Unit in assessing Resource Consent applications and carry the same weight as other technical reports.

### **Resource Management Award**

The Resource Management Law Association Awards were presented at a conference on 5 October 2007 with the Outstanding Project Award for 2007 being awarded to Hamilton City Council and Bloxham Burnett and Olliver for the V8 Supercars resource consent application.

This project showed that the Resource Management Act 1991 is capable of delivering a positive consent outcome for even challenging and complex projects within a reasonable timeframe, while still adhering to the requirements of the Act in relation to public participation.

Council and Bloxham Burnett and Olliver were commended for the application of thorough and innovative documents. Putting in place the infrastructure required for such an event is a major task, and the documents were clearly expressed and logically set out.

## **ECONOMIC DEVELOPMENT**

### **City Heart**

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

There was a five week informal feedback period where displays were placed at strategic locations (e.g. the Central Library and Council's Reception Lounge) and public feedback forms were available. A web page was developed [www.hamilton.co.nz/cityheart](http://www.hamilton.co.nz/cityheart) that provided detailed information on the project and allowed the public to submit an on-line feedback form. The Waikato Times also ran an informal feedback process, including a telephone survey of 400 residents and a questionnaire (which was available online and via the newspaper). Formal feedback was then sought through the Proposed 2008/09 Annual Plan process. The community consultation for City Heart attracted a wide range of formal and informal submissions (120 in total), which influenced Council's final decisions. Whilst the majority of design concepts for City Heart received wide public support, it was the proposal to introduce a vehicle lane down the northern side of Garden Place that attracted significant opposition. In response to the community's feedback, Council decided not to proceed with this proposal.

As the City Heart project will affect large sections of the inner city, the approach to the project delivery will be a progression of a number of incremental projects in order to minimise disruption. A number of the concepts and ideas require further investigation, planning and design costing will be considered as part of Council's 2009-19 Long-Term Plan.

### **Hamilton Urban Fibre Network (HUFN) - a Broadband Initiative**

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.



HUFN is a joint venture that includes Council, Wintec, the University of Waikato and Environment Waikato. Each party has contributed fibre assets to create a high speed fibre network which will be further connected and extended around key parts of the city with funding from the Ministry of Economic Development.

In June 2007, the shareholders in HUFN formally signed the shareholders and operating agreements for the new entity. The first phase of the network upgrade project focused on connecting and upgrading existing duct sections within the CBD and extending the network to a small number of selected sites and to nearby commercial and industrial areas.

Already HUFN has positioned Hamilton as a leader in broadband space. A recent national survey of access to high speed broadband rated Hamilton as the best in New Zealand, largely due to HUFN.

### **The Creative Industries Incubator**

An exciting partnership is underway between Wintec and Council around a Creative Industries Incubator - now named Soda Inc, and will be located on the top floor of the Meteor. The Incubator will enable new creative start-up businesses to be in one central CBD hub. Businesses that tenant the Creative Incubator will be within a supportive environment for entrepreneurs, who will help grow the creative industries economy in Hamilton.

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

The project is aligned with Council's Creativity and Identity Strategy's goal of attracting and growing talent in the city, and is a partnership between Council, Wintec and local creative industries. Council has agreed to provide the space at the Meteor free of charge, with this arrangement to be reviewed annually.

### **Investment in Innovation Park**

Waikato Innovation Park is New Zealand's growth hub for Ag-Biotech businesses. The park is located on 17 hectares of land next to the Ruakura Research Centre, home to AgResearch, HortResearch, Landcare and Dexcel. It is in close proximity to the University of Waikato Campus.

In December 2007, Council resolved to invest \$2.4m into Innovation Park to enable development of at least one new building on the site. This investment will also be supported by funding contributions from the Ministry of Economic Development's Enterprise Partnership Fund (\$2m towards the new building and \$2m towards operating expenditure) as well as debt funding from Innovation Waikato.

Council's share in the development will be formally handed over to Innovation Park in December 2008. This total investment will mean that the Park will increase its economic contribution to Hamilton and the national economy. The increased significance of the Park may in turn attract businesses on a global scale.

## CITY PROMOTION

### Hamilton 400

The Hamilton 400 V8 Supercars is officially New Zealand's largest annual event with more than 172,000 attending over the three days of the event in April 2008.

Hamilton set an example of how cities can successfully host an event of this size with minimum disruption. Thousands used the free public transport, leaving Hamilton's roads clear and accessible for the unprecedented numbers of visitors. Behaviour in the city was impressive with police reporting a lower crime rate compared to an average weekend. The feedback received by Council has been very positive, particularly in relation to the city's hospitality and friendliness.

While the event was very successful, there is always room for improvement. Council put in place a formal V8 review process which was overseen by an independent chairperson. The review analysed the performance against all conditions in the resource consent, the outcome of all debriefs with emergency services, road control and a complete summary of any feedback received. The review also examined aspects of the race such as communication and marketing, project and financial management and regulatory management. Two reports were considered by Council in August 2008 - the first report concluded that all critical resource consent conditions were met and noted that the maximum number of people attending the event in 2009 may increase. The second report outlined all other recommendations that came out of the review process that did not relate directly to existing resource consent conditions. This report included an independent economic impact assessment which showed that \$28.3 million of new money was generated by the event in its first year. Incremental expenditure was generated by an estimated 51,750 visitors to the city. Of these visitors, 36,250 attended the event (the remaining 15,500 accompanied ticket holders to Hamilton but did not attend the event). It is anticipated that a similar amount of expenditure will be injected into the Hamilton and regional economy in each of the remaining six years of the event.

With the Hamilton 400 being New Zealand's largest annual event, Council made it a priority to ensure that provisions were in place for fans to reduce their V8 carbon footprint. The following outlines some of the achievements from the 172,000 who attended the event:

- 101,080 people used Hamilton's city buses immediately prior to and during the three day event, more than triple the number that would normally be carried during such a period.
- Thousands more used the Park and Ride bus service, cycled or walked to ensure the roads stayed congestion free and to reduce the carbon footprint of the event.
- 62% of the waste generated was able to be recycled and the event was kept clean and tidy.
- 2,000 eco-sourced native trees will be planted this planting season in the Wairere Drive gully system, to help offset carbon emissions.
- Over 1,000 race fans wrote down five ways that they can save fuel by changing their driving behaviour to enter Council's "Drive Like a Saint" competition, to win t-shirts signed by V8 drivers Greg Murphy and Jason Bright.

The website [www.hamilton.co.nz/v8supercars](http://www.hamilton.co.nz/v8supercars) has more information about the 2008 V8 Supercars Hamilton 400 event and the next race in 2009. Hamilton will host the event until 2014.

### **FIA World Rally Championship**

The New Zealand leg of the World Rally Championship (the FIA Rally of New Zealand) was held in Hamilton between 30 August and 2 September 2007. The World Rally Championship is one of the largest sporting championships in the world and saw Hamilton host some of the best rally drivers in the world with entries from Europe, Argentina, Japan and Australia.

Hood Street was the official rally start point, with the top cars on display and drivers and teams signing autographs and meeting rally fans. The FIA World Rally Championship draws massive worldwide television audiences with pictures of Hamilton beamed to audiences in more than 180 countries and drawing increased visitors to the city.

### **Fieldays Accommodation Service Launched**

Council's innovative new easy to use city-wide accommodation booking service was offered for the first time to visitors to Hamilton's Fieldays in June 2008, the largest agricultural event in the Southern Hemisphere. The accommodation booking service was initially developed for the V8 Supercars streetrace as a one-stop-shop for all available accommodation and covers the full range of accommodation types.

The service is easy to use — simply visit [www.visithamilton.co.nz](http://www.visithamilton.co.nz) and click on the 'Event Accommodation' tab. Exhibitors or large corporate groups are encouraged to contact Hamilton's iSITE directly for a special password-protected area of the site (which shows even more availability) by telephoning 07 958 5960 (within New Zealand) or 64 7 958 5960 (internationally).

## **HAMILTON CITY THEATRES**

### **Burn the Floor**

Internationally acclaimed dance troupe, *Burn the Floor*, provided a show stopping dance spectacular in Hamilton in August 2007.

The talented cast of 16 international ballroom dancers pulled off some extreme moves to the samba, jive and jitterbug, tango, rumba and more. They were accompanied by an energetic eight piece band and two fantastic vocalists. The dances ranged from legendary classics through to rock'n'roll and current pop icons.

The Broadway style, high energy show was performed with absolute precision thanks to the amazing choreography and cast of professional ballroom dancers, including New Zealand born dancer Peta Murgatroyd.

Securing *Burn the Floor* for Hamilton is a milestone for the city, ensuring Hamilton's metropolitan status alongside Auckland and Wellington.

### **The Dentist's Chair**

Fresh from a sell out season at the New Zealand International Arts Festival, Indian Ink, the creators of *Krishnan's Dairy* brought the eagerly anticipated fourth production *The Dentist's Chair* to Hamilton in May 2008 and received much critical and audience acclaim.

Provoked by the notion that 'life makes cowards of us all' *The Dentist's Chair* is set in that most terrifying of locations — the dentist's chair.

### **Strange Resting Places**

Taki Rua's *Strange Resting Places* came from the New Zealand International Arts Festival to Clarence St Theatre for a season from 30 April to 3 May 2008 following a special Anzac Day matinee at Waikato Museum.

This stunning production addressed a wide range of national, international, historical, social and cultural themes bound in a performance that explored the differences and the commonalities of two cultures. It is set in the run up to the United States bombing of the historic abbey on Monte Cassino in Italy in February 1944.

### **Comedy Convoy**

The 2008 *Comedy Convoy* visited Hamilton in May 2008, with two sell out shows staged at the Clarence Street Theatre.

The *Comedy Convoy* is a touring spin-off of the annual New Zealand International Comedy Festival in Auckland. It features leading New Zealand comedians and comic acts and a number of international artists largely from the United Kingdom and Australia.

This annual event has helped to further position Clarence St Theatre as the "Home of Hamilton comedy" which bodes well for other comedy shows planned with significant promoters on an ongoing basis. There has been a particular emphasis on building a comedy audience at Clarence St Theatre, with the partnerships that Hamilton City Theatres has developed with several promoters in the past two years considerably enhancing the offering of comedy shows in Hamilton.

### **Founders Theatre Air Conditioning**

Funding of \$511,000 was allocated for the installation of a new air conditioning system at Founders Theatre. Installation took place during January and February 2008, and has significantly increased comfort levels for audiences and performers in both summer and winter.

## **HAMILTON CITY LIBRARIES**

### **Free Tutorials at the Library**

As part of its commitment to making information more accessible to the community, Hamilton City Libraries started offering free tutorials in May 2007. The aim was to educate customers and staff in the use of the catalogue, webpages, internet and databases.

Whether library visitors wanted to search the internet and the catalogue system, search for biographies or complete a family history - the LEARN-it tutorials were a good place to start. The tutorials were held daily and alternated between the Chartwell, Hillcrest, Dinsdale, Glenview and St Andrews libraries. In future, the LEARN-it tutorials will be run on request.

### **Soundz Like Hamilton**

For two weeks during *Soundz Like Hamilton* in May 2008, the Central Library became a stage for talented local musicians. With everything from the classical sounds of

Amber Evemy and Hillcrest High's 30-piece string orchestra, to the rock chorus of Unleashed and Eshalon, there was something for everyone.

### **Library Elf**

Launched in October 2007, Hamilton City Library-users have been able to register for some 'elf-help' in the form of a free email reminder service. ELF is a web-based and email tool for library users that makes it easier for a borrower to keep track of what they have due, overdue or ready for pickup. Library users can subscribe to the ELF service free of charge by registering online at the Hamilton City Libraries website: [www.hamiltonlibraries.co.nz](http://www.hamiltonlibraries.co.nz).

### **Hamilton librarians join AnyQuestions**

In February 2008, Hamilton City Libraries launched its participation in the national programme [www.anyquestions.co.nz](http://www.anyquestions.co.nz) - a collaborative initiative between central government, schools and libraries nationwide.

The programme is an online reference service for all New Zealand primary and secondary school students. As part of the Te Reo Maaori service, Uia Ngaa Patai is a fantastic resource for those children who attend Kura Kaupapa Maori or Rumaki Units.

Students can log on between the hours of 1pm and 6pm, and ask a librarian for help. The Hamilton City Libraries Maori Services Leader (Kaiwhakahaere o Ngaa Ratonga Maori) is currently one of only four staff nationwide who are rostered daily to assist Maori-speaking students seeking assistance.

### **A Night at the Library**

Thirty genealogy enthusiasts chose to be locked in the library after hours, for the inaugural *Night at the Library* held in March 2008. Library staff and members of the New Zealand Society of Genealogists held tutorials using the library catalogue, the Ancestry database and other family history resources. They also hosted a tour of the archives area and opened up Level Three stack, normally off-limits to patrons.

## **WAIKATO MUSEUM**

### **Te Atairangikaahu: The Soaring Hawk of the Dawn**

From 8 December 2007 to 27 July 2008, visitors to the Museum could view the photographic exhibition that celebrates the life and reign of Te Arikinui Dame Te Atairangikaahu. The opening signified the official close of 12 months of mourning the loss of Te Arikinui Dame Te Atairangikaahu on 15 August 2006.

The Tangihanga (funeral) was captured on film with the permission of the Tainui people. The exhibition features this collection of photos throughout the formal period of the Tangihanga.

In essence, the exhibition is a celebration of the life of Te Arikinui Dame Te Atairangikaahu and outlines the pathway of her birthright and succession as a leader of Kingitanga during her 40 year reign. Te Arikinui was a Queen and leader who was both loved by her community and respected internationally for her wisdom and vision.

### **The Big Ice: Scientific Exploration in Antarctica**

On 9 May 2008 the *Big Ice* exhibition arrived at the Waikato Museum providing the opportunity for visitors to explore the world's most extreme continent and to celebrate

New Zealand's role in 50 years of scientific exploration in Antarctica. The exhibition ran until 3 August 2008.

The *Big Ice* inspired awe for the last great wilderness, a feeling of pride for the pioneers of the continent and amazement at the level of cutting-edge research currently being undertaken to better understand the workings of the continent and its effect on the rest of the planet.

The *Big Ice* captured the essence of the continent and highlighted its extremes. The exhibition featured the figureheads of many heroic Antarctic explorations, amazing artistic responses and stunning photography.

Exhibition visitors could take their pick of viewing real pieces of Antarctica, showing the impact of the extreme environment, learning about Antarctic penguins, dressing up in real Antarctic clothing or sitting on a sledge.

### **The Mighty River Waikato - from Hinaki to Hydropower**

The first exhibition of its kind, *The Mighty River Waikato* focuses on the Waikato region's natural heritage from a scientific perspective. The exhibition, which commenced in October 2007, and draws on other disciplines including social history, visual arts and tangata whenua to present comprehensive information about the Waikato River's diverse attributes.

The Waikato River was once a transport highway and a rich food source for early Maori who gathered eels in a fish trap known as a hinaki. Traditional Maori knowledge about the migration and behaviour of eels is being used to assist scientists monitor eel populations.

Some highlights of the exhibition include an impressionistic scene of Waikato in the deep past, a purpose-built discovery centre called the River Station where visitors can use modern wentzscopes (easy view microscopes). Investigative tools are used to examine river specimens and an interactive hydropower generation display features the beneficial use of water.

The continued preservation and use of the Waikato River has demanded a merging of cultural and scientific knowledge and the exhibition brings to life the relationships of science and culture to our regions natural heritage.

Over 3,000 people attended the *Go with the Flow* day held on Sunday 2 March 2008, to celebrate Children's Day and *The Mighty River Waikato* exhibition.

### **Qui Tutto Bene Exhibition: Italians in New Zealand**

From November 2007 to May 2008, visitors to the Waikato Museum had the opportunity to experience the Italian way of life with *Qui Tutto Bene - The Italians in New Zealand* exhibition.

The Waikato Museum developed a distinctively local component to the exhibition with the inclusion of 'Il Sapore Locale - The Local Flavour', to sit alongside *Qui Tutto Bene* and capture local stories from Italians in the Waikato with a strong focus on family and community.

*Qui Tutto Bene* provided an opportunity for visitors to the Museum to experience the richness and diversity of the Italian community and to encourage greater understanding and relationships across our culturally diverse community.

## **EVENT FACILITIES**

### **Redevelopment of Claudelands Events Centre**

The design phase of the upgrade and redevelopment of the Claudelands Events Centre has been ongoing during 2007/08, with the first of the physical works being the relocation of the historic Claudelands grandstand from the Heaphy Terrace side of the site to make way for the proposed development.

The relocation of the grandstand took place in April 2008, with the grandstand being moved 500m around the Claudelands Oval to the centre of Claudelands Park. The new location has been selected to enable the grandstand to take maximum advantage of the Park, including the playground and key components in the Claudelands redevelopment.

In planning and determining the grandstand relocation, Council consulted with the New Zealand Historic Places Trust and the Waikato Historical Society to ensure the heritage of the Claudelands site would be preserved.

The arena and conference areas are expected to commence in the first half of 2009 with the whole project anticipated to be completed in early 2011.

## **HAMILTON ZOO**

### **New Baby Tamarin for Hamilton Zoo**

A baby Cotton-topped Tamarin was born on 31 March 2007 at the Hamilton Zoo to parents Florence and Lucas. As is common practice for Cotton-topped Tamarins, father Lucas is responsible for looking after the baby during the day before handing it back to Florence for feeding.

Originating from North West Colombia, Cotton-topped Tamarins have a streak of long white hair on their heads, which they raise as a mild threat. The endangered species live in extended family groups and their diet consists of flowers, gum and animal matter - including insects, mice and birds.

### **Australasian Leadership Role for Hamilton Zoo**

Hamilton Zoo Director Stephen Standley has become a board member of the Australasian Regional Association for Zoological Parks and Aquariums (ARAZPA), reinforcing the zoo's leadership position in the Australasian region.

The aim of ARAZPA is to maximise the conservation role and raise the standard of its member zoos and enable these to jointly manage animal breeding programmes. Six staff at Hamilton Zoo coordinate a number of these regional breeding programmes.

Membership of ARAZPA plays a significant role in the long-term viability of the Zoo's animal populations, including many threatened native species such as kokako, brown teal and Hochstetter's frogs.

### **Hamilton Zoo Celebrates Rare New Zealand Falcon**

On 4 February 2008, Hamilton Zoo released a New Zealand falcon chick at Kakepuku Mountain, celebrating the city's first successful raising of this rare bird.

Once widespread throughout New Zealand, there are now only isolated populations nationwide and the falcon has been classified as endangered. Hamilton Zoo is working with the Kakepuku Mountain Conservation Society and the Department of Conservation to protect and preserve this impressive species.

## **6.4 Protecting Our Future**

### **WASTEWATER MANAGEMENT**

#### **20-year Resource Consent for Wastewater Plant**

In August 2007 Council was granted a 20-year resource consent for the management and discharge of wastewater at the Wastewater Treatment Plant in Pukete.

Hamilton's wastewater scheme is a critical part of the city's infrastructure that contributes to the health, safety and well-being of the community. The ability to deliver continuous high-level service in the long-term is central to Hamilton's ongoing sustainable development.

The application identified conditions that deliver a high level of public health, environmental protection and the best practical solution for Hamilton's future wastewater management - all in keeping with sustainable management principles.

#### **World-First in Hamilton**

The official opening of Hamilton's STERM™ (Sludge Total Energy Recuperation Module) plant in June 2008 is very timely with the growing concerns about wastewater disposal and carbon fuel usage. STERM™ also offers incredible environmental benefits and global trade opportunities. This was a private initiative undertaken in collaboration with Hamilton City Council on the site of the Waste Water Treatment Plant.

The new technology addresses one of the most challenging pollution problems - the sustainable elimination of human waste. The STERM™ eliminates sludge, the end product of wastewater treatment plants, which is traditionally loaded onto trucks and dumped in landfills, applied to land as fertiliser, or composted.

The STERM™ process incorporates a unique drying process that converts de-watered sludge into a sterile fuel which is recycled to provide energy for the system, leaving only an inert sand/ash as the end product. This remaining sand/ash represents a 93% reduction of the wet sludge processed and can be used for commercial purposes, such as road aggregate.

The best part about the new technology is that it is safe and offers numerous economic (huge carbon fuel savings), social (no odour affecting local communities) and environmental (sustainable elimination of wastewater sludge) advantages.

It is expected that the technology will attract global interest as environmental standards and concerns about wastewater disposal increase worldwide.



## **STORMWATER MANAGEMENT**

### **Stormwater Improvement Project**

Completion of the Brookfield St and Plunket Terrace stormwater improvement project (\$499,000) will prevent major flooding in the area.

The installation of new street drainage and the construction of a new outfall to the Waikato River from Plunket Terrace will eliminate such events. Work included the directional drilling of 170m of outfall pipe from Brookfield Street to the river.

### **Rototuna Stormwater Extension**

Extension of the stormwater network to enable urban growth in Rototuna continued in 2007/08, with funding of \$2.099m allocated for the project. The stormwater system was extended by constructing the first stage of a floodway channel to the northeast and a control weir in the existing floodway near Magellan Rise.

## **RECYCLING / REFUSE COLLECTION**

### **eDay**

Hamilton's first eDay was held on 29 September 2007, with 30 people volunteering for the day. The Hamilton contribution was impressive, with 42 tonnes of electronic waste being diverted from landfills, and coming in at second highest in the country. This included almost 1,400 monitors and 1,000 computers from the 840 cars that came through.

eDay is a community initiative designed to raise awareness of the hazardous nature of electronic waste (e-waste), while offering an easy way for households to dispose of old computers and mobile phones in an environmentally sustainable manner.

eDay was created in response to a growing concern about the volume of e-waste being dumped in landfills around the country with a potentially toxic effect on the environment. Electronic waste is one of the world's fastest growing and largest waste streams.

Kiwis cleared their home of nearly 300 tonnes of old computer equipment and mobile phones in New Zealand's first national eDay. Thanks to the event, more than 26,000 computer items (including monitors, central processing units and printers) were diverted from being dumped in landfills.

## **WATER SUPPLY**

### **Excellence Award for Water Treatment Station**

Hamilton's Water Treatment Station was recognised with a 'highly commended' at the 2007 INGENIUM Excellence Awards for physical works projects in New Zealand (INGENIUM is the Association of Local Government Engineering New Zealand Incorporated). The project was judged mainly on the criteria of economics, environmental, social, cultural, consultation and innovation strategies.

The Water Treatment Station upgrade (completed in February 2007) is a significant milestone in future planning for Hamilton. Along with improved capacity, the upgrade also addressed immediate concerns regarding Hamilton's water supply.

Hamilton residents now experience an improved water taste, along with improved filtering and treatment processes and protection against the risk of algal toxins.

The Water Treatment Plant upgrade also received a Silver Award from the Association of Consulting Engineers New Zealand (ACENZ) in their 2008 Awards of Excellence.

### **Wairere Drive Bulkmain Augmentation and Extension**

In conjunction with the construction of Wairere Drive from Hukanui to Tramway Road, the eastern bulk watermain was extended along Wairere Drive in 2007/08, at a cost of \$1.82m. This project was necessary to ensure that the water supply meets urban growth requirements.

## **SUSTAINABLE ENVIRONMENT**

### **Gully Restoration Programme**

Hamilton's extensive gully systems add another dimension to the cityscape, providing habitats and important ecological corridors for a wide range of wildlife.

Past gully neglect has devastated many native plants and animal species. A growing number of Hamilton residents are restoring their gullies to their former glory and with more than 5,000 properties containing or adjoining Hamilton's gullies and natural areas - the potential is huge.

Restoration of the 700-hectare expanse of gullies in Hamilton is a worthwhile challenge for the city. Focusing resources on priority areas has proven the most effective approach for both Council and private landowners and a number of good partnerships have already been formed.

Council, in partnership with the University of Waikato Centre for Continuing Education, presented a series of hands-on workshops focusing on gully restoration. Information builds on Council's Gully Restoration Programme and highlights the different stages of restoration and the distinctive features of gully ecology.

### **Sustainable Urban Design Workshops**

Council has introduced Sustainable Urban Design Workshops for people building their own home, refurbishing an existing home, or interested in finding out more about Hamilton's 'green' buildings.

The programme aims to contribute to a sustainable future for Hamilton through exploring designs that improve comfort and health, reduce natural resource consumption and save money.

The introduction of sustainable urban design workshops has been popular with residents wanting to learn more about sustainable design for their homes. The first set of workshops for 2008 ran from April to May and included: How to Buy a Better Home; Green Home Introduction; Eco-Design for a New House; and Fine Tuning a New House for Energy Efficiency.

With the first series in 2007 and 2008 proving so popular, a second series has been organised for the second half of the year (starting in August 2008). The workshops covered the following: Retrofit (a workout for your existing home); Water Efficiency; Solar and Wind Energy; and Eco-Home Design. For more information, please visit the website [www.hamilton.co.nz/sud](http://www.hamilton.co.nz/sud).

## **TRANSPORT: ROAD NETWORK MANAGEMENT**

### **Intersection Upgrade: Avalon Drive / Wairere Drive / Te Rapa Road**

Traffic signals have replaced a roundabout at the busy Avalon Drive / Wairere Drive / Te Rapa Road intersection in a bid to make the area easier for pedestrians and cyclists to cross safely. New approach lanes have been constructed on all four parts of the intersection, and shared cycle and pedestrian paths constructed on Wairere Drive and both sections of Te Rapa Road.

This construction project forms another component of the city's planned transport network for the north of Hamilton. The intersection upgrade is located on the city's ring road and has helped to manage traffic congestion in the north of the city.

Council paid Transit New Zealand a contribution of \$2.6m (funded by an Access Hamilton loan) towards the cost of four-laning Te Rapa Road from Church Road to Avalon Drive, and upgrading the Avalon Drive/Wairere Drive intersection.

### **Avalon Drive Bypass**

This Transit New Zealand project has progressed well. The construction for the rail bridge and the new roundabout at Rifle Range Road has involved extensive collaboration between Council, Transit and ONTRACK. The project involved the closure of Norton Road for an extended period of time, during which an extensive upgrade of Norton Road was undertaken. Once construction of the new rail bridge has been completed, Norton Road will be lowered to pass under the rail bridge and connect to the new roundabout.

### **Rototuna Roading Growth - River Road and Gordonton Road**

The first of these projects (with a funding allocation of \$3.65m in 2007/08) is to provide the reconstruction of River Road to urban standard between a point north of Sylvester Road and approximately 1858 River Road. The work includes on-road cycle facilities, pedestrian facilities, kerb and channel, street lighting and sealed road pavement.

The second project provided for the designation of a strip of land along Gordonton Road, between Crosby Road and Borman Road, to protect the corridor for future road widening and urban upgrade. The cost of the project was \$116,600 in 2007/08.

Both of these projects have been designed in 2007/08 and construction for River Road is planned in 2008/09.

### **40km/h: New Speed Zones around Schools**

Providing a safer journey to and from school for children is a key priority at the heart of Council's commitment to improving road safety. Reducing vehicle speeds to 40km/h or less significantly reduces the possibility of crashes and the level of injury sustained if a vehicle strikes a child or any other pedestrian.

Initially 14 new speed zones around primary and intermediate schools were introduced in April 2008. At the end of the 2007/08 financial year, the total increased to 18 schools. Introduction of the speed zones is part of Council's commitment to the 2010 Child Casualty Reduction targets.

The new speed zones have been marked with electronic 40km/h speed limit signs and feature alternating flashing beacons as vehicles approach the zone while speed restrictions are in operation.

Speed zones are in operation 35 minutes before school starts and 20 minutes after the end of the school day. They can also be used by the schools at other times when large numbers of children will be using the road.

## **TRANSPORT: ACCESS HAMILTON**

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

This \$20m project, to be constructed between Hukanui Road and Tramway Road, is the largest Council has ever awarded. The project commenced in September 2004 and is anticipated to be completed by October 2010.

This project forms part of the city's ring road and is a key part of the Access Hamilton integrated transport system, which includes off-road pedestrian and cycling facilities. The new road will link Hukanui to Tramway Road. A continuation of the route to the south (E1) is the next step in the Wairere Drive corridor that will in time connect with Cobham Drive.

In addition to the transport elements of the project, Council has invested in significant wastewater and clean water infrastructure and these components have been included as part of the same contract.

As part of the tender process, Council worked with the possible contractors to promote innovation to achieve cost-savings and minimise public disruption during the construction period. This was a successful process and has significantly reduced the impact on residents in the area.

### **Norton Road Upgrade**

The Norton Road upgrade commenced in August 2007, with the majority of work completed by June 2008, with a number of integrated features and safety improvements included in the project.

There were several safety aspects central to the upgrade. Reducing the high contour of the road and installing a widened central flush median has enabled safer right-turning for vehicles at intersections and into properties. Safe and convenient pedestrian islands for the visually impaired have also been installed at key locations. The project also involved marking dedicated cycle lanes, providing indented parking bays and lighting upgrades. The Norton Road / Maeroa Road intersection has been future proofed for possible traffic signals. The total project cost was \$2.45m.

### **Priority Lane for Buses**

On 5 May 2008, the first bus lane in Hamilton began operation. The dedicated lane runs along the east side of Hukanui Road between Elmira Avenue and to the intersection of Clarkin Road/Snell Drive.

This improvement has allowed buses to lessen their travel time, with minimal effect on other traffic. The bus priority lane can also be used by cyclists, motor cyclists and mopeds.

**Heaphy Terrace Upgrade**

The makeover of the Heaphy Terrace shopping area (carried out between September 2007 and March 2008) has resulted in many improvements - based on improving the safety of pedestrians and cyclists. The main issues focused on were the amount of and impact of illegal on-street parking, the lack of visibility for pedestrians using the crossing and the lack of facilities for cyclists.

The improvements have seen a relocation of the kerbs at intersections and new pedestrian islands being installed. New marked parking includes four parking bays for people with disabilities and two 5-minute bays.

The shopping area between Winter Street and Alfred Street now has new bench seating, rubbish bins and cycle parking, cycle lane markings, resurfacing of footpaths and street trees and landscaping changes.

The investment in this project was approximately \$360,000, which includes the costs of design and consultation. Land Transport New Zealand provided 55% of the funding.

**Waikato Regional Transportation Model**

The Waikato Regional Transportation Model (WRTM) is a new \$2.25m transport model planned for the Waikato Region that will replace the existing models held by councils and consultants throughout the region. The WRTM is being managed by Local Authority Shared Services Ltd, a council controlled organisation that manages shared services for the benefit of regional ratepayers. There are eight funding partners involved in the WRTM project including seven local authorities and Transit New Zealand. Hamilton City Council's share of the model build phase is 22.5% spread across two financial years.

The WRTM model build is scheduled for completion in June 2009. It is currently in the data collection phase, which involves three main components:

- a roadside interview survey, completed in June 2008, which undertook 47,000 driver surveys;
- a Household Interview Survey which commenced on 21 July, which aims to survey 1% of all households (2,000) in the Waikato Region;
- a Bus Passenger Survey that commenced on 24 July and will survey 33% of all passengers on buses servicing Hamilton.

Once completed, the WRTM will enable testing of land use policy (e.g. structure plans, major resource consents), assessment of roading schemes (e.g. Wairere Drive, E1) and new bus passenger services.

## 7.0 Treaty of Waitangi / Council's Partnership With Maori

(KO TE TIRITI O WAITANGI ME NGA HONONGA O TE KAUNIHERA KI TE IWI MAORI)

### 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 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>3</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>4</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% of Hamilton's residents. It is estimated that 40% of those identifying as Maori are from hapu with close ties to the Hamilton area, while 60% 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.

### 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

<sup>3</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>4</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.

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.

Council is currently undertaking a review of its current capacity and relationships with Maori organisations. Each of Council's three partner organisations are involved in the review process as key stakeholders. The existing relationship, roles and functions of each of the partner relationships is outlined as follows.

#### **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. Consequently, a key environmental issue for the Raupatu Lands Trust is to monitor any pollutant effects on the river and lakes within the city. During 2007/08 the Guardians Establishment Committee (GEC) formed to develop a Vision for the Waikato River. Hamilton Mayor Bob Simcock was a member of this committee. Council will continue to work with Waikato-Tainui to develop appropriate processes that contribute to realising the vision set out by the GEC.

#### **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.

**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). Representatives from the two organisations meet regularly to discuss how to facilitate Council consultation with Maori, to support Maori social services and organisations and to discuss how Maori can contribute to decision-making. 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). Twenty-seven Maori organisations accessed grants from the Maori and Pacific Project Fund in 2007/08.

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.



## 8.0 Monitoring Council's Performance

(NGA RARANGI TATARI KONOHE TE KAUNIHERA)

### 8.1 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.

### 8.2 Non-Financial Monitoring Mechanisms

Council's primary mechanism to monitor non-financial performance is through the use of the 148 performance measures and targets outlined in Council's 2006-16 Long-Term Plan. These measures are reported on annually through Council's Annual Report.

In addition, a selection of these measures and targets, along with updates on a progress of a selection of significant Council projects, are monitored and reported on a regular basis to Council's Finance and Audit Committee meetings.

Information for the quarterly non-financial reports to the Finance and Audit Committee is primarily obtained through:

- Council's Quarterly Residents Survey
- Council's Customer Satisfaction Survey Programme.

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 ongoing requests for service from the public, consultation/submission processes on various plans and strategies (e.g. submissions, meetings, forums and focus groups), neighbourhood network meetings and partnerships with various organisations.

#### Council's Quarterly Residents Survey

Council's Quarterly Residents Survey (QRS) 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 QRS provides a number of performance measures and targets for Council's 2006-16 Long-Term Plan and related Annual Plans, as well as providing background information for a number of Council investigations and decisions. Information from the QRS (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 10.0.

In the 2006/07 financial year interviewing and reporting for the survey moved from an annual to a quarterly basis. The interview schedule for the QRS is outlined below.

Quarter	Survey Timing	Sample Size
1. July - September	Late August / Early September	175 respondents
2. October - December	Late November / Early December	175 respondents
3. January - March	Late February / Early March	175 respondents
4. April - June	Late May / Early June	175 respondents

During 2003, the management of Hamilton City Council developed a framework to interpret the customer satisfaction index (CSI) scores<sup>5</sup> for the facilities and services measured within the Residents Survey 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.

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 - 78
78 - 81	Very good performance	73 - 76
73 - 77	Good performance, but with potential for improvement	68 - 72
67 - 72	Fair: Needs improvement	62 - 67
66 or lower	Needs significant improvement	61 or lower

Results from the 2008 Residents Survey report (results from the four quarters July 2007 to June 2008) show that although the ratings were slightly lower than those recorded in the year ended 2007, they still represented high levels of satisfaction for key areas.

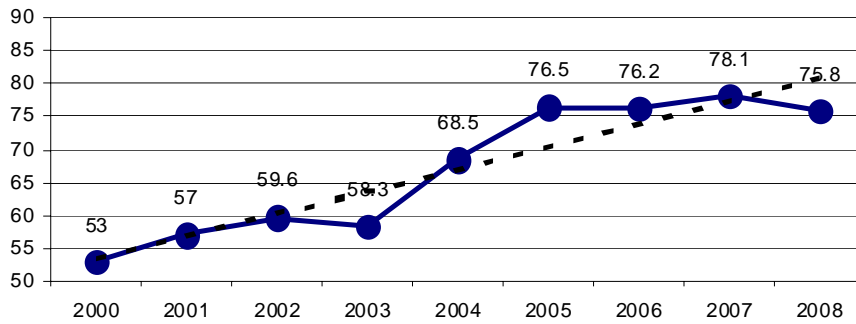
Question	2005	2006	Jul 06 - Jun 07	Jul 07 - Jun 08
Overall performance of Council (CSI Score)	76.5	76.2	78.1	75.8
Hamilton as a place to live (CSI Score)	82.8	81.6	83.8	82.3
Value from residential rates (Value for Rates Index)	70.8	69.5	69.2	68.1
Quality of Council facilities and services in the past year (Improvement Rating Index)	72.5	71.1	75.6	73.3

#### Overall Performance of Council

Residents were asked how they rated Council's overall performance over the 2007/08 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 75.8.

<sup>5</sup> 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.

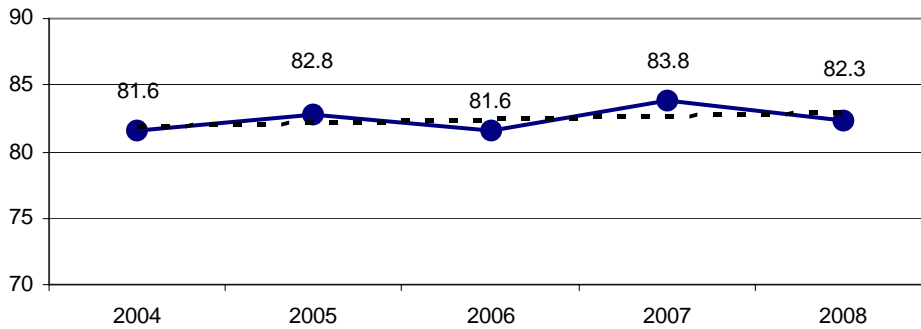
**OVERALL PERFORMANCE OF COUNCIL (CSI Score)**



**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 82.3, reflecting exceptional customer satisfaction.

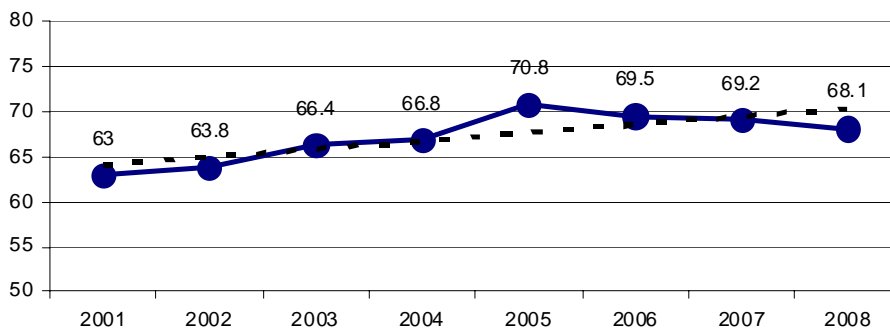
**HAMILTON AS A PLACE TO LIVE (CSI Score)**



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

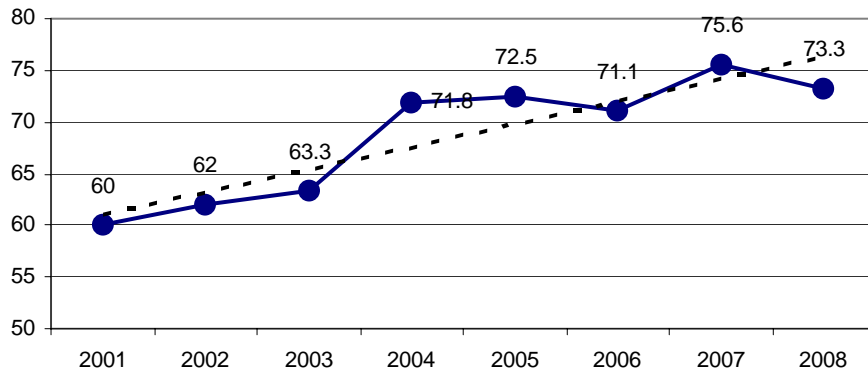
**VALUE FROM RESIDENTIAL RATES (Value Index)**



## 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 2008 was 73.3.

QUALITY OF COUNCIL SERVICES AND FACILITIES (Improvement Index)



## Main Issues Council Should be Looking at

Respondents to the QRS are also asked to identify the three most important issues that Council should be looking at. Responses to this question provide important data for Council when considering service levels for Council projects and programmes. The table below highlights the most important issues mentioned for the past five years.

*Roads* was rated as the main issue (24.4% of total mentions) this year while *Law and Order* (23.7%) was the second most commonly mentioned issue. *Traffic* (20.1%) was the third most commonly mentioned issue, with *Rates* (11.0%) being fourth. This was followed by *Public Transport* (10.6%) then *City Development / Planning* (8.5%).

2004	2005	2006	Jul 06 - Jun 07	Jul 07 - Jun 08
<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> <li>• <b>Public Transport</b> (9.7%)</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> <li>• <b>City Development / Planning</b> (14.7%)</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> <li>• <b>Recreational facilities</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> <li>• <b>Road safety</b> (8.1%)</li> <li>• <b>Rates</b> (7.2%)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Roads</b> (including road maintenance, development of roads and bypasses) (24.4%)</li> <li>• <b>Law and Order</b> (including safety, crime, graffiti and other law and order) (23.7%)</li> <li>• <b>Traffic</b>, including congestion (20.1%)</li> <li>• <b>Rates</b> (11.0%)</li> <li>• <b>Public Transport</b> (10.6%)</li> <li>• <b>City Development / Planning</b> (8.5%)</li> </ul>

### **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 68 facilities and services surveyed in the 2008 Residents Survey, 25 increased their satisfaction rating between 2007 and 2008 and 43 recorded a decreased rating. The results for 2008 (July 2007 - June 2008) are slightly lower than the July 2006 - June 2007 result but most still remain above the 2006 results. While many of the CSI scores are down slightly, the results remain significantly ahead of recent history. The 2008 results show that once again, significant proportions of Hamilton residents are very satisfied with most of the services and facilities Council provides (although Council recognises that 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 this in-depth feedback (along with other information) to identify, consider and make improvements to its facilities and services.

For more information about the Quarterly Residents Survey, go to [www.hamilton.co.nz/residentssurvey](http://www.hamilton.co.nz/residentssurvey).

### **Customer Satisfaction Survey Programme**

Council also operates a ongoing programme of Customer Satisfaction Surveys (around 50 in total) for most Council activities to gain detailed feedback from residents / customers on perceptions of the performance of individual Council services and facilities. The methodologies of these surveys vary depending on the customer characteristics. For example, The Zoo explain the purpose of the survey face-to-face with the public as they enter the facility and they can either complete the survey at the end of their visit or are given a pre-paid envelope to post back following completion, while Water and Waste Services use phone 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.

### **Quality of Life Project**

Hamilton City Council is a contributing member council of the Quality of Life Project, which was initiated in response to growing pressures on urban communities, concern about the impacts of urbanisation and the effects of this on the well-being of residents.

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.

The 12 member councils are:

- Rodney District Council
- North Shore City Council
- Auckland City Council
- Waitakere City Council
- Tauranga City Council
- Porirua City Council
- Hutt City Council
- Wellington City Council

- Manukau City Council
- Hamilton City Council
- Christchurch City Council
- Dunedin City Council.

The latest substantive report from the project was published in December 2007 and can be accessed online at [www.qualityoflifeproject.govt.nz](http://www.qualityoflifeproject.govt.nz) or in hard copy from Council's Strategic Group (phone 838 6810, email [strategic@hcc.govt.nz](mailto:strategic@hcc.govt.nz)). The 2007 report details results for 68 indicators (and 186 measures) comprising 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 was undertaken in July 2006. The next survey is scheduled to be undertaken from July to October 2008. This will be a telephone survey of 7,500 residents (aged 15 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 available on the [www.qualityoflifeproject.govt.nz](http://www.qualityoflifeproject.govt.nz) website from January 2009.

#### **Performance Measures and Targets for Significant Services**

Key performance measures and targets for each of Council's 25 significant services (as outlined in Council's 2006-16 Long-Term Plan) are shown and reported on in Section 10.0.

## 9.0 A Community Vision for the City

### (NGA KITENGA HAPORI MO TE TAAONE-NUI)

As noted in Section 2.0, the Local Government Act 2002 (LGA 2002) requires local authorities 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.

The outcomes identified by the community indicate the community's desire for how the city should progress socially, economically, environmentally and culturally (known as the four well-beings).

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

While it is acknowledged that Council performs a wide range of activities and contributes in different ways to a number of Hamilton's Community Outcomes, it needs to be emphasised that Council is only one of a wide range of organisations whose actions and direction promote community well-being in the city. Organisations such as the private sector, government agencies, health and social service agencies and iwi/Maori organisations also make a significant contribution to promoting community well-being and have the mandate, resources and ability to influence the city's progress towards Hamilton's Community Outcomes. These outcomes enable increased participation and collaboration between such organisations and also assist in making Hamilton a more sustainable city.

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

Council is required to report not less than once every three years on progress made towards Hamilton's Community Outcomes. A comprehensive community outcomes progress report will be produced at the end of 2008. As required by the Local Government Act 2002, Hamilton's Community Outcomes will be reviewed in 2011.

#### **Reporting on Community Outcomes Progress Indicators for 2007/08**

Approximately 50 of the 116 Community Outcomes Progress Indicators are shown throughout Section 10.0 (Statements of Service Performance). The Progress 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 Progress Indicators reported in Section 10.0 focus on the most recent results available. No interpretative analysis of these results has been undertaken (apart from

showing the trend of the results over time). In depth analysis and interpretation will be included in the full 3-year Community Outcomes report to be released in late 2008.

A number of the Community Outcome Progress Indicators also assist in measuring identified effects (positive and negative) that the delivery of each significant service has on community well-being<sup>6</sup>.

The set of Hamilton's Community Outcomes is outlined below.

**HAMILTON'S COMMUNITY OUTCOMES**

HAMILTON'S COMMUNITY OUTCOMES

<p style="background-color: #5bc0de; color: white; padding: 2px;"><b>SUSTAINABLE AND WELL-PLANNED</b></p> <p><i>"An attractive city that is planned for the well-being of people and nature, now and in the future"</i></p> <p><b>HAMILTON PEOPLE WANT A CITY THAT:</b></p> <ol style="list-style-type: none"> <li>1.1 Is easy to get around so everybody can access services and facilities.</li> <li>1.2 Is safe and enjoyable for walking and cycling, encourages innovative transport options and has quality public transport.</li> <li>1.3 Has integrated transport systems that connect it to New Zealand and the world.</li> <li>1.4 Protects and enhances its green spaces and natural environment for everyone to value and enjoy.</li> <li>1.5 Uses processes of sustainable urban design that enhance neighbourhood communities.</li> <li>1.6 Sustainably manages resources such as water and energy.</li> <li>1.7 Encourages and enables people to recycle and minimise waste.</li> </ol>	<p style="background-color: #17a2b8; color: white; padding: 2px;"><b>VIBRANT AND CREATIVE</b></p> <p><i>"A city that encourages creativity for a vibrant lifestyle"</i></p> <p><b>HAMILTON PEOPLE WANT A CITY THAT:</b></p> <ol style="list-style-type: none"> <li>2.1 Is recognised for its wide range of events, activities, attractions and entertainment for everyone, including iconic events.</li> <li>2.2 Has a vibrant arts and music scene and supports and celebrates its artists, festivals and facilities.</li> <li>2.3 Acknowledges and celebrates the creativity of Maori arts and culture.</li> <li>2.4 Respects and celebrates its diverse communities.</li> <li>2.5 Values and protects heritage sites, buildings and landmarks.</li> <li>2.6 Has an attractive and lively city centre.</li> <li>2.7 Celebrates and promotes its talent and creativity.</li> </ol> 	<p style="background-color: #ffc107; color: white; padding: 2px;"><b>UNIQUE IDENTITY</b></p> <p><i>"A city with a strong identity that recognises the significance of its river and history"</i></p> <p><b>HAMILTON PEOPLE WANT A CITY THAT:</b></p> <ol style="list-style-type: none"> <li>3.1 Treasures and enjoys the Waikato River.</li> <li>3.2 Acknowledges and celebrates the unique place of Waikato Maori.</li> <li>3.3 Is not too big and not too small, providing everything that makes life convenient without the problems of other cities.</li> <li>3.4 Fosters pride in its natural and built environments and encourages people to work together to keep these clean and tidy.</li> <li>3.5 Is a great place to learn, work and play, where people are proud of the education sector and embrace student culture.</li> <li>3.6 Supports research, education and innovation, and is recognised as a centre of excellence.</li> <li>3.7 Supports its significant youth population by providing targeted activities and services.</li> </ol>
<p style="background-color: #dc3545; color: white; padding: 2px;"><b>SAFETY AND COMMUNITY SPIRIT</b></p> <p><i>"A safe, friendly city where all people feel connected and valued"</i></p> <p><b>HAMILTON PEOPLE WANT A CITY THAT:</b></p> <ol style="list-style-type: none"> <li>4.1 Has safe roads and low crime rates, where people can feel secure at all times.</li> <li>4.2 Promotes awareness and involvement in community activities and events.</li> <li>4.3 Enables ethnic communities to feel connected and valued.</li> <li>4.4 Addresses social issues and values volunteers.</li> <li>4.5 Builds socially engaged, responsive communities.</li> </ol> 	<p style="background-color: #ffc107; color: white; padding: 2px;"><b>HEALTHY AND HAPPY</b></p> <p><i>"Active and healthy people with access to affordable facilities and services"</i></p> <p><b>HAMILTON PEOPLE WANT A CITY THAT:</b></p> <ol style="list-style-type: none"> <li>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.</li> <li>5.2 Provides affordable, responsive and accessible activities and health care for people of all ages and abilities.</li> <li>5.3 Is an ideal place for family and whanau, with lots of activities and places for tamariki and rangatahi to enjoy.</li> <li>5.4 Provides access for all people to a range of healthy, affordable, quality housing.</li> </ol>	<p style="background-color: #6c757d; color: white; padding: 2px;"><b>INTELLIGENT AND PROGRESSIVE CITY</b></p> <p><i>"Business growth that is in harmony with the city's identity and community spirit"</i></p> <p><b>HAMILTON PEOPLE WANT A CITY THAT:</b></p> <ol style="list-style-type: none"> <li>6.1 Is recognised as the thriving economic hub for the Waikato region and provider of regional services.</li> <li>6.2 Attracts and retains sustainable, innovative businesses.</li> <li>6.3 Offers a range of job opportunities throughout the city to suit all skill levels.</li> <li>6.4 Is progressive and cosmopolitan, creating an environment for business success.</li> <li>6.5 Attracts and retains people and investment and grows great ideas.</li> </ol>
<p style="background-color: #6c757d; color: white; padding: 2px;"><b>WORKING TOGETHER</b></p> <p><i>"Collaborative decision-making and planning are common practice"</i></p> <p><b>HAMILTON PEOPLE WANT A CITY THAT:</b></p> <ol style="list-style-type: none"> <li>7.1 Engages all local communities in planning and developing the city's future.</li> <li>7.2 Ensures Maori are respected as a partner in decision-making and have a voice on issues that affect the city.</li> <li>7.3 Has organisations that work together to achieve all community outcomes.</li> </ol>		

LET'S TAKE HAMILTON FORWARD TOGETHER

For further information on Hamilton's Community Outcomes, please visit: [www.myhamilton.org.nz](http://www.myhamilton.org.nz).

<sup>6</sup> As required by Schedule 10, Clause 15(c) of the Local Government Act 2002.



## 10.0 Statements of Service Performance

(HE PURONGO KONOHETE)

### 10.1 Introduction

This section reports on how Council's 25 significant services performed during 2007/08, both in terms of service delivery and financial results.

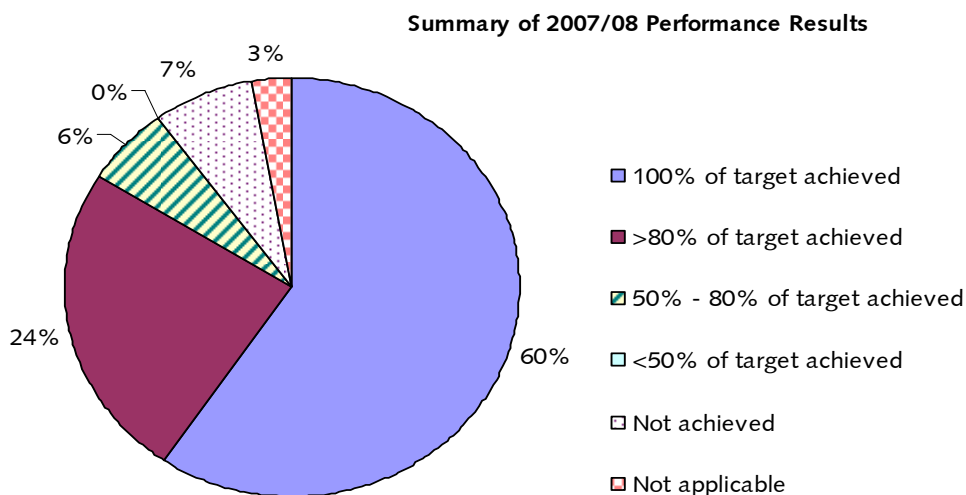
Council's 2006-16 Long-Term Plan includes the key performance measures and targets for each of the 10 financial years covered by the plan. These measures are used to report on how the significant services performed<sup>7</sup> in 2007/08. The performance measures and targets in the 2006-16 Long-Term Plan 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.

The statements of service performance for 2007/08 are reported by each significant service under the Strategic Framework's three statements of strategic intent (*Investing In Our People, Creating Identity and Prosperity and Protecting Our Future*).

### 10.2 Summary of Results for Performance Measures and Targets

In 2007/08 there were 148 performance measures across Council's 25 significant services (from Year 2 of Council's 2006-16 Long-Term Plan). Of these, 88 measures (60%) were 100% achieved, 36 (24%) were greater than 80% achieved, 9 (6%) were 50% - 80% achieved, none were less than 50% achieved, 11 (7%) were not achieved and 4 (3%) were not applicable.

The pie graph below shows the overall performance results for 2007/08 against the achievement scale.



<sup>7</sup> Local Government Act 2002, Schedule 10, Part 1, Clause 2 (2)(a).

## 10.3 Guide to the Statements of Service Performance

### CITY STRATEGIC FRAMEWORK

- **Significant Services**  
Outlines the significant services that form one of the three components<sup>8</sup> of the City Strategic Frameworks.
- **Performance Results for 2007/08**  
Shows the overall results for performance measures for the framework at a glance.

### COST OF SERVICE

- The Cost of Service table shows the cost centre accounts for the Strategic Framework area comparing actual expenditure against budget (for 2007/08 as well as 2006/07). The table shows how much revenue and expenditure (budget/actual) there was for each of the operational significant services in the cost centre.

### SIGNIFICANT ACQUISITIONS OR REPLACEMENTS OF ASSETS

- Describes any significant acquisitions or replacements of assets, the reasons for the acquisitions or replacements, and the reasons for any significant variation from that shown in year 2 (2007/08) of the 2006-16 Long-Term Plan<sup>9</sup> (for capital projects exceeding \$1m).

### SIGNIFICANT SERVICE

- **Description of the significant service**  
Provides a brief description of each significant service. Also shows the total cost of providing this service in 2007/08.
- **Key Performance Measures and Targets: 2007/08 Results**  
Shows the objective, performance measures and targets for the significant service as shown in year 2 (2007/08) of the 2006-16 Long-Term Plan. Results for the 2007/08 financial year are provided and assessed against an achievement scale (not achieved, < 50% achieved, 50-80% achieved, >80% achieved, 100% achieved).

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

<sup>8</sup> Strategic Framework A, B and C equate to 'Group of Activities' as defined by Schedule 10, Part 3, Clause 15 (a) of the Local Government Act 2002.

<sup>9</sup> Local Government Act 2002, Schedule 10, Part 3, Clause 15(f).

- **Identified Effects on Community Well-Being<sup>10</sup>**

Overall, the delivery of Council's services results in positive effects on the well-being of the community. However, Council also recognises that in some cases the services it provides can have negative effects in one form or another, which are minimised or mitigated through a range of mechanisms.

In the reporting for 2007/08, a selection of key positive effects that each of the 25 significant services have had on community well-being are identified.

Council has also identified whether any of the potential or existing significant negative effects outlined in the 2006-16 Long-Term Plan occurred in 2007/08. This reporting is part of ensuring that Council is accountable to the community for its decisions and actions.

**Positive Effects**

Identifies for each Significant Service up to four examples of key projects/initiatives undertaken in 2007/08 that contributed to a positive effect on community well-being.

**Significant Negative Effects**

This section reports on the significant negative effects that were identified in the 2006-16 Long-Term Plan. It also reports on whether the effect occurred in 2007/08 and any mitigating measures that Council undertook. The following factors were considered in determining the existing or potential significant negative effects:

- the number of people who could be affected
- the degree to which they could be affected
- the extent to which public health and safety is or could be compromised
- the likelihood of the significant negative effect occurring.

- **Community Outcomes influenced by the Significant Service**

Reports the results of measurements of progress towards a number of Hamilton's Community Outcomes (through the monitoring of specific Community Outcomes Progress Indicators<sup>11</sup> that Council's Significant Services are likely to be contributing towards).

In some instances, there are no relevant indicators in the set of Community Outcome Progress Indicators that are influenced by a particular Significant Service.

It should be noted that although these Significant Services contribute towards progressing a number of Hamilton's Community Outcomes, Council is only one of many organisations that promote and contribute to these outcomes.

<sup>10</sup> Council is required by Schedule 10, Part 3, Clause 15(d) of the Local Government Act 2002 to describe in relation to each of its groups of activities, any identified effects that any activity (significant service) within the group of activities has had on the social, economic, environmental, or cultural well-being of the community.




Council is also required by Schedule 10, Part 1, Clause 2 (1)(c) of the Local Government Act 2002 to outline in its LTCCP (Long-Term Plan) in relation to each group of activities, any significant negative effects that any activity within the group of activities may have on the social, economic, environmental, or cultural well-being of the local community.

<sup>11</sup> Council is required by Schedule 10, Part 3, Clause 15(c) of the Local Government Act 2002, in relation to each group of activities, to report on the results of any measurement undertaken during the year towards the achievement of the community outcomes.

The relevant City Strategy that the Community Outcome area is delivered through is also identified.

The 'Trend' column shows whether the trend is moving upwards or downwards over time.

## Icon key

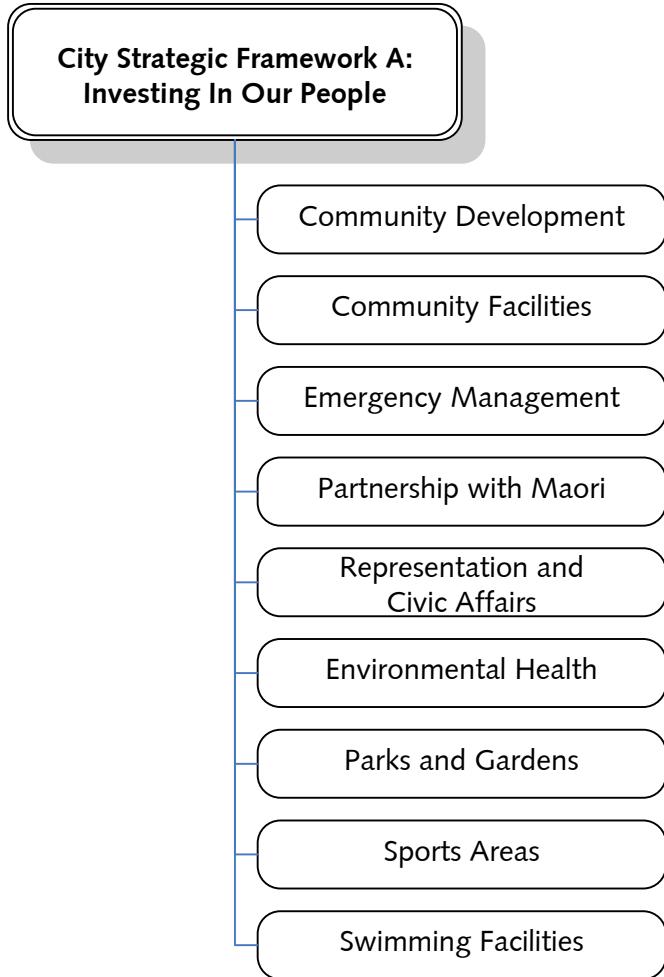
	Increase
	Decrease
	Stable

***Strategic Framework A: Investing In Our People***

(KAUPAPA RAUTAKI MO TE TAONE NUI A: KO TE IWI)

**Significant Services included in Framework A**

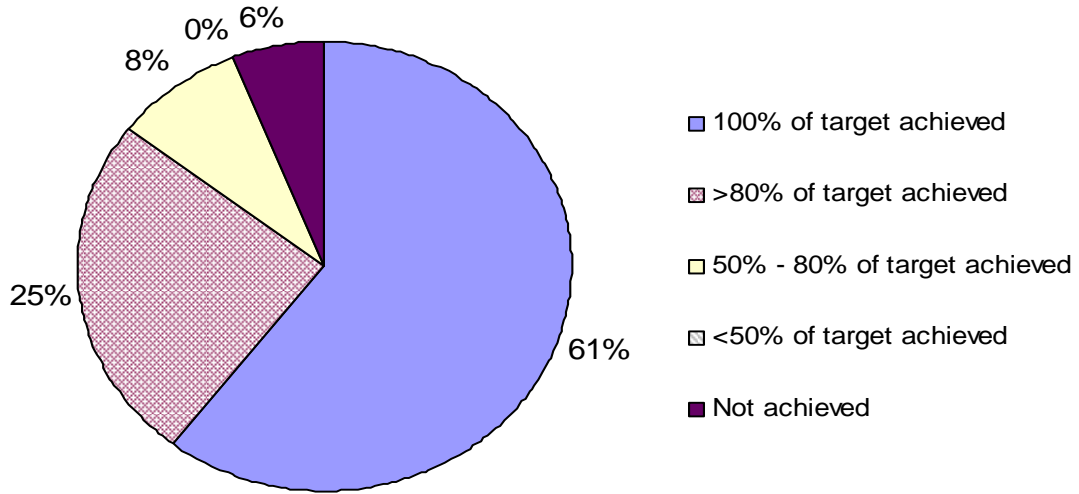
Framework A comprises the following nine significant services:



**Performance Results for 2007/08**

The pie graph on the next page shows the overall achievement of the performance measures for the Significant Services in Strategic Framework A for year two (2007/08) of Council's 2006-16 Long-Term Plan.

**Strategic Framework A: Investing In Our People  
2007/08 Performance Results**



In 2007/08 there were 48 performance measures<sup>12</sup> for *Investing In Our People*. Of these, 29 (61%) were fully achieved, 12 (25%) were over 80% achieved, 4 (8%) were 50% to 80% achieved, none were less than 50% achieved and 3 (6%) were not achieved.

The significant services that follow in this section show the results for each performance measure in detail.

**Council's Contribution to Hamilton's Community Outcomes**

The following table shows how each significant service under Framework A *Investing In Our People* contributes to Hamilton's Community Outcomes. In most cases a significant service will contribute to a number of community outcomes. However, the community outcomes shown are those that the significant service primarily contributes to.

Significant Service	Primary Community Outcome area	Specific Community Outcome
<b>Community Development</b>	4. Safety and Community Spirit "A safe, friendly city where all people feel connected and valued"	4.5 Builds socially engaged, responsive communities.
<b>Community Facilities</b>	5. Healthy and Happy "Active and healthy people with access to affordable facilities and services"	5.4 Provides access for all people to a range of healthy, affordable, quality housing.
<b>Emergency Management</b>	7. Working Together "Collaborative decision-making and planning are common place"	7.1 Engages all local communities in planning and developing the city's future.
<b>Partnership with Maori</b>	7. Working Together "Collaborative decision-making and planning are common place"	7.2 Ensures Maori are respected as a partner in decision-making and have a voice on issues that

<sup>12</sup> Two performance measures in *Investing In Our People* did not have targets for 2007/08.

		affect the city.
<b>Representation and Civic Affairs</b>	7. Working Together “Collaborative decision-making and planning are common place”	7.1 Engages all local communities in planning and developing the city’s future.
<b>Environmental Health</b>	5. Healthy and Happy “Active and healthy people with access to affordable facilities and services”	
<b>Parks and Gardens</b>	1. Sustainable and Well-Planned “An attractive city that is planned for the well-being of people and nature, now and in the future”.	1.4 Protects and enhances its green spaces and natural environment for everyone to value and enjoy.
<b>Sports Areas</b>	5. Healthy and Happy “Active and healthy people with access to affordable facilities and services”	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.
<b>Swimming Facilities</b>	5. Healthy and Happy “Active and healthy people with access to affordable facilities and services”	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.

**COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2008**

	<b>Actual 2008 \$000</b>	<b>Budget 2008 \$000</b>	<b>Actual 2007 \$000</b>
<b>Operating expenditure</b>			
Community development	4,167	3,939	3,412
Community facilities	5,435	4,811	5,531
Emergency management	882	834	774
Partnership with Maori	265	265	265
Representation and civic affairs	6,333	6,011	5,171
Environmental health	1,757	1,623	1,630
Parks and gardens	11,435	12,912	5,932
Sports areas	3,334	3,213	2,607
Swimming facilities	6,269	5,881	5,150
<b>Total operating expenditure</b>	<b>39,877</b>	<b>39,489</b>	<b>30,472</b>
<b>Less operating revenue</b>			
Community development	297	314	427
Community facilities	2,660	2,804	2,458
Emergency management	331	319	336
Partnership with Maori	-	-	-
Representation and civic affairs	224	174	19
Environmental health	622	580	660
Parks and gardens	888	760	806
Sports areas	180	132	167
Swimming facilities	2,391	2,051	1,860
<b>Total operating revenue</b>	<b>7,593</b>	<b>7,134</b>	<b>6,733</b>
<b>Net cost of service</b>	<b>32,284</b>	<b>32,355</b>	<b>23,739</b>
<b>Total operating expenditure funded by:</b>			
Operating revenue	7,593	7,134	6,733
Loans (rates)	-	-	320
Other reserves	238	-	576
Rates	32,046	32,355	22,843
<b>Total operating expenditure</b>	<b>39,877</b>	<b>39,489</b>	<b>30,472</b>
<b>Capital expenditure</b>			
Community development	27	-	-
Community facilities	379	784	1,180
Parks and gardens	13,886	17,621	6,153
Sports areas	776	1,617	414
Swimming facilities	3,166	3,375	586
<b>Total capital expenditure</b>	<b>18,234</b>	<b>23,397</b>	<b>8,334</b>
<b>Total capital expenditure funded by:</b>			
Loans (development contributions)	10,213	14,146	605
Loans (rates)	3,165	5,178	346
Loans (finance lease)	-	-	23
Loans (EECA)	41	-	-
Other reserves	1,734	-	5,081
Subsidies	117	124	363
Other revenue	120	537	608
Depreciation (rates)	2,843	3,412	1,308
<b>Total capital expenditure</b>	<b>18,234</b>	<b>23,397</b>	<b>8,334</b>



**Significant Acquisitions or Replacements of Assets**

This section describes any significant acquisitions or replacements of assets, the reasons for the acquisitions or replacements, and the reasons for any significant variation from that shown in year 2 (2007/08) of the 2006-16 Long-Term Plan (for capital projects exceeding \$1m).

**PARKS AND GARDENS**Land purchased for Reserves (budget \$13.202m)

This land is purchased to provide reserves for active recreation, neighbourhood parks, and other purpose reserves in order to meet the structure plan objective contained in the district plan. Actual expenditure was \$11.410m for purchase of significant land in the Rototuna growth cell.

Lake Domain Tearooms (budget \$2.425m)

Replacement of the ice cream bar, tearooms and reception facilities comprising the Lakeside Tearooms and Reception Centre. Actual expenditure was \$0.242m, the balance of \$2.183m will be carried over into 2008/09 for completion of the work.

**SWIMMING FACILITIES**Waterworld Hydroslide (budget \$3.003m)

The development of a new hydroslide facility at Waterworld. Actual expenditure was \$2.922m.

## Community Development<sup>13</sup> (NGAA HAAPORI WHAKATUPU)

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

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

The total cost of providing this service in 2007/08 was \$4.194m (\$4.167m operating expenditure and \$27,000 capital expenditure).

### Key Performance Measures and Targets: 2007/08 Results

Performance Measure	Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1. Administer the following funding, for projects and programmes that contribute to the well-being of people in Hamilton: <ul style="list-style-type: none"> <li>Recurring Community Grants</li> <li>The Community Assistance Fund.</li> </ul>	✓	<b>100% of target achieved</b> 11 Recurring Grants totalling \$303,500 were distributed. The Community Assistance Fund was allocated to 129 community groups at an average of \$1,613 per group (\$209,000 in total).	<b>100% of target achieved</b> 25 Recurring Community Grants were distributed. The Community Assistance Fund was allocated to 130 community groups at an average of \$1604 per group (\$209,000 in total).
2. Maintain partnerships with key organisations to provide sustainable funding for employment programmes.	✓	<b>100% of target achieved</b> Partnership and funding maintained and developed with the Ministry of Social Development to run two employment programmes.	<b>100% of target achieved</b> Partnership developed with the Ministry of Social Development to fund two employment programmes.
3. Achieve effective monitoring and evaluation of Community Development services, projects and activities.	✓	<b>100% of target achieved</b> In 2006/07 a monitoring process was implemented for operational funding provided to Community Houses. Potential shared evaluation for some projects is also being developed with the University of Waikato.	<b>100% of target achieved</b> The monitoring process for operational funding provided to Community Houses was continued. An agreement with the University of Waikato was developed to evaluate key projects under the Social Well-being Strategy.
4. Achieve all projects in the action plans for the: <ul style="list-style-type: none"> <li>Older Person's Policy</li> <li>Youth Policy</li> <li>Child and Family Policy</li> <li>Disability Strategy.</li> </ul>	✓	<b>50% - 80% of target achieved</b> Staff are working in collaboration with external stakeholders on the delivery of key objectives and action plans.  Following the implementation of the proposed Social Well-Being Strategy these individual policies will be integrated into the Strategy. The Strategy will overarch the policies and social development.	<b>50-80% of target achieved</b> Staff are working in collaboration with external stakeholders on the delivery of key objectives and action plans.  The implementation of the Social Well-being Strategy has proposed key projects for these sectors. The Strategy continues to overarch the policies and social development.

<sup>13</sup> The Community Development significant service is shown in Council's 2006-16 Long-Term Plan as Community Support. The name of this significant services was changed to better reflect the key services delivered by the Community Development Unit. The name change was recorded as a variation in Council's 2007/08 Annual Plan.

Performance Measure	Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
<p>5. Complete ongoing/regular consultation to identify community needs and inform decision-making with:</p> <ul style="list-style-type: none"> <li>• Older persons</li> <li>• Youth</li> <li>• Ethnic groups.</li> </ul>	✓	<p><b>100% of target achieved</b></p> <p><u>Older Persons</u>— The Service Level Agreement with Age Concern and Frankton Dinsdale Rauawaawa Trust provides ongoing feedback.</p> <p><u>Youth</u> - There is a strong link and ongoing consultation with the Youth Council who are representatives for the voices of young people in Hamilton. Additional Research that explores the needs of young people in Hamilton has also been conducted. This has included the perspectives of youth.</p> <p><u>Ethnic Groups</u> — The annual Ethnic Communities Listening Forum was held with 80 participants. A Quarterly Hamilton Ethnic Forum is also held at Waikato Migrant Resource Centre.</p>	<p><b>100% of target achieved</b></p> <p><u>Older Persons</u> — The Service Level Agreement with Age Concern and Frankton Dinsdale Rauawaawa Trust provides ongoing feedback.</p> <p><u>Youth</u> - There is a strong link and ongoing consultation with the Youth Council who are representatives for the voices of young people in Hamilton. Additional Research that explores the needs of young people in Hamilton is being conducted. This has included the perspectives of youth.</p> <p><u>Ethnic Groups</u> — The annual Ethnic Communities Listening Forum was held with 80 participants. A Quarterly Hamilton Ethnic Forum is also held at Waikato Migrant Resource Centre.</p>
<p>6. Review and update the Community Profiles of the five neighbourhood areas in Hamilton.</p>	✓	<p><b>Not achieved</b></p> <p>The latest Community Profiles were published in February 2006. Discussions are now underway with Family and Community Services to tie this project in with the Local Services Mapping project. This will enable a standardised approach across the city on an ongoing basis.</p>	<p><b>Not achieved</b></p> <p>Community profiles have been discontinued. In conjunction with Families and Community Services the development of the Social Well-being Strategy included a scorecard of Social Well-being across the city. This enables a standardised approach to measure social well-being across the city.</p>
<p>7. Council receive and consider six-monthly reports, detailing operational costs and performance outcomes, from community houses/centres that receive Council funding.</p>	✓	<p><b>100% of target achieved</b></p> <p>Reports received and recorded and relationship visits made on a regular basis.</p>	<p><b>100% of target achieved</b></p> <p>Six-monthly reports received from all community houses who receive Council funding.</p>

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Introduction of 0800 TAGBUSTERS graffiti hotline in June 2008.	Raised awareness within the community that Council provides a graffiti removal service.	✓	✓	✓	✓
The annual Ethnic Communities Listening Forum was held in June 2008. In addition, quarterly Hamilton Ethnic Forums were held at the Waikato Migrant Resource Centre.	Creates greater ethnic cohesion and acceptance in the community. Eighty participants attended the annual listening forum, and 80 people attended the quarterly forums.	✓			✓
Council's Employment Development Team ran a Youth Placement Programme through Forward Focus (a local youth services provider). Since February 2008, Forward Focus has worked with 15 young people aged 15 - 22. Their programme begins with a 12-week personal development and life skills coaching programme, called 'Green Apple Red Apple'. This was followed by work placement and in-work support, or further training.	Programme participants achieve better life outcomes. Although ongoing support for these young people continues until December 2008, as at 30 June 2008, 11 young people (73%) had been placed into work or further training.	✓	✓		✓

**Identified Effects on Community Well-Being: Significant Negative Effects**

No significant negative effects were identified as a result of Council providing this significant service.

**Community Outcome influenced by Community Development**

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators			
		Community Outcome Progress Indicator	Latest Results		Trend
4. Safety and Community Spirit	Social well-Being	Resident's perception of the effect of increased diversity of lifestyles and cultures on the community. Source: Quality of Life Survey	Percentage of people who stated a better or much better place to live.		↑
			2002	2004	
		Residents' rating of graffiti as a problem in the city. Source: Quality of Life Survey	Percentage of people who rated graffiti as a problem.		↑
			2002	2004	
		Not asked	45%	66%	

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators			
		Community Outcome Progress Indicator	Latest Results	Trend	
<b>4. Safety and Community Spirit</b>	<b>Social well-Being</b>	Residents' who felt a sense of community within their local neighbourhood. Source: Quality of Life Survey	Percentage of people who agreed or strongly agreed.		↓
			<b>2002</b> Not asked	<b>2004</b> 56%	
		Resident's agreement that it is important to feel a sense of community with others in their neighbourhood. Source: Quality of Life Survey	Percentage of people who agreed or strongly agreed.		↓
			<b>2002</b> Not asked	<b>2004</b> 74%	

**Community Facilities**

(NGAA WHARE-AA-IWI)

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

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

The total cost of providing this service in 2007/08 was \$5.814m (\$5.435m operating expenditure and \$379,000 capital expenditure).

**Key Performance Measures and Targets: 2007/08 Results**

Performance Measure	Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
<p>1. Achieve the following CSI scores for the cemeteries and crematorium as measured by Council's customer satisfaction survey programme:</p> <ul style="list-style-type: none"> <li>• Stakeholder groups</li> <li>• Next of kin.</li> </ul>	<p>92 92</p>	<p><b>&gt;80% of target achieved</b>  92.7 CSI 88.2 CSI</p>	<p><b>&gt;80% of target achieved</b>  88.9 89.6</p>
<p>2. Stocks of cemetery plots on hand cater for a minimum of 5 years usage based on current consumption.</p>	<p>✓</p>	<p><b>50% - 80% of target achieved</b> For some services stock is now less than sufficient. An action plan has been created and will result in 5-year stock being achieved in 2008/09.</p>	<p><b>50% - 80% of target achieved.</b> For some interment services, stock is now less than five years supply. Plans are underway to achieve 100% forward capacity by June 2009.</p>
<p>3. Achieve the following CSI score for housing tenants, as measured every two years by Council's customer satisfaction survey programme.</p>	<p>95</p>	<p>Not applicable - no target for 2006/07 as the two-yearly survey of housing tenants was scheduled for 2007/08.</p>	<p><b>&gt;80% of target achieved</b> 88.1 CSI (The survey focus changed to consider maintenance rather than staff as has previously been the case).</p>
<p>4. The booking system for the hireage of all halls and leased buildings is clear and efficient.</p>	<p>✓</p>	<p><b>100% of target achieved</b></p>	<p><b>100% of target achieved.</b> <b>No concerns with the booking system were identified by customers or staff.</b></p>
<p>5. All requirements for halls and leased buildings (license requirements, warrant of fitness, fire protocols) are met.</p>	<p>✓</p>	<p><b>100% of target achieved</b> Where applicable, Council-owned buildings that are leased to community groups have a current Warrant of Fitness and meet all compliance requirements.</p>	<p><b>100% of target achieved.</b></p>
<p>6. Achieve the following CSI score for public toilets, as measured by Council's Annual Residents Survey.</p>	<p>71</p>	<p><b>&gt;80% of target achieved</b> 68.3 CSI</p>	<p><b>&gt;80% of target achieved</b> 66.8 CSI</p>

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Ongoing provision of community facilities such as cemeteries and crematorium, public halls and public toilets.	The community are able to access facilities for use as and when required.	✓	✓	✓	✓

**Identified Effects on Community Well-Being: Significant Negative Effects**

Significant Negative Effect	Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
	Social	Economic	Environmental	Cultural		
1. Leachate to groundwater from burial grounds.	✓		✓	✓	Development of new burial lawns is undertaken only after assessments of groundwater tables and proximity of waterways are carried out. The latest assessment suggests this risk is low.	Groundwater testing conducted during 2007/08 indicated that there has been no leachate entering groundwater from burial grounds.
2. Discharge to air from cremator unit.			✓	✓	Planned maintenance regimes as per manufacturers guidelines are undertaken as are testing of soils and water as required by resource consent. The latest assessment suggests this risk is low.	The ongoing maintenance programme for the cremator unit was undertaken during 2007/08.
3. No cremation service available through a major cremator breakdown.		✓		✓	Approval is being sought for a second cremator unit as part of Council's 2006—16 Long-Term Plan.	No cremator breakdowns have occurred. Closure has been restricted to maintenance only. Funding for a second cremator unit was approved as part of Council's 2006-16 Long-Term Plan. The second cremator unit is planned to be operational in 2008/09.
4. The use of halls and leased buildings may be a nuisance for adjoining residents.	✓				The allocation of halls and leased buildings to community groups (including hours of use) is managed to ensure there is no nuisance created for adjoining land owners.	No complaints received by Council.

Significant Negative Effect		Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
		Social	Economic	Environmental	Cultural		
5.	The location of a public toilet on a park may create security and privacy issues for nearby residents and the wider community.	✓				Public toilets are located, designed and constructed in a manner that has regard to public safety.	No complaints received by Council.

**Community Outcome influenced by Community Facilities**

There are no relevant indicators in the set of Community Outcome Progress Indicators that are influenced by this Significant Service.



## Emergency Management (ROOPIU WHAKAHAERE OHORERE)

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

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

The total cost of providing this service in 2007/08 was \$828,000.

### Key Performance Measures and Targets: 2007/08 Results

Performance Measure		Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1.	Achieve the following CSI scores from key stakeholders, as measured by Council's customer satisfaction survey programme.	78	<b>Not achieved</b> A survey was not completed during 2006/07. The survey is currently being reviewed and will be undertaken in the first quarter of 2007/08.	<b>&gt;80% of target achieved</b> 77 CSI (up 8.5 CSI points from the last survey in 2005/06).
2.	Assist with the review and ongoing development of the CDEM Group Plan (every five years).	(No target for 2007/08)*	Not applicable.	Not applicable.
3.	Annually review the Waikato Valley Emergency Operating Area (WVEOA) Service Level Agreement.	✓	<b>100% of target achieved</b> The WVEOA Service Level Agreement was reviewed in October 2006. The new agreement is in place for five years and will be reviewed annually as required.	<b>100% of target achieved</b> The WVEOA Service Level Agreement was last reviewed in October 2006. The new agreement is in place for five years and will be reviewed annually as required.
4.	Develop in 2006/07 and then review annually, a service level agreement for the regional support and coordination role.	✓	<b>100% of target achieved</b> The service level agreement was completed in May 2007.	<b>100% of target achieved</b> Where additional background work was requested, three targets in the service level agreement were extended, to be reviewed in 2008/09. All other targets were met and reported to the Coordinating Executive Group of the Waikato Civil Defence Emergency Management Group in July 2008.
5.	Volunteer training programme and mock exercise undertaken annually to continually assess preparedness for a disaster event.	✓	<b>100% of target achieved</b> Training and mock exercises were completed. Mock exercises were completed in March and June 2007.	<b>100% of target achieved</b> Training and mock exercises were completed. Mock exercises were completed in March and June 2008.
6.	Develop a contingency plan for the city in 2006/07 to prepare for the possibility of a pandemic and review every three years.	(No target for 2007/08)**	<b>&lt;50% of target achieved</b> The pandemic contingency plan is currently being developed. Progress on the essential services component is being reported to the Waikato CDEM Coordination Executive Group.	Not applicable.

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

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Participation in the nationwide Civil Defence 'Exercise Ruaumoko' in April 2008. This simulated a volcanic event in Auckland, with the evacuation of over 400,000 people into the Waikato Region. Ninety people participated in this exercise.	This exercise and it's planning has enabled Hamilton and the Waikato Valley to minimise the effects that an event of this nature and scale would have on the region's people, infrastructure and economy.	✓	✓		
Ran three exercises within the Waikato Valley involving all five member territorial authorities. Just on 180 people participated in the exercises.	These exercises have increased the awareness and capability of all five territorial authorities to respond to an emergency event. This has been highlighted during the July/August 2008 flooding in the Waikato Region.	✓	✓		

**Identified Effects on Community Well-Being: Significant Negative Effects**

No significant negative effects were identified as a result of Council providing this significant service.

**Community Outcome influenced by Emergency Management**

There are no relevant indicators in the set of Community Outcome Progress Indicators that are influenced by this Significant Service.

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

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

Council is committed to the principles of the Treaty of Waitangi and its partnership relationship with Maori. Council also recognises the importance of Kingitanga in the Waikato, and values the distinctive contribution and complementary roles of both mana whenua<sup>14</sup> and maataa waka<sup>15</sup> within the city.

The total cost of providing this service in 2007/08 was \$265,000.

### Key Performance Measures and Targets: 2007/08 Results

Performance Measure	Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1. Achieve all performance targets set in annual service level agreements between TeROK, NaMTOK, and Hamilton City Council.	✓	<p><b>&gt;80% of target achieved</b> 100% of the performance targets in the service level agreement with NaMTOK were achieved.</p> <p>Of the 32 performance targets in the TeROK service level agreement, 22 were achieved, seven were not achieved as Council did not require the services and three were not achieved.</p>	<p><b>&gt;80% of target achieved</b> Of the 58 performance targets in the NaMTOK service level agreement, 24 were 100% achieved, six showed achievement of between 50-80%, three showed achievement of between 5-50% and Council did not require 25 of the services this year.</p> <p>Of the 22 performance targets in the TeROK service level agreement, 18 were 100% achieved, one was partially achieved and Council did not require three of the services this year.</p>
2. Te Runanga o Kirikiriroa Trust (Inc) Joint Subcommittee meetings held on a regular basis and reported to Council.	✓	<p><b>Not achieved</b> The Joint Subcommittee did not meet in 2006/07. A comprehensive review of Council's relationships with Maori organisations (including governance relationships) is proposed to be undertaken in 2007/08.</p>	<p><b>Not achieved</b> The Joint Subcommittee did not meet in 2007/08. A comprehensive review of Council's relationships with Maori organisations (including governance relationships) is currently being undertaken in 2007/08 and 2008/09.</p>
3. NaMTOK advice incorporated into notified resource consent applications.	✓	<b>100% of target achieved</b>	<b>100% of target achieved</b>
4. Undertake annually the following number of bicultural workshops for Council staff.	2	<p><b>100% of target achieved</b> Two workshops were held.</p>	<p><b>Not achieved</b> No bicultural workshops were conducted. A Kapa Haka group was</p>

14 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.

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

Performance Measure	Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
			established and met fortnightly from February to June 2008.
5. TeROK prepare and undertake a Treaty training programme for the elected members and senior management staff following each triennial election.	✓	Not applicable - no target for 2006/07, as the latest Council triennial election was held in October 2007.	<b>100% of target achieved</b> TeROK provided cultural support and advice to all elected members before the October 2007 election. TeRok were also available on request to provide support and protocol advice to all elected members after the election.

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Council's ongoing service contract with Te Runanga o Kirikirioa includes specific grant funding provision of \$80,000 for a Maori and Pacific Project Fund.	This funding has enabled a number of Maori organisations to build capacity in various key areas (including health and rangitahi well-being. e.g. grant funding for Te Kohao Health towards construction of a Health and Wellness Centre). Twenty-seven Maori organisations accessed grants from the Maori and Pacific Project Fund in 2007/08.	✓	✓	✓	✓
Council's ongoing service contract with Nga Mana Toopu o Kirikirioa (NAMTOK) ensures that matters of significance to Maori are considered where appropriate e.g. notified resource consent applications.	Maori heritage and cultural values are considered as part of various Council and private development projects. For example, various matters of significance to Maori were considered as part of the conditions for the five notified resource consent applications that NAMTOK assessed in 2007/08.	✓	✓	✓	✓

**Identified Effects on Community Well-Being: Significant Negative Effects**

No significant negative effects were identified as a result of Council providing this significant service.

## Community Outcome influenced by Partnership with Maori

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators										
		Community Outcome Progress Indicator	Latest Results	Trend								
7. Working Together	Social Well-Being	Maori residents' satisfaction with the process used by Council for decision-making Source: Hamilton City Council Residents Survey	All respondents.	↓								
			<table border="1"> <tr> <td><b>2005</b></td> <td><b>2006</b></td> <td><b>2008</b></td> </tr> <tr> <td>70.1</td> <td>71.4</td> <td>67.2</td> </tr> <tr> <td>CSI</td> <td>CSI</td> <td>CSI</td> </tr> </table>		<b>2005</b>	<b>2006</b>	<b>2008</b>	70.1	71.4	67.2	CSI	CSI
			<b>2005</b>	<b>2006</b>	<b>2008</b>							
			70.1	71.4	67.2							
		CSI	CSI	CSI								
		Maori respondents.	↓									
		<table border="1"> <tr> <td><b>2005</b></td> <td><b>2006</b></td> <td><b>2008</b></td> </tr> <tr> <td>66.9</td> <td>72.8</td> <td>54.8</td> </tr> <tr> <td>CSI</td> <td>CSI</td> <td>CSI</td> </tr> </table>		<b>2005</b>	<b>2006</b>	<b>2008</b>	66.9	72.8	54.8	CSI	CSI	CSI
		<b>2005</b>	<b>2006</b>	<b>2008</b>								
		66.9	72.8	54.8								
		CSI	CSI	CSI								
		Maori residents' satisfaction with provision of opportunities for community involvement in decision- making. Source: Hamilton City Council Residents Survey	All respondents.	↓								
			<table border="1"> <tr> <td><b>2005</b></td> <td><b>2006</b></td> <td><b>2008</b></td> </tr> <tr> <td>67.2</td> <td>66.9</td> <td>65.4</td> </tr> <tr> <td>CSI</td> <td>CSI</td> <td>CSI</td> </tr> </table>		<b>2005</b>	<b>2006</b>	<b>2008</b>	67.2	66.9	65.4	CSI	CSI
<b>2005</b>	<b>2006</b>		<b>2008</b>									
67.2	66.9		65.4									
CSI	CSI	CSI										
Maori respondents.	↑											
<table border="1"> <tr> <td><b>2005</b></td> <td><b>2006</b></td> <td><b>2008</b></td> </tr> <tr> <td>61.3</td> <td>67.0</td> <td>68.1</td> </tr> <tr> <td>CSI</td> <td>CSI</td> <td>CSI</td> </tr> </table>		<b>2005</b>	<b>2006</b>	<b>2008</b>	61.3	67.0	68.1	CSI	CSI	CSI		
<b>2005</b>	<b>2006</b>	<b>2008</b>										
61.3	67.0	68.1										
CSI	CSI	CSI										
Maori residents' confidence that the Council makes decisions that are in the best interests of the city. Source: Quality of Life survey	All respondents.	↑										
	<table border="1"> <tr> <td><b>2004</b></td> <td><b>2006</b></td> </tr> <tr> <td>41.0%</td> <td>67.0%</td> </tr> </table>		<b>2004</b>	<b>2006</b>	41.0%	67.0%						
	<b>2004</b>	<b>2006</b>										
	41.0%	67.0%										
Maori respondents.	↑											
<table border="1"> <tr> <td><b>2004</b></td> <td><b>2006</b></td> </tr> <tr> <td>43.0%</td> <td>66.0%</td> </tr> </table>		<b>2004</b>	<b>2006</b>	43.0%	66.0%							
<b>2004</b>	<b>2006</b>											
43.0%	66.0%											

## Representation and Civic Affairs (MANATUU MAANGAI WHAKATINANA)

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

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

The total cost of providing this service in 2007/08 was \$6.333m.

### Key Performance Measures and Targets: 2007/08 Results

Performance Measure		Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1.	Council, committee and subcommittee meetings are held in accordance with the provisions of the Local Government Official Information and Meetings Act 1987.	✓	100% of target achieved	100% of target achieved
2.	Achieve the following CSI scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> <li>Opportunities Council provides for community involvement in decision-making</li> <li>Residents' contact with elected members.</li> </ul>	60 75	100% of target achieved  66.3 CSI 78.3 CSI	>80% of target achieved  65.4 CSI 72.8 CSI
3.	Council meets legislative requirements and receives an unqualified audit report from Audit New Zealand for the Long-Term Plan, Annual Plan and Annual Report.	✓	100% of target achieved	100% of target achieved
4.	No complaints received under the Local Government Official Information Meetings Act 1987 are upheld.	✓	100% of target achieved	100% of target achieved
5.	Council submissions prepared in response to key issues/proposals that could significantly impact on Council's operations and/or the city's development.	✓	100% of target achieved 31 submissions were made to external organisations.	100% of target achieved 34 submissions were made to external organisations.
6.	Triennial election results are confirmed as follows: <ul style="list-style-type: none"> <li>Preliminary results are declared on polling night</li> <li>Final results (including special votes) are confirmed one week later.</li> </ul>	✓	Not applicable - no target for 2006/07 as the latest Council triennial election was held in October 2007.	100% of target achieved Preliminary results were declared on polling night (13 October 2007), with final results (including special votes) confirmed one week later (20 October 2008).

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Council made 34 submissions to a range of external organisations on various documents (including draft Annual Plans, discussion papers and government Bills).	A number of documents that have the potential to impact on Hamilton's development and/or Council's operations were altered (to the city's and/or Council's advantage) as a result of Council submissions. Key submissions made in 2007/08 included submissions to the Land Transport Management Amendment Bill and the Proposed Vision for the Waikato River.	✓	✓	✓	✓
An Expo style information day was held in March 2008 for the Proposed 2008/09 Annual Plan.	This initiative (now in it's second year) promotes greater awareness and community involvement in the Annual Plan process. Attendance increased between 2006/07 (350 people) and 2007/08 (408 people).	✓	✓		✓
Council coordinated an in-depth community/consultation for the City Heart project. This included an Enquiry by Design process, informal submissions via a dedicated website and formal submissions as part of the Proposed 2008/09 Annual Plan.	The process attracted considerable public interest and engagement e.g. a wide range of formal and informal submissions were received, as well as over 100 residents attending a public meeting about the project.	✓	✓	✓	✓

**Identified Effects on Community Well-Being: Significant Negative Effects**

Significant Negative Effect		Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
		Social	Economic	Environmental	Cultural		
1.	Decisions made through the democratic process have the potential to impact negatively across all four well-beings.	✓	✓	✓	✓	In addition to using formal and informal consultation, Council relies on a range of information and inputs to inform decision-making. The Local Government Act 2002 guides Council on how to conduct consultation in an open and transparent manner. Council's Consultation Policy also outlines processes that ensure that consultation with the community is meaningful, transparent, fair and honest. In decisions that do not require consultation, Council uses a range of information sources, e.g. previous Council decisions, resident feedback from Council's Annual Residents Survey and institutional knowledge of elected members and Council staff. Council seeks to make sound, balanced decisions that maximise the community's well-being and minimise negative effects.	No decisions made by Council impacted negatively on community well-beings, as demonstrated through the following examples: <ul style="list-style-type: none"> <li>No complaints received under the Local Government Official Information Meetings Act 1987 were upheld.</li> <li>The CSI score for overall satisfaction with elected members of Council was 72.8 for 2007/08.</li> <li>The CSI score for the overall performance of Council was 75.8 for 2007/08.</li> </ul>



**Community Outcome influenced by Representation and Civic Affairs**

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators				
		Community Outcome Progress Indicator	Latest Results			Trend
<b>7. Working Together</b>	<b>Social Well-Being</b>	Community satisfaction with Council's provision of opportunities for community involvement in decision-making. Source: Hamilton City Council Residents Survey	<b>2006</b> 66.9 CSI	<b>2007</b> 66.3 CSI	<b>2008</b> 65.4 CSI	↓
		Residents' rating of agreement that decisions made by their council are in the best interests of the city. Source: 2006 Quality of Life Survey	Percentage of people who agreed or strongly agreed.			↑
			<b>2004</b> 42.0%	<b>2006</b> 67.0%		
		Percentage of voter turnout at general/local authority elections. Source: 2007 Quality of Life Report	<b>General Elections</b>			↑ ↑ ↓
			<b>2002</b>		<b>2005</b>	
			<b>Hamilton East</b>	71.0%	82.9%	
<b>Hamilton West</b>	66.5%		80.2%			
<b>Hamilton City Elections:</b>						
<b>2001</b> 46.9%	<b>2004</b> 45.1%	<b>2007</b> 33.9%				

**Environmental Health  
(TE WHAIAO HAUORA)**

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

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

The total cost of providing this service in 2007/08 was \$1.757m.

**Key Performance Measures and Targets: 2007/08 Results**

Performance Measure	Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1. Achieve the following CSI scores, as measured every two years by Council's customer satisfaction survey programme: <ul style="list-style-type: none"> <li>• Food Safety</li> <li>• Liquor Licensing</li> <li>• Noise Control.</li> </ul>	77 77 77	Not applicable - no target for 2006/07 as the next two-yearly customer satisfaction survey was scheduled for 2007/08.	<b>100% of target achieved</b> Food - 78 CSI  Liquor - survey results not yet available.  Noise - not applicable, no survey undertaken in 2007/08.
2. Achieve the following CSI scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> <li>• Residents' perception of safety in central city area at night</li> <li>• Night patrol in the central city.</li> </ul>	68 76	<b>&gt;80% of target achieved</b>  57.0 CSI  74.9 CSI	<b>&gt;80% of target achieved</b>  56.7 CSI  75.5 CSI
3. Complete 1,500 inspections of food premises per year in accordance with regulations under the Health Act 1956 and monthly inspection schedules.	✓	<b>&lt;50% of target achieved</b> 652 primary inspections were completed. Difficulty in recruiting new staff due to a market shortage of Environmental Health Officers meant that this target was not able to be met.	<b>50-80% of target achieved</b> 1,139 inspections were completed. Shortfall due to staff training and participation in trials for the new regulatory framework.
4. Complete 200 inspections of licensed premises per year in accordance with regulations under the Sale of Liquor Act 1989 and monthly inspection schedules.	✓	<b>100% of target achieved</b>  302 inspections were completed.	<b>100% of target achieved</b>  341 inspections were completed.
5. Investigate 100% of the complaints received regarding excessive noise within 30 minutes.	✓	<b>&gt;80% of target achieved</b> 95% of complaints were investigated within 30 minutes. The remaining 5% occurred when noise complaints temporarily exceed resources to investigate.	<b>&gt;80% of target achieved</b> 95% of complaints were investigated within 30 minutes. The remaining 5% occurred when noise complaints temporarily exceeded resources to investigate.
6. City Night Patrol Team to achieve 1 business contact per hour per team and 10	✓	<b>50%-80% of target achieved</b> 1.08 business contacts per hour (total of 5,842 business	<b>100% of target achieved</b> 2.56 business contacts per hour (total of 8,223

Performance Measure	Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
public contacts per hour per team.		contacts). 5.72 public contacts per hour (total of 30,881 public contacts).*	business contacts). 14.58 public contacts per hour (total of 47,271 public contacts).

\* The data that makes up the number of business contacts and the number of public contacts is incomplete for 2006/07. Some of the data in the series is missing due to electronic data storage problems. This has been resolved for future years.

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Ongoing operation of the CitySafe programme in partnership with the Police, community and business groups. Initiatives include enforcement of alcohol bylaw and Alcohol Accord, and the Central City Night Patrol team.	Central city safety has increased. Residents perception of Council's Night Patrol team has increased from a CSI of 74.9 in 2006/07 to a CSI of 75.5 in 2007/08.	✓	✓	✓	✓
Work continued to identify, remediate/manage contaminated sites.	Reduced risk to the environment and people's health. The number of contaminated sites remediated or managed has increased from 97 in 2006/07 to 112 in 2007/08.	✓	✓	✓	
Ongoing monitoring and enforcement of noise control standards. Input into roading projects and community-based projects (through planning processes) in relation to mitigation of effects from road traffic noise.	Noise levels in the city from a range of activities are kept to an acceptable level. Residents perception of noise being a problem in their neighbourhood has improved (from an index of 68.8 in 2006/07 to 69.2 in 2007/08).	✓	✓	✓	✓

**Identified Effects on Community Well-Being: Significant Negative Effects**

Significant Negative Effect		Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
		Social	Economic	Environmental	Cultural		
1.	Potential for adverse outcomes to arise if compliance monitoring of regulated businesses is not completed to set standards.			✓		Use of standard operating procedures coupled with quality assurance practices such as auditing to ensure best practice. There is ongoing staff training in this area.	No recorded instances.
2.	Potential civil disorder by noisemakers following the investigation of complaints in relation to excessive noise.	✓	✓			Council provides for comprehensive staff training in the purpose and objectives of the noise control service and in relating these to the people responsible for making the noise. Customer confidentiality is maintained at all times.	No recorded instances.
3.	Potential adverse reactions by noisemakers towards affected parties following the investigation of unreasonable noise.	✓				Process management — Council ensures that the people responsible for making the noise are fully aware of and understand the effects of the noise on the affected parties. Customer confidentiality is maintained at all times.	No recorded instances.
4.	Potential financial and health impact on owners of contaminated land if remediation or active management is required.	✓	✓			Advice is provided on requirements at an early stage of the process to minimise any adverse impacts.	No recorded instances.
5.	Potential adverse publicity where significant action is required to abate nuisance or Adverse effects.		✓			Council liaises with the relevant media to ensure clear lines of communication are maintained. Standard operating procedures are followed to ensure consistency.	No recorded instances.

**Community Outcome influenced by Environmental Health**

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators				
		Community Outcome Progress Indicator	Latest Results			Trend
<b>5. Healthy and Happy</b>	<b>Environmental Sustainability</b>	Residents' perceptions of safety in the CBD and their neighbourhood. Source: Hamilton City Council Residents Survey	CBD:			↓
			<b>2006</b> 61.6 CSI	<b>2007</b> 57.0 CSI	<b>2008</b> 56.7 CSI	
			Neighbourhood:			↑
		<b>2006</b> 76.8 CSI	<b>2007</b> 78.2 CSI	<b>2008</b> 77.7 CSI		
		Number of confirmed contaminated sites that have been remediated or managed (as at 30 June). Source: Hamilton City Council	<b>2005</b> 61	<b>2007</b> 97	<b>2008</b> 112	↑
Residents' perception of neighbourhood noise. Source: Hamilton City Council Residents Survey	<b>2006</b> 68.9 Value Index	<b>2007</b> 68.8 Value Index	<b>2008</b> 69.2 Value Index	↑		

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

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

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

The total cost of providing this service in 2007/08 was \$25.321m (\$11.435m operating expenditure and \$13.886m capital expenditure).

**Key Performance Measures and Targets: 2007/08 Results**

Performance Measure		Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1.	Provide 8 hectares of open space per 1,000 residents.	✓	<b>100% of target achieved</b>	<b>100% of target achieved</b>
2.	Provide one neighbourhood playground within 500m of every home.	✓	<b>100% of target achieved</b> New playgrounds were provided at Tauhara Park and Wiltshire Drive Reserve. The existing playgrounds at Derby Park and Karaka Park were upgraded.	<b>100% of target achieved</b> New playgrounds were provided at Elliott Park and Pountney Park. New equipment was installed at Chelmsford Park and Caernarvon Park. The existing playgrounds at Tawa Park and Dominion Park were upgraded. Fairfield Park had both new equipment installed and an upgrade to existing equipment.
3.	Provide one walkway within 500m of every home.	✓	<b>100% of target achieved</b> New walkway linkages were developed at Ashurst Park and Derek Heather Park as well as a walkway/ cycleway linkage from Tills Lookout to Taitua Arboretum.	<b>100% of target achieved</b> New walkway linkages developed across Dominion Park (640m long and 2.5m wide).
4.	Achieve the following number of out-of-city visitors to Hamilton Gardens, as measured by annual visitor surveys and vehicle counts.	360,000*	<b>100% of target achieved</b> There were approximately 360,000 out of town visitors to Hamilton Gardens.	<b>100% target achieved</b> The Visitor Survey undertaken in November 2005 showed that over 600,000 out-of-city visitors had been to Hamilton Gardens in 2005/06. Anecdotal evidence (e.g. Gardens staff have observed increased numbers of overseas bus tour groups) suggests that the 2007/08 target of 360,000 has been exceeded.
5.	Achieve the following CSI Scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> <li>• Parks and Gardens</li> <li>• Hamilton Gardens</li> <li>• Hamilton Lake Domain</li> </ul>	85 90 87	<b>&gt;80% of target achieved</b> 79.8 CSI 89.1 CSI 80.8 CSI	<b>&gt;80% of target achieved</b> 81.0 CSI 88.3 CSI 79.8 CSI

Performance Measure	Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
<ul style="list-style-type: none"> <li>• Neighbourhood Parks</li> <li>• Children's Playgrounds</li> <li>• City Beautification</li> <li>• Walkways</li> </ul>	82	72.1 CSI	72.2 CSI
	78	71.8 CSI	69.5 CSI
	78	78.6 CSI	78.1 CSI
	82	80.9 CSI	81.6 CSI

\* The next 3-yearly Visitor Survey for Hamilton Gardens is due to be undertaken in November 2008.

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Opening of new Information Centre at Hamilton Gardens (staffed by Council employees with additional help provided by 'Friends of Hamilton Gardens' on a voluntary basis).	Provides a comprehensive information service to the Gardens visitors.	✓	✓	✓	✓
Redevelopment of Lake Domain Café and Function Centre - design phase completed and demolition of existing building commenced in June 2008.	The newly designed facility (which features sustainable design elements) will be more in keeping with the local environment.	✓	✓	✓	✓
Ongoing operation of Council's Community Planting programme. This involves schools, service clubs, ethnic groups, church groups, community houses, family members, sports clubs, environmental and resident groups. Planting takes place on public land, including gullies, park boundaries, native bush restoration sites, undeveloped reserves, and river banks.	This initiative beautifies and improves the city's environment through the planting of native trees and shrubs. The planting revegetates the city to encourage native bird life, and increases biodiversity for current and future generations. Participants learn about native plants and ecology, and have the opportunity to have an enjoyable day out. Thousands of trees and shrubs have been planted by community groups in Hamilton.	✓		✓	✓

**Identified Effects on Community Well-Being: Significant Negative Effects**

Significant Negative Effect	Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
	Social	Economic	Environmental	Cultural		
1. Use of parks may create security, privacy and noise issues for park neighbours.	✓				Park layout, planting and fencing minimise any negative effects on nearby residents as a result of the park being used. Noise levels are required to comply with District Plan requirements and potential effects are taken into consideration during the design of new parks.	Complaints were received regarding Porritt Stadium sound amplification.
2. Use of a park may create traffic problems in the vicinity of the park.	✓				Plans to manage traffic are developed for affected parks and potential effects are considered during the design of new parks.	Traffic problems were experienced at Grosvenor Park, Pukete Farm Park and Elliott Park.
3. Chemical use on parks and gardens (e.g., spraying for weeds) may affect nearby residents and visitors.	✓				Signage is used to inform visitors of the chemical use regime, and precautions are taken to ensure chemical use is conducted in optimum weather conditions. Public notices are published in local newspapers to inform the public of spraying programmes.	100% compliance with the No Spray Notification Register.
4. Chemical use may have negative effects on adjoining water bodies.			✓		Fertiliser and spray regimes are kept to the minimum necessary to maintain standards. Where possible, drainage systems bypass sensitive aquatic areas.	No recorded instances.
5. Street trees may have negative effects on residents and road users, e.g., overhanging branches or dropping leaves.	✓		✓		Street trees are managed (e.g., trimmed) within City Beautification Guidelines, and Council operates a request for service system for residents to use. Council operates a regular leaf sweeping/collection programme for streets identified as high leaf drop areas. Council also operates a request for service system where leaf drop is excessive.	Council's street tree pruning programme continued throughout 2007/08 and responded to public requests for the city's street trees to be maintained.



**Community Outcome influenced by Parks and Gardens**

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators			Trend	
		Community Outcome Progress Indicator	Latest Results			
<b>1. Sustainable and Well-Planned</b>	<b>Active Communities</b>	Area of green space (parks and gardens areas only) in the city per resident. Source: Hamilton City Council	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>↑</b>
			4.5 ha / 1,000 residents	4.7 ha / 1,000 residents	7.9 ha / 1,000 residents	

**Sports Areas****(WAAHI HAAKINAKINA)**

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

This service provides developed open spaces with facilities for specific active leisure needs and general public use.

The total cost of providing this service in 2007/08 was \$4.110m (\$3.334m operating expenditure and \$776,000 capital expenditure).

**Key Performance Measures and Targets: 2007/08 Results**

Performance Measure		Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1.	Provide a ratio of one playing field per 2,000 residents.	✓	100% of target achieved	100% of target achieved
2.	Achieve the following CSI score for sports areas, as measured by Council's Annual Residents Survey.	78	>80% of target achieved 69.3 CSI	>80% of target achieved 72.1 CSI
3.	Achieve the following usage for sports areas, as measured by Council's Annual Residents Survey.	46%	50% - 80% of target achieved 34.1%	50% - 80% of target achieved 33.7% Discussions with representatives from the sporting codes have indicated that participation rates in most codes are static or in decline.
4.	The amount of time each sports field is unable to be used due to inclement weather totals no more than six times per season.	✓	100% of target achieved Only three field closures were recorded.	100% of target achieved Only one field closure was recorded.
5.	Achieve the following CSI score for Porritt Stadium, as measured by Council's Annual Residents Survey.	69	100% of target achieved 72.8 CSI	100% of target achieved 73.6 CSI

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Ongoing provision of sports area for organised sports and active recreation.	Increased health and fitness levels of participants. Sports area also contribute significantly to the City's open space network. The amount of sports areas has increased from 432.9 hectares in 2006/07 to 445.5 hectares in 2007/08.	✓	✓	✓	✓

**Identified Effects on Community Well-Being: Significant Negative Effects**

Significant Negative Effect	Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
	Social	Economic	Environmental	Cultural		
1. Use of sports areas in the evening may create lighting issues for nearby residents.	✓				Council ensures that lighting provisions comply with the District Plan and that potential negative effects are taken into consideration during the design of new sports areas.	No recorded instances.
2. Use of sports areas may create noise issues for nearby residents	✓				Noise levels are required to comply with the District Plan. Potential effects of noise are taken into consideration during the design of new sports areas.	Complaints were received regarding Porritt Stadium sound amplification.
3. Use of sports areas may create security and privacy issues for nearby residents.	✓				Park layout, planting and fencing minimise any negative effects on nearby residents as a result of the park being used.	No complaints received.
4. Use of sports areas may create traffic problems for nearby residents.	✓				Traffic Management Plans are developed for existing affected parks and potential traffic issues are considered during the design of new sports areas.	Traffic problems were experienced at Grosvenor Park, Pukete Farm Park and Elliott Park.
5. Chemical use in the management of sports areas may leach into nearby water bodies.			✓		Fertiliser and spray regimes are kept to the minimum necessary to maintain standards. Where possible, sports park drainage systems bypass sensitive aquatic areas.	No recorded instances.

**Community Outcome influenced by Sports Areas**

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators				
		Community Outcome Progress Indicator	Latest Results			Trend
<b>5. Healthy and Happy</b>	<b>Active Communities</b>	Residents use of Council's sports and recreational facilities (sports areas). Source: Hamilton City Council Residents Survey	<b>2006</b> 38.0%	<b>2007</b> 34.1%	<b>2008</b> 33.7%	↓
		Area of green space (sports areas only) in the city per resident. Source: Hamilton City Council	<b>2006</b> 3.4 ha / 1,000 residents	<b>2007</b> 3.1 ha / 1,000 residents	<b>2008</b> 3.2 ha / 1,000 residents	↓

## Swimming Facilities (WAAHI KAUKAU)

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

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

The total cost of providing this service in 2007/08 was \$9.435m (\$6.269m operating expenditure and \$3.166m capital expenditure).

### Key Performance Measures and Targets: 2007/08 Results

Performance Measure	Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1. Achieve a CSI score for usage of Waterworld and the Gallagher Aquatic Centre of 80, as measured by Council's customer satisfaction survey programme.	✓	<b>Not achieved</b> The surveys were not completed in 2006/07 due to large capital works programmes at the facilities. The surveys are scheduled to be completed in November 2007.	<b>100% of target achieved</b> 87.9 CSI
2. Achieve a usage measure for: • Waterworld of 50% • Gallagher Aquatic Centre of 20% as measured by Council's Annual Residents Survey.	✓	<b>&gt;80% of target achieved</b> Waterworld = 43.2% (various pools at Waterworld were closed to the public between March and July for major capital works to be completed). Gallagher Aquatic Centre = 21.9%	<b>&gt;80% of target achieved</b> Waterworld = 49.1% Gallagher Aquatic Centre = 17.7%
3. Achieve 800,000 visits annually across all of the Council funded pools.	✓	<b>&gt;80% of target achieved</b> 657,271 visits*	<b>&gt;80% of target achieved</b> 735,279 visits
4. Achieve no non-compliances at Waterworld and Gallagher Aquatic Centre, to Pool Safe Audits conducted by New Zealand Recreation Association.	✓	<b>100% of target achieved</b> No non-compliances were recorded.	<b>100% of target achieved</b> No non-compliances were recorded.

\* The calculation of visitor numbers takes into consideration members of the public who swim at Waterworld, the Gallagher Aquatic Centre and the five partner pools that Council funds to open to the public over the summer. In the past, school pools have included student swimmers in their calculation of patronage numbers. This year it was requested that they only record members of the public who swim at the facility and this has resulted in a reduced figure. However, it gives a true indication of public visitor numbers at Council funded pools. The target will be reviewed as part of the 2009-19 LTCCP.

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Installation of a new hydroslide and splashpad complex at Waterworld.	Children and families are able to access fun and affordable leisure facilities. Visitor numbers to Waterworld have increased significantly between 2006/07 (657,271 visits) and 2007/08 (735,279 visits), primarily as a result of the new hydroslide complex.	✓	✓	✓	✓
Provision of various health programmes/initiatives at Club Aqua (Waterworld).	Improvement in gym members' personal health and well-being.	✓	✓	✓	

**Identified Effects on Community Well-Being: Significant Negative Effect**

Significant Negative Effect	Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
	Social	Economic	Environmental	Cultural		
1. The potential for a drowning to occur at either Waterworld or Gallagher Aquatic Centre.	✓				Council ensures that staff receive comprehensive training and that all life-guards are certified. The standard operating procedures for pool supervision are endorsed by Pool Safe Accreditation (New Zealand Recreation Association and Water Safety New Zealand accreditation). Health and safety protocols are in place. Staff are trained in first aid procedures.	No drownings occurred.
2. The use and storage of dangerous chemicals on site.			✓		Council ensures that staff are trained and certified in the correct dosing and handling procedures for chemicals. The standard operating procedures for chemical handling are endorsed by Pool Safe Accreditation (New Zealand Recreation Association and Water Safety New Zealand accreditation). Chemicals are stored in secure facilities and health and safety protocols are in place.	No issues arose.
3. The potential for swimmers to have infectious diseases that may be passed on through contamination of the pool water.	✓				Council ensures that staff are trained and certified in the correct chemical dosing procedures for pools. Health and safety protocols are in place. Communication links are also maintained with the Department of Health.	No cases of infectious diseases attributable to Waterworld and the Gallagher Aquatic Centre.

**Community Outcome influenced by Swimming Facilities**

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators			
		Community Outcome Progress Indicator	Latest Results		Trend
<b>5. Healthy and Happy</b>	<b>Active Communities</b>	Residents use of Council's sports and recreational facilities. Source: Hamilton City Council Residents Survey	<b>Waterworld:</b>		<b>↑</b>
			<b>2006</b> 47.0%	<b>2007</b> 43.2%	
			<b>Gallagher Aquatic Centre:</b>		<b>↓</b>
			<b>2006</b> 18.4%	<b>2007</b> 21.9%	

## ***Strategic Framework B: Creating Identity and Prosperity***

(KAUPAPA RAUTAKI MO TE TAONE NUI B: MANA MOTUHAKE)

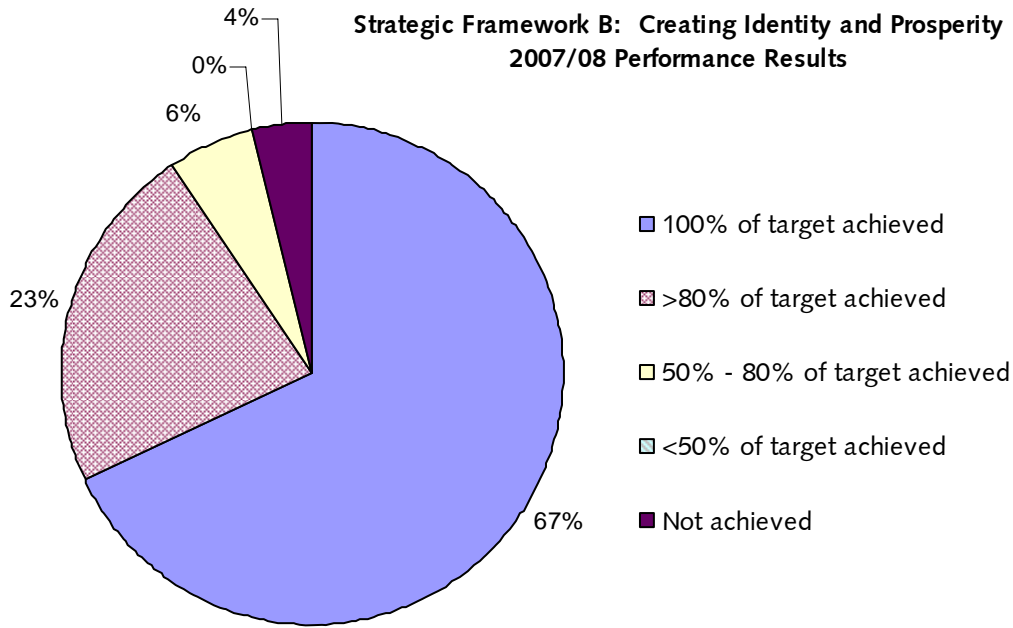
### **Significant Services included in Framework B**

Framework B comprises the following eight Significant Services:



### **Performance Results for 2007/08**

The pie graph on the next page shows the overall achievement of the performance measures for the Significant Services in Strategic Framework B for year two (2007/08) of Council's 2006-16 Long-Term Plan.



In 2007/08 there were 53 performance measures<sup>16</sup> for *Creating Identity and Prosperity*. Of these, 36 (67%) were fully achieved, 12 (23%) were over 80% achieved, 3 (6%) were 50% to 80% achieved, none were less than 50% achieved and 2 (4%) were not achieved.

The significant services that follow in this section show the results for each performance measure in detail.

**Council's Contribution to Hamilton's Community Outcomes**

The following table shows how each significant service under Framework B *Creating Identity and Prosperity* contributes to Hamilton's Community Outcomes. In most cases a significant service will contribute to a number of community outcomes. However, the community outcomes shown are those that the significant service primarily contributes to.

Significant Service	Primary Community Outcome area	Specific Community Outcome
<b>Environmental Services:</b>		
<b>Animal Care and Control</b>	4. Safety and Community Spirit " A safe, friendly city where all people feel connected and valued".	
<b>Building Control</b>	Sustainable and Well-Planned "An attractive city that is planned for the well-being of people and nature, now and in the future".	
<b>Parking Enforcement</b>	1. Sustainable and Well-Planned "An attractive city that is planned for the well-being of people and nature, now and in the future".	1.1 Is easy to get around so everybody can access services and facilities.

<sup>16</sup> Two performance measures in *Creating Identity and Prosperity* did not have targets for 2007/08.



<b>Planning Guidance</b>	1. Sustainable and Well-Planned "An attractive city that is planned for the well-being of people and nature, now and in the future".	1.5 Uses processes of sustainable urban design that enhance neighbourhood communities.
<b>Economic Development</b>	6. Intelligent and Progressive City "Business growth that is in harmony with the city's identity and community spirit".	6.3 Offers a range of job opportunities throughout the city to suit all skill levels.
<b>City Promotion</b>	2. Vibrant and Creative "A city that encourages creativity for a vibrant lifestyle".	2.1 Is recognized for its wide range of events, activities, attractions and entertainment for everyone, including iconic events.
<b>Hamilton City Theatres</b>	2. Vibrant and Creative "A city that encourages creativity for a vibrant lifestyle".	2.2 Has a vibrant arts and music scene and supports and celebrates its artists, festivals and facilities.
<b>Hamilton City Libraries</b>	3. Unique Identity "A city with a strong identity that recognises the significance of its river and history".	3.6 Supports research, education and innovation, and is recognized as a centre of excellence.
<b>Waikato Museum of Art and History</b>	2. Vibrant and Creative "A city that encourages creativity for a vibrant lifestyle".	2.1 Is recognized for its wide range of events, activities, attractions and entertainment for everyone, including iconic events.
<b>Event Facilities</b>	2. Vibrant and Creative "A city that encourages creativity for a vibrant lifestyle".	2.1 Is recognized for its wide range of events, activities, attractions and entertainment for everyone, including iconic events.
<b>Hamilton Zoo</b>	5. Healthy and Happy "Active and healthy people with access to affordable facilities and services"	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.

**COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2008**

	<b>Actual 2008 \$000</b>	<b>Budget 2008 \$000</b>	<b>Actual 2007 \$000</b>
<b>Operating expenditure</b>			
Environmental services	10,938	11,495	11,947
Economic development	871	1,018	901
City promotion	5,899	2,091	1,485
Hamilton city theatres	3,238	3,186	2,903
Hamilton city libraries	7,522	7,528	7,231
Waikato museum of art and history	5,362	4,906	4,950
Event facilities	8,422	8,507	8,011
Hamilton zoo	2,871	2,764	2,588
<b>Total operating expenditure</b>	<b>45,123</b>	<b>41,495</b>	<b>40,016</b>
<b>Less operating revenue</b>			
Environmental services	11,249	11,726	11,430
Economic development	-	-	-
City promotion	2,682	261	267
Hamilton city theatres	1,184	1,024	1,089
Hamilton city libraries	755	758	712
Waikato museum of art and history	640	375	472
Event facilities	3,136	3,237	2,981
Hamilton zoo	923	760	771
<b>Total operating revenue</b>	<b>20,569</b>	<b>18,141</b>	<b>17,722</b>
<b>Net cost of service</b>	<b>24,554</b>	<b>23,354</b>	<b>22,294</b>
<b>Total operating expenditure funded by:</b>			
Operating revenue	20,569	18,141	17,722
Loans (rates)	17	-	13
Other reserves	359	-	-
Rates	24,178	23,354	22,281
<b>Total operating expenditure</b>	<b>45,123</b>	<b>41,495</b>	<b>40,016</b>
<b>Capital expenditure</b>			
Environmental services	61	62	14
Economic development	13,253	4,854	2,070
City promotion	-	-	-
Hamilton city theatres	1,365	800	1,114
Hamilton City Libraries	2,172	2,479	1,230
Waikato Museum of Art and History	250	297	134
Event facilities	3,823	8,294	1,064
Hamilton Zoo	793	451	915
<b>Total capital expenditure</b>	<b>21,717</b>	<b>17,237</b>	<b>6,541</b>
<b>Total capital expenditure funded by:</b>			
Loans (development contributions)	650	910	-
Loans (rates)	9,017	12,052	3,626
Other reserves	9,128	-	50
Other revenue	-	1,500	67
Depreciation (rates)	2,923	2,775	2,798
<b>Total capital expenditure</b>	<b>21,717</b>	<b>17,237</b>	<b>6,541</b>

**Significant Acquisitions or Replacements of Assets**

This section describes any significant acquisitions or replacements of assets, the reasons for the acquisitions or replacements, and the reasons for any significant variation from that shown in year 2 (2007/08) of the 2006-16 Long-Term Plan (for capital projects exceeding \$1m).

**CITY PROMOTION**Hamilton 400 V8 Supercars track construction (budget \$4.802m)

Construction of the circuit infrastructure associated with the V8 supercars event, which is held for 7 years from April 2008 to April 2014. Gross expenditure was \$13.163m, but after adjusting for income to be received over the 7 year term of the event the net cost is budgeted to be \$7.9m. The budget for this was split between 2006/07 and 2007/08.

**HAMILTON CITY LIBRARIES**Libraries - North-east sector land (budget \$1.246m)

Land purchase for new community library in north-east of city to serve estimated population catchment of 50,000. Actual expenditure was \$0.889m.

**EVENT FACILITIES**Claudelands Event Centre (budget \$7.903m)

Design and construct an indoor stadium at Claudelands Events Centre and upgrade the existing facilities for events, exhibitions and conferences. Actual expenditure was \$3.507m for the design phase. The balance of \$4.396m will be carried forward to 2008/09 for continuation of this project.

**Environmental Services**

**(NGAA RATONGA TAIAO)**

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

The total cost of providing this service in 2007/08 was \$10.999m (\$10.938m operating expenditure and \$61,000 capital expenditure).

**Animal Care and Control**

**(MANA WHAKAHAERE KARAREHE)**

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

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

**Key Performance Measures and Targets: 2007/08 Results**

Performance Measure		Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1.	Achieve the following CSI score for the dog control service, as measured by Council's Annual Residents Survey.	76	100 % of target achieved 84.5 CSI	100 % of target achieved 79.8 CSI
2.	To complete a minimum of 40 community presentations per year in accordance with the Dog Control Policy.	✓	100 % of target achieved 47 presentations	100 % of target achieved 40 Presentations
3.	100% of known dogs on record registered before the close of the registration year.	✓	100 % of target achieved	100 % of target achieved
4.	Respond to urgent requests for service involving public safety within 1 hour of receipt.	80%	100 % of target achieved 100%	100 % of target achieved 100%
5.	Respond to routine requests for service within 48 hours of receipt.	90%	100 % of target achieved 92%	100 % of target achieved 99.2%

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Ongoing provision of Animal Care and Control services (including prosecution of owners where there has been a severe dog attack).	This service is able to respond quickly to complaints regarding animals (primarily dogs). There has been a reduction in the number of dog attacks in Hamilton (from 181 in 2006/07 to 137 in 2007/08).	✓		✓	

Forty presentations were made to community groups on issues such as dog safety and responsible dog ownership.	Residents are kept informed on a range of issues relating to responsible dog ownership.	✓		✓	
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**Identified Effects on Community Well-Being: Significant Negative Effects**

No significant negative effects were identified as a result of Council providing this significant service.

**Community Outcome influenced by Animal Care and Control**

There are no relevant indicators in the set of Community Outcome Progress Indicators that are influenced by this Significant Service.

**Building Control  
(MANA WHAKAHAERE WHARE)**

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

Building Control works with people to ensure that buildings meet the requirements of the Building Act 2004, the Building Regulations (which include the New Zealand Building Code) and Acceptable Solutions<sup>17</sup> during their plan approval and construction phases.

**Key Performance Measures and Targets: 2007/08 Results**

Performance Measure		Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1.	Achieve the following CSI score for overall customer satisfaction with the building consent process, as measured every two years by Council's customer satisfaction survey programme.	(No target for 2007/08)*	<b>100 % of target achieved</b> 80.6 CSI (NB The target for 2006/07 was a CSI of 80.0)	<b>Not applicable.</b>
2.	Process 100% of all building consents and project information memoranda in less than the 20-day timeframe set out in the New Zealand Building Regulations.	✓	<b>&gt;80% of target achieved</b> 99.9% of all consents were processed within the 20 day timeframe. One consent out of 2,850 went over the timeframe.	<b>&gt;80% of target achieved</b> 99.9% of all consents were processed within the 20 day timeframe. Two consents out of 2,356 went over the timeframe.
3.	Inspect all buildings that are subject to a building consent within timeframes set out in the New Zealand Building Regulations (48 hours for the initial inspection, 24 hours for all subsequent inspections).	✓	<b>&gt;80% of target achieved</b> 90% of inspections were completed within the timeframes. 10% of the inspections were unable to be completed within the timeframes, due to demand on resources caused by a large amount of activity in the building industry.	<b>&gt;80% of target achieved</b> Over 90% of inspections were completed within the timeframes. 10% of the inspections were unable to be completed within the timeframes, due to demand on resources caused by the large volume of work. This included the extra requirements as a result of Building Consent Authority (BCA) registration (where systems had to be changed to reflect Department of Building and Housing requirements).
4.	Audit 100% of the building warrant of fitness records for buildings subject to a compliance schedule.	1,850	<b>100 % of target achieved</b> 1,800 records audited.	<b>&gt;80 % of target achieved</b> 1,714 records (92.6% of the target) were audited.
5.	Process 100% of all Land Information Memoranda (LIMs) in accordance with	✓	<b>100 % of target achieved</b>	<b>100 % of target achieved</b>

<sup>17</sup> Acceptable Solutions are approved by the Department of Building and Housing (DBH). They contain building methods, which are intended to assist people to comply with the Building Code. Acceptable Solutions are not mandatory; alternative ways of building can also be used, provided these also come up to the required performance standards stipulated in the Building Code. These other methods are known as Alternative Solutions.

Performance Measure	Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
timeframes set out in the Local Government Official Information and Meetings Act 1987.			
6. Run a public awareness campaign to educate swimming pool owners on the pool fencing requirements and ongoing maintenance.	✓	<b>100 % of target achieved</b> The campaign was carried out from late November through until the end of December 2006.	<b>100 % of target achieved</b> The campaign was carried out from late November through until the end of December 2007.

\* The next two-yearly survey of customers is scheduled for 2008/09.

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Ongoing service provision of an Eco-design Adviser.	Customers of the Building Unit (including those undertaking renovations, building new houses or building commercial/industrial developments) are better informed on a range of environmental design issues.		✓	✓	
Ran the annual safety awareness campaign for swimming pool owners/users.	The community's awareness around swimming pool safety is increased.	✓	✓	✓	

**Identified Effects on Community Well-Being: Significant Negative Effects**

Significant Negative Effect	Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
	Social	Economic	Environmental	Cultural		
1. If the Building Control Unit does not meet the statutory timeframes for processing building consent applications, this may have adverse effects in the community.		✓	✓		The Building Control Unit is adequately resourced to meet statutory timeframes. The Unit Plan has stretch targets to achieve timeframes that are less than the minimum statutory timeframe. Achieving and maintaining registration with the Department of Building and Housing ensures that the Building Control Unit meets industry best practice standards.	No issues arose.
2. Possibility for failure of a structural building component could lead to subsequent damage to buildings.	✓	✓	✓		Building consent processing and inspection of critical construction phases are documented and checked against performance measures and targets. Standard operating procedures ensure that specific design elements of building construction are checked at all stages. Effective monitoring of staff undertaking inspection processes ensures that a high level of consistency is maintained.	No issues arose.

**Community Outcome influenced by Building Control**

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators				
		Community Outcome Progress Indicator	Latest Results			Trend
1. Sustainable and Well-Planned	CityScope	Number of new residential dwellings consented (Year ended June). Source: Statistics New Zealand	2006 1,004	2007 1,029	2008 848	↓
		Value of consents for new non-residential buildings (year ended March). Source: Statistics New Zealand	2006 \$172.8m	2007 \$159.4m	2008 \$248.2m	↑



**Parking Enforcement**  
**(URUHI (NA) WAAHI TUU O NGAA WAKA)**

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

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

**Key Performance Measures and Targets: 2007/08 Results**

Performance Measure		Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1.	Achieve the following coverage of parking officer patrols on a continuous scheduled basis throughout the central business district and suburbs.	75%	<b>100 % of target achieved</b> 81% coverage on a continuous scheduled basis.	<b>100% of target achieved</b> 82% coverage on a continuous scheduled basis.
2.	Achieve a turnover of parking spaces in the city that is equal to or less than the time limits set for those areas.	75%	<b>100 % of target achieved</b> 82% turnover of parking spaces.	<b>100% of target achieved</b> 83% turnover of parking spaces.
3.	100% of abandoned vehicle complaints and responses to suburban complaints are actioned within 2 hours of any working day.	✓	<b>100 % of target achieved</b>	<b>100% of target achieved</b>
4.	100% of bylaws complaints and requests for service are actioned within 2 hours of any working day.	✓	<b>100 % of target achieved</b>	<b>100% of target achieved</b>

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Ongoing enforcement to ensure clearways, cycle lanes and the new bus priority lanes remain clear of parked vehicles.	Traffic (including public transport) flows freely throughout the city.	✓	✓	✓	
Ongoing provision of metered car parking in the central city (including a staged programme to convert time limited car park spaces to metered spaces) and increased enforcement by Council's Parking Officers.	The ability for people to find a parking space in the central city has increased.	✓	✓		

**Identified Effects on Community Well-Being: Significant Negative Effects**

Significant Negative Effect	Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
	Social	Economic	Environmental	Cultural		
1. Vehicles may not be able to flow freely along city streets due to number of vehicles seeking parking.	✓	✓			Council uses a range of measures to ensure a high level of parking turnover. Parking officer patrols are provided on a continuous scheduled basis throughout the city, ensuring turnover and availability of parking spaces. Time limits on parking spaces have been set to ensure maximum turnover of spaces in the central business district. Council also provides off-street parking spaces to ensure parking in the central business district is available to shoppers and visitors. The Hamilton City District Plan includes requirements for developments to make provision for off-street parking spaces.	No issues arose.

**Community Outcome influenced by Parking Enforcement**

There are no relevant indicators in the set of Community Outcome Progress Indicators that are influenced by this Significant Service.

**Planning Guidance  
(HANGA TIKANGA AARAHITANGA)**

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

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

**Key Performance Measures and Targets: 2007/08 Results**

	Performance Measure	Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1.	Achieve the following CSI score for overall customer satisfaction, as measured every two years by Council's customer satisfaction survey programme.	*(No target for 2007/08)	<b>100 % of target achieved</b> 74.4 CSI	Not applicable
2.	All resource consent applications and certificates processed within the statutory time limits of the Resource Management Act 1991 and Hamilton City District Plan(s).	✓	<b>100% of target achieved</b> All 597 resource consent applications (notified, non-notified, controlled, discretionary, and subdivision applications) were granted within statutory timeframe.	<b>&gt;80% of target achieved</b> 98.8% (596) of all notified and non-notified resource consent applications (including controlled, discretionary, and subdivision applications), were granted within the statutory timeframe.
3.	Non-notified resource consent customers refunded 100% of application fees if the consent is not issued within the statutory timeframes.	✓	<b>100 % of target achieved</b> No refunds were required as all of the 589 non-notified resource consent applications were granted within the statutory timeframe.	<b>100% of target achieved</b> 100% (591) of all non-notified resource consent applications were granted within statutory timeframe, therefore no refunds were required.
4.	90% of all staff recommendations for notified resource consent applications are supported by Council's Statutory Management Committee.	✓	<b>100 % of target achieved</b> 100% of all staff recommendations were supported.	<b>100% of target achieved</b> 100% of all staff recommendations were supported.
5.	95% of cases taken to the Environment Court and supported by staff are successful.	✓	<b>100 % of target achieved</b> 100% of all cases supported by staff were successful.	<b>100% of target achieved</b> 100% of all cases supported by staff were successful.
6.	Inspect and effectively monitor at least 65 resource consents per month.	✓	<b>100 % of target achieved</b> 81 per month (in total, 970 consents were monitored during 2006/07).	<b>100% of target achieved</b> 147 per month (in total, 1,770 consents were monitored during 2007/08).

\* The next two-yearly survey of customers is scheduled for 2008/09.

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Establishment of an Urban Design Panel in February 2008 (to give effect to CityScope, Council's Urban Design Strategy, and Vista, Council's urban design principles guideline). The panel's primary aim is to advise on projects with significant public interest, or in locations which are key to the identity of the city. The projects will also be of a scale that warrants the attention of the panel.	Hamilton is developing a more sustainable, quality urban environment, through the processes of CityScope, Vista and the Urban Design Panel. It is not just about the look of buildings but the whole 'look and feel' of the city. It is about how the buildings, spaces and places of the city all contribute towards making the city more liveable, enjoyable and valuable for people.	✓	✓	✓	✓

**Identified Effects on Community Well-Being: Significant Negative Effects**

Significant Negative Effect	Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
	Social	Economic	Environment	Cultural		
1. Resource consent conditions may not be met, which may cause adverse environmental effects.			✓		Ongoing inspection and monitoring of resource consents is carried out as per a monthly monitoring schedule. A request for service facility is in place to respond to complaints. Enforcement provisions are also in place to ensure compliance with resource consent conditions.	No adverse environmental effects were recorded. (A total of 1,770 consents were monitored during 2007/08).  Seventy percent of the 808 completed consents complied with all the resource consent conditions.
2. Activities permitted through the District Plan(s) may still be viewed by some as being incompatible with local surroundings.	✓		✓		As part of Council's CityScope — city design strategy, pre-application meetings are held for developments that do not tie in with Council's future plans for the city. Council's plans for the development of the city will be proactively discussed with property developers and architects to ensure a shared vision for what Hamilton will look like in the future.	Public feedback on a range of issues has resulted in Council undertaking a number of new studies and notifying variations to the District Plan (e.g. as a result of the process of hearings and public submissions received, Council identified the Hayes Paddock area as a heritage precinct overlay in the District Plan).

**Community Outcome influenced by Planning Guidance**

There are no relevant indicators in the set of Community Outcome Progress Indicators that are influenced by this Significant Service.

**Economic Development  
(RATONGA PUTEA)**

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

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

The total cost of providing this service in 2007/08 was \$14.124m (\$871,000 operating expenditure and \$13.253m capital expenditure).

**Key Performance Measures and Targets: 2007/08 Results**

Performance Measure		Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1.	Develop sustainable industry cluster(s) in Hamilton's key industry sectors in conjunction with Katolyst, chiefly: ag-bio, light aviation, transport logistics and light engineering.	✓	<p><b>100 % of target achieved</b></p> <p><u>Light Engineering</u>: Met 7 times and focused on improving industry capabilities.</p> <p><u>Ag-bio</u>: 12 events arranged at Waikato Innovation Park.</p> <p><u>Aviation</u>: Events arranged with each of the 3 major aircraft manufacturing companies to meet and develop relationships with engineering supply companies.</p> <p><u>Transport Logistics</u>: Katolyst is undertaking market research with the Hamilton International Airport to investigate future freight opportunities.</p>	<p><b>100 % of target achieved</b></p> <p><u>Light engineering</u>: Met 8 times and lead companies have developed strategic visions and grown business, particularly into Australia.</p> <p><u>Ag-bio</u>: Actively seeking major opportunities for turn-key dairy developments in export markets.</p> <p><u>Aviation</u>: Waikato Aviation Industry Advisory Board established and cluster facilitator appointed. The Waikato Aviation cluster has been focusing on improving manufacturing capacity, skills availability, and infrastructure and as a result most member companies / organisations have experienced good growth.</p> <p><u>Transport Logistics</u>: Research completed identifying Australia and Asia as key markets with equine and aquaculture key export sectors. Key success factors are increasing the airport runway from 2,500 to 2,720 metres and attracting a national distribution business to the region.</p>
2.	Key information about Hamilton's economic performance is distributed quarterly through the publication of Hamilton Economic Update and Hamilton Quarterly Review.	✓	<p><b>100 % of target achieved</b></p> <p>The four editions of both the Hamilton Economic Update and Hamilton Quarterly Review are available on Council's website at <a href="http://www.hamilton.co.nz">www.hamilton.co.nz</a>.</p>	<p><b>100 % of target achieved</b></p> <p>The four editions of both the Hamilton Economic Update and Hamilton Quarterly Review are available on Council's website at <a href="http://www.hamilton.co.nz">www.hamilton.co.nz</a>.</p>
3.	Complete ongoing annual funding of the Katolyst Group, including 6 monthly reviews of The Katolyst Group's key	✓	<p><b>100 % of target achieved</b></p>	<p><b>100 % of target achieved</b></p>

Performance Measure		Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
	performance indicators.			
4.	Support development of Waikato Innovation Park, ensuring ongoing building occupancy of 90% minimum.	✓	<b>100 % of target achieved</b> Occupancy during 2006/07 was greater than 95%.	<b>100% of target achieved</b> Occupancy during 2007/08 was 90% as IWL were unable to establish a further building to accommodate the growth aspirations of a large tenancy, and they moved out of the park. An additional \$8m funding was achieved to double the size of the park in next two years.
5.	As a 50% shareholder in Waikato Regional Airport Limited, support ongoing infrastructure development, chiefly: <ul style="list-style-type: none"> <li>• Extension of runway to 2,500m (06/07)</li> <li>• Terminal upgrade (06/07)</li> <li>• Sealing car park (07/08).</li> </ul>	✓	<b>100 % of target achieved</b>	<b>100% of target achieved</b>
6.	Manage City Development Committee funding to a minimum of 3 projects per year to support economic development in Hamilton.	✓	<b>50-80% of target achieved</b> 2 projects were funded: <ul style="list-style-type: none"> <li>•The Chamber of Commerce 100 Centenary Book</li> <li>•Business Excellence Awards Sponsorship.</li> </ul>	<b>100% of target achieved</b> The 3 projects were: Business Excellence Awards sponsorship, Kudo Science Awards sponsorship, and Economic Development breakfast during the V8 Supercars.

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Facilitation of the process to develop an Economic Development Strategy for Hamilton (adopted on 2 July 2008).	The Strategy has resulted in increased collaboration amongst key economic agencies in working towards enhancing the Strategy's key outcomes , particularly the Food, Ag-Bio and Agri-Tech sectors of the local economy.	✓	✓	✓	✓
Decision to invest \$2.4m into Innovation Park (this funding contribution will be handed over in December 2008).	The investment will increase the Park's economic contribution to the local and national economy, as well as attract a wider business base.	✓	✓	✓	✓

**Identified Effects on Community Well-Being: Significant Negative Effects**

No significant negative effects were identified as a result of Council providing this significant service.

**Community Outcome influenced by Economic Development**

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators									
		Community Outcome Progress Indicator	Latest Results	Trend							
<b>6. Intelligent and Progressive City</b>	<b>Economic Development</b>	Proportion of employees in Hamilton to that of the Waikato Region. <ul style="list-style-type: none"> <li>• Hamilton City</li> <li>• Waikato Region</li> <li>• Proportion (%) in Hamilton.</li> </ul> Source: Statistics New Zealand	<b>Hamilton City</b>	<table border="1"> <tr> <th>2005</th> <th>2006</th> <th>2007</th> </tr> <tr> <td>71,120</td> <td>74,240</td> <td>77,310</td> </tr> </table>	2005	2006	2007	71,120	74,240	77,310	↑
			2005		2006	2007					
			71,120	74,240	77,310						
			<b>Waikato Region</b>	<table border="1"> <tr> <th>2005</th> <th>2006</th> <th>2007</th> </tr> <tr> <td>158,840</td> <td>162,870</td> <td>167,500</td> </tr> </table>	2005	2006	2007	158,840	162,870	167,500	↑
			2005		2006	2007					
			158,840	162,870	167,500						
		<b>Proportion (%) in Hamilton</b>	<table border="1"> <tr> <th>2005</th> <th>2006</th> <th>2007</th> </tr> <tr> <td>44.7%</td> <td>45.5%</td> <td>46.1%</td> </tr> </table>	2005	2006	2007	44.7%	45.5%	46.1%	↑	
		2005		2006	2007						
44.7%	45.5%	46.1%									
Number of businesses and total employment. <ul style="list-style-type: none"> <li>• Businesses</li> <li>• Total Employment.</li> </ul> Source: Statistics New Zealand	<b>Businesses</b>	<table border="1"> <tr> <th>2005</th> <th>2006</th> <th>2007</th> </tr> <tr> <td>11,491</td> <td>11,984</td> <td>12,345</td> </tr> </table>	2005	2006	2007	11,491	11,984	12,345	↑		
	2005		2006	2007							
	11,491	11,984	12,345								
<b>Total Employment</b>	<table border="1"> <tr> <th>2005</th> <th>2006</th> <th>2007</th> </tr> <tr> <td>71,120</td> <td>74,240</td> <td>77,310</td> </tr> </table>	2005	2006	2007	71,120	74,240	77,310	↑			
2005		2006	2007								
71,120	74,240	77,310									

**City Promotion  
(NGAA RATONGA WHAKAPIKI)**

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

City Promotion is about communicating to local residents and those living outside the city the points of difference and advantages that Hamilton has to offer. Council is committed to ongoing investment in the Hamilton brand as a crucial promotional mechanism.

The total cost of providing this service in 2007/08 was \$5.899m.

**Key Performance Measures and Targets: 2007/08 Results**

Performance Measure	Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1. Attain the following average number of monthly visits to the website <a href="http://www.hamilton.co.nz">www.hamilton.co.nz</a> .	55,000	<b>50% - 80% of target achieved</b> 30,193*	<b>50% - 80% of target achieved</b> 37,170*
2. Achieve the following CSI score for City News, as measured by Council's Annual Residents Survey.	78	<b>100% of target achieved</b> 80.7 CSI	<b>100% of target achieved</b> 78.5 CSI
3. Increase the annual number of events held in and around Hamilton that bring \$1m or more in new money to the city economy.	6 events	<b>100% of target achieved</b> The six events in 2006/07 were: Balloons Over Waikato, Fuel Festival, Hamilton Gardens Summer Festival, World Rally Championship, International Cricket, International Rugby.	<b>100% of target achieved</b> The six events in 2007/2008 were: V8 Supercars, Balloons over Waikato, World Rally Championship, International Cricket, Fuel Festival, Hamilton Gardens Summer Festival.
4. Increase the annual number of event listings on <a href="http://www.WhatsOnHamilton.co.nz">www.WhatsOnHamilton.co.nz</a> .	900 listings	<b>100 % of target achieved</b> 1,200 listed at 30 June 07	<b>100 % of target achieved</b> Average monthly listing 974 (as at 31 July 08).
5. Establish the following number of months of media time on central city billboards promoting events, Hamilton city and facilities	18 months	<b>&lt;50% of target achieved</b> 6 months (higher number not achieved due to difficulty in securing commercial billboard site in the city).	<b>100% of target achieved</b> 25 months (does not include city entrance signs or cross street banners which promote events).
6. Update 10% of the 100 promotional images of Hamilton city available for free download from <a href="http://www.hamilton.co.nz">www.hamilton.co.nz</a> .	✓	<b>100 % of target achieved</b> 10% of the promotional images updated.	<b>Not achieved</b> Previous images available/added from last year were still considered suitable.

\* Statistics for [www.hamilton.co.nz](http://www.hamilton.co.nz) are now measured by Google Analytics. This has been determined to be the most robust and consistent measurement. The benchmark of 50,000 visits was based on a measurement package that used a different and less reliable methodology. Google Analytics has provided data to determine that the benchmark should be set at 30,000 going forward. The current benchmark of 55,000 visits will be amended for the 2009-19 Long-Term Plan.



**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Council was a key partner in developing and staging the first Hamilton 400 V8 Supercars event in April 2008.	Showcased Hamilton at a national and international level. Over 172,000 people attended the 3 day event, with a worldwide television audience of nearly 600 million viewers. In addition, an economic impact assessment study showed that the event injected over \$28.3m into the local economy.	✓	✓		✓
Production of a promotional DVD of Hamilton, as a key marketing tool for the city (launched at the Hamilton 400 Supercars event).	Has changed the perception of residents and visitors of what Hamilton has to offer, by showcasing Hamilton as a thriving events-based city.	✓	✓	✓	✓

**Identified Effects on Community Well-Being: Significant Negative Effects**

No significant negative effects were identified as a result of Council providing this significant service.

**Community Outcome influenced by City Promotion**

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators							
		Community Outcome Progress Indicator	Latest Results	Trend					
<b>2. Vibrant and Creative</b>	<b>Economic Development</b>	Residents' rating of sense of pride in the way their city looks and feels. Source: Quality of Life Survey	Percentage of people who agreed or strongly agreed	↓					
			<table border="1"> <tr> <td><b>2004</b></td> <td><b>2006</b></td> </tr> <tr> <td>70.0%</td> <td>69.0%</td> </tr> </table>		<b>2004</b>	<b>2006</b>	70.0%	69.0%	
		<b>2004</b>	<b>2006</b>						
		70.0%	69.0%						
Visitor guest nights and hotel/motel occupancy rates. Source: Statistics New Zealand Accommodation Survey	Guest nights for year ended March	↓							
	<table border="1"> <tr> <td><b>2006</b></td> <td><b>2007</b></td> <td><b>2008</b></td> </tr> <tr> <td>557,268</td> <td>569,061</td> <td>539,671</td> </tr> </table>		<b>2006</b>	<b>2007</b>	<b>2008</b>	557,268	569,061	539,671	
<b>2006</b>	<b>2007</b>		<b>2008</b>						
557,268	569,061	539,671							
	Average occupancy rates for year ended March	↑							
		<table border="1"> <tr> <td><b>2006</b></td> <td><b>2007</b></td> <td><b>2008</b></td> </tr> <tr> <td>50.8%</td> <td>54.2%</td> <td>52.7%</td> </tr> </table>	<b>2006</b>	<b>2007</b>	<b>2008</b>	50.8%	54.2%	52.7%	
<b>2006</b>	<b>2007</b>	<b>2008</b>							
50.8%	54.2%	52.7%							

**Hamilton City Theatres<sup>18</sup>**  
**(NGAA WHARE TAPERE O KIRIKIROA)**  
 (Page 140 of Council's 2006-16 Long-Term Plan)

Hamilton City Theatres facilitates theatre experiences and provides facility management and associated event support, ticketing agency services, specialised theatre equipment and services for events at Hamilton theatres and within the community.

The total cost of providing this service in 2007/08 was \$4.603m (\$3.238m operating expenditure and \$1.365m capital expenditure).

**Key Performance Measures and Targets: 2007/08 Results**

Performance Measure		Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1.	Achieve an annual utilisation of: <ul style="list-style-type: none"> <li>• Founders Theatre</li> <li>• The Meteor</li> <li>• Clarence St Theatre</li> </ul> as measured by the percentage of available time each facility is hired for use.	60%	<b>&gt;80% of target achieved</b> 41%	<b>&gt;80% of target achieved</b> 48%
2.	Achieve the following percentage of available seats booked for shows at: <ul style="list-style-type: none"> <li>• Founders Theatre</li> <li>• The Meteor</li> <li>• Clarence St Theatre</li> </ul>	40%	<b>100 % of target achieved</b> 61%	<b>&gt;80% of target achieved</b> 33.5%
3.	Achieve the following CSI scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> <li>• Founders Memorial Theatre</li> <li>• The Meteor</li> <li>• Clarence St Theatre</li> </ul>	75 65 70	<b>100 % of target achieved</b> 77.5 CSI 65.6 CSI 71.9 CSI	<b>100 % of target achieved</b> 75.7 CSI 67.1 CSI 71.8 CSI

<sup>18</sup> The Hamilton City Theatres significant service is shown in Council's 2006-16 Long-Term Plan as Performing Arts. The name of this significant service was changed to better reflect the current branding of Council-owned theatres (Founders Memorial Theatre, The Meteor and Clarence Street Theatre). The name change was also recorded as a variation in Council's 2007/08 Annual Plan.

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Three key shows ( <i>The Dentist's Chair</i> , <i>Strange Resting Places</i> and <i>Comedy Convoy</i> ) were staged and promoted by Council, with no financial risk or cost to Hamilton ratepayers.	These shows contributed to the community's quality of life in the cultural sphere.	✓	✓		✓
Installation of a new Air Conditioning system at Founders Theatre.	This project has increased the comfort levels of audiences and performers throughout the year.	✓	✓	✓	✓

**Identified Effects on Community Well-Being: Significant Negative Effects**

No significant negative effects were identified as a result of Council providing this significant service.

**Community Outcome influenced by Hamilton City Theatres**

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators							
		Community Outcome Progress Indicator	Latest Results	Trend					
<b>2. Vibrant and Creative</b>	<b>Creativity and Identity</b>	Residents' use of arts and culture facilities. <ul style="list-style-type: none"> <li>Founders Theatre</li> <li>Clarence Street Theatre</li> <li>The Meteor.</li> </ul> Source: Hamilton City Council's Residents Survey	Used Founders Theatre in the past 12 months	↑					
			<table border="1"> <tr> <th>2006</th> <th>2007</th> <th>2008</th> </tr> <tr> <td>54.4%</td> <td>51.7%</td> <td>55.3%</td> </tr> </table>		2006	2007	2008	54.4%	51.7%
			2006	2007	2008				
		54.4%	51.7%	55.3%					
		Used Clarence Street Theatre in the past 12 months	↑						
		<table border="1"> <tr> <th>2006</th> <th>2007</th> <th>2008</th> </tr> <tr> <td>25.1%</td> <td>25.0%</td> <td>26.7%</td> </tr> </table>		2006	2007	2008	25.1%	25.0%	26.7%
2006	2007	2008							
25.1%	25.0%	26.7%							
Used The Meteor in the past 12 months	↓								
<table border="1"> <tr> <th>2006</th> <th>2007</th> <th>2008</th> </tr> <tr> <td>11.0%</td> <td>12.9%</td> <td>8.3%</td> </tr> </table>		2006	2007	2008	11.0%	12.9%	8.3%		
2006	2007	2008							
11.0%	12.9%	8.3%							
Residents' perception that their city is a place that has a culturally rich and diverse arts scene. Source: Quality of Life Survey	Percentage of people who agreed or strongly agreed	↑							
	<table border="1"> <tr> <th>2004</th> <th>2006</th> </tr> <tr> <td>56.0%</td> <td>59.0%</td> </tr> </table>		2004	2006	56.0%	59.0%			
2004	2006								
56.0%	59.0%								

**Hamilton City Libraries**  
**(TE WHARE PUKAPUKA O KIRIKIROA)**  
 (Page 143 of Council's 2006-16 Long-Term Plan)

The objective of the Hamilton City Libraries service is to assist in meeting the changing aspirations and expectations of an emerging knowledge society.

The total cost of providing this service in 2007/08 was \$9.694m (\$7.522m operating expenditure and \$2.172m capital expenditure).

**Key Performance Measures and Targets: 2007/08 Results**

Performance Measure		Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1.	Achieve the following active registered borrowers as a percentage of city residents.	61%	>80% of target achieved 50%	>80% of target achieved 51%
2.	Achieve the following number of visits to the Hamilton City Libraries web site per year.	250,000	100 % of target achieved 495,094	100 % of target achieved 573,995
3.	Achieve the following number of issues per 1000 of the population each year.	13,000	100 % of target achieved 13,248	100 % of target achieved 13,426
4.	Achieve the following CSI scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> <li>• Central Library</li> <li>• Community libraries</li> </ul>	85 80	100 % of target achieved 85.5 CSI 81.1 CSI	>80% of target achieved 82.9 CSI 84.1 CSI

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Introduction in October 2007 of a free email reminder service for library members, known as ELF. This service also advises users when their reserved books are available.	This initiative encourages library users to return their borrowed books on time, resulting in less overdue books and a greater pool of available books.	✓	✓		✓
Hamilton City Libraries joined the national programme <a href="http://www.anyquestions.co.nz">www.anyquestions.co.nz</a> in February 2008. This is a collaborative initiative between the National Library, schools and libraries nationwide.	Previously school children searching the internet for educational resources may have found information that is irrelevant, incorrect or inappropriate. This initiative assists primary, intermediate and secondary school students locate quality online information. Between February and June 2008, Hamilton City Libraries assisted 102 students from Hamilton schools.	✓			✓

**Identified Effects on Community Well-Being: Significant Negative Effects**

No significant negative effects were identified as a result of Council providing this significant service.

**Community Outcome influenced by Hamilton City Libraries**

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators							
		Community Outcome Progress Indicator	Latest Results	Trend					
<b>3. Unique Identity</b>	<b>Creativity and Identity</b>	Residents' use of arts and culture facilities. Source: Hamilton City Council Residents Survey	Used Central Library in past 12 months	↓					
			<table border="1"> <tr> <th>2006</th> <th>2007</th> <th>2008</th> </tr> <tr> <td>55.3%</td> <td>59.7%</td> <td>54.4%</td> </tr> </table>		2006	2007	2008	55.3%	59.7%
			2006	2007	2008				
		55.3%	59.7%	54.4%					
		Used Community libraries in past 12 months	↓						
		<table border="1"> <tr> <th>2006</th> <th>2007</th> <th>2008</th> </tr> <tr> <td>53.3%</td> <td>56.1%</td> <td>51.8%</td> </tr> </table>		2006	2007	2008	53.3%	56.1%	51.8%
2006	2007	2008							
53.3%	56.1%	51.8%							
Residents' perception that their city is a place that has a culturally rich and diverse arts scene. Source: Quality of Life Survey	Percentage of people who agreed or strongly agreed	↑							
	<table border="1"> <tr> <th>2004</th> <th>2006</th> </tr> <tr> <td>56.0%</td> <td>59.0%</td> </tr> </table>		2004	2006	56.0%	59.0%			
2004	2006								
56.0%	59.0%								

**Waikato Museum of Art and History  
(TE WHARE TAONGA O WAIKATO)**

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

The Waikato Museum of Art and History (Te Whare Taonga o Waikato) provides a cultural and artistic showpiece for the people of Hamilton and the region.

The total cost of providing this service in 2007/08 was \$5.612m (\$5.362m operating expenditure and \$250,000 capital expenditure).

**Key Performance Measures and Targets: 2007/08 Results**

Performance Measure		Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1.	Achieve the following number of visitors, as measured by attendance records: <ul style="list-style-type: none"> <li>• Waikato Museum of Art and History</li> <li>• ArtsPost</li> </ul>	175,000 35,000	<b>50% - 80% of target achieved</b>  108,534 31,044	<b>50% - 80% of target achieved</b>  110,298* 38,038
2.	Achieve a 25% exhibition balance for each of the following at the Waikato Museum of Art and History: <ul style="list-style-type: none"> <li>• Art</li> <li>• History</li> <li>• Maori Culture</li> <li>• Science.</li> </ul>	✓	<b>100 % of target achieved</b>	<b>100% of target achieved</b>
3.	Achieve the following CSI scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> <li>• Waikato Museum of Arts and History</li> <li>• ArtsPost</li> </ul>	85 80	<b>&gt;80% of target achieved</b>  75.2 CSI 75.1 CSI	<b>&gt;80% of target achieved</b>  79.1 CSI 74.3 CSI
4.	Achieve the following CSI score for Museum visitors, as measured by Council's Customer Satisfaction Survey Programme.	85	<b>Not achieved</b> A survey was not conducted in 2006/07. The planned Customer Satisfaction Survey was postponed due to disruptions in service from the upgrade to Hood Street. The survey has now been scheduled for September 2007.	<b>100 % of target achieved</b> 85.3 CSI

\* Museum patronage is unlikely to meet the target set. Benchmarking indicates that the target set could be unrealistic, as the patronage of comparable institutions ranges from 30,000 to 110,000 people per annum.

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
<p>Waikato Museum has dedicated a display area known as 'U-Zone' for primary through to secondary schools to use. Schools are allocated use of the space for approximately five weeks.</p>	<p>This initiative allows school students to showcase their creative skills, feel a sense of pride in seeing their work displayed in the same context as established artists, and promotes their school to a wider audience.</p>	✓			✓
<p>An exhibition entitled <i>Keeping Faith</i> was held between October 2007 and March 2008. A number of interesting discussion topics took place alongside this exhibition.</p>	<p>The exhibition explored religious diversity, and encouraged a climate of mutual respect, understanding and tolerance in Hamilton's community.</p>	✓			✓
<p>An exhibition <i>Qui Tutto Bene</i> was held between November 2007 and May 2008, featuring the Italian way of life in New Zealand.</p>	<p>The exhibition provided a catalyst that brought the Italian community in Hamilton together and was a key driver in the formation of the Italian Society.</p>	✓			✓

**Identified Effects on Community Well-Being: Significant Negative Effects**

No significant negative effects were identified as a result of Council providing this significant service.

**Community Outcome influenced by Waikato Museum of Art and History**

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators								
		Community Outcome Progress Indicator	Latest Results	Trend						
<b>2. Vibrant and Creative</b>	<b>Creativity and Identity</b>	Residents' use of arts and culture facilities. Source: Hamilton City Council Residents Survey	Used Waikato Museum in past 12 months	↓						
			<table border="1"> <tr> <th>2006</th> <th>2007</th> <th>2008</th> </tr> <tr> <td>43.3%</td> <td>42.4%</td> <td>41.8%</td> </tr> </table>		2006	2007	2008	43.3%	42.4%	41.8%
			2006		2007	2008				
		43.3%	42.4%	41.8%						
		Used ArtsPost in past 12 months								
		Residents' perception that their city is a place that has a culturally rich and diverse arts scene. Source: Quality of Life Survey	<table border="1"> <tr> <th>2006</th> <th>2007</th> <th>2008</th> </tr> <tr> <td>22.2%</td> <td>21.4%</td> <td>21.3%</td> </tr> </table>	2006	2007	2008	22.2%	21.4%	21.3%	↓
2006	2007		2008							
22.2%	21.4%		21.3%							
Percentage of people who agreed or strongly agreed	↑									
<table border="1"> <tr> <th>2004</th> <th>2006</th> </tr> <tr> <td>56.0%</td> <td>59.0%</td> </tr> </table>		2004	2006	56.0%	59.0%					
2004	2006									
56.0%	59.0%									

**Event Facilities**

**(WAAHI TAIWHANGA)**

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

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

The total cost of providing this service in 2007/08 was \$12.245m (\$8.422m operating expenditure and \$3.823m capital expenditure).

**Key Performance Measures and Targets: 2007/08 Results**

Performance Measure		Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1.	Achieve the following CSI scores, as measured annually by Council's customer satisfaction survey programme: <ul style="list-style-type: none"> <li>• Waikato Stadium</li> <li>• Seddon Park</li> <li>• Claudelands Events Centre.</li> </ul>	85 76 70	<b>100 % of target achieved</b>  87.5 CSI 79.4 CSI 79.5 CSI	<b>&gt;80% of target achieved</b>  87.7 CSI 71.6 CSI 57.0 CSI*
2.	Achieve the following CSI score for Waikato Stadium venue hirers, as measured annually by Council's customer satisfaction survey programme.	85	<b>100 % of target achieved</b> 88.0 CSI	<b>100 % of target achieved</b> 88.3 CSI
3.	Achieve the following CSI score for the Hamilton City Leisure Centre, as measured by Council's Annual Residents Survey.	65	<b>100 % of target achieved</b> 66.4 CSI	<b>100 % of target achieved</b> 68.0 CSI
4.	Achieve optimum utilisation of the facilities, as measured by the annual number of event days for: <ul style="list-style-type: none"> <li>• Waikato Stadium</li> <li>• Seddon Park</li> <li>• Claudelands Events Centre.</li> </ul>	31 31 48	<b>&gt;80% of target achieved</b>  40 21 122	<b>&gt;80% of target achieved</b>  28 19 104
5.	Facilities are at a standard that attracts international and national events, as measured by the annual number of national and international events held at the facilities: <ul style="list-style-type: none"> <li>• Waikato Stadium</li> <li>• Seddon Park</li> <li>• Claudelands Events Centre.</li> </ul>	16 6 6	<b>100 % of target achieved</b>  23 8 16	<b>Not achieved</b>  7 5 1

\* Claudelands continues to have lower CSI scores due to the current nature of the facility. The CSI score is expected to increase as a result of the redevelopment of the Claudelands Events Centre.



**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
NZ Maori vs. Samoa Rugby international match held at Waikato Stadium on 21 June 2008.	Provided residents with the opportunity to see an international test match in their home town.	✓	✓		✓
One Day Cricket International held between New Zealand and England at Seddon Park on 12 February 2008. A Test series was also held between these two teams in March 2008.	International exposure and increased tourism benefits for the city's economy.	✓	✓		✓
Relocation of the historic Claudelands grandstand from the Heaphy Terrace side of the site to the centre of Claudelands Park.	Relocation of the Grandstand has ensured it's preservation, and enabled the Grandstand to take maximum advantage of the Park.	✓	✓	✓	✓

**Identified Effects on Community Well-Being: Significant Negative Effects**

Significant Negative Effect	Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
	Social	Economic	Environmental	Cultural		
1. Excessive noise from events and activities held at the venues.			✓		The number of noisy events are limited as per the resource consent allowances. Events that are deemed noisy are managed via monitoring and contract conditions. The public and neighbours are advised of upcoming events that could generate noise.	For each noisy event neighbouring residents were notified prior to the event being undertaken.
2. Pyrotechnic displays held during events at the venues.			✓		Resource consent conditions, public and neighbourhood communication, Council policy and health and safety obligations are adhered to.	Pyrotechnic displays held adhered to consent conditions imposed.
3. Floodlight spill onto surrounding residents' properties.			✓		Usage of floodlights is kept within resource consent conditions. The spill onto the neighbours' properties is measured on an annual basis.	Floodlighting use adhered to the consent conditions imposed.
4. Traffic management, congestion and parking issues during events.			✓		Traffic Management Plans are instigated for any event over 8,000 patrons. Road closures and 'no parking' areas are publicly notified along with neighbour communications. Pre 'no parking' notification is undertaken for roads affected by commuter parking if an event is held during the working week.	Traffic issues arose at a number of events but the effects were mitigated through Council imposed conditions (refer opposite column).
5. Anti-social crowd behaviour with alcohol influences before, during and after events.	✓				There are security patrols on the streets during and after an event to move patrons along and react to any neighbour complaints or needs for assistance. Patrons are not allowed to take alcohol out of the venues after an event. Risk Management and Health and Safety plans have been completed	No major instances recorded.
6. Litter and debris on surrounding streets after an event.			✓		Litter is cleared away from the streets by 7.00 am the following morning.	All litter was cleared away by specified time.

Significant Negative Effect	Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
	Social	Economic	Environmental	Cultural		
7. Health and safety of patrons attending an event.	✓				Staff are trained to react to any emergency. There are adequate numbers of security staff to handle any difficulties There is a Police presence on site during most of the larger events. Pre-venue checks are undertaken prior to and during events. Risk Management and Health and Safety Plans are completed for each venue.	No recorded instances of health and safety issues.

**Community Outcome influenced by Event Facilities**

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators		
		Community Outcome Progress Indicator	Latest Results	Trend
2. Vibrant and Creative	Economic Development	Residents' use of Council's sports and recreational facilities.  Source: Hamilton City Council Residents Survey	Used Waikato Stadium in the past 12 months  2006 45.6%    2007 46.1%    2008 40.5%	↓
		Used Claudelands Events Centre in the past 12 months  2006 56.1%    2007 54.4%    2008 57.6%	↑	
		Used Seddon Park in the past 12 months  2006 12.1%    2007 16.3%    2008 14.7%	↑	
		Used Hamilton Leisure Centre in the past 12 months  2006 12.3%    2007 11.2%    2008 13.1%	↑	
		Residents' satisfaction with Council's sports and recreational facilities.  Source: Hamilton City Council Residents Survey	Waikato Stadium  2006 81.3 CSI    2007 83.6 CSI    2008 79.6 CSI	↓

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators				
		Community Outcome Progress Indicator	Latest Results			Trend
<b>2. Vibrant and Creative</b>	<b>Economic Development</b>	Residents' satisfaction with Council's sports and recreational facilities.  Source: Hamilton City Council Residents Survey	Claudelands Events Centre			↓
			<b>2006</b> 66.4 CSI	<b>2007</b> 65.9 CSI	<b>2008</b> 65.6 CSI	
			Seddon Park			↑
			<b>2006</b> 69.1 CSI	<b>2007</b> 75.3 CSI	<b>2008</b> 77.0 CSI	
			Hamilton Leisure Centre			↑
			<b>2006</b> 67.9 CSI	<b>2007</b> 66.4 CSI	<b>2008</b> 68.0 CSI	

**Hamilton Zoo  
(TE WHARE KARAREHE)**

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

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

The total cost of providing this service in 2007/08 was \$3.664m (\$2.871m operating expenditure and \$793,000 capital expenditure).

**Key Performance Measures and Targets: 2007/08 Results**

Performance Measure		Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1.	Achieve the following CSI score for user satisfaction with Hamilton Zoo, as measured by Council's customer satisfaction survey programme.	90	<b>100 % of target achieved</b> 90.5 CSI	<b>&gt;80% of target achieved</b> 88.7 CSI (average of 2 surveys)
2.	Achieve the following usage of Hamilton Zoo, as measured by Council's Annual Residents Survey.	50%	<b>100 % of target achieved</b> 57.2%	<b>100% of target achieved</b> 57.6%
3.	Achieve the following number of visits to Hamilton Zoo annually.	120,000	<b>&gt;80% of target achieved</b> 117,732 (98% of target).	<b>100% of target achieved</b> 124,240
4.	No non-compliance reports received from audits carried out by the Ministry of Agriculture and Forestry and license status maintained.	✓	<b>100 % of target achieved</b> No non-compliances were recorded and the Zoo License has been maintained.	<b>100% of target achieved</b> No non-compliances were recorded and the Zoo License has been maintained.
5.	Achieve the following number of education visits to the zoo per year (including real or virtual visits).	15,000	<b>&gt;80% of target achieved</b> 9,261 (93% of target).	<b>50-80% of target achieved (76% of target)</b> Total of 11,360 (includes 8,656 real visits and 2,704 virtual visits).

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Hamilton Zoo staff are working with Department of Conservation and Iwi to establish a breeding captive population of the Hochstetter's frog (an endangered native species) with the potential to repopulate sites in the Waikato Region.	This programme assists the survival of the Hochstetter frogs and also enhanced biodiversity within the Waikato Region.	✓	✓	✓	✓

The majority of the new electrified perimeter fence for Hamilton Zoo was completed.	The new fence has ensured greater safety and security for the animals at the Zoo.	✓	✓	✓	
Hamilton Zoo undertakes species management through the maintenance of comprehensive 'stud books' for eight animal groups e.g. white rhino.	This initiative ensures genetic diversity through the avoidance of in-breeding within species.	✓	✓	✓	

### Identified Effects on Community Well-Being: Significant Negative Effects

Significant Negative Effect	Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
	Social	Economic	Environmental	Cultural		
1. The potential of animal escape and harm to the public.	✓				The Hamilton Zoo must adhere to the containment standards outlined by the Ministry of Agriculture and Forestry (MAF), for housing all Zoo animals including those considered dangerous. MAF inspects enclosures to ensure that they meet the standards. Council ensures that policies and procedures are in place, and that staff are trained and aware of the procedures if a situation like this occurs. There are also trained gun handlers at the Zoo with specified procedures to follow.	Three sitatunga antelope escaped on 4 December 2007 due to a paddock fence left insecure following tree removal for a new perimeter fence. They were recaptured without incident.  There were no other recorded cases of animal escapes from the Zoo.
2. The potential for the public to get into enclosures.	✓				Enclosure fencing is checked on a regular basis to ensure that the enclosures are secure for animals staying in and the public staying out. There is also signage erected in key areas to ensure the public are made aware of the dangers of getting too close to the fence, and in some situations the fences are electrified.	No recorded instances.
3. The potential for the public to catch infectious diseases from imported animals.	✓				Policies and procedures have been established to ensure that any new animal added to the collection is held in quarantine until the registered vet has passed the animal as a non-threat to the collection and the public.	No recorded instances.

**Community Outcome influenced by Hamilton Zoo**

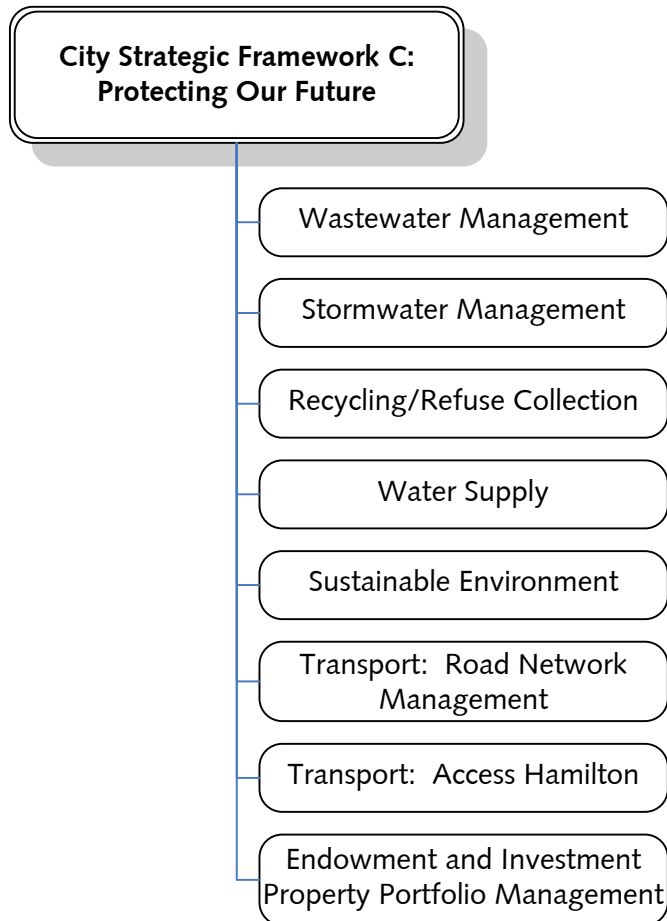
Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators			
		Community Outcome Progress Indicator	Latest Results	Trend	
<b>5. Healthy and Happy</b>	<b>Environmental Sustainability</b>	Residents' use of Council's sports and recreational facilities.	Used Hamilton Zoo in the past 12 months		<b>↑</b>
		Source: Hamilton City Council Residents Survey	<b>2006</b> 50.3%	<b>2007</b> 57.2%	

***Strategic Framework C: Protecting Our Future***

(KAUPAPA RAUTAKI MO TE TAONE NUI C: KO TE HAPAI O KI MUA)

**Significant Services included in Framework C**

Framework C comprises the following eight significant services:

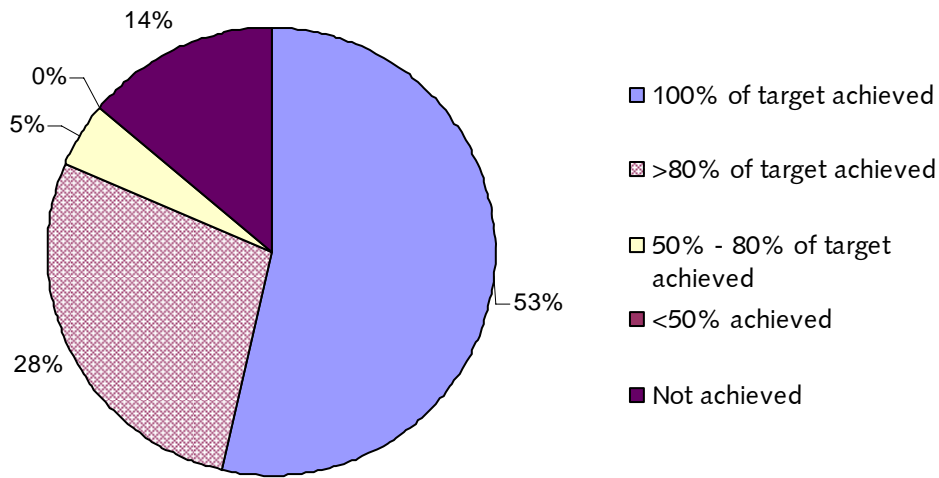


**Performance Results for 2007/08**

The pie graph on the next page shows the overall achievement of the performance measures for the Significant Services in Strategic Framework C for year two (2007/08) of Council's 2006-16 Long-Term Plan.



**Strategic Framework C: Protecting Our Future  
2007/08 Performance Results**



In 2007/08 there were 43 performance measures for *Protecting our Future*. Of these, 23 (53%) were fully achieved, 12 (28%) were over 80% achieved, 2 (5%) were 50% to 80% achieved, none were <50% achieved and 6 (14%) were not achieved in 2007/08.

The significant services that follow in this section show the results for each performance measure in detail.

**Council's Contribution to Hamilton's Community Outcomes**

The following table shows how each significant service under Framework C *Protecting Our Future* contributes to Hamilton's Community Outcomes. In most cases a significant service will contribute to a number of community outcomes. However, the community outcomes shown are those that the significant service primarily contributes to.

Significant Service	Primary Community Outcome area	Specific Community Outcome
<b>Wastewater Management</b>	1. Sustainable and Well-Planned "An attractive city that is planned for the well-being of people and nature, now and in the future".	1.6 Sustainably manages resources such as water and energy.
<b>Stormwater Management</b>	1. Sustainable and Well-Planned "An attractive city that is planned for the well-being of people and nature, now and in the future".	1.6 Sustainably manages resources such as water and energy.
<b>Refuse/Recycling Collection</b>	1. Sustainable and Well-Planned "An attractive city that is planned for the well-being of people and nature, now and in the future".	1.7 Encourages and enables people to recycle and minimize waste.
<b>Water Supply</b>	1. Sustainable and Well-Planned "An attractive city that is planned for the well-being of people and nature, now and in the future".	1.6 Sustainably manages resources such as water and energy.
<b>Sustainable Environment</b>	1. Sustainable and Well-Planned "An attractive city that is planned for the well-being of people and nature, now and in the future".	
<b>Transport: Road Network Management</b>	1. Sustainable and Well-Planned "An attractive city that is planned for the well-being of people and nature, now and in the future".	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.
<b>Transport: Access Hamilton</b>	1. Sustainable and Well-Planned "An attractive city that is planned for the well-being of people and nature, now and in the future".	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.
<b>Endowment and Investment Property Portfolio Management</b>	6. Intelligent and Progressive City "Business growth that is in harmony with the city's identity and community spirit".	6.5 Attracts and retains people and investment and grows great ideas.

**COST OF SERVICE FOR THE YEAR ENDED 30 JUNE 2008**

	<b>Actual 2008 \$000</b>	<b>Budget 2008 \$000</b>	<b>Actual 2007 \$000</b>
<b>Operating expenditure</b>			
Wastewater management	17,581	14,054	16,203
Stormwater management	7,274	7,609	6,869
Recycling/refuse collection	5,545	5,877	8,583
Water supply	15,139	14,054	13,200
Sustainable environment	662	706	573
Transport: Road network management	33,089	26,957	24,270
Transport: Access Hamilton	2,555	4,794	3,853
Endowment and investment property portfolio	3,155	2,323	2,452
<b>Total operating expenditure</b>	<b>85,000</b>	<b>76,374</b>	<b>76,003</b>
<b>Less operating revenue</b>			
Wastewater management	2,558	2,363	2,885
Stormwater management	23	11	7
Recycling/refuse collection	853	999	5,119
Water supply	5,159	5,066	4,480
Sustainable environment	6	-	-
Transport: Road network management	4,266	3,928	3,503
Transport: Access Hamilton	348	799	207
Endowment and investment property portfolio	5,035	5,096	4,660
<b>Total operating revenue</b>	<b>18,248</b>	<b>18,262</b>	<b>20,861</b>
<b>Net cost of service</b>	<b>66,752</b>	<b>58,112</b>	<b>55,142</b>
<b>Total operating expenditure funded by:</b>			
Operating revenue	18,248	18,262	20,861
Loans (reserves and Access Hamilton)	345	-	2,269
Loans (rates)	473	-	176
Other reserves	1,828	-	1,840
Rates	64,106	58,112	50,857
<b>Total operating expenditure</b>	<b>85,000</b>	<b>76,374</b>	<b>76,003</b>
<b>Capital expenditure</b>			
Wastewater management	7,921	5,218	3,805
Stormwater management	1,969	3,610	3,695
Recycling/refuse collection	402	84	292
Water supply	6,379	6,848	5,383
Transport: Road network management	16,324	18,765	14,945
Transport: Access Hamilton	11,901	24,803	2,223
Endowment and investment property portfolio	3,823	-	474
<b>Total capital expenditure</b>	<b>48,719</b>	<b>59,328</b>	<b>30,817</b>
<b>Total capital expenditure funded by:</b>			
Loans (reserves and Access Hamilton)	6,857	11,724	1,105
Loans (development contributions)	10,272	19,945	8,964
Loans (rates)	7,114	4,313	6,321
Other reserves	4,075	497	1,243
Subsidies	6,543	11,350	2,654
Other revenue	1,798	640	2,308
Depreciation (rates)	12,059	10,859	8,222
<b>Total capital expenditure</b>	<b>48,719</b>	<b>59,328</b>	<b>30,817</b>

**Significant Acquisitions or Replacements of Assets**

This section describes any significant acquisitions or replacements of assets, the reasons for the acquisitions or replacements, and the reasons for any significant variation from that shown in year 2 (2007/08) of the 2006-16 Long-Term Plan (for capital projects exceeding \$1m).

**WASTEWATER**Wastewater Treatment Plant Secondary Treatment Upgrade (budget \$1.015m carried over from 2006/07)

This project will ensure compliance with HCC resource consents for discharging to air, water and land. The project also includes a capacity increase to accommodate future growth in the city. Expenditure during the year was \$0.873m with the balance of \$0.142m being carried forward to 2008/09.

Cogeneration Engine (budget \$0.0m)

Engines are used to convert gas (produced through the treatment process) into electricity that is then used to power the operation of the plant. The existing engines suffered significant failure during the year resulting in unplanned expenditure of \$1.390m to replace them with a single engine.

Stormwater Rototuna/Flagstaff trunks (budget \$2.099m)

Extension of stormwater trunk mains to enable urban growth in Rototuna. Expenditure was \$0.164m with the remaining work still due to be completed. Budget of \$1.935m will be carried forward to 2008/09.

Wastewater Rototuna Trunks (budget \$1.266m)

Extension of wastewater trunk mains to enable urban growth in Rototuna. Expenditure was \$0.697m with the remaining work still due to be completed. Budget of \$0.569m will be carried forward to 2008/09.

**TRANSPORT: ROAD NETWORK MANAGEMENT**Rotokauri future growth (budget \$1.230m)

Urban upgrade of existing roads, construction of new arterials, and upsizing collector roads within and bounding the Rototuna growth cell to enable urban growth in Rototuna. Actual spend was \$1,021m with the remaining budget to be carried forward to 2008/09.

Rototuna roading growth (budget \$8.101m)

Urban upgrade of existing roads, construction of new arterials, and upsizing collector roads within and bounding the Rototuna growth cell to enable urban growth in Rototuna. Works are underway with the unspent portion to be carried over to 2008/09 to enable the continuation of these works.

Kerb and Channel Replacement (budget \$1.094m)

Ongoing programme which allows for the replacement of kerb and channel around the city to ensure the asset is maintained to an acceptable standard. Actual expenditure was \$1.130m.

Carriageways Resealing (budget \$1.469m)

This is an on-going programme of road resurfacing work required to maintain the existing network in accordance with the road resurfacing strategy approved by Council in April 2003. Actual expenditure was greater than budget at \$2.402m due to works associated with the V8 event and re-prioritisation of other rehabilitation works.

CBD improvements (budget \$2.374m)

Completion of the Hood Street streetscape upgrade to meet Council's CBD improvement strategy. Actual expenditure was \$1.716m.

Footways, verge shape correction (budget \$1.342m)

Resurfacing and reconstruction of existing footpaths to renew existing footpaths at the end of their economic lives. Actual expenditure was \$1.273m.

## TRANSPORT: ACCESS HAMILTON

Norton Rd (budget \$2.906m)

Upgrade Norton Rd to urban standard, works were completed for \$2.080m.

E1 arterial land (budget \$6.258m carried over from 2006/07)

To purchase several parcels of land for construction of the eastern section of the arterial ring road. Actual expenditure was \$2.710m but final land negotiations are yet to be finalised, so unspent budget of \$3.548m will be carried forward to 2008/09.

E1 arterial construction (budget \$9.701m)

For construction of the eastern section of the arterial ring road, this will complete the city circular arterial. Work unable to commence as land purchase negotiations are yet to be finalised. Budget will be carried forward to 2008/09.

Wairere Drive (budget \$9.503m)

Extension of Wairere Drive (including intersections) to improve the existing ring road networks and provide strategic intersections to connect to the existing road network. Works commenced during the year with actual expenditure being \$5.972m. The unspent budget of \$3.531m will be carried forward to 2008/09.

## Wastewater Management (TE ROOPUU WHAKAHAERE PARAWHAKAKINO)

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

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

The total cost of providing this service in 2007/08 was \$25.502m (\$17.581m operating expenditure and \$7.921m capital expenditure).

### Key Performance Measures and Targets: 2007/08 Results

Performance Measure	Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1. Achieve the following CSI score for the wastewater system, as measured by Council's Annual Residents Survey.	75	<b>100% of target achieved</b> 80.1 CSI	<b>100% of target achieved</b> 82.0 CSI
2. Achieve a high level of compliance for the Wastewater Treatment Plant's (WWTP) resource consents reported to and audited by Environment Waikato annually.	✓	<b>&gt;80% of target achieved</b> The WWTP site was evaluated as Partially Compliant with its resource consents, due to the introduction of a significant trade waste discharge to the system in 2006, which caused significant treatment issues. These issues have now been resolved.	<b>&gt;80% of target achieved</b> Issues leading to partial compliance in 2006/07 have been resolved. Compliance will be monitored against the new discharge consents obtained in September 2007. The site annual survey will be completed in September 2008.
3. The annual number of wastewater blockages per 100km of network is limited to the following.	45	<b>50% - 80% of target achieved</b> 59 blockages per 100km of network occurred.	<b>Not achieved</b> 57 blockages per 100km of network occurred. This result was primarily due to the exceptionally wet weather conditions over winter complicated by the preceding summer drought (which initially reduced soil permeability levels and contributed to soil erosion which in turn transferred a high level of solids into the network). However, improvements have been made, with the number of blockages decreasing by 3.4% from the 2006/07 results.
4. No wastewater overflows from pump stations due to mechanical or electrical equipment failure.	✓	<b>Not achieved</b> 16 overflows were caused by mechanical or electrical failure.	<b>Not achieved</b> 25 overflows were caused by mechanical (17) or electrical (8) failure. Replacement programme is underway.
5. 100% of urgent works responded to within 1 hour.	✓	<b>50% - 80% of target achieved</b> 74% of urgent works were responded to within 1 hour.	<b>&gt;80% of target achieved</b> 86% of urgent works were responded to within 1 hour.

Performance Measure		Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
6.	Cost of service is less than the median cost when compared with five other similar New Zealand local authorities.	✓	<b>100% of target achieved</b> Hamilton: \$83.72 Median: \$287.87 for 2006/07 (cost of service comparison compiled where data available).	<b>Not achieved</b> Hamilton: \$339.71 Median: \$331.70 for 2007/08 (cost of service per household comparison compiled where data available).

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
<p>Ulster Street wastewater interceptor refurbished with a polyethylene liner.</p> <p>A pump station in Snell Drive was upgraded as part of an ongoing programme to install additional storage chambers to key pump stations within the network. In addition, 36 obsolete pumps in stations across the city were replaced with energy efficient pumps during 2007/08.</p> <p>Ongoing programme to assess the condition of the wastewater pipe network.</p>	<p>The risk to the community of disruption to the collection / conveyance of wastewater in this relatively large catchment area has been reduced.</p> <p>The risk to the community of wastewater overflows has been reduced.</p> <p>This programme reduces the risk of failure from structural inadequacies resulting in wastewater overflows and associated risks to health and damage to private property. Customer satisfaction with the wastewater system has increased from 80.1 CSI in 2006/07 to 82.0 CSI in 2007/08.</p>	<p>✓</p> <p>✓</p> <p>✓</p>	<p>✓</p> <p>✓</p> <p>✓</p>	<p>✓</p> <p>✓</p> <p>✓</p>	

**Identified Effects on Community Well-Being: Significant Negative Effects**

Significant Negative Effect	Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
	Social	Economic	Environmental	Cultural		
1. Untreated wastewater is accidentally discharged into the Waikato River.			✓	✓	Council has an ongoing programme to install additional storage chambers to key pump stations within the network. All pump stations are monitored 24 hours per day. The wastewater treatment plant is being upgraded to provide sufficient capacity for the next 25 years. Preventative maintenance programmes, stormwater infiltration/ inflow detection programmes and business continuity plans are in place for both the wastewater network and treatment plant.	There were no events of untreated wastewater being discharged from the Wastewater Treatment Plant.  There were 65 significant overflows from pump stations during the 2007/08 period. These overflows were discharged to the Waikato River and/or its tributaries.
2. As a result of failure in the wastewater network, untreated wastewater could contaminate various properties throughout the city.	✓		✓		Council has an ongoing programme to install additional storage chambers to key pump stations within the network. All pump stations are monitored 24 hours per day via telemetry. Preventative maintenance programmes, stormwater infiltration/inflow detection programmes and business continuity plans are in place for the wastewater network.	All customer requests to investigate overflows were addressed. There were no recorded instances of property contamination.
3. Trade waste costs may be perceived as too high and could adversely affect industries expanding within and/or relocating to Hamilton.		✓			The cost of providing the wastewater service is benchmarked against five similar New Zealand local authorities. Businesses are charged for trade waste on a user-pays basis.	Benchmarking undertaken showed Hamilton's cost of providing a trade waste service to be considerably lower when compared against the median cost of five similar New Zealand local authorities.
4. Operation of the wastewater treatment plant may cause odour and noise nuisance to surrounding residential properties.	✓		✓		The wastewater treatment plant is fully fenced and has a vegetation buffer zone to create distance from the surrounding residential properties. Treatment processes are designed to minimise odour and noise nuisance.	Three odour complaints were received and actioned as required by the resource consent conditions.

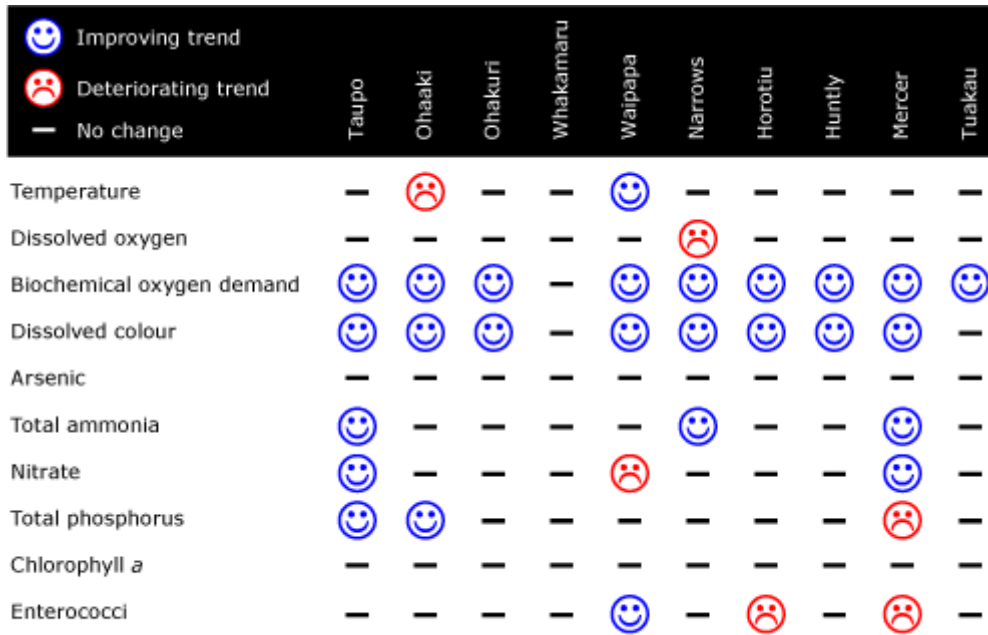


Significant Negative Effect	Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
	Social	Economic	Environmental	Cultural		
5. Discharge of treated wastewater into the Waikato River may be considered offensive by Maori.				✓	Maori cultural values are considered as part of any resource consent process relating to the discharge of wastewater into the Waikato River.	A new resource consent for the discharge of treated wastewater to the Waikato River came into effect in September 2007. Maori cultural values were recognised through the establishment of a Tangata Whenua liaison group.

**Community Outcome influenced by Wastewater Management**

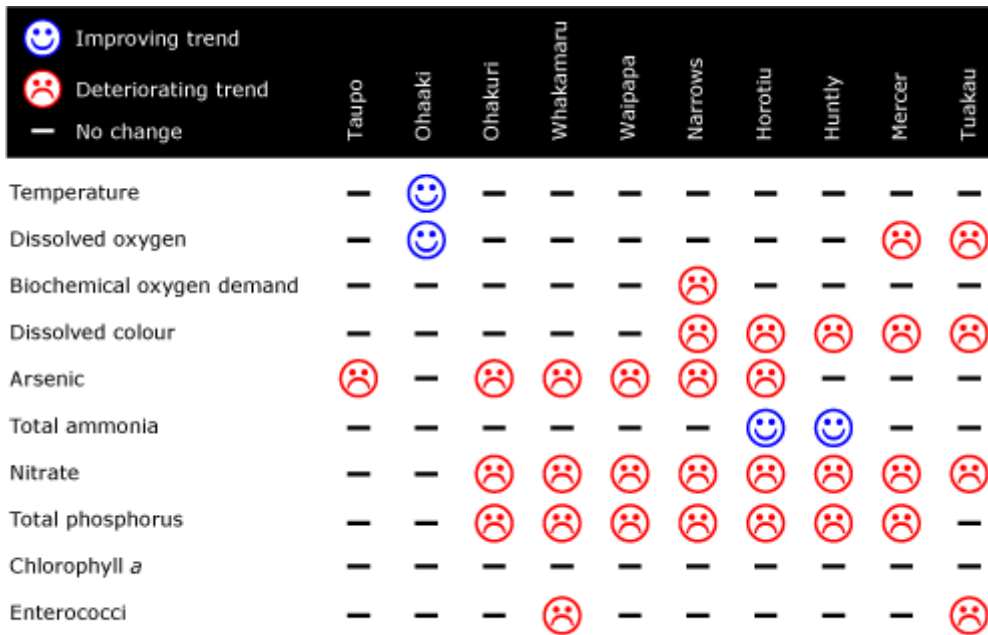
Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators		
		Community Outcome Progress Indicator	Latest Results	Trend
<b>1. Sustainable and Well-Planned</b>	<b>Environmental Sustainability</b>	Ecological health of the Waikato River.  Source: Environment Waikato	Overall the water quality of the Waikato River at the Horotiu and Narrows sampling sites (the closest sampling sites to Hamilton) has decreased between the period 1988 - 1997 and 1998 - 2007. This result is reflective of that for the remaining eight sampling sites along the length of the Waikato River (please refer to the tables below).	↓

**Water quality trends in the Waikato River between 1988 and 1997**



Based on methods in *Environment Waikato Technical Report 2008/33*.

**Water quality trends in the Waikato River between 1998 and 2007**



Based on methods in *Environment Waikato Technical Report 2008/33*.

**Stormwater Management**  
**(TE ROOPUU WHAKAHAERE WAI-AAWHA)**  
 (Page 166 of Council's 2006-16 Long-Term Plan)

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

The total cost of providing this service in 2007/08 was \$9.234m (\$7.274m operating expenditure and \$1.969m capital expenditure).

**Key Performance Measures and Targets: 2007/08 Results**

Performance Measure		Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1.	Achieve the following CSI score for the stormwater system, as measured by Council's Annual Residents Survey.	70	<b>100% of target achieved</b> 75.8 CSI	<b>100% of target achieved</b> 76.8 CSI
2.	No major concerns raised by Environment Waikato for stormwater consent compliance.	✓	<b>100% of target achieved</b>	<b>100% of target achieved</b>
3.	100% of urgent stormwater works responded to within 1 hour.	✓	<b>50% - 80% of target achieved</b> 67% of urgent work requests were responded to within one hour.	<b>&gt;80% of target achieved</b> 84% of urgent work requests were responded to within one hour.
4.	The cost of providing the service is less than the median cost when compared with five other similar New Zealand local authorities.	✓	<b>100% of target achieved</b> Hamilton: \$100.88 Median: \$120.75 for 2006/07 (cost of service comparison compiled where data available).	<b>Not achieved</b> Hamilton: \$129.36 Median: \$109.34 for 2007/08 (cost of service per household comparison compiled where data available).

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Council continued progressing it's comprehensive Stormwater Discharge Resource Consent to Environment Waikato (this included a second round of consultation with affected parties). Documents are now being finalised for the next round of hearings (anticipated to be held in December 2008).	Environment Waikato and other affected parties have become more informed and aware of the city's requirements for discharging stormwater.	✓	✓	✓	✓

**Identified Effects on Community Well-Being: Significant Negative Effects**

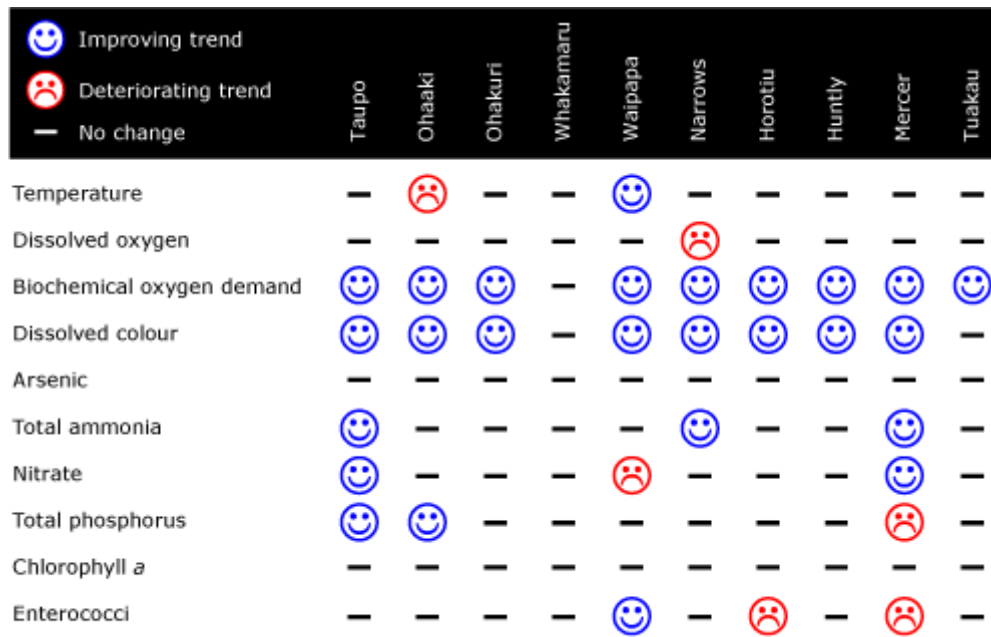
Significant Negative Effect	Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
	Social	Economic	Environmental	Cultural		
1. Illness caused by contact with microbiological or chemical contaminants from stormwater in the streams and rivers used for recreational purposes.	✓				Hamilton has separate wastewater and stormwater networks, which minimises the risk of wastewater entering streams and rivers. An annual programme is in place to identify illegal connections to the stormwater and wastewater networks. Catchpits provide a form of pre-treatment by screening and preventing objects from entering the stormwater system. Non-domestic waste producers are required to comply with provisions in Council's Trade Waste Bylaw 1999 and are monitored on a regular basis. Council must comply with resource consent conditions for all stormwater outlets to waterways.	No recorded instances of Illegal connections to the stormwater network were identified.  Ongoing trade waste monitoring was undertaken.  Council's resource consent conditions were met.
2. Excessive quantities of stormwater being discharged from point sources during periods of heavy rain or contaminants entering rivers and streams and affecting fish and other aquatic life.			✓		Hamilton has separate wastewater and stormwater networks, which minimises the risk of wastewater entering streams and rivers. An annual programme is in place to identify illegal connections to the stormwater and wastewater networks. Catchpits provide a form of pre-treatment by screening and preventing objects from entering the stormwater system. Non-domestic waste producers are required to comply with provisions in Council's Trade Waste Bylaw 1999 and are monitored on a regular basis. Council must comply with resource consent conditions for all stormwater outlets to waterways.	No recorded instances.

Significant Negative Effect	Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
	Social	Economic	Environmental	Cultural		
3. Open channels in urban areas can become habitat for vermin, or a danger to life and property in some areas when streams rise rapidly and overflow during storm events.	✓				Open channels throughout the city are cleaned and maintained on a regular basis to prevent flooding and the establishment of vermin.	One recorded instance of vermin in a gully, which was addressed.
4. The mixing of water from different catchments is not considered appropriate by Maori.				✓	Council consults with local iwi regarding stormwater management as part of the resource consent process for this activity.	No issues raised. All resource consent conditions were met.

**Community Outcome influenced by Stormwater Management**

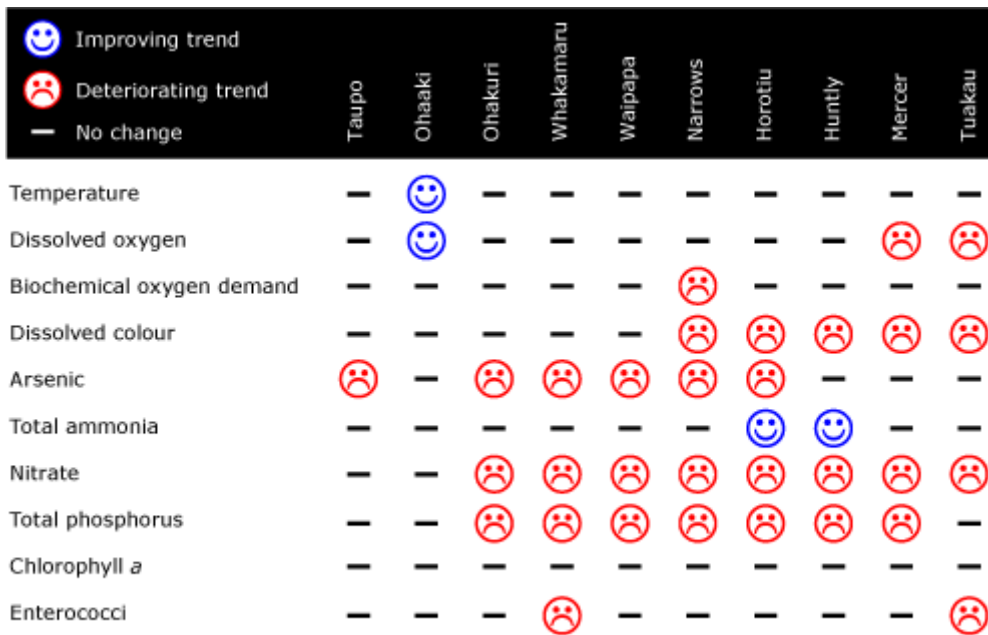
Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators		
		Community Outcome Progress Indicator	Latest Results	Trend
<b>1. Sustainable and Well-Planned</b>	<b>Environmental Sustainability</b>	Ecological health of the Waikato River.  Source: Environment Waikato	Overall the water quality of the Waikato River at the Horotui and Narrows sampling sites (the closest sampling sites to Hamilton) has decreased between the period 1988 - 1997 and 1998 - 2007. This result is reflective of that for the remaining eight sampling sites along the length of the Waikato River (please refer to the tables below).	↓

**Water quality trends in the Waikato River between 1988 and 1997**



Based on methods in *Environment Waikato Technical Report 2008/33*.

**Water quality trends in the Waikato River between 1998 and 2007**



Based on methods in *Environment Waikato Technical Report 2008/33*.

**Recycling / Refuse Collection**  
**(WHAKAHOU (TIA) KOOHINGA RAAPIHI)**

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

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

The total cost of providing this service in 2007/08 was \$5.947m (\$5.545m operating expenditure and \$402,000 capital expenditure).

**Key Performance Measures and Targets: 2007/08 Results**

Performance Measure		Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1.	Achieve the following CSI scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> <li>• Household Recyclable Collection</li> <li>• Household Refuse Collection</li> <li>• Refuse Transfer Station</li> <li>• Hamilton Organic Centre.</li> </ul>	83 83 80 84	<b>&gt;80% of target achieved</b>  82.8 CSI 84.3 CSI 78.7 CSI 81.8 CSI	<b>&gt;80% of target achieved</b>  84.5 CSI 84.4 CSI 79.6 CSI 82.1 CSI
2.	Percentage of requests relating to non-collection of household refuse resolved within 24 hours.	90%	<b>100% of target achieved</b> 98.4% of non-collection enquiries were satisfied within 24 hours.	<b>100% of target achieved</b> 94.3% of non-collection enquiries were satisfied within 24 hours.
3.	Percentage of requests relating to non-collection of household recyclables resolved within 24 hours.	90%	<b>100% of target achieved</b> 96.9% of kerbside recycling enquiries were satisfied within 24 hours.	<b>&gt; 80% of target achieved</b> 89.2% of kerbside recycling enquiries were satisfied within 24 hours.
4.	Achieve a high level of compliance for the Horotiu Landfill resource consents as reported to and audited by Environment Waikato and Waikato District Council annually.	✓	<b>100% of target achieved</b>	<b>100% of target achieved</b>
5.	Closed landfills comply with resource consent conditions.	✓	<b>100% of target achieved</b>	<b>100% of target achieved</b>
6.	Achieve the following tonnes of waste diverted for recycling through kerbside recycling, recycling centre operations, and greenwaste composting at the Hamilton Organic Centre.	25,000	<b>100% of target achieved</b> 31,766 tonnes of waste was diverted from the landfill.	<b>100% of target achieved</b> 35,549 tonnes of waste was diverted from the landfill.
7.	Achieve all waste reduction targets in Council's Waste Management Plan within agreed timeframes.	✓	<b>100% of target achieved</b> Implementation of Waste reduction targets continued. Specific projects in 2006/07 were:	<b>100% of target achieved</b> Implementation of Waste reduction targets continued. Specific projects in 2007/08 were:

Performance Measure	Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
		<ul style="list-style-type: none"> <li>• Kerbside recycling extended to high schools</li> <li>• Council's internal recycling services extended to the Duke Street site</li> <li>• The Waikato Waste Advisory Service for Business continued.</li> </ul>	<ul style="list-style-type: none"> <li>• Kerbside recycling to high schools continued</li> <li>• Council's internal recycling services extension to the Duke Street site continued</li> <li>• The Waikato Waste Advisory Service for Business continued.</li> </ul>

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
<p>Council continues to operate and promote the weekly kerbside recycling scheme for households to recycle plastic, glass and aluminium/steel cans.</p> <p>Council coordinated Hamilton's first eDay on 29 September 2007.</p>	<p>Hamilton residents are becoming more aware of the benefits of recycling. Household usage of the kerbside recycling scheme averaged 90.7% between 2006/07 and 2007/08 (compared to 80.2% usage in 2005/06). The average satisfaction rating (CSI score) of this service for 2006/07 and 2007/08 was 84.4.</p> <p>eDay has raised the community's awareness of the hazardous nature of electronic waste and provided a suitable means for people to dispose of their used electronic items. Over 42 tonnes of electronic waste (including 1,400 monitors and 1,000 computers) was diverted from Waikato landfills as a result of the first eDay.</p>		<p>✓</p> <p>✓</p>	<p>✓</p> <p>✓</p>	



**Identified Effects on Community Well-Being: Significant Negative Effects**

Significant Negative Effect		Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
		Social	Economic	Environmental	Cultural		
1.	Uncollected or dumped refuse becoming a health risk to the public.	✓				The Refuse Bylaw 2002 and collection contracts include provisions to minimise the risk of occurrence.	There was a significant reduction in the number of customer calls regarding uncollected or illegally dumped refuse. All calls made to Council were actioned quickly.
2.	Gas or leachate from landfill/transfer station site polluting the natural environment and entering natural watercourses.			✓		The landfill has gas and leachate collection and treatment systems. Leachate is collected at the Refuse Transfer Station and disposed of via the wastewater network.	The leachate from landfill was dealt with through the wastewater network.  No instances of pollution to natural watercourses occurred.
3.	Nuisance problems with vermin, odour, dust/litter or noise from landfills or transfer station sites.	✓		✓		Council has management plans and maintenance procedures in place to control nuisance problems at its landfill and transfer station sites. Both sites hold current resource consents.	No issues raised. All maintenance procedures met. Resource consent conditions met.
4.	Recycling/refuse practices contradict Maori cultural beliefs or practices.				✓	Council consults with local iwi regarding recycling/refuse management as part of the resource consent processes for this activity.	Resource consent conditions met. No issues raised.

**Community Outcome influenced by Recycling / Refuse Collection**

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators				
		Community Outcome Progress Indicator	Latest Results			Trend
<b>1. Sustainable and Well-Planned</b>	<b>Environmental Sustainability</b>	Waste per person from the household kerbside collection. Source: Hamilton City Council	<b>2005 / 06</b> 170.7 kgs / year	<b>2006 / 07</b> 156.8 kgs / year	<b>2007 / 08</b> 150.7 kgs / year	↓
		Recyclables per person from the household kerbside collection. Source: Hamilton City Council	<b>2005 / 06</b> 68.6 kgs / year	<b>2006 / 07</b> 69.9kgs / year	<b>2007 / 08</b> 79.3kgs / year	↑
		Materials collected for re-use/recycling at Hamilton's Refuse Transfer Station. Source: Hamilton City Council	<b>2005 / 06</b> 4,553 tonnes	<b>2006 / 07</b> 3,337 tonnes	<b>2007 / 08</b> 4,188 tonnes	↓
		Waste diverted from landfill via the Hamilton Organic Centre. Source: Hamilton City Council	<b>2005 / 06</b> 17,155 tonnes	<b>2006 / 07</b> 18,690 tonnes	<b>2007 / 08</b> 20,822 tonnes	↑

**Water Supply  
(TUKUA WAI)**

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

This service provides for water treatment, storage and distribution in Hamilton City. Raw water is drawn from the Waikato River into the Hamilton Water Treatment Plant where it is treated to provide a high standard of drinking water.

The total cost of providing this service in 2007/08 was \$21.518m (\$15.139m operating expenditure and \$6.379m capital expenditure).

**Key Performance Measures and Targets: 2007/08 Results**

Performance Measure		Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1.	Retain the Ministry of Health's grading of the city's water treatment operation at 'A' and the city's water reticulation network at 'a'.	✓	<b>Not applicable</b> The Waikato District Health Board Public Health Unit did not complete any MoH grading assessments on Hamilton's water supply during 2006/07. An 'Aa' grading was received in 2006 and the next grading assessment is scheduled to be completed before the end of December 2007.	<b>&gt;80% of target achieved</b> The Ministry of Health grading assessment of Hamilton's water supply was completed August 2007.  The Hamilton City water treatment operation and reticulation is 'Aa' grade and 'Ab' grade for Templeview
2.	100% of flow and pressure tests comply with the standards set out in the Hamilton City Development Manual.	✓	<b>&gt;80% of target achieved</b> Random water pressure testing is undertaken at selected properties throughout the water distribution network, particularly in newly developed areas in the city as well as in elevated areas. Although one result was below the minimum 10-metre water pressure head standard, this occurred at non-peak usage time, i.e. between 10pm — 6am.  In addition, requests for service relating to low water pressure form part of the overall monitoring programme. 19 complaints relating to low water pressure were logged in regard to flow or pressure in the Council's network. These complaints have all been addressed.	<b>100% of target achieved</b>  In addition, 19 requests for service relating to low pressure were logged. 17 of these occurred during the exceptionally high demand period covering the summer drought in the Waikato Region. All Requests for Service have been addressed.
3.	Achieve the following CSI scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> <li>• Water pressure</li> <li>• Clarity of water</li> <li>• Taste and odour</li> <li>• Continuity of supply.</li> </ul>	82 76 68 84	<b>100% of target achieved</b>  85.0 CSI 80.8 CSI 72.6 CSI 88.4 CSI	<b>100% of target achieved</b>  85.0 CSI 82.1 CSI 73.9 CSI 86.2 CSI

Performance Measure		Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
4.	Average water supply interruptions are no more than: <ul style="list-style-type: none"> <li>• 7 minutes per connection (unplanned shutdowns) per year</li> <li>• 4 hours per shutdown per year.</li> </ul>	✓	<b>&gt;80% of target achieved</b> Achieved (shutdowns averaged five minutes per connection). Out of 492 shutdowns, 9 exceeded 4 hours duration.	<b>&gt;80% of target achieved</b> (shutdowns averaged five minutes per connection). Out of 687 shutdowns, 28 exceeded 4 hour duration.
5.	100% of urgent works responded to within 1 hour.	✓	<b>Not applicable</b> No urgent work requests occurred in 2006/07.	<b>50% - 80% of target achieved</b> 79% of urgent works were responded to within one hour.
6.	Cost of service is less than the median cost when compared with five other similar New Zealand local authorities.	✓	<b>100% of target achieved</b> Hamilton: \$150.28 Median: \$256.24 for 2006/07 (cost of service comparison compiled where data available).	<b>100% of target achieved</b> Hamilton: \$284.39 Median: \$287.95 for 2007/08 (cost of service per household comparison compiled where data available).

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
A sprinkler ban was put in place on 31 January 2008 to help conserve water over the summer period due to exceptionally dry weather conditions. Prior to the ban being put in place, 70-80 million litres of water was being used each day. The ban remained in place until 1 May 2008.	Increased community awareness of the importance of using water in a responsible manner, particularly ensuring the security of the water supply. After the sprinkler ban was put in place on 31 January 2008, the usage decreased to 40-50 million litres of water used by the city each day.		✓	✓	
Ongoing operation of the recently upgraded Water Treatment Station (\$22m upgrade completed in early 2007).	There has been increased customer satisfaction with the taste and odour of water (from a CSI of 72.6 in 2006/07 to a CSI of 73.9 in 2007/08).	✓	✓	✓	

**Identified Effects on Community Well-Being: Significant Negative Effects**

Significant Negative Effect	Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
	Social	Economic	Environmental	Cultural		
1. Lack of treated water supply may cause health problems in the community.	✓				Preventative maintenance is carried out on the water treatment and supply network to ensure a treated water supply is maintained. A Public Health Risk Management Plan and business continuity plan is also in place.	No recorded instances.
2. Malicious tampering of the water supply.	✓				Security systems are in place. Sites are audited and the water supply is tested regularly. Risk management plans are in place to minimise the chances of this occurring.	The regular site inspection program highlighted two potential tampering incidents in 2007/08. Follow up procedures were carried out and no negative effects were identified.
3. Water costs could potentially be too high and adversely affect industries expanding and/or relocating to Hamilton.		✓			The cost of providing the water supply service is benchmarked against five similar New Zealand local authorities. Businesses are charged for water on a user-pays basis.	Benchmarking undertaken showed Hamilton's cost of water supply service to be considerably lower when compared against the median cost of five similar New Zealand local authorities.
4. Accidental discharge of chemicals used to treat water into the Waikato River.			✓		Chemicals are stored in purpose-built facilities and audited on a regular basis. Risk management plans are in place to prevent this occurring.	No recorded instances.
5. Discharge of reservoir water into local waterways.			✓		Emergency shutoff valves are installed in all reservoirs. All reservoirs comply with New Zealand building standards and are subject to a regular maintenance programme.	Two reservoirs were drained to local waterways in 2007/08. This work was completed in consultation with Environment Waikato and no discernable effects were noted.
6. Water supply practices contradict Maori cultural beliefs or practices.				✓	Council consults with local iwi regarding water supply management as part of the resource consent processes for this significant service.	Resource consent conditions were met. No issues were raised.

**Community Outcome influenced by Water Supply**

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators			
		Community Outcome Progress Indicator	Latest Results	Trend	
<b>1. Sustainable and Well-Planned</b>	<b>Environmental Sustainability</b>	Water usage. Source: Hamilton City Council	Domestic Use (per person per day):		↑
			2005 / 06 193.0 litres	2006 / 07 189.5 litres	
		Drinking water standard Source: Water Information New Zealand	Total volume of water treated and distributed by Hamilton's Water Treatment Station (million litres) <sup>19</sup>		↑
			2005 / 06 18,264	2006 / 07 18,863	
		2005 / 06 Aa	2006 / 07 Aa	2007 / 08 Aa	→
		Note: 'A' relates to the water treatment plant and 'a' relates to the city reticulation network. Temple View received a grading of 'Ab' in 2007/08.			

<sup>19</sup> Total water production includes domestic, commercial and industrial use, as well as system losses of approximately 6%. Also includes water supplied to residents of Waikato District outside the city on a commercial basis — the number of these connections is growing each year but does not reflect in the estimated populations statistics.

## Sustainable Environment (TAUTOKO TE TAIAO)

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

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

The total cost of providing this service in 2007/08 was \$626,000.

### Key Performance Measures and Targets: 2007/08 Results

Performance Measure	Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1. 'Know It?!...Live it' community environmental education programme database membership increased by 10% annually.	825	<b>100% of target achieved</b> 1,255 members	<b>100% of target achieved</b> 1,325 members*
2. Gully restoration programme membership increased by 10% annually.	726	<b>100% of target achieved</b> 707 members	<b>100% of target achieved</b> 893 members
3. Achieve the following number of schools participating in the EnviroSchools programme.	25	<b>100% of target achieved</b> 24 schools participating	<b>100% of target achieved</b> 29 schools participating
4. Review and implement components of the 10-year Waste Management Plan.	Gaseous component of plan reviewed	<b>100% of target achieved</b> The liquid component of the plan was adopted by Council on 28 February 2007 and has been implemented. Progress towards ongoing targets is being monitored.	<b>Not achieved</b> A full review of the waste management plan is scheduled to take place in the next year. As part of this review the working group will recommend the best approach with regard to the gaseous component/air quality issues.
5. Achieve the following weights for Council's internal daily waste stream.	40kg	<b>&gt;80% of target achieved</b> 58kg In 2006/07 the number of staff in the main building went up by 14% (339 to 447 people). An additional floor of the building was also included in the waste audit for the first time.	<b>&gt;80% of target achieved</b> Adjusted for increased staff numbers, the waste stream weight per staff member is 40.73kgs, slightly above the target of 40kgs.
6. Administer and distribute the Envirofund to groups undertaking projects and programmes that contribute to environmental sustainability in the city.	✓	<b>100% of target achieved</b> (20 applications were received and \$50,000 funding was distributed).	<b>100% of target achieved</b> (28 applications were received and \$50,000 funding was distributed).

\* Although the database membership did not increase by 10% as outlined in the target, the total number of members (1,325 in 2007/08) is well ahead of the 2007/08 target of 825 members.

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Ongoing implementation of the Gully Restoration programme.	1630 eco-sourced native plants were given to gully owners to plant in their gullies. This will increase the amount of native flora within Hamilton's gully network and potentially increase the amount of native fauna.	✓		✓	✓
Council contribution to the delivery of the EnviroSchools programme in Hamilton.	Students and the wider community are educated about environmental issues, creating a more environmentally aware community. Council contributed \$28,000 to the EnviroSchools programme in Hamilton allowing facilitators to provide support for 29 schools.	✓		✓	✓

**Identified Effects on Community Well-Being: Significant Negative Effects**

No significant negative effects have been identified as a result of Council providing this significant service.

**Community Outcome influenced by Sustainable Environment**

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators			
		Community Outcome Progress Indicator	Latest Results		Trend
<b>1. Sustainable and Well-Planned</b>	<b>Environmental Sustainability</b>	Participation in the EnviroSchools programme. Source: Hamilton City Council	Number of schools		↑
			<b>2006</b> 22	<b>2007</b> 24	
		Participation in native tree restoration projects. Source: Hamilton City Council	Number of households		↑
			<b>2006</b> 650	<b>2007</b> 707	



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

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

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

The total cost of providing this service in 2007/08 was \$49.413m (\$33.089m operating expenditure and \$16.324m capital expenditure).

**Key Performance Measures and Targets: 2007/08 Results**

Performance Measure	Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
<p>1. Achieve the following CSI scores, as measured by Council's Annual Residents Survey:</p> <ul style="list-style-type: none"> <li>• Streets throughout the city</li> <li>• Streets around here</li> <li>• Traffic management</li> <li>• Street lighting throughout the city</li> <li>• Street lighting around here</li> <li>• Footpaths in general throughout the city</li> <li>• Footpaths around here</li> <li>• Pedestrian facilities</li> </ul>	<p>70</p> <p>73</p> <p>70</p> <p>70</p> <p>68</p> <p>70</p> <p>70</p> <p>70</p>	<p><b>100% of target achieved</b></p> <p>72.8 CSI</p> <p>76.2 CSI</p> <p>75.4 CSI</p> <p>76.1 CSI</p> <p>74.6 CSI</p> <p>75.6 CSI</p> <p>76.3 CSI</p> <p>73.3 CSI</p>	<p><b>100% of target achieved</b></p> <p>70.8 CSI</p> <p>73.2 CSI</p> <p>73.0 CSI</p> <p>74.7 CSI</p> <p>70.8 CSI</p> <p>74.6 CSI</p> <p>72.9 CSI</p> <p>72.2 CSI</p>
<p>2. Achieve the following satisfaction rating for acknowledgement of, and response to, requests for service, as measured by the Roads and Traffic Unit's monthly feedback surveys (reported six monthly).</p>	<p>80%</p>	<p><b>100% of target achieved</b>                      A satisfaction rating of 81.9% was recorded for the period April 2006 to March 2007.</p>	<p><b>&gt; 80% of target achieved</b>                      A satisfaction rating of 69.3% was recorded for the period April 2007 to March 2008. This may be due to changes in methodology adopted in August 2007 to move from phone surveys to mail surveys.</p>
<p>3. Achieve the following percentage of roads defined as smooth by Land Transport New Zealand (in vehicle km travelled).</p>	<p>85%</p>	<p><b>Not applicable</b>                      A survey was not undertaken in 2006/07. The survey is undertaken two-yearly. 85% was achieved in the last survey (2005) and the next one is scheduled for November 2007.</p>	<p><b>100% of target achieved</b>                      Result from the November 2007 survey = 85.4%</p>
<p>4. The number of potholes requiring repair is less than 250 per annum.</p>	<p>✓</p>	<p><b>100% of target achieved</b>                      190 potholes.</p>	<p><b>Not Achieved</b>                      371 potholes were recorded for 2007/08. Wet conditions in July to October 2007 and May 2008 caused numerous potholes. 117 potholes were at 2 sites where the pavement or seal had failed.</p>
<p>5. The footpath and road resurfacing programmes are</p>	<p>✓</p>	<p><b>&gt;80% of target achieved</b>                      21.4 km of footpath</p>	<p><b>&gt;80% of target achieved</b>                      19.7km of footpath</p>

Performance Measure		Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
	achieved to within 2km of the annual target.		resurfacing was undertaken (target: 20.5km). 34.675 km of road resurfacing was undertaken (target: 38.37km).	resurfacing was undertaken = 88% (target: 22.4km). 33.1 km of road resurfacing was undertaken = 93% (target: 35.4km).
6.	The total cost of service per km of road is less than the median cost of seven other selected NZ cities.	✓	<b>Not applicable</b> Land Transport New Zealand did not undertake a cost comparison during 2006/07. The comparison is completed every two years. The figures for 2005/06 were: Hamilton's cost was \$7,000/km Median cost was \$12,160/km.	<b>100% of target achieved</b> LTNZ figures for 2007/08 Hamilton cost = \$6920/km Median of 7 other cities = \$12,720/km.

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
Contributed \$2.6m towards Transit NZ's project of 4-laning Te Rapa Road (between Church Road and Avalon Drive).	This project has facilitated economic development of the Te Rapa industrial / commercial area.	✓	✓	✓	✓
Roundabout at the Te Rapa Road / Avalon Drive intersection replaced by traffic lights.	Greater walking and cycling access and greater access for people with disabilities through introduction of pedestrian phases at the traffic lights.	✓	✓	✓	
Borman Road extension: - North City Road to Te Totara School (opened in December 2007) - Resolution Drive to North City Road (opened to traffic in May 2008)	This new road has enabled land in the north-eastern part of the city to be developed (including the future development of a town centre).	✓	✓	✓	

**Identified Effects on Community Well-Being: Significant Negative Effects**

Significant Negative Effect		Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
		Social	Economic	Environmental	Cultural		
1.	Potential division of communities by roads.	✓				Council consults the community over all roading projects using a range of mechanisms. It also ensures that provision is made for pedestrians and cyclists within the road network.	The three-laning of Boundary Road between Victoria Street and east of Heaphy Terrace was completed in 2006/07. While the volume of traffic on this road has remained constant since the alterations, the perception of pedestrians crossing Boundary Road safely has been compromised. The three-laning added additional pedestrian facilities but further work to improve the ease of crossing Boundary Road is envisaged over the next 2-3 years.
2.	Perceived high levels of traffic noise, particularly in residential areas.			✓		All arterial roads carrying greater than 10,000 vehicles per day are surfaced with quiet road surfacing.	A section of Peachgrove Rd which carries more than 10,000 vehicles per day was chipsealed as the pavement strength is not adequate to sustain an asphaltic surfacing.
3.	Negative effect on air quality from vehicle emissions, particularly from busy intersections at peak travel times.	✓		✓		Best practice roading design ensures the efficient and effective movement of traffic throughout the city and minimises congestion points within the road network. Council operates a comprehensive transport model which is used to minimise congestion and assist in the smooth flow of traffic within the city. Alternative transport options are promoted and actioned through Access Hamilton community education initiatives.	Community outcome Progress indicators (benzene level and residents perception of air pollution as a problem) show that overall Hamilton's air quality appears to be improving. However in 2006 there were two days where particulate matter (PM <sub>10</sub> ) levels exceeded the guideline.  The question in the Residents Survey regarding traffic congestion when driving on Hamilton's roads reported the following results:  Peak Traffic: 2006 = 47.1 CSI 2007 = 50.6 CSI 2008 = 48.3 CSI  Non-Peak Traffic: 2006 = 73.6 CSI 2007 = 79.0 CSI 2008 = 76.7 CSI.

Significant Negative Effect		Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
		Social	Economic	Environmental	Cultural		
4.	Accidents occurring on the road network.	✓	✓			Engineering, education and enforcement programmes are developed in conjunction with Council's major transport partners, e.g., the Ministry of Transport, Transit New Zealand and Land Transport New Zealand.	Despite major safety campaigns the rate of serious and fatal road crash injuries per 10,000 people in Hamilton increased in 2007.  2005 = 3.9 injuries per 10,000 people 2006 = 3.1 injuries per 10,000 people. 2007 = 3.5 injuries per 10,000 people. An increase in minor injuries has also been recorded.
5.	Increasing amounts of land are used for roading.		✓			Council ensures robust decision-making around land requirements and land use. Promotion of alternative forms of transport is undertaken (particularly through Access Hamilton) to maximise the existing road network.	No significant issues arose.

**Community Outcome influenced by Transport: Road Network Management**

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators				
		Community Outcome Progress Indicator	Latest Results		Trend	
<b>1. Sustainable and Well-Planned</b>	<b>Access Hamilton</b>	Resident's means of travel to work.	<b>2001</b>	<b>2006</b>		
		<ul style="list-style-type: none"> <li>• Drove a car, van or truck</li> </ul>	62.7%	64.6%	↑	
		<ul style="list-style-type: none"> <li>• Passenger in motor vehicle</li> </ul>	4.5%	5.0%	↑	
		<ul style="list-style-type: none"> <li>• Bus</li> </ul>	1.5%	1.8%	↑	
		<ul style="list-style-type: none"> <li>• Motorcycle or bicycle</li> </ul>	5.0%	3.4%	↓	
		<ul style="list-style-type: none"> <li>• Walked.</li> </ul>	5.4%	5.4%	→	
		Source: 2001 and 2006 Census of Population and Dwellings				
		Car ownership per household.	<b>2001</b>	<b>2006</b>		
		<ul style="list-style-type: none"> <li>• Total number of motor vehicles</li> <li>• Average number of motor vehicles per household.</li> </ul>	59,079 <sup>20</sup>	70,098 <sup>20</sup>	↑	
			1.44	1.53	↑	
Source: Census of Population and Dwellings						
Total passenger numbers using public transport.	<b>2005 / 06</b>	<b>2006 / 07</b>	<b>2007 / 08</b>	↑		
Source: Environment Waikato	1,951,267	2,689,855	3,421,150			

<sup>20</sup> Figures are conservative as the census only records up to three motor vehicles per household i.e. households which have more than three motor vehicles are recorded as having only three motor vehicles.

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators				
		Community Outcome Progress Indicator	Latest Results			Trend
<b>1. Sustainable and Well-Planned</b>	<b>Access Hamilton</b>	Resident's satisfaction with Council provided cycling facilities. Source: Hamilton City Council Residents Survey	<b>2006</b> 65.2 CSI	<b>2007</b> 63.4 CSI	<b>2008</b> 67.7 CSI	↑
		Resident's satisfaction with Council provided footpaths (in general). Source: Hamilton City Council Residents Survey	<b>2006</b> 73.9 CSI	<b>2007</b> 75.6 CSI	<b>2008</b> 74.6 CSI	↑
		Resident's satisfaction with Council provided walkways in parks and reserves. Source: Hamilton City Council Residents Survey	<b>2006</b> 79.6 CSI	<b>2007</b> 80.9 CSI	<b>2008</b> 81.6 CSI	↑
		Road crashes and casualties. Estimated social cost of injuries from crashes on Hamilton's roads. Source: Ministry of Transport	<b>2005</b> \$67.7m	<b>2006</b> \$62.9m	<b>2007</b> \$76.6m	↑
		Air Pollution: <ul style="list-style-type: none"><li>Particulate Matter (PM<sub>10</sub>)</li></ul> Source: Quality of Life Report	Number of days per year of guideline exceedances			↑
			<b>2005</b> 0 days	<b>2006</b> 2 days		
		<ul style="list-style-type: none"><li>Benzene Levels</li></ul>	Benzene concentration in air (ug/m3)			↓ ↓ ↓
			<b>2004 / 05</b>	<b>2005 / 06</b>	<b>2006 / 07</b>	
		Bridge Street	4.4	3.1	2.6	
		Claudelands Road	5.5	3.6	3.0	
Peachgrove Road.	2.5	1.9	1.6			
Source: Environment Waikato						
Residents Perception of Air Pollution as a problem. Source: Quality of Life Survey	Percentage of people indicating that air pollution had been a problem in the last 12 months			↓		
	<b>2004</b> 20.0%	<b>2006</b> 13.0%				

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators				
		Community Outcome Progress Indicator	Latest Results	Trend		
<b>1. Sustainable and Well-Planned</b>	<b>Access Hamilton</b>	Resident's perception of dangerous driving as a problem. Source: Quality of Life Survey	Percentage of people indicating that dangerous driving, including drink driving and speeding, had been a problem in Hamilton in the last 12 months			
			<b>2002</b> 55.0%	<b>2004</b> 64.0%	<b>2006</b> 74.0%	↑
		Road Traffic Volumes. Vehicles per day crossing the city boundary cordon. Source: Hamilton City Council	<b>2005</b> 103,388	<b>2006</b> 105,455	<b>2007</b> 101,130	↓
		Resident's satisfaction with the Hamilton City Bus Service. Source: Hamilton City Council Residents Survey	<b>2006</b> 74.2 CSI	<b>2007</b> 81.1 CSI	<b>2008</b> 80.6 CSI	↑
		Road traffic volumes — Residents perception of traffic congestion when driving on Hamilton's roads. Source: Hamilton City Council Residents Survey	Peak Traffic			↑
			<b>2006</b> 47.1 CSI	<b>2007</b> 50.6 CSI	<b>2008</b> 48.3 CSI	
		Non-Peak Traffic			↑	
		<b>2006</b> 73.6 CSI	<b>2007</b> 79.0 CSI	<b>2008</b> 76.7 CSI		

**Transport: Access Hamilton  
(TE ROOPUU TAUTOKO HAPORI)**

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

Access Hamilton is a strategy that addresses Hamilton's increasing traffic congestion and population growth, and aims to create a sustainable, integrated transport system for the city. A work programme has been developed for Access Hamilton, which includes financial contributions from Land Transport New Zealand and Environment Waikato to ensure a coordinated approach to Hamilton's transport system.

The total cost of providing this service in 2007/08 was \$14.456m (\$2.555m operating expenditure and \$11.901m capital expenditure).

**Key Performance Measures and Targets: 2007/08 Results**

Performance Measure	Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1. Achieve the following CSI scores, as measured by Council's Annual Residents Survey: <ul style="list-style-type: none"> <li>Residents' perception of traffic congestion when driving on Hamilton's roads</li> <li>Cycle facilities throughout the city.</li> </ul>	57 60	<p><b>100% of target achieved</b> Getting around in peak traffic = 50.6 Getting around in non-peak traffic = 79.0 Cycle facilities = 63.4</p>	<p><b>100% of target achieved</b> Traffic congestion = 62.5 (comprising an average of two CSI scores: Getting around in peak traffic = 48.3, and Getting around in non-peak traffic = 76.7)  Cycle facilities = 67.7</p>
2. Achieve the following total number of kilometres of pedestrian and cycle networks in the city.	45.5km	<p><b>100% of target achieved</b> 47.3 km</p>	<p><b>100% of target achieved</b> 65.57 km of cycle facilities provided.</p>
3. Maintain current journey times at 2006 levels, as measured at key intersections in the city.	✓	<p><b>Not achieved</b> Travel times for the four key intersections increased.</p>	<p><b>&gt;80% of target achieved</b> Overall a slight increase in off peak and am peak travel times and a decrease in pm peak travel times.</p>
4. Achieve the following number of schools participating in the walking school bus initiative.	12	<p><b>50% - 80% of target achieved</b> 7 schools operating 14 routes.</p>	<p><b>50% - 80% of target achieved</b> 8 schools are operating 13 routes. A number of further potential routes are being discussed.</p>
5. Achieve the following usage of cycling facilities within the city, as measured by Council's Annual Residents Survey.	25%	<p><b>&gt;80% of target achieved</b> 21.9%</p>	<p><b>&gt;80% of target achieved</b> 22.9%</p>



**Identified Effects on Community Well-Being: Positive Effects**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
<p>Various cycle campaigns to promote cycling and improve cycle safety have been successful e.g. 'Kids Like Parents that Bike', 'Lights on Bikes', and 'Give a Damn.' The focus of this latter campaign included safety at intersections, alcohol/speed and vulnerable road users.</p>	<p>Cycle usage increased from 21.9% in 2006/07 to 22.9% in 2007/08. Satisfaction levels also increased (2006/07 = CSI 63.4 and 2007/08 = CSI 67.7).</p>	✓	✓	✓	
<p>Introduction of 40km/h speed zones around primary and intermediate schools in April 2008.</p>	<p>The risk of traffic crashes around these schools has been reduced. Feedback from the Hamilton Police indicates that the speed zones have had a significant effect on driver behaviour, particularly the 18 schools where speed zones have been introduced.</p>	✓	✓	✓	
<p>A dedicated bus lane (which runs along the east side of Hukanui Road between Elmira Avenue and to the intersection of Clarkin Road/Snell Drive) commenced operation on 5 May 2008. Cyclists and motorcyclists can also use the bus lane.</p>	<p>Bus travel time along this route has been reduced, with minimal effect on other traffic. Anecdotal evidence from Go Bus indicates that the travel time of buses along this route has decreased.</p>	✓	✓	✓	
<p>Providing a free Hamilton bus service over the 3 days of the Hamilton 400 V8 Supercars event.</p>	<p>70,000 people used the free bus system over the 3 days Thursday to Saturday; normally 30,000 people would use this service in that time. 17,000 were transported on the Sunday when this service would not normally run. This initiative increased public awareness about the advantages of the public transport system.</p>	✓	✓	✓	

**Identified Effects on Community Well-Being: Significant Negative Effects**

Significant Negative Effect	Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
	Social	Economic	Environmental	Cultural		
1. The potential for separation of communities as a result of major arterial roading projects.	✓			✓	Council ensures that there is adequate provision of pedestrian and cycle access in any new roading developments and consults with local communities as part of the decision-making process.	Considerable new mitigation facilities were provided: <ul style="list-style-type: none"> <li>• Borman Rd - underpass and signals</li> <li>• Hukanui Rd - signalised pedestrian crossing</li> <li>• Norton Rd - new pedestrian crossing points.</li> </ul>
2. <ul style="list-style-type: none"> <li>• The possibility of a decrease in air quality from vehicle emissions as a result of an increase in the number of motor vehicles on Hamilton's roads (in particular from congestion at high volume intersections).</li> <li>• An increase in the capacity and quality of the road network could encourage more motor vehicle usage and in turn increase congestion levels.</li> </ul>	✓		✓	<p>Council uses best practice roading design to ensure the efficient and effective movement of traffic throughout the city and to minimise congestion points within the road network.</p> <p>Council operates a transport model which is used to minimise congestion, assist in the smooth flow of traffic within the city and assist in the planning for efficient transport networks in the future. A computerised traffic signal system is also operated to assist in the efficiency of vehicle movement.</p> <p>Alternative transport options (e.g., bus service, cycle and pedestrian facilities) are promoted through Access Hamilton community education initiatives.</p>	<p>Community Outcome Progress Indicators (benzene level and residents perception of air pollution as a problem) show that overall Hamilton's air quality appears to be improving. However in 2006 there were two days where particulate matter (PM<sub>10</sub>) levels exceeded the guideline.</p> <p>The question in the Residents Survey regarding traffic congestion when driving on Hamilton's roads reported the following results:</p> <p>Peak Traffic:  2006 = 47.1 CSI  2007 = 50.6 CSI  2008 = 48.3 CSI</p> <p>Non-Peak Traffic:  2006 = 73.6 CSI  2007 = 79.0 CSI  2008 = 76.7 CSI.</p>	

Significant Negative Effect	Well-Being				How Council Mitigates the Effect	Did the Effect Occur in 2007/08?
	Social	Economic	Environmental	Cultural		
3. The possibility of a poor response by the community to public education on transport alternatives and public transport initiatives.	✓				Council consults with the community in the planning stages of any new transport initiatives to determine the needs and priorities of the community. Council will monitor any new transport initiatives under Access Hamilton and adjust their delivery where necessary.	Hamilton's bus patronage has increased significantly in recent years:  2005/06 = 1,951,267 2006/07 = 2,689,855 2007/08 = 3,421,150. Source: Environment Waikato

**Community Outcome influenced by Transport: Access Hamilton**

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators			
		Community Outcome Progress Indicator	Latest Results		Trend
<b>1. Sustainable and Well-Planned</b>	<b>Access Hamilton</b>	Resident's means of travel to work.	<b>2001</b>	<b>2006</b>	
		• Drove a car, van or truck	62.7%	64.6%	↑
		• Passenger in motor vehicle	4.5%	5.0%	↑
		• Bus	1.5%	1.8%	↑
		• Motorcycle or bicycle	5.0%	3.4%	↓
		• Walked.	5.4%	5.4%	→
		Source: 2001 and 2006 Census of Population and Dwellings			
		Car ownership per household.	<b>2001</b>	<b>2006</b>	
		• Total number of motor vehicles	59,079 <sup>21</sup>	70,098 <sup>21</sup>	↑
		• Average number of motor vehicles per household.	1.44	1.53	↑

21 Figures are conservative as the census only records up to three motor vehicles per household i.e. households which have more than three motor vehicles are recorded as having only three motor vehicles.

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators				
		Community Outcome Progress Indicator	Latest Results	Trend		
<b>1. Sustainable and Well-Planned</b>	<b>Access Hamilton</b>	Total passenger numbers using public transport. Source: Environment Waikato	<b>2005 / 06</b> 1,951,267	<b>2006 / 07</b> 2,689,855	<b>2007 / 08</b> 3,421,150	↑
		Resident's satisfaction with Council provided cycling facilities. Source: Hamilton City Council Residents Survey	<b>2006</b> 65.2 CSI	<b>2007</b> 63.4 CSI	<b>2008</b> 67.7 CSI	↑
		Resident's satisfaction with Council provided footpaths (in general). Source: Hamilton City Council Residents Survey	<b>2006</b> 73.9 CSI	<b>2007</b> 75.6 CSI	<b>2008</b> 74.6 CSI	↑
		Resident's satisfaction with Council provided walkways in parks and reserves. Source: Hamilton City Council Residents Survey	<b>2006</b> 79.6 CSI	<b>2007</b> 80.9 CSI	<b>2008</b> 81.6 CSI	↑
		Road crashes and casualties. Estimated social cost of injuries from crashes on Hamilton's roads. Source: Ministry of Transport	<b>2005</b> \$67.7m	<b>2006</b> \$62.9m	<b>2007</b> \$76.6m	↑
		Air Pollution: • Particulate Matter (PM <sub>10</sub> ) Source: Quality of Life Report	Number of days per year of guideline exceedances			↑
			<b>2005</b> 0 days	<b>2006</b> 2 days		
		• Benzene Levels	Benzene concentration in air (ug/m3)			↓
			<b>2004 / 05</b>	<b>2005 / 06</b>	<b>2006 / 07</b>	
		Bridge Street	4.4	3.1	2.6	
		Claudlands Road	5.5	3.6	3.0	
		Peachgrove Road. Source: Environment Waikato	2.5	1.9	1.6	↓
Residents Perception of Air Pollution as a problem. Source: Quality of Life Survey	Percentage of people indicating that air pollution had been a problem in Hamilton in the last 12 months			↓		
	<b>2004</b> 20.0%	<b>2006</b> 13.0%				

Community Outcome area primarily influenced	City Strategy delivered through	Monitored Through Relevant Community Outcomes Progress Indicators				
		Community Outcome Progress Indicator	Latest Results	Trend		
<b>1. Sustainable and Well-Planned</b>	<b>Access Hamilton</b>	Resident's perception of dangerous driving as a problem. Source: Quality of Life Survey	Percentage of people indicating that dangerous driving, including drink driving and speeding, had been a problem in Hamilton in the last 12 months			
			<b>2002</b> 55.0%	<b>2004</b> 64.0%	<b>2006</b> 74.0%	↑
		Road Traffic Volumes. Vehicles per day crossing the city boundary cordon. Source: Hamilton City Council	<b>2005</b> 103,388	<b>2006</b> 105,455	<b>2007</b> 101,130	↓
		Resident's satisfaction with the Hamilton City Bus Service. Source: Hamilton City Council Residents Survey	<b>2006</b> 74.2 CSI	<b>2007</b> 81.1 CSI	<b>2008</b> 80.6 CSI	↑
		Road traffic volumes - Residents perception of traffic congestion when driving on Hamilton's roads. Source: Hamilton City Council Residents Survey	Peak Traffic			↑
			<b>2006</b> 47.1 CSI	<b>2007</b> 50.6 CSI	<b>2008</b> 48.3 CSI	
		Non-Peak Traffic			↑	
		<b>2006</b> 73.6 CSI	<b>2007</b> 79.0 CSI	<b>2008</b> 76.7 CSI		

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

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

Endowment and Investment Property Portfolio Management administers Council owned properties throughout Hamilton. This significant service manages two funds: the Domain Endowment Fund and the Municipal Endowment Fund. Both funds are required by legislation to be invested in property, in order to maximise the financial return to the city.

The total cost of providing this service in 2007/08 was \$6.978m (\$3.155m operating expenditure and \$3.823m capital expenditure).

### Key Performance Measures and Targets: 2007/08 Results

Performance Measure	Target 2007/08	Results Achieved in 2006/07	Results Achieved in 2007/08
1. Achieve an annual gross return on Municipal Endowment Fund investment properties (as assessed by an independent registered valuer) that is typical for the Hamilton property market.	✓	<b>100% of target achieved</b> Financial returns were assessed by an independent registered valuer, who confirmed them as being typical for the Hamilton market.	<b>100% of target achieved</b> 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 achieve a return in line with the average market return of similar properties.	✓	<b>100% of target achieved</b> Financial returns were assessed by an independent registered valuer, who confirmed them as being typical for the Hamilton market.	<b>100% of target achieved</b> Financial returns were assessed by an independent registered valuer, who confirmed them as being typical for the Hamilton market.
3. Ensure statutory compliance with the Building Act 2004 and the Health and Safety in Employment Amendment Act 2002, in respect of all Council owned buildings.	✓	<b>100% of target achieved</b>	<b>100% of target achieved</b>

**Identified Effects on Community Well-Being: Positive Effects Council contributed to**

Examples of Projects / Key Initiatives Undertaken in 2007/08	Positive Effect	Well-being			
		Social	Economic	Environmental	Cultural
<p>Operates two property funds i.e.:</p> <p>a. Municipal Endowment Fund (investments in commercial properties).</p> <p>b. Domain Fund (proceeds are used for the purchase of land for reserves and for the creation, improvement, maintenance and development of reserves and parks).</p>	<p>a. Municipal Endowment Fund - income from this fund is used to reduce the City's rates requirement (\$2,936,977 from this fund went towards reducing rates in 2007/08). As an additional economic benefit to Hamilton, the Municipal Endowment Fund owned commercial premises in Kaimiro Street were expanded, allowing the tenant (C I Munro - a caravan manufacturing company) to further develop their operation.</p> <p>b. Domain Fund - this fund contributes towards maintaining, developing and growing the city's parks / reserves network (\$233,630 was used to contribute towards the maintenance of reserve land in 2007/08).</p>	✓	✓	✓	✓

**Identified Effects on Community Well-Being: Significant Negative Effects**

No significant negative effects have been identified as a result of Council providing this significant service.

**Community Outcome influenced by Endowment and Investment Property Portfolio Management**

There are no relevant indicators in the set of Community Outcome Progress Indicators that are influenced by this Significant Service.

# Financial Section

## WAHANGA MONI AAWHINA



## 11.0 Financial Statements for the Year Ended 30 June 2008

(HE PURONGO PUTEA MO TE MUTUNGA O TE TAU 30 O HUNE 2008)

### *Statement of Financial Performance* FOR THE YEAR ENDED 30 JUNE 2008

	Note	Council			Group	
		Actual 2008 \$000	Budget 2008 \$000	Actual 2007 \$000	Actual 2008 \$000	Actual 2007 \$000
<b>REVENUE</b>						
Rates revenue	1	91,912	91,840	85,461	91,912	85,461
Other revenue	2	86,965	75,106	70,638	86,965	70,638
Other gains	3	6,470	1,750	13,448	6,470	13,448
<b>Total operating revenue</b>		<b>185,347</b>	<b>168,696</b>	<b>169,547</b>	<b>185,347</b>	<b>169,547</b>
<b>EXPENDITURE</b>						
Employee benefit expenses	4	49,312	47,379	43,257	49,312	43,257
Depreciation and amortisation	13/14	44,139	37,247	36,150	44,139	36,150
Other expenses	5	57,621	47,652	55,818	57,621	55,818
Finance costs	6	13,447	19,562	9,897	13,447	9,897
Other losses	3	20,667	-	6	20,667	6
<b>Total operating expenditure</b>		<b>185,186</b>	<b>151,840</b>	<b>145,128</b>	<b>185,186</b>	<b>145,128</b>
Share of associate surplus	16	-	670	-	2,047	2,133
<b>Surplus before tax</b>		<b>161</b>	<b>17,526</b>	<b>24,419</b>	<b>2,208</b>	<b>26,552</b>
Income tax expense	7	-	-	-	-	-
<b>Surplus after tax</b>		<b>161</b>	<b>17,526</b>	<b>24,419</b>	<b>2,208</b>	<b>26,552</b>

The accompanying notes form part of these financial statements.

### *Statement of Changes in Equity* FOR THE YEAR ENDED 30 JUNE 2008

	Note	Council			Group	
		Actual 2008 \$000	Budget 2008 \$000	Actual 2007 \$000	Actual 2008 \$000	Actual 2007 \$000
<b>Equity balance at 1 July</b>		<b>2,703,110</b>	<b>2,011,721</b>	<b>1,982,261</b>	<b>2,724,902</b>	<b>2,004,115</b>
Surplus after tax		161	17,526	24,419	2,208	26,552
Transfer from asset revaluation reserve		-	-	363	-	363
Share of associate IFRS reclassification of revaluation reserve		-	-	-	6,210	-
Share of associate IFRS deferred tax adjustment		-	-	-	165	-
Revaluation reserve movements - property, plant and equipment	21	232,262	71,786	696,012	232,262	696,012
Revaluation gains/(losses) - shareholdings		-	-	-	3,439	(2,195)
Net increase in fair value through equity reserve	21	44	-	55	44	55
<b>Total recognised revenue/(expense) for the year</b>		<b>232,467</b>	<b>89,312</b>	<b>720,849</b>	<b>244,328</b>	<b>720,787</b>
<b>Equity balance at 30 June</b>		<b>2,935,577</b>	<b>2,101,033</b>	<b>2,703,110</b>	<b>2,969,230</b>	<b>2,724,902</b>

The accompanying notes form part of these financial statements.

**Statement of Financial Position**  
FOR THE YEAR ENDED 30 JUNE 2008

	Note	Council			Group	
		Actual 2008 \$000	Budget 2008 \$000	Actual 2007 \$000	Actual 2008 \$000	Actual 2007 \$000
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents	8	1,289	-	558	1,289	558
Debtors and other receivables	9	17,620	10,615	12,387	17,620	12,387
Inventories	10	606	655	546	606	546
Other financial assets	11	2,583	1,551	346	2,583	346
Derivative financial instruments	12	-	317	113	-	113
<b>Total current assets</b>		<b>22,098</b>	<b>13,138</b>	<b>13,950</b>	<b>22,098</b>	<b>13,950</b>
<b>Non-current assets</b>						
Property, plant and equipment	13	3,078,403	2,309,765	2,788,835	3,078,403	2,788,835
Intangible assets	14	5,434	4,697	4,643	5,434	4,643
Investment property	15	60,560	56,875	58,151	60,560	58,151
Investment in associates	16	7,697	30,861	7,430	41,351	29,224
Other financial assets	11	4,354	3,990	5,395	4,353	5,394
Derivative financial instruments	12	3,312	531	5,908	3,312	5,908
<b>Total non-current assets</b>		<b>3,159,760</b>	<b>2,406,719</b>	<b>2,870,362</b>	<b>3,193,413</b>	<b>2,892,155</b>
<b>Total assets</b>		<b>3,181,858</b>	<b>2,419,857</b>	<b>2,884,312</b>	<b>3,215,511</b>	<b>2,906,105</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Creditors and other payables	17	37,954	16,500	22,800	37,954	22,800
Provisions	18	1,218	-	1,314	1,218	1,314
Employee entitlements	19	5,192	3,500	4,145	5,192	4,145
Borrowings	20	55,824	20,903	19,455	55,824	19,455
Derivative financial instruments	12	-	59	-	-	-
<b>Total current liabilities</b>		<b>100,188</b>	<b>40,962</b>	<b>47,714</b>	<b>100,188</b>	<b>47,714</b>
<b>Non-current liabilities</b>						
Provisions	18	4,901	6,285	3,760	4,901	3,760
Employee entitlements	19	1,479	1,300	1,304	1,479	1,304
Borrowings	20	139,713	270,277	128,425	139,713	128,425
<b>Total non-current liabilities</b>		<b>146,093</b>	<b>277,862</b>	<b>133,489</b>	<b>146,093</b>	<b>133,489</b>
<b>Total liabilities</b>		<b>246,281</b>	<b>318,824</b>	<b>181,203</b>	<b>246,281</b>	<b>181,203</b>
<b>EQUITY</b>						
Retained earnings	21	1,593,391	1,350,776	1,581,274	1,607,747	1,587,208
Other reserves	21	1,342,186	750,257	1,121,836	1,361,483	1,137,694
<b>Total equity</b>		<b>2,935,577</b>	<b>2,101,033</b>	<b>2,703,110</b>	<b>2,969,230</b>	<b>2,724,902</b>
<b>Total liabilities and equity</b>		<b>3,181,858</b>	<b>2,419,857</b>	<b>2,884,312</b>	<b>3,215,511</b>	<b>2,906,105</b>

The accompanying notes form part of these financial statements.

**Statement of Cash Flows**  
FOR THE YEAR ENDED 30 JUNE 2008

	Note	Council			Group	
		Actual 2008 \$000	Budget 2008 \$000	Actual 2007 \$000	Actual 2008 \$000	Actual 2007 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<b>Cash was provided from:</b>						
Rates revenue		91,550	91,840	85,327	91,550	85,327
Fees, rents and charges		40,434	36,426	35,568	40,434	35,568
Petrol tax		1,020	1,000	1,001	1,020	1,001
Government operating subsidies and grants		2,251	3,189	3,344	2,251	3,344
Government capital subsidies and grants		7,120	11,350	2,654	7,120	2,654
Other capital contributions		12,774	14,793	15,108	12,774	15,108
Interest received		167	97	346	167	346
Dividends received		27	251	26	27	26
		<b>155,343</b>	<b>158,946</b>	<b>143,374</b>	<b>155,343</b>	<b>143,374</b>
<b>Cash was applied to:</b>						
Salaries and wages		48,090	47,379	42,617	48,090	42,617
Payments for supplies and services		54,918	47,656	48,125	54,918	48,125
Interest paid		12,537	19,562	9,802	12,537	9,802
Net GST paid		1,161	-	1,765	1,161	1,765
		<b>116,706</b>	<b>114,597</b>	<b>102,309</b>	<b>116,706</b>	<b>102,309</b>
<b>Net cash from operating activities</b>	<b>22</b>	<b>38,637</b>	<b>44,349</b>	<b>41,065</b>	<b>38,637</b>	<b>41,065</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<b>Cash was provided from:</b>						
Sinking funds withdrawn		-	350	-	-	-
Proceeds from sale of investment property		1,195	-	170	1,195	170
Proceeds from sale of property, plant and equipment		1,942	-	6,101	1,942	6,101
Proceeds from sale of investments		151	-	4,693	151	4,693
		<b>3,288</b>	<b>350</b>	<b>10,964</b>	<b>3,288</b>	<b>10,964</b>
<b>Cash was applied to:</b>						
Acquisition of investments		1,531	-	-	1,531	-
Purchase of investment property		5,408	-	3,636	5,408	3,636
Purchase of intangible assets		1,265	-	947	1,265	947
Purchase of property, plant and equipment		80,558	163,844	53,944	80,558	53,944
		<b>88,762</b>	<b>163,844</b>	<b>58,527</b>	<b>88,762</b>	<b>58,527</b>
<b>Net cash from investing activities</b>		<b>(85,474)</b>	<b>(163,494)</b>	<b>(47,563)</b>	<b>(85,474)</b>	<b>(47,563)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
<b>Cash was provided from:</b>						
Loan raised		56,610	129,019	18,263	56,610	18,263
Finance leases raised		950	200	825	950	825
		<b>57,560</b>	<b>129,219</b>	<b>19,088</b>	<b>57,560</b>	<b>19,088</b>
<b>Cash was applied to:</b>						
Loan repayments		8,905	8,767	11,457	8,905	11,457
Finance lease repayments		1,087	1,307	865	1,087	865
		<b>9,992</b>	<b>10,074</b>	<b>12,322</b>	<b>9,992</b>	<b>12,322</b>
<b>Net cash from financing activities</b>		<b>47,568</b>	<b>119,145</b>	<b>6,766</b>	<b>47,568</b>	<b>6,766</b>
Net increase/(decrease) in cash held		731	-	268	731	268
Opening cash and cash equivalents balance		558	-	290	558	290
<b>Closing cash and cash equivalents balance</b>	<b>8</b>	<b>1,289</b>	<b>-</b>	<b>558</b>	<b>1,289</b>	<b>558</b>

The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

*The accompanying notes form part of these financial statements.*

## ***Statement of Accounting Policies for the Year Ended 30 June 2008***

### **Reporting Entity**

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

The financial statements cover all the activities of Hamilton City Council and its 100 per cent owned Council-Controlled Organisation (CCO), Hamilton Properties Ltd.

The primary objective of Hamilton City Council is to provide goods or services for the community or social benefit rather than making a financial return.

Accordingly, Hamilton City Council has designated itself and the group as public benefit entities for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

The financial statements of Hamilton City Council are for the year ended 30 June 2008. The financial statements were authorised for issue by Council on 26 September 2008.

### **Basis of Preparation**

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

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

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

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

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

*Standards, amendments and interpretations issued that are not yet effective and have not been early adopted -*

Standards, amendments and interpretations issued but not yet effective that have not been early adopted, and which are relevant to Hamilton City Council include:

- NZ IAS 1 *Presentation of Financial Statements (revised 2007)* replaces NZ IAS 1 *Presentation of Financial Statements (issued 2004)* and is effective for reporting periods beginning on or after 1 January 2009. The revised standard requires information in financial statements to be aggregated on the basis of shared characteristics and introduces a statement of comprehensive income. The statement of comprehensive income will enable readers to analyse changes in equity resulting from non-owner changes separately from transactions with owners. The revised standard gives Council the option of presenting items of income and expense and components of other comprehensive income either in a single statement of

comprehensive income with subtotals, or in two separate statements (a separate income statement followed by a statement of comprehensive income). Council intends to adopt this standard for the year ending 30 June 2010, and is yet to decide whether it will prepare a single statement of comprehensive income or a separate income statement followed by a statement of comprehensive income.

- NZ IAS 23 *Borrowing Costs (revised 2007)* replaces NZ IAS 23 *Borrowing Costs (issued 2004)* and is effective for reporting periods beginning on or after 1 January 2009. The revised standard requires all borrowing costs to be capitalised if they are directly attributable to the acquisition, construction or production of a qualifying asset. The revised standard will also require borrowing costs to be considered when revaluing property, plant and equipment to fair value based on depreciated replacement cost. Any necessary adjustments to depreciated replacement cost carrying values will have flow on effects to depreciation expense. Council intends to adopt this standard for the year ending 30 June 2010 and has not yet quantified the potential impact of the new standard.

## 1. Basis of Consolidation

### Subsidiaries

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

### Associate Companies

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

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

## 2. Revenue Recognition

Revenue is measured at the fair value of consideration received.

### Rates Revenue

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

### Other Revenue

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

Traffic and parking infringements are recognised when tickets are issued.

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

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

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

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

Development and financial contributions are recognised as revenue when Council provides, or is able to provide, the service for which the contribution is charged. Otherwise development and financial contributions are recognised as liabilities until such time Council provides, or is able to provide, the service.

### **3. Borrowing Costs**

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

### **4. Grant Expenditure**

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of Council's decision.

### **5. Goods and Services Tax (GST)**

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

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

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

Commitments and contingencies are disclosed exclusive of GST.

### **6. Income Tax**

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

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

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

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

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

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

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

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

## 7. Property, Plant and Equipment

- (i) (a) Property, plant and equipment 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 and library books.

### **Zoo Animals**

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

### **Restricted Assets**

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

### **Heritage Assets**

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

### **Infrastructural Assets**

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

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

**Additions**

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

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

**Disposals**

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

**Subsequent Costs**

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

**(ii) Valuation**

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

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

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

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

Assets have been valued as follows:

- **Operational Buildings** have been valued at fair value as determined from market-based evidence by independent valuers, otherwise depreciated replacement cost. SPM Consultants Ltd performed the most recent valuation and was effective as at 1 July 2006.
- **Parks and Garden Improvements** have been valued at replacement value by MWH and the valuation was effective as at 1 July 2006.



- **Plant and Equipment (excluding vehicles)** was valued based on market value by Beca and the valuation was effective as at 1 July 2001. Plant and equipment is no longer revalued.
- **Zoo Animals** was valued based on estimated replacement cost by the Zoo Manager and the valuation was effective as at 1 July 2001. Zoo animals are no longer revalued.
- **Heritage Assets** have been valued by professionally qualified library staff (library collection) and an independent consultant (museum collection). The most recent valuation was effective as at 1 July 2006.
- **Infrastructural Assets (excluding land)** have been valued at depreciated replacement cost by independent valuers.

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

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

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

### (iii) Depreciation

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

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

▪ Buildings — structure/fit out/services	40 - 100 years	1%-2.5%
▪ Plant and Vehicles	3 - 15 years	6.6%-33.3%
▪ Furniture, Fittings and Equipment	5 - 10 years	10%-20%
▪ Library Books	14 years	7.1%
▪ Zoo Animal (acquisition costs)	10 years	10%
▪ Roads and Traffic Network: top surface (seal)	6 - 18 years	5.5%-16.6%

pavement (basecourse)	25 - 50 years	2%-4%
catchpits	50 years	2%
culverts	60 - 80 years	1.25%-1.6%
footpaths	50 - 70 years	1.4%-2%
kerbs and traffic islands	70 years	1.4%
signs	12 years	8.3%
street lights	25 years	4%
bridges	150 years	0.6%
traffic signals	15 years	6.6%
barriers	25 - 40 years	2.5%-4%
bus shelters and parking meters	4 - 10 years	10%-25%
verge, embankment and retaining walls	60 years	1.6%
▪ Wastewater Reticulation:		
pipes	60 - 100 years	1%-1.6%
manholes	75 years	1.3%
treatment plant	5 - 100 years	1%-20%
bridges	75 - 100 years	1%-1.3%
pump-stations	15 - 100 years	1%-6.6%
▪ Stormwater System:		
pipes	100 years	1%
manholes, cesspits	100 years	1%
service connections and outlets	30 - 100 years	1%-3.3%
▪ Water Reticulation:		
pipes	60 - 80 years	1.25%-1.6%
butterfly valves	50 - 75 years	1.3%-2%
treatment plant	10 - 120 years	0.8%-10%
meters	20 years	5%
hydrants	50 years	2%
reservoirs	30 - 80 years	1.25%-3.3%
▪ Heritage assets are depreciated by a nominal amount to reflect their extremely long life and heritage value.		

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

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

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

## 8. Investment Properties

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

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

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

## 9. Non-Current Assets Held for Sale

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

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

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

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

## 10. Intangible Assets

Intangible assets comprise:

- Computer software licences. They are capitalised at historic cost and are amortised on a straight-line basis over their estimated useful lives (5 years). Costs associated with maintaining computer software are recognised as an expense when incurred.
- Resource consents which are not attributed to a specific asset. They are capitalised at historic cost and are amortised on a straight-line basis over their estimated useful lives (7 to 35 years).

## 11. Impairment of Non-Financial Assets

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

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

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

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

## 12. Inventories

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

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

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the statement of financial performance in the period of the write-down.

## 13. Financial Instruments

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

### (i) Financial Assets

- **Trade and Other Receivables**

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

- **Investments**

The Council classifies its investments in the following categories:

Loans and Receivables

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

Held-to-Maturity Investments

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

Other Investments

Investments other than held-to-maturity are classed as either investments held-for-trading or as available-for-sale and are stated at cost less the annual test for impairment. For assets designated as held-for-trading, any resultant gain or loss from changes in the value are recognised in the statement of financial performance. For assets designated as available-for-sale, which are measured at fair value, any resultant gain or loss from changes in the fair value is recognised in equity e.g. shares in Local Shared Services Ltd and NZ Local Government Insurance Co Ltd.

- **Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

- **Impairment of Financial Assets**

At each balance sheet date Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the statement of financial performance.

(ii) **Financial Liabilities**

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

- **Bank Borrowings**

Interest-bearing bank loans and overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Finance charges, premiums payable on settlement or redemption and direct costs are accounted for on an accrual basis to the statement of financial performance using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

- **Net Debt**

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

- Council Net Debt, comprising debt which is to be funded from:
  - Reserves,
  - Access Hamilton, and
  - Rates.

- Development Contributions Net Debt, which is to be funded from:
  - Development and Financial Contributions (DCL)

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

- **Trade and Other Payables**

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

- **Derivative Financial Instruments and Hedge Accounting**

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

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

## 14. Employee Benefits

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

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

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

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

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

## 15. Leases

Leases consist of:

### Finance Leases

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

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

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

### Operating Leases

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

## 16. Provisions

Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the

obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".

### **17. Landfill Post-Closure Costs**

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

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

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

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

All subsequent changes in the liability shall be recognised in the statement of financial performance and the periodic unwinding of the discount will also be recognised in the statement of financial performance as a finance cost as it occurs.

### **18. Equity**

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

The components of equity are:

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

Retained earnings comprise accumulated surpluses over the years.

Revaluation reserves comprise accumulated revaluation increments/decrements.

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

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

### **19. Contingent Assets and Contingent Liabilities**

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

## 20. 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.

## 21. Cost of Service Statements

The cost of service statements report 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.

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

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

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

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

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

### Property Plant and Equipment

As the Council is a Public Benefit Entity, property plant and equipment are valued at depreciated replacement cost that is based on an estimate of either fair value or current gross replacement costs of improvements less allowances for physical deterioration, and optimisation for obsolescence and relevant surplus capacity. There



are certain assets such as wastewater or stormwater related assets which may be affected by changes in the measurement of qualitative standards which could affect the results of future periods.

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

#### **Landfill Post-closure Provision**

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

### **23. Budget Figures**

The budget figures are those approved by the Council at the beginning of the year in the annual plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by Council for the preparation of the financial statements.

## Notes to the Financial Statements

### NOTE 1: RATES REVENUE

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
<b>General rates</b>	88,919	82,729	88,919	82,729
<b>Targeted rates attributable to activities:</b>				
Access Hamilton	2,565	2,586	2,565	2,586
Refuse	35	18	35	18
Wastewater	604	367	604	367
Water	122	82	122	82
<b>Total targeted rates</b>	<b>92,245</b>	<b>85,782</b>	<b>92,245</b>	<b>85,782</b>
Rates penalties	593	553	593	553
Less rates remissions - hardship	(91)	(82)	(91)	(82)
Less rates remissions - special values	(179)	(188)	(179)	(188)
Less rates charged to Council properties	(656)	(604)	(656)	(604)
<b>Total rates revenue</b>	<b>91,912</b>	<b>85,461</b>	<b>91,912</b>	<b>85,461</b>

### NOTE 2: OTHER REVENUE

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
<b>Revenue</b>				
Investing in our people *	7,593	6,733	7,593	6,733
Creating identity and prosperity *	20,569	17,722	20,569	17,722
Protecting our future *	18,248	20,861	18,248	20,861
	<b>46,410</b>	<b>45,316</b>	<b>46,410</b>	<b>45,316</b>
Less internal revenue	(1,337)	(2,867)	(1,337)	(2,867)
	<b>45,073</b>	<b>42,449</b>	<b>45,073</b>	<b>42,449</b>
<b>Capital contributions</b>				
Land Transport New Zealand capital subsidies	6,640	2,654	6,640	2,654
Housing New Zealand subsidies	117	363	117	363
Vested assets	20,615	8,410	20,615	8,410
Contributions to project watershed reserve	621	602	621	602
Contributions to development contribution reserves	5,827	7,750	5,827	7,750
Contributions for bus shelter (adshel) reserve	53	25	53	25
Other contributions/grants	6,123	6,881	6,123	6,881
<b>Total capital contributions</b>	<b>39,996</b>	<b>26,685</b>	<b>39,996</b>	<b>26,685</b>
<b>Sundry revenue</b>				
Petrol tax	1,020	1,001	1,020	1,001
Dividends	27	26	27	26
Investment income	362	362	362	362
Other sundry revenue	487	115	487	115
<b>Total sundry revenue</b>	<b>1,896</b>	<b>1,504</b>	<b>1,896</b>	<b>1,504</b>
<b>Total other revenue</b>	<b>86,965</b>	<b>70,638</b>	<b>86,965</b>	<b>70,638</b>

\* refer cost of service statements

Revenue items included in the cost of service statements are noted below:

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
User charges	22,971	23,618	22,971	23,618
Infringements and fines	3,252	3,284	3,252	3,284
Rental income from investment properties	3,508	3,292	3,508	3,292
Other rental income	4,543	4,487	4,543	4,487
Internal revenue	1,337	2,867	1,337	2,867
Other	10,799	7,768	10,799	7,768
	<b>46,410</b>	<b>45,316</b>	<b>46,410</b>	<b>45,316</b>

**NOTE 3: OTHER GAINS/(LOSSES)**

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Gain/(loss) on disposal of property, plant and equipment	(3,110)	2,993	(3,110)	2,993
Gain/(loss) on disposal of investment properties	45	(6)	45	(6)
Gain/(loss) changes in fair value of investment properties	(1,904)	5,223	(1,904)	5,223
Fair value gain/(loss) on interest rate swaps	(2,709)	5,226	(2,709)	5,226
Gain/(loss) on foreign currency forward contracts	-	6	-	6
Assets added to the asset register upon revaluation	6,425	-	6,425	-
Assets written off upon revaluation	(12,944)	-	(12,944)	-
<b>Total other gains/(losses)</b>	<b>(14,197)</b>	<b>13,442</b>	<b>(14,197)</b>	<b>13,442</b>

**NOTE 4: EMPLOYEE BENEFIT EXPENSES**

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Salaries and wages	48,241	42,596	48,241	42,596
Defined contribution plan employer contributions	24	21	24	21
Increase/(decrease) in employee benefit liabilities	1,047	640	1,047	640
<b>Total employee benefit expenses</b>	<b>49,312</b>	<b>43,257</b>	<b>49,312</b>	<b>43,257</b>

Employer contributions to defined contribution plans include contributions to KiwiSaver and the DBP Contributors Scheme.

**NOTE 5: OTHER EXPENSES**

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Investing in our people *	39,877	30,472	39,877	30,472
Creating identity and prosperity *	45,123	40,016	45,123	40,016
Protecting our future *	85,000	76,003	85,000	76,003
	<b>170,000</b>	<b>146,491</b>	<b>170,000</b>	<b>146,491</b>
Less internal expenses	(1,337)	(2,867)	(1,337)	(2,867)
Less rates charged to Council properties	(656)	(604)	(656)	(604)
Less (loss)/gain on disposal of property, plant and equipment **	(3,110)	2,993	(3,110)	2,993
Less interest on internal borrowing	(1,771)	(1,929)	(1,771)	(1,929)
	<b>163,126</b>	<b>144,084</b>	<b>163,126</b>	<b>144,084</b>
Sundry expenditure	1,304	1,415	1,304	1,415
	<b>164,430</b>	<b>145,499</b>	<b>164,430</b>	<b>145,499</b>
Less employee benefit expenses	(49,312)	(43,257)	(49,312)	(43,257)
Less depreciation and amortisation	(44,139)	(36,150)	(44,139)	(36,150)
Less interest expense	(13,358)	(10,274)	(13,358)	(10,274)
<b>Total other expenses</b>	<b>57,621</b>	<b>55,818</b>	<b>57,621</b>	<b>55,818</b>

\* refer to cost of service statements

\*\* reclassified to other gains/(losses) - see note 4

Items included in other expenses are noted below:

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Fees to principal auditor:				
Audit fees for annual report	127	121	127	121
Audit fees for council's amendment to the LTCCP	12	14	12	14
Audit fees for international financial reporting standards transition	19	-	19	-
ACC partnership programme	502	391	502	391
Inventories	469	683	469	683
Donations	-	-	-	-
Impairment of receivables (note 9)	182	702	182	702
Impairment of property, plant and equipment	-	-	-	-
Devaluation of property, plant and equipment	-	1,109	-	1,109
Minimum lease payments under operating leases	758	985	758	985
Insurance premiums	1,172	1,237	1,172	1,237
Other operating expenses	54,380	50,576	54,380	50,576
<b>Total other expenses</b>	<b>57,621</b>	<b>55,818</b>	<b>57,621</b>	<b>55,818</b>

**NOTE 6: FINANCE COSTS**

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
<b>Interest expense</b>				
Interest on bank borrowings	12,925	9,684	12,925	9,684
Interest on leased assets	151	150	151	150
Provisions - discount unwinding (note 18)	282	440	282	440
<b>Total interest expense</b>	<b>13,358</b>	<b>10,274</b>	<b>13,358</b>	<b>10,274</b>
<b>Fair value losses/(gains)</b>				
Fair value adjustment for bank borrowings	89	(377)	89	(377)
<b>Total fair value losses/(gains)</b>	<b>89</b>	<b>(377)</b>	<b>89</b>	<b>(377)</b>
<b>Total finance costs</b>	<b>13,447</b>	<b>9,897</b>	<b>13,447</b>	<b>9,897</b>

**NOTE 7: TAX****Components of tax expense**

	Council		Group	
	2008	2007	2008	2007
	\$000	\$000	\$000	\$000
Current tax expense	-	-	-	-
Deferred tax expense	-	-	-	-
<b>Income tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Relationship between tax expense and accounting profit**

	Council		Group	
	2008	2007	2008	2007
	\$000	\$000	\$000	\$000
Surplus before tax	161	24,419	2,208	26,552
Tax at 33%	53	8,058	728	8,762
Effect of tax exempt income	(55)	(8,060)	(55)	(8,060)
Taxation loss not recognised	2	2	2	2
Equity accounted earnings of associates (less dividends)	-	-	(675)	(704)
<b>Tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Income tax recognised directly in equity**

The amount of current and deferred tax charged or credited to equity during the period was \$nil (2007 \$nil).

**Unrecognised deferred tax liabilities**

As at 30 June 2008 Council had an unrecognised deferred tax liability of \$nil (2007 \$nil).

**Unrecognised deferred tax assets**

Deferred tax assets have not been recognised in respect of the following items:

	Council		Group	
	2008	2007	2008	2007
	\$	\$	\$	\$
Tax losses - Council	22,786	21,008	22,786	21,008
Tax losses - Hamilton Properties Limited	-	-	143,913	143,913
	<b>22,786</b>	<b>21,008</b>	<b>166,699</b>	<b>164,921</b>

Under current income tax legislation the tax losses do not expire.

Deferred tax assets have not been recognised in respect of these items, as it is not probable that future taxable profits will be available against which the benefit of the losses can be utilised.

**Movement in unrecognised deferred tax assets and liabilities during the year**

	Tax Losses
	\$
Balance as at 1 July 2006	180,877
Additions/(reductions) during the year	487
Recognised during the year	-
Reduction due to tax rate change for tax years beginning on or after 1 April 2008 <sup>1</sup>	(16,443)
<b>Balance as at 30 June 2007</b>	<b>164,921</b>
Additions/(reductions) during the year	1,778
Recognised during the year	-
<b>Balance as at 30 June 2008</b>	<b>166,699</b>

<sup>1</sup> On 17 May 2007, the Government announced that the company income tax rate would reduce from 33% to 30% effective for tax years beginning on or after 1 April 2008. Consequently, the unrecognised deferred tax assets for the company that are unlikely to be recognised in the 2008 income year have been restated to reflect the financial effects of the change as at 30 June 2007.

**NOTE 8: CASH AND CASH EQUIVALENTS**

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Cash at bank and in hand	1,289	519	1,289	519
Short term deposits maturing 3 months or less from date of acquisition	-	39	-	39
<b>Total cash and cash equivalents</b>	<b>1,289</b>	<b>558</b>	<b>1,289</b>	<b>558</b>

Council has a bank overdraft facility on the daily trading account that is secured by way of debenture trust deed over general rates. The facility totals \$500,000. At 30 June 2008 the interest rate on the facility was 10.0 per cent per annum.

Council has a bank overdraft facility on the direct fees account that is also secured by way of debenture trust deed over general rates. The facility totals \$10,000. At 30 June 2008 the interest rate was 10.0 per cent per annum.

The carrying value of cash at bank and term deposits with maturities less than three months approximate their fair value.

**NOTE 9: DEBTORS AND OTHER RECEIVABLES**

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Rates receivables	1,884	1,320	1,884	1,320
Land Transport New Zealand	2,294	773	2,294	773
Water by meter	964	1,111	964	1,111
GST refund due	3,586	2,425	3,586	2,425
Sundry debtors	10,601	8,008	10,601	8,008
Prepayments	427	704	427	704
Related party receivables (note 25)	-	-	-	-
	<b>19,756</b>	<b>14,341</b>	<b>19,756</b>	<b>14,341</b>
Less provision for impairment of receivables	(2,136)	(1,954)	(2,136)	(1,954)
<b>Total debtors and other receivables</b>	<b>17,620</b>	<b>12,387</b>	<b>17,620</b>	<b>12,387</b>

Debtors and other receivables are non-interest bearing and receipt is normally on 30 day terms, therefore the carrying value of debtors and other receivables approximates their fair value.

There is no concentration of credit risk with respect to receivables outside the group, as the group has a large number of customers.

Council does not provide for any impairment on rates receivable as it has various powers under the Local Government (Rating) Act 2002 to recover outstanding debts. These powers allow Council to commence legal proceedings to recover any rates that remain unpaid 4 months after the due date for payment. If payment has not been made within 3 months of the Court's judgement, then Council can apply to the Registrar of the High Court to have the judgement enforced by sale or lease of the rating unit.

The provision for impairment of receivables includes \$1,959,000 for parking fines being recovered through the Courts (2007 \$1,836,000). Recovery of these debts is not certain and if recoverable may take several years to collect.

The age of rates receivable overdue, whose payment terms have been renegotiated, but not impaired are as follows:

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
0 to 3 months	1,096	657	1,096	657
3 to 6 months	432	338	432	338
6 to 9 months	220	171	220	171
9 to 12 months	129	152	129	152
> 12 months	7	2	7	2
<b>Carrying amount</b>	<b>1,884</b>	<b>1,320</b>	<b>1,884</b>	<b>1,320</b>

As of 30 June 2008 and 2007, all overdue receivables, except for rates receivable, have been assessed for impairment and appropriate provisions applied. Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

The impairment provision has been calculated based on expected losses for Council's pool of debtors. Expected losses have been determined based on an analysis of Council's losses in previous periods, and review of specific debtors as detailed below:

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Individual impairment	137	77	137	77
Collective impairment	1,999	1,877	1,999	1,877
<b>Total provision for impairment</b>	<b>2,136</b>	<b>1,954</b>	<b>2,136</b>	<b>1,954</b>

Individually impaired receivables have been determined to be impaired because of the significant financial difficulties being experienced by the debtor. An analysis of these individually impaired debtors are as follows:

	Council		Group	
	2008	2007	2008	2007
	\$000	\$000	\$000	\$000
0 to 3 months	4	-	4	-
3 to 6 months	72	11	72	11
6 to 9 months	9	1	9	1
9 to 12 months	2	10	2	10
> 12 months	50	55	50	55
<b>Total individual impairment</b>	<b>137</b>	<b>77</b>	<b>137</b>	<b>77</b>

Movements in the provision for impairment of receivables are as follows:

	Council		Group	
	2008	2007	2008	2007
	\$000	\$000	\$000	\$000
At 1 July	1,954	1,252	1,954	1,252
Additional provisions made during the year	242	779	242	779
Receivables written off during the period	(60)	(77)	(60)	(77)
<b>At 30 June</b>	<b>2,136</b>	<b>1,954</b>	<b>2,136</b>	<b>1,954</b>

#### NOTE 10: INVENTORIES

	Council		Group	
	2008	2007	2008	2007
	\$000	\$000	\$000	\$000
Held for distribution:				
Nursery	341	330	341	330
Utilities	226	175	226	175
Other	39	41	39	41
<b>Total inventories</b>	<b>606</b>	<b>546</b>	<b>606</b>	<b>546</b>

The write-down of inventories held for distribution amounted to \$nil (2007 \$25,000). There were reversals of write-downs to correct stock values of \$11,000 (2007 \$nil).

No inventories are pledged as security for liabilities (2007 \$nil).



**NOTE 11: OTHER FINANCIAL ASSETS**

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
<b>Current portion:</b>				
<b>Loans and receivables</b>				
Mortgage	2	1	2	1
Loan to CTC Aviation Training (NZ) Ltd	1,000	-	1,000	-
<b>Fair value through equity</b>				
Sinking fund investments	1,581	345	1,581	345
<b>Total current portion</b>	<b>2,583</b>	<b>346</b>	<b>2,583</b>	<b>346</b>
<b>Non-current portion:</b>				
<b>Loans and receivables</b>				
Mortgage	-	4	-	4
Loan to CTC Aviation Training (NZ) Ltd	2,259	3,259	2,259	3,259
Loan to Hamilton Fibre Network Ltd	1,011	-	1,011	-
<b>Fair value through equity</b>				
Sinking fund investments	-	1,345	-	1,345
Unlisted shares in subsidiary - Hamilton Properties Ltd (cost)	1	1	-	-
Unlisted shares in Local Authority Shared Services Ltd	475	222	475	222
Unlisted shares in NZ Local Government Insurance Co Ltd	608	564	608	564
<b>Total non-current portion</b>	<b>4,354</b>	<b>5,395</b>	<b>4,353</b>	<b>5,394</b>
<b>Total other financial assets</b>	<b>6,937</b>	<b>5,741</b>	<b>6,936</b>	<b>5,740</b>

There were no impairment provisions for other financial assets. None of the financial assets are either past due or impaired.

The carrying amount of other financial assets approximates their fair value.

Sinking fund investments are restricted in use to the repayment of associated borrowings and are administered by the Sinking Fund Commissioners.

The investment in Council's subsidiary Hamilton Properties Ltd is recorded at cost. This company is not currently active.

Investments in unlisted shares are initially recognised at cost with any movements in fair value recognised directly in equity.

Council's share of the surplus for NZ Local Government Insurance Co Ltd for 2008 was \$44,600 (2007 \$54,737) and has been recognised directly in equity.

	Number of Shares	% Holding	Council		Group	
			2008 \$000	2007 \$000	2008 \$000	2007 \$000
<b>Unlisted Shares</b>						
Hamilton Properties Ltd	1,000	100.00	1	1	-	-
Local Authority Shared Services Ltd						
- Ordinary	1	7.69	1	1	1	1
- Shared Valuation Data	220,514	13.72	221	221	221	221
- Waikato Regional Transport Model	50,625	37.50	253	-	253	-
NZ Local Government Insurance Co Ltd	202,729	3.17	608	564	608	564
<b>Total unlisted shares</b>			<b>1,084</b>	<b>787</b>	<b>1,083</b>	<b>786</b>

Waikato Regional Transport Model shares are paid to 50%. A second call on share capital of \$5 per share is due for payment in July 2008.

The weighted average interest rates for financial assets (current and non-current) were as follows:

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Mortgages	6.00%	6.00%	6.00%	6.00%
Short-term deposit	-	7.72%	-	7.72%
Loans to CTC Aviation Training (NZ) Ltd	6.84%	6.84%	6.84%	6.84%
Loan to Hamilton Fibre Network Ltd	-	-	-	-
Sinking fund investments	8.59%	7.44%	8.59%	7.44%

Council has loaned CTC Training (NZ) Ltd \$3,259,135 to construct an aviation training facility at Hamilton International Airport. This is an interest only loan with \$1,000,000 of principal repayable on 8 October 2008 and the remainder repayable on 8 October 2009. The loan is secured by a first mortgage over the building including fixtures, partitions and fittings included in the original construction.

Council has loaned Hamilton Fibre Network Limited \$1,011,471 as part of its shareholder contribution to the company. Interest may be payable on demand by holders of the debt as agreed by the principal parties by special resolution. The interest rate will be based on a specific premium to the risk free rate (or such other market rate method) as adopted. The principal may not be repaid to Council unless agreed to by the principal parties by special resolution.

#### NOTE 12: DERIVATIVE FINANCIAL INSTRUMENTS

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
<b>Current asset portion</b>				
Interest rate swaps - fair value hedge	-	113	-	113
<b>Total current asset portion</b>	<b>-</b>	<b>113</b>	<b>-</b>	<b>113</b>
<b>Non-current asset portion</b>				
Interest rate swaps - fair value hedge	3,312	5,908	3,312	5,908
<b>Total non-current asset portion</b>	<b>3,312</b>	<b>5,908</b>	<b>3,312</b>	<b>5,908</b>

#### Interest rate swaps

The revaluation of interest rate swaps held by Council shows an unrealised mark-to-market revaluation loss for 2008 of \$2,709,000 (2007 gain \$5,225,989). This non-cash revaluation loss is brought about by comparison of the swap fixed rate with the interest yield curve and is recognised in the Statement of Financial Performance per note 3.

The notional principal amounts of outstanding interest rate swap contracts at 30 June 2008 were \$159,255,000 (2007 \$132,255,000). This is shown as follows:

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Payable no later than one year	8,255	21,255	8,255	21,255
Later than one, not later than five years	122,000	61,000	122,000	61,000
Later than five years	29,000	50,000	29,000	50,000
<b>Total interest rate swaps</b>	<b>159,255</b>	<b>132,255</b>	<b>159,255</b>	<b>132,255</b>

#### Foreign currency forward exchange contracts

Council held no foreign currency forward exchange contracts at 30 June 2008 (2007 \$nil). The fair value of the forward exchange contracts at 30 June 2008 was \$nil (2007 \$nil).

The foreign currency forward exchange gain/(loss) is recognised in the Statement of Financial Performance per note 3.

## NOTE 13: PROPERTY, PLANT AND EQUIPMENT

## Council 2008 (\$000)

	Cost/ revaluation 1-Jul-07	Accumulated depreciation & impairment charges 1-Jul-07	Carrying amount 1-Jul-07	Current year additions	Current year disposals	Current year impairment charges or write-offs	Current year depreciation	Revaluation	Cost/ revaluation 30-Jun-08	Accumulated depreciation & impairment charges 30-Jun-08	Carrying amount 30-Jun-08
<b>Operational Assets</b>											
Land	61,420	-	61,420	2,551	-	-	-	-	63,971	-	63,971
Buildings	211,693	(7,668)	204,024	12,652	(2,154)	-	(7,773)	-	222,190	(15,101)	207,089
Land - parks and gardens	646,664	-	646,664	10,576	(40)	-	-	-	657,200	-	657,200
Improvements - parks and gardens	31,033	(1,389)	29,644	748	(1)	-	(1,382)	-	31,780	(2,771)	29,009
Plant and equipment	15,848	(9,558)	6,290	13,202	(502)	-	(1,790)	-	28,548	(10,957)	17,591
Vehicles	5,098	(2,427)	2,671	919	(351)	-	(641)	-	5,666	(2,782)	2,884
Library books	12,190	(4,837)	7,353	965	-	-	(862)	-	13,155	(5,699)	7,456
Zoo animals	971	(583)	388	-	(18)	-	(92)	-	953	(667)	286
Finance Lease	2,022	(742)	1,280	1,284	-	-	(760)	-	3,306	(1,502)	1,804
<b>Total operational assets</b>	<b>986,939</b>	<b>(27,204)</b>	<b>959,734</b>	<b>42,897</b>	<b>(3,066)</b>	<b>-</b>	<b>(13,300)</b>	<b>-</b>	<b>1,026,769</b>	<b>(39,479)</b>	<b>987,290</b>
<b>Restricted Assets</b>											
Land	25,465	-	25,465	297	(125)	-	-	-	25,637	-	25,637
<b>Heritage assets</b>											
Museum and library	28,206	(34)	28,172	81	-	-	-	-	28,287	(34)	28,253
<b>Infrastructure Assets</b>											
Land	17,978	-	17,978	-	-	-	-	-	17,978	-	17,978
Refuse	49,343	(1,810)	47,533	-	-	-	(129)	3,607	52,950	(129)	52,820
Roads and traffic network	1,037,500	(18,582)	1,018,918	18,662	(650)	-	(16,050)	119,241	1,174,754	(16,050)	1,158,703
Stormwater system	211,333	(6,381)	204,952	2,607	-	-	(3,644)	50,558	264,497	(3,644)	260,853
Wastewater system	173,169	(7,321)	165,849	1,629	-	-	(3,657)	8,346	183,144	(3,657)	179,487
Wastewater treatment plant	51,586	(1,424)	50,163	1,079	(650)	-	(1,378)	-	52,016	(2,772)	49,244
Water system	170,554	(7,306)	163,248	2,764	(744)	-	(4,414)	17,917	190,491	(4,414)	186,077
Water treatment station	48,569	(1,153)	47,416	832	-	-	(1,095)	-	49,401	(2,249)	47,152
<b>Total infrastructure assets</b>	<b>1,760,032</b>	<b>(43,977)</b>	<b>1,716,057</b>	<b>27,573</b>	<b>(2,044)</b>	<b>-</b>	<b>(30,367)</b>	<b>199,668</b>	<b>1,985,231</b>	<b>(32,916)</b>	<b>1,952,315</b>
<b>Work in Progress</b>	<b>59,407</b>	<b>-</b>	<b>59,407</b>	<b>38,445</b>	<b>-</b>	<b>(12,944)</b>	<b>-</b>	<b>-</b>	<b>97,852</b>	<b>(12,944)</b>	<b>84,908</b>
<b>Total property, plant and equipment</b>	<b>2,860,049</b>	<b>(71,215)</b>	<b>2,788,835</b>	<b>109,293</b>	<b>(5,235)</b>	<b>(12,944)</b>	<b>(43,667)</b>	<b>199,668</b>	<b>3,163,776</b>	<b>(85,372)</b>	<b>3,078,403</b>

## NOTE 13: PROPERTY, PLANT AND EQUIPMENT

## Group 2008 (\$000)

	Accumulated depreciation & impairment charges			Current year additions	Current year disposals	Current year impairment charges or write-offs		Revaluation	Accumulated depreciation & impairment charges		
	Cost/ revaluation 1-Jul-07	1-Jul-07	Carrying amount 1-Jul-07			Current year depreciation	Current year depreciation		Cost/ revaluation 30-Jun-08	30-Jun-08	Carrying amount 30-Jun-08
<b>Operational Assets</b>											
Land	61,420	-	61,420	2,551	-	-	-	-	63,971	-	63,971
Buildings	211,693	(7,668)	204,024	12,652	(2,154)	-	(7,773)	-	222,190	(15,101)	207,089
Land - parks and gardens	646,664	-	646,664	10,576	(40)	-	-	-	657,200	-	657,200
Improvements - parks and gardens	31,033	(1,389)	29,644	748	(1)	-	(1,382)	-	31,780	(2,771)	29,009
Plant and equipment	15,848	(9,558)	6,290	13,202	(502)	-	(1,790)	-	28,548	(10,957)	17,591
Vehicles	5,098	(2,427)	2,671	919	(351)	-	(641)	-	5,666	(2,782)	2,884
Library books	12,190	(4,837)	7,353	965	-	-	(862)	-	13,155	(5,699)	7,456
Zoo animals	971	(583)	388	-	(18)	-	(92)	-	953	(667)	286
Finance Lease	2,022	(742)	1,280	1,284	-	-	(760)	-	3,306	(1,502)	1,804
<b>Total operational assets</b>	<b>986,939</b>	<b>(27,204)</b>	<b>959,734</b>	<b>42,897</b>	<b>(3,066)</b>	<b>-</b>	<b>(13,300)</b>	<b>-</b>	<b>1,026,769</b>	<b>(39,479)</b>	<b>987,290</b>
<b>Restricted Assets</b>											
Land	25,465	-	25,465	297	(125)	-	-	-	25,637	-	25,637
<b>Heritage assets</b>											
Museum and library	28,206	(34)	28,172	81	-	-	-	-	28,287	(34)	28,253
<b>Infrastructure Assets</b>											
Land	17,978	-	17,978	-	-	-	-	-	17,978	-	17,978
Refuse	49,343	(1,810)	47,533	-	-	-	(129)	3,607	52,950	(129)	52,820
Roads and traffic network	1,037,500	(18,582)	1,018,918	18,662	(650)	-	(16,050)	119,241	1,174,754	(16,050)	1,158,703
Stormwater system	211,333	(6,381)	204,952	2,607	-	-	(3,644)	50,558	264,497	(3,644)	260,853
Wastewater system	173,169	(7,321)	165,849	1,629	-	-	(3,657)	8,346	183,144	(3,657)	179,487
Wastewater treatment plant	51,586	(1,424)	50,163	1,079	(650)	-	(1,378)	-	52,016	(2,772)	49,244
Water system	170,554	(7,306)	163,248	2,764	(744)	-	(4,414)	17,917	190,491	(4,414)	186,077
Water treatment station	48,569	(1,153)	47,416	832	-	-	(1,095)	-	49,401	(2,249)	47,152
<b>Total infrastructure assets</b>	<b>1,760,032</b>	<b>(43,977)</b>	<b>1,716,057</b>	<b>27,573</b>	<b>(2,044)</b>	<b>-</b>	<b>(30,367)</b>	<b>199,668</b>	<b>1,985,231</b>	<b>(32,916)</b>	<b>1,952,315</b>
<b>Work in Progress</b>	<b>59,407</b>	<b>-</b>	<b>59,407</b>	<b>38,445</b>	<b>-</b>	<b>(12,944)</b>	<b>-</b>	<b>-</b>	<b>97,852</b>	<b>(12,944)</b>	<b>84,908</b>
<b>Total property, plant and equipment</b>	<b>2,860,049</b>	<b>(71,215)</b>	<b>2,788,835</b>	<b>109,293</b>	<b>(5,235)</b>	<b>(12,944)</b>	<b>(43,667)</b>	<b>199,668</b>	<b>3,163,776</b>	<b>(85,372)</b>	<b>3,078,403</b>

## Council 2007 (\$000)

	Accumulated depreciation & impairment			Current year additions	Current year disposals	Current year impairment charges	Current year depreciation	Revaluation	Accumulated depreciation & impairment		
	Cost/ revaluation 1-Jul-06	impairment charges 1-Jul-06	Carrying amount 1-Jul-06						Cost/ revaluation 30-Jun-07	impairment charges 30-Jun-07	Carrying amount 30-Jun-07
<b>Operational Assets</b>											
Land	22,612	-	22,612	4,469	-	-	-	34,339	61,420	-	61,420
Buildings	143,867	(27,939)	115,928	53	(939)	-	(7,704)	68,712	211,693	(7,668)	204,024
Land-parks and gardens	103,346	-	103,346	3,031	(449)	-	-	540,736	646,664	-	646,664
Improvements-parks and gardens	33,318	(8,883)	24,435	-	-	-	(1,389)	(2,285)	31,033	(1,389)	29,644
Plant and equipment	15,428	(8,240)	7,188	729	(309)	-	(1,269)	-	15,848	(9,558)	6,290
Vehicles	4,347	(2,155)	2,192	1,261	(510)	-	(556)	-	5,098	(2,427)	2,671
Library books	9,862	(4,013)	5,849	2,328	-	-	(822)	-	12,190	(4,837)	7,353
Zoo animals	971	(486)	485	-	-	-	(97)	-	971	(583)	388
Finance Lease	-	-	-	2,022	-	-	(742)	-	2,022	(742)	1,280
<b>Total operational assets</b>	<b>333,751</b>	<b>(51,716)</b>	<b>282,035</b>	<b>13,893</b>	<b>(2,207)</b>	<b>-</b>	<b>(12,579)</b>	<b>641,502</b>	<b>986,939</b>	<b>(27,204)</b>	<b>959,734</b>
<b>Restricted Assets</b>											
Land	6,450	-	6,450	-	-	-	-	19,015	25,465	-	25,465
<b>Heritage assets</b>											
Museum and library	22,242	(135)	22,107	-	(263)	-	(285)	6,227	28,206	(34)	28,172
<b>Infrastructure Assets</b>											
Land	3,392	-	3,392	-	-	-	-	14,586	17,978	-	17,978
Refuse	45,156	(1,584)	43,572	4,187	-	-	(227)	-	49,343	(1,810)	47,533
Roads and traffic network	1,016,595	(9,241)	1,007,354	8,697	(1,193)	-	(9,436)	13,400	1,037,500	(18,582)	1,018,918
Stormwater system	208,552	(3,147)	205,405	2,792	(11)	-	(3,233)	-	211,333	(6,381)	204,952
Wastewater system	169,990	(3,493)	166,497	3,179	-	-	(3,828)	-	173,169	(7,321)	165,849
Wastewater treatment plant	41,625	(2,184)	39,441	-	-	-	(1,412)	9,962	51,587	(1,424)	50,163
Water system	160,170	(3,594)	156,576	10,973	(589)	-	(3,713)	-	170,554	(7,306)	163,248
Water treatment station	23,628	(490)	23,138	26,678	-	-	(882)	(1,737)	48,569	(1,153)	47,416
<b>Total infrastructure assets</b>	<b>1,669,108</b>	<b>(23,733)</b>	<b>1,645,375</b>	<b>56,507</b>	<b>(1,793)</b>	<b>-</b>	<b>(22,732)</b>	<b>36,211</b>	<b>1,760,032</b>	<b>(43,977)</b>	<b>1,716,056</b>
<b>Work in Progress</b>	<b>111,100</b>	<b>-</b>	<b>111,100</b>	<b>59,407</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>59,407</b>	<b>-</b>	<b>59,407</b>
<b>Total property, plant and equipment</b>	<b>2,142,651</b>	<b>(75,584)</b>	<b>2,067,067</b>	<b>129,807</b>	<b>(4,264)</b>	<b>-</b>	<b>(35,595)</b>	<b>702,955</b>	<b>2,860,049</b>	<b>(71,215)</b>	<b>2,788,835</b>

## Group 2007 (\$000)

	Accumulated depreciation & impairment charges			Carrying amount 1-Jul-06	Current year additions	Current year disposals	Current year impairment charges	Current year depreciation	Revaluation	Accumulated depreciation & impairment charges		
	Cost/ revaluation 1-Jul-06	impairment charges 1-Jul-06								Cost/ revaluation 30-Jun-07	impairment charges 30-Jun-07	
<b>Operational Assets</b>												
Land	22,612	-	22,612	4,469	-	-	-	34,339	61,420	-	61,420	
Buildings	143,867	(27,939)	115,928	53	(939)	-	(7,704)	68,712	211,693	(7,668)	204,024	
Land-parks and gardens	103,346	-	103,346	3,031	(449)	-	-	540,736	646,664	-	646,664	
Improvements-parks and gardens	33,318	(8,883)	24,435	-	-	-	(1,389)	(2,285)	31,033	(1,389)	29,644	
Plant and equipment	15,428	(8,240)	7,188	729	(309)	-	(1,269)	-	15,848	(9,558)	6,290	
Vehicles	4,347	(2,155)	2,192	1,261	(510)	-	(556)	-	5,098	(2,427)	2,671	
Library books	9,862	(4,013)	5,849	2,328	-	-	(822)	-	12,190	(4,837)	7,353	
Zoo animals	971	(486)	485	-	-	-	(97)	-	971	(583)	388	
Finance Lease	-	-	-	2,022	-	-	(742)	-	2,022	(742)	1,280	
<b>Total operational assets</b>	<b>333,751</b>	<b>(51,716)</b>	<b>282,035</b>	<b>13,893</b>	<b>(2,207)</b>	<b>-</b>	<b>(12,579)</b>	<b>641,502</b>	<b>986,939</b>	<b>(27,204)</b>	<b>959,734</b>	
<b>Restricted Assets</b>												
Land	6,450	-	6,450	-	-	-	-	19,015	25,465	-	25,465	
<b>Heritage assets</b>												
Museum and library	22,242	(135)	22,107	-	(263)	-	(285)	6,227	28,206	(34)	28,172	
<b>Infrastructure Assets</b>												
Land	3,392	-	3,392	-	-	-	-	14,586	17,978	-	17,978	
Refuse	45,156	(1,584)	43,572	4,187	-	-	(227)	-	49,343	(1,810)	47,533	
Roads and traffic network	1,016,595	(9,241)	1,007,354	8,697	(1,193)	-	(9,436)	13,400	1,037,500	(18,582)	1,018,918	
Stormwater system	208,552	(3,147)	205,405	2,792	(11)	-	(3,233)	-	211,333	(6,381)	204,952	
Wastewater system	169,990	(3,493)	166,497	3,179	-	-	(3,828)	-	173,169	(7,321)	165,849	
Wastewater treatment plant	41,625	(2,184)	39,441	-	-	-	(1,412)	9,962	51,587	(1,424)	50,163	
Water system	160,170	(3,594)	156,576	10,973	(589)	-	(3,713)	-	170,554	(7,306)	163,248	
Water treatment station	23,628	(490)	23,138	26,678	-	-	(882)	(1,737)	48,569	(1,153)	47,416	
<b>Total infrastructure assets</b>	<b>1,669,108</b>	<b>(23,733)</b>	<b>1,645,375</b>	<b>56,507</b>	<b>(1,793)</b>	<b>-</b>	<b>(22,732)</b>	<b>36,211</b>	<b>1,760,032</b>	<b>(43,977)</b>	<b>1,716,056</b>	
<b>Work in Progress</b>	<b>111,100</b>	<b>-</b>	<b>111,100</b>	<b>59,407</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>59,407</b>	<b>-</b>	<b>59,407</b>	
<b>Total property, plant and equipment</b>	<b>2,142,651</b>	<b>(75,584)</b>	<b>2,067,067</b>	<b>129,807</b>	<b>(4,264)</b>	<b>-</b>	<b>(35,595)</b>	<b>702,955</b>	<b>2,860,049</b>	<b>(71,215)</b>	<b>2,788,835</b>	

**NOTE 13: PROPERTY, PLANT AND EQUIPMENT****Valuation**

*Operational Buildings, Operational, Restricted, Infrastructural and Parks & Gardens Land, Parks & Gardens Improvements, Heritage Assets and Water and Wastewater Treatment Plants*

Fair value is determined from market based evidence by an independent valuer. Where market based evidence is unavailable depreciated replacement cost is used.

The most recent valuation was effective as at 1 July 2006, and was performed by the following valuers:

<b>Asset Class(es)</b>	<b>Valuer</b>	<b>Company</b>
Operational Buildings	G Petersen B Com K Stewart Val Prof	SPM Consultants Ltd Quotable Value Ltd
Land - Operational, Restricted, Infrastructural and Parks & Gardens	K Stewart Val Prof Urb, PG Dip Eng Audit, MBA	Quotable Value Ltd
Parks and Gardens Improvements	E Botje MBA, Btech Env Ag	MWH New Zealand Ltd
Heritage Assets	J Downs and M Caunter peer reviewed by Dr R J Watt, MA (First Class Hons), PhD	Council R J Watt & Associates
Water & Wastewater Treatment Plants	E Botje MBA, Btech Env Ag	MWH New Zealand Ltd

*Infrastructural Asset Classes: Water Supply, Wastewater Reticulation and Pump Stations, Stormwater Reticulation, Refuse and Roading*

Fair value is determined on a depreciated replacement cost basis by an independent valuer. The most recent valuation was effective as at 1 July 2007, and was performed by E Botje MBA, Btech Env Ag of MWH New Zealand Ltd.

*Operational Plant and Equipment, Zoo Animals, and Land Under Roads*

These asset classes were last revalued effective 1 July 2001. On transition to NZ IFRS Council elected to use the fair value of these assets as deemed cost. These asset classes are no longer revalued.

*Operational Vehicles, Library Books and Finance Leases*

These asset classes are not revalued, and are held at cost.

Total Value of property plant and equipment valued by each valuer:

	<b>Council</b>		<b>Group</b>	
	<b>2008</b>	<b>2007</b>	<b>2008</b>	<b>2007</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
G Petersen of SPM Consultants	-	178,278	-	178,278
K Stewart of Quotable Value Ltd	-	778,310	-	778,310
E Botje of MWH New Zealand Ltd	1,220,435	94,103	1,220,435	94,103
J Downs and M Caunter of Hamilton City Council	-	6,323	-	6,323

**Impairment**

There are no impairment losses for 2008 (2007 \$nil).

**NOTE 14: INTANGIBLE ASSETS**

Intangible assets are defined as identifiable non-monetary assets without physical form.

Amortisation is the systematic allocation of the depreciable amount of an intangible asset over its useful life.

None of these intangible assets have been internally generated.

	Council			Group		
	Cost \$000	Amortisation/ Impairment \$000	Total \$000	Cost \$000	Amortisation/ Impairment \$000	Total \$000
<b>Software</b>						
Balance at 1 July 2006	3,241	(2,082)	1,159	3,241	(2,082)	1,159
Movement 2006/07						
Additions	201	-	201	201	-	201
Amortisation charge	-	(509)	(509)	-	(509)	(509)
<b>Balance at 30 June 2007</b>	<b>3,442</b>	<b>(2,591)</b>	<b>851</b>	<b>3,442</b>	<b>(2,591)</b>	<b>851</b>
Balance at 1 July 2007	3,442	(2,591)	851	3,442	(2,591)	851
Movement 2007/08						
Additions	427	-	427	427	-	427
Amortisation charge	-	(243)	(243)	-	(243)	(243)
<b>Balance at 30 June 2008</b>	<b>3,869</b>	<b>(2,834)</b>	<b>1,035</b>	<b>3,869</b>	<b>(2,834)</b>	<b>1,035</b>
<b>Consents</b>						
Balance at 1 July 2006	3,247	(155)	3,092	3,247	(155)	3,092
Movement 2006/07						
Additions	746	-	746	746	-	746
Revaluation	-	-	-	-	-	-
Amortisation charge	-	(46)	(46)	-	(46)	(46)
<b>Balance at 30 June 2007</b>	<b>3,993</b>	<b>(201)</b>	<b>3,792</b>	<b>3,993</b>	<b>(201)</b>	<b>3,792</b>
Balance at 1 July 2007	3,993	(201)	3,792	3,993	(201)	3,792
Movement 2007/08						
Additions	838	-	838	838	-	838
Amortisation charge	-	(231)	(231)	-	(231)	(231)
<b>Balance at 30 June 2008</b>	<b>4,831</b>	<b>(432)</b>	<b>4,399</b>	<b>4,831</b>	<b>(432)</b>	<b>4,399</b>
<b>Total intangible assets</b>						
Balance at 1 July 2006	6,488	(2,237)	4,251	6,488	(2,237)	4,251
Movement 2006/07						
Additions	947	-	947	947	-	947
Revaluation	-	-	-	-	-	-
Amortisation charge	-	(555)	(555)	-	(555)	(555)
<b>Balance at 30 June 2007</b>	<b>7,435</b>	<b>(2,792)</b>	<b>4,643</b>	<b>7,435</b>	<b>(2,792)</b>	<b>4,643</b>
<b>Balance at 30 June 2007</b>						
Balance at 1 July 2007	7,435	(2,792)	4,643	7,435	(2,792)	4,643
Movement 2007/08						
Additions	1,265	-	1,265	1,265	-	1,265
Amortisation charge	-	(474)	(474)	-	(474)	(474)
<b>Balance at 30 June 2008</b>	<b>8,700</b>	<b>(3,266)</b>	<b>5,434</b>	<b>8,700</b>	<b>(3,266)</b>	<b>5,434</b>



**NOTE 15: INVESTMENT PROPERTY**

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Balance at 1 July	58,151	49,468	58,151	49,468
Additions	5,463	3,636	5,463	3,636
Disposals	(1,150)	(176)	(1,150)	(176)
Fair value gains/(losses) on valuation	(1,904)	5,223	(1,904)	5,223
<b>Balance at 30 June</b>	<b>60,560</b>	<b>58,151</b>	<b>60,560</b>	<b>58,151</b>

Investment properties are valued annually at fair value effective 30 June. All investment properties were valued based on open market evidence. The valuations were performed by Telfer Young (Waikato) Ltd and Darroch Valuations, registered valuers and property consultants.

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Rental income	3,595	3,302	3,595	3,302
Expenses from investment property generating income	746	601	746	601
Expenses from investment property not generating income	-	-	-	-
Contractual obligations for capital expenditure	537	3,782	537	3,782
Contractual obligations for operating expenditure	-	-	-	-

**NOTE 16: INVESTMENTS IN ASSOCIATES****Council**

	2008 \$000	2007 \$000
Hamilton Fibre Network Ltd (HFN)	267	-
Hamilton Riverview Hotel Ltd (Novotel)	6,000	6,000
Waikato Regional Airport Ltd	1,430	1,430
<b>Total investments in associates</b>	<b>7,697</b>	<b>7,430</b>

Council acquired 3,485 A shares in Hamilton Fibre Network (HFN) through the contribution of assets to HFN.

**Group**

Movements in the carrying amount of investments in associates:

	Hamilton Fibre Network	Hamilton Riverview Hotel	Waikato Regional Airport	Total
	2008 \$000	2008 \$000	2008 \$000	
Balance at 1 July 2007	-	10,593	18,631	29,224
Acquisition of shares	267	-	-	267
Share of surplus/(deficit)	(79)	260	1,866	2,047
IFRS deferred tax and other adjustments	-	165	1,263	1,428
Share of increase/(decrease) in asset revaluation reserve	-	-	8,385	8,385
<b>Balance at 30 June 2008</b>	<b>188</b>	<b>11,018</b>	<b>30,145</b>	<b>41,351</b>

	Hamilton Riverview Hotel	Waikato Regional Airport	Total
	2007 \$000	2007 \$000	
Balance at 1 July 2006	12,091	17,195	29,286
Share of surplus/(deficit)	662	1,471	2,133
Share of increase/(decrease) in asset revaluation reserve	(2,160)	(35)	(2,195)
<b>Balance at 30 June 2007</b>	<b>10,593</b>	<b>18,631</b>	<b>29,224</b>

Hamilton Riverview Hotel has a balance date different to that of Council of more than three months. In order to comply with NZ IAS 28, Council has included the interim financial results of Hamilton Riverview Hotel for the six months to 30 June 2008 (which have been reviewed but not audited) and the annual audited results for the year to 31 December 2007 adjusted to reflect only the first six months of the year.

## Summary financial information of associate companies \*

	Hamilton Fibre Network \$000	Hamilton Riverview Hotel \$000	Waikato Regional Airport \$000
<b>2008</b>			
Assets	3,373	49,895	85,155
Liabilities	2,827	23,269	24,864
Revenue	29	7,328	10,591
Surplus/(deficit)	(229)	628	3,859
Group's interest	34.85%	41.38%	50.00%
Number of shares	3,485	6,000,000	1,430,000
Balance date	30 June	31 Dec	30 June
	Hamilton Riverview Hotel \$000	Waikato Regional Airport \$000	
<b>2007</b>			
Assets		42,527	63,648
Liabilities		16,927	26,385
Revenue		15,777	8,009
Surplus/(deficit)		1,557	2,943
Group's interest		41.38%	50.00%
Number of shares		6,000,000	1,430,000
Balance date		31 Dec	30 June

\* These are gross amounts from the associates financial statements.

**Associates contingencies**

Detail of any contingent liabilities arising from the group's involvement in an associate are disclosed separately in note 24.

**NOTE 17: CREDITORS AND OTHER PAYABLES**

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Trade creditors	26,819	11,493	26,819	11,493
Deposits and bonds	1,064	977	1,064	977
Accrued expenses	7,376	8,201	7,376	8,201
Agency funds	98	200	98	200
Income in advance	2,558	1,919	2,558	1,919
Amounts due to related parties (note 25)	39	10	39	10
<b>Total trade and other payables</b>	<b>37,954</b>	<b>22,800</b>	<b>37,954</b>	<b>22,800</b>

Creditors and other payables are non interest bearing and are normally settled on 30 day terms, therefore the carrying value of creditors and other payables approximates their fair value.

**NOTE 18: PROVISIONS**

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
<b>Current provisions</b>				
Weathertight homes resolution services claims	860	1,040	860	1,040
Landfill aftercare	358	274	358	274
<b>Total current provisions</b>	<b>1,218</b>	<b>1,314</b>	<b>1,218</b>	<b>1,314</b>
<b>Non-current provisions</b>				
Landfill aftercare	4,901	3,760	4,901	3,760
<b>Total non-current provisions</b>	<b>4,901</b>	<b>3,760</b>	<b>4,901</b>	<b>3,760</b>

**Weathertight homes resolution services claims provision**

At 30 June 2008 there are 25 claims lodged with the Weathertight Homes Resolution Service outstanding, with an estimated exposure of \$860,000. Council's provision recognises insurance excesses potentially payable on each claim and the fact that the insurer (RiskPool) will pay out a maximum of \$500,000 in any one year.

Statement of movements in weathertight homes resolution service provision	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Opening balance	1,040	-	1,040	-
Additional provisions made	110	1,040	110	1,040
Amounts resolved	(290)	-	(290)	-
<b>Closing balance</b>	<b>860</b>	<b>1,040</b>	<b>860</b>	<b>1,040</b>

**Landfill aftercare provision**

Hamilton City Council was granted 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 was closed on 31 December 2006. There are post-closure responsibilities such as the following:

- 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

The cash outflows for the 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.

Statement of movements in landfill aftercare provision	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Opening balance	4,034	6,285	4,034	6,285
Actual closure and aftercare costs	(449)	(2,962)	(449)	(2,962)
Increase/(decrease) due to aftercare cost assumption	1,392	271	1,392	271
Discount unwinding (note 6)	282	440	282	440
<b>Closing balance</b>	<b>5,259</b>	<b>4,034</b>	<b>5,259</b>	<b>4,034</b>

**ACC partnership programme**

Hamilton City Council belongs to the ACC Partnership Programme whereby Council accepts the management and financial responsibility of work related illnesses and accidents of employees. Under the ACC Partnership Programme, Council is effectively providing accident insurance to employees for work related accidents equal to 80% of the first week of absence from work. No provision has been made for any outstanding liability at balance date as the liability is not material for Council's financial statements based on payments made in prior years.

Council manages its exposure arising from the programme by promoting a safe and healthy working environment by:

- implementing and monitoring health and safety policies
- induction training on health and safety
- actively managing injuries to ensure employees return to work as soon as practical
- recording and monitoring work place injuries and near misses to identify risk areas and implementing mitigating actions
- identification of work place hazards and implementation of appropriate safety procedures

**NOTE 19: EMPLOYEE ENTITLEMENTS**

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
<b>Current employee entitlements</b>				
Accrued pay	1,054	720	1,054	720
Annual leave and long service leave	3,642	3,049	3,642	3,049
Retiring gratuities	421	317	421	317
Sick leave	75	59	75	59
<b>Total current employee entitlements</b>	<b>5,192</b>	<b>4,145</b>	<b>5,192</b>	<b>4,145</b>
<b>Non-current employee entitlements</b>				
Retiring gratuities	1,479	1,304	1,479	1,304
<b>Total non-current employee entitlements</b>	<b>1,479</b>	<b>1,304</b>	<b>1,479</b>	<b>1,304</b>

**NOTE 20: BORROWINGS**

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
<b>Current</b>				
Secured loans	54,538	18,498	54,538	18,498
EECA loans	32	50	32	50
Lease liabilities	1,254	907	1,254	907
<b>Total current borrowings</b>	<b>55,824</b>	<b>19,455</b>	<b>55,824</b>	<b>19,455</b>
<b>Non-current</b>				
Secured loans	138,942	127,138	138,942	127,138
EECA loans	25	57	25	57
Lease liabilities	746	1,230	746	1,230
<b>Total non-current borrowings</b>	<b>139,713</b>	<b>128,425</b>	<b>139,713</b>	<b>128,425</b>
<b>Total borrowings</b>	<b>195,537</b>	<b>147,880</b>	<b>195,537</b>	<b>147,880</b>
less Lease liabilities	(2,000)	(2,137)	(2,000)	(2,137)
<b>Total borrowings (excluding lease liabilities)</b>	<b>193,537</b>	<b>145,743</b>	<b>193,537</b>	<b>145,743</b>

**Fixed rate debt**

Council has \$8,271,000 of its total secured debt of \$193,480,000 issued at fixed rates of interest (2007 \$10,182,000 of \$145,636,000).

**Floating rate debt**

The remainder of Council's secured debt, \$185,209,000 (2007 \$135,454,000), is at a floating interest rate. Council uses synthetic instruments (swaps and FRAs) to manage its interest rate risk profile based on independent professional advice (see note 12). At 30 June 2008 synthetic instruments totalled \$159,255,000 (2007 \$132,255,000).

**Weighted average interest rate**

The weighted average interest rate for secured loans is 7.31% (2007 6.85%).

**Security**

Council's secured loans have been issued in accordance with the Local Government Act 2002. The loans are secured through the debenture trust deed over all rates with two exceptions. The \$5,204,000 loan used to purchase Claudelands Park is secured by way of mortgage over the Claudelands Park property. The \$1,750,000 vendor loan to purchase land on behalf of WRAL is secured by way of second mortgage over the property.

**Fair value**

Adjustments have been made to increase current secured loans by \$115,000 (2007 decrease \$2,000) and decrease non-current secured loans by \$26,000 (2007 increase \$14,000) to reflect the fair value of the loans (refer note 6).

	Carrying Amounts		Fair value	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Secured loans - current	54,425	18,500	54,538	18,498
Secured loans - non-current	138,954	127,124	138,942	127,138
<b>Total secured loans</b>	<b>193,379</b>	<b>145,624</b>	<b>193,480</b>	<b>145,636</b>
Unsecured loans - EECA	57	107	57	107
Fair value debt adjustment	101	12	-	-
<b>Total Loans</b>	<b>193,537</b>	<b>145,743</b>	<b>193,537</b>	<b>145,743</b>

Under authority of the Local Government Act 1974 (Local Authorities Loans Act 1956), sinking funds to the value of \$1,581,000 (2007 \$1,690,000) 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 borrowings 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 2008 is \$37,109,000 (2007 \$43,526,000). If this is added to Council's net debt of \$191,899,000 (2007 \$143,946,000) the overall net debt (excluding EECA) at 30 June 2008 is \$229,008,000 (2007 \$187,472,000).

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		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Total borrowings (excluding lease liabilities)	193,537	145,743	193,537	145,743
Less sinking funds	(1,581)	(1,690)	(1,581)	(1,690)
Less EECA loans	(57)	(107)	(57)	(107)
<b>Net debt (excluding internal borrowing)</b>	<b>191,899</b>	<b>143,946</b>	<b>191,899</b>	<b>143,946</b>
Add internal borrowings	37,109	43,526	37,109	43,526
<b>Net debt (including internal borrowing)</b>	<b>229,008</b>	<b>187,472</b>	<b>229,008</b>	<b>187,472</b>
Overall net debt will be funded in subsequent years as follows:				
Rates	127,646	110,912	127,646	110,912
Reserves	18,397	11,644	18,397	11,644
Development and financial contributions	82,965	64,916	82,965	64,916
<b>Net debt (including internal borrowing)</b>	<b>229,008</b>	<b>187,472</b>	<b>229,008</b>	<b>187,472</b>

The statement of financial performance, reflects a net off of internal borrowing interest of \$1,771,000 (2007 \$1,929,000) to eliminate the internal interest charged to strategic areas.

#### Analysis of lease liabilities

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
<b>Total minimum finance lease payments are payable:</b>				
Not later than one year	1,147	1,032	1,147	1,032
Later than one, not later than five years	1,013	1,341	1,013	1,341
Later than five years	-	-	-	-
<b>Total minimum finance lease payments</b>	<b>2,160</b>	<b>2,373</b>	<b>2,160</b>	<b>2,373</b>
Future finance charges	(160)	(236)	(160)	(236)
<b>Present value of minimum finance lease payments</b>	<b>2,000</b>	<b>2,137</b>	<b>2,000</b>	<b>2,137</b>

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
<b>Present value of minimum finance lease payments are payable:</b>				
Not later than one year	1,043	907	1,043	907
Later than one, not later than five years	957	1,230	957	1,230
Later than five years	-	-	-	-
<b>Total minimum finance lease payments</b>	<b>2,000</b>	<b>2,137</b>	<b>2,000</b>	<b>2,137</b>
Current portion	1,254	907	1,254	907
Non-current portion	746	1,230	746	1,230
<b>Total finance lease liabilities</b>	<b>2,000</b>	<b>2,137</b>	<b>2,000</b>	<b>2,137</b>

**Interest Rate**

The interest rates applying to lease liabilities for 2008 range from 7.90% to 8.70% (2007 range from 7.10% to 8.40%).

**Description of material leasing arrangements**

Council has entered into finance leases for various plant and equipment. The net carrying amount of leased items within each class of property, plant and equipment is included in the numbers disclosed in note 14.

The finance leases can be renewed at Council's option, with rents set by reference to current market rates for items of equivalent age and condition. Council does have the option to purchase the asset at the end of the lease term.

There are no restrictions placed on Council by any of the finance leasing arrangements.

**NOTE 21: EQUITY**

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
<b>Retained earnings</b>				
Opening balance	1,581,274	1,549,332	1,587,208	1,553,133
Net surplus	161	24,419	2,208	26,552
Share of associate IFRS reclassification of revaluation reserve *	-	-	6,210	-
Share of associate IFRS deferred tax adjustment	-	-	165	-
Transfer from asset revaluation reserve on disposal of assets	-	363	-	363
Transfers from restricted and Council created reserves	33,749	38,519	33,749	38,519
Transfers to restricted and Council created reserves	(21,793)	(31,359)	(21,793)	(31,359)
<b>Total retained earnings</b>	<b>1,593,391</b>	<b>1,581,274</b>	<b>1,607,747</b>	<b>1,587,208</b>
<b>Revaluation reserves</b>				
<b>Asset revaluation reserves</b>				
Opening balance	1,098,058	402,046	1,113,916	420,099
Revaluation gains - property, plant and equipment	232,262	696,012	232,262	696,012
Revaluation gains/(losses) - shareholdings	-	-	3,439	(2,195)
<b>Closing balance</b>	<b>1,330,320</b>	<b>1,098,058</b>	<b>1,349,617</b>	<b>1,113,916</b>
<b>Asset revaluation reserves consist of:</b>				
<b>Operational assets</b>				
Buildings	77,047	77,621	77,047	77,621
Heritage assets	6,336	6,336	6,336	6,336
Land	34,596	34,596	34,596	34,596
Parks and gardens improvement	257	258	257	258
Parks and gardens land	534,448	535,317	534,448	535,317
<b>Restricted assets</b>				
Land	18,955	18,967	18,955	18,967
<b>Infrastructure assets</b>				
Land	14,976	14,976	14,976	14,976
Refuse	40,412	34,995	40,412	34,995
Roads and streets	272,253	138,855	272,253	138,855
Storm water	119,491	63,623	119,491	63,623
Wastewater	102,394	87,887	102,394	87,887
Wastewater treatment station	16,145	16,145	16,145	16,145
Water supply	93,010	68,482	93,010	68,482
<b>Shares</b>	-	-	19,297	15,858
<b>Total revaluation reserves</b>	<b>1,330,320</b>	<b>1,098,058</b>	<b>1,349,617</b>	<b>1,113,916</b>
<b>Restricted reserves</b>				
Cemetery plot maintenance in perpetuity	1,655	1,505	1,655	1,505
Domain sales endowment reserve	2,676	2,676	2,676	2,676
Municipal crown endowment reserve	969	3,579	969	3,579
Waikato art gallery endowment reserve	38	35	38	35
<b>Total restricted reserves</b>	<b>5,338</b>	<b>7,795</b>	<b>5,338</b>	<b>7,795</b>



<b>Council created reserves</b>				
Access Hamilton reserve	4,023	4,097	4,023	4,097
Berm levy reserve	29	9	29	9
Bus shelter (Adshel) reserve	59	39	59	39
CBD improvement reserve	-	187	-	187
Dame Hilda Ross library memorial	1	2	1	2
Disaster recovery fund	4,022	3,473	4,022	3,473
EECA loan	35	71	35	71
Housing upgrade reserve	27	61	27	61
Lake Domain Drive reserve	120	115	120	115
Mighty River Power fund	-	287	-	287
Museum collection reserve	156	140	156	140
Peachgrove lounge site development	40	36	40	36
Project watershed - Environment Waikato	530	360	530	360
Reserve contributions fund	1,410	2,782	1,410	2,782
Roman catholic schools library fund	2	5	2	5
Rotokauri land sale reserve	4,397	4,112	4,397	4,112
Septic tank reserve	2	(21)	2	(21)
Storm damage reserve	230	211	230	211
V8 Reserve	(8,452)	-	(8,452)	-
Waiwhakareke Reserve	(359)	(176)	(359)	(176)
Water reticulation reserve	4	4	4	4
Wintec recreation area development	(2)	(2)	(2)	(2)
Zoo animal purchases reserve	110	91	110	91
<b>Total Council created reserves</b>	<b>6,384</b>	<b>15,883</b>	<b>6,384</b>	<b>15,883</b>
<b>Total restricted and Council created reserves</b>	<b>11,722</b>	<b>23,678</b>	<b>11,722</b>	<b>23,678</b>
<b>Fair value through equity reserve</b>				
Opening balance	100	45	100	45
Fair value gains/(losses) on NZ Local Government Insurance Co Ltd	44	55	44	55
<b>Total fair value through equity reserve</b>	<b>144</b>	<b>100</b>	<b>144</b>	<b>100</b>
<b>Total other reserves</b>	<b>1,342,186</b>	<b>1,121,836</b>	<b>1,361,483</b>	<b>1,137,694</b>
<b>Total equity</b>	<b>2,935,577</b>	<b>2,703,110</b>	<b>2,969,230</b>	<b>2,724,902</b>

\* On transition to NZ IFRS the Hamilton Riverview Hotel Ltd elected to measure property, plant and equipment at fair value, and has used that fair value as the deemed cost at transition. The effect of this is to increase the Hotel's plant, property and equipment in its balance sheet and reclassify the revaluation reserve to retained earnings. Council has reflected its share of this transitional adjustment as an addition to the Group's retained earnings.

**NOTE 22: RECONCILIATION OF NET SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
<b>Net surplus</b>	<b>161</b>	<b>24,419</b>	<b>2,208</b>	<b>26,552</b>
<b>Add/(less) non-cash items:</b>				
Depreciation and amortisation	44,139	36,150	44,139	36,150
Landfill aftercare interest	282	440	282	440
Landfill aftercare provision	1,392	271	1,392	271
Weathertight homes resolution services claims provision	(180)	1,040	(180)	1,040
Revaluation decrement expensed	-	1,109	-	1,109
Unrealised fair value loss/(gain) on bank borrowings	89	(377)	89	(377)
Unrealised fair value gain on forward exchange contracts	-	(6)	-	(6)
Unrealised fair value loss/(gain) on swaps	2,709	(5,226)	2,709	(5,226)
Vested assets	(20,615)	(8,410)	(20,615)	(8,410)
Assets added to the asset register upon revaluation	(6,425)	-	(6,425)	-
Assets written off upon revaluation	12,944	-	12,944	-
<b>Total non-cash items</b>	<b>34,335</b>	<b>24,991</b>	<b>34,335</b>	<b>24,991</b>
<b>Add/(less) movements in working capital:</b>				
Change in trade and other receivables	(5,233)	(3,199)	(5,233)	(3,199)
Change in inventory	(60)	109	(60)	109
Change in trade and other payables	15,154	6,259	15,154	6,259
Change in employee benefit liabilities	1,222	640	1,222	640
<b>Total movements in working capital</b>	<b>11,084</b>	<b>3,809</b>	<b>11,084</b>	<b>3,809</b>
<b>Add/(less) items classified as investing activities:</b>				
Change in capital expenditure accruals	(11,912)	(3,944)	(11,912)	(3,944)
Loss/(gain) in fair value of investment properties	1,904	(5,223)	1,904	(5,223)
Loss/(gain) on disposal of investment property	(45)	6	(45)	6
Loss/(gain) on disposal of property, plant and equipment	3,110	(2,993)	3,110	(2,993)
Share of associates deficit/(surplus)	-	-	(2,047)	(2,133)
<b>Total items classified as investing activities</b>	<b>(6,943)</b>	<b>(12,154)</b>	<b>(8,990)</b>	<b>(14,287)</b>
<b>Net cash from operating activities</b>	<b>38,637</b>	<b>41,065</b>	<b>38,637</b>	<b>41,065</b>

**NOTE 23: CAPITAL COMMITMENTS AND OPERATING LEASES**

	Council		Group	
	2008	2007	2008	2007
	\$000	\$000	\$000	\$000
<b>Capital commitments</b>				
Approved and committed	16,724	16,372	16,724	16,372
<b>Total commitments</b>	<b>16,724</b>	<b>16,372</b>	<b>16,724</b>	<b>16,372</b>

Refer to note 15 for capital commitments for investment properties.

In addition to the above commitments, Council has authorised the following capital projects:

	Council		Group	
	2008	2007	2008	2007
	\$000	\$000	\$000	\$000
Roads	51,732	40,079	51,732	40,079
Stormwater	5,433	3,747	5,433	3,747
Wastewater	3,898	4,230	3,898	4,230
Water supply	3,602	2,827	3,602	2,827
Parks and gardens	14,331	20,842	14,331	20,842
Other activities	10,710	7,513	10,710	7,513
<b>Total authorised capital projects</b>	<b>89,706</b>	<b>79,238</b>	<b>89,706</b>	<b>79,238</b>

**Non-cancellable operating leases as lessee**

Council leases property, plant and equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 36 months. The future aggregate minimum lease payments to be made under non-cancellable operating leases are as follows:

	Council		Group	
	2008	2007	2008	2007
	\$000	\$000	\$000	\$000
Not later than one year	604	546	604	546
Later than one year and not later than five years	1,373	152	1,373	152
Later than five years	549	120	549	120
<b>Total non-cancellable operating lease commitments</b>	<b>2,526</b>	<b>818</b>	<b>2,526</b>	<b>818</b>

The total minimum future sublease payments expected to be received under non-cancellable subleases at balance date is \$nil (2007 \$nil).

Leases can be renewed at Council's option, with rents set by reference to current market rates for items of equivalent age and condition. Council has the option to purchase the asset at the end of the lease term except where Council is leasing land or buildings. There are no restrictions placed on Council by any of the leasing arrangements.

**Non-cancellable operating leases as lessor**

Council leases its investment property under operating leases.

The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	Council		Group	
	2008	2007	2008	2007
	\$000	\$000	\$000	\$000
Not later than one year	4,151	3,690	4,151	3,690
Later than one year and not later than five years	15,525	13,531	15,525	13,531
Later than five years	24,603	39,732	24,603	39,732
<b>Total non-cancellable operating leases as a lessor</b>	<b>44,279</b>	<b>56,953</b>	<b>44,279</b>	<b>56,953</b>

No contingent rents have been recognised in the statement of financial performance during the period.

**NOTE 24: CONTINGENCIES****Contingent liabilities****Financial 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. No provision has been made because Council do not consider it likely that these loans will require settlement. Council's potential liability under the guarantees is as follows:

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
<b>Lending institution:</b>				
ASB Bank	148	186	148	186
Bank of New Zealand	48	56	48	56
Westpac	137	176	137	176
<b>Total loans guaranteed</b>	<b>333</b>	<b>418</b>	<b>333</b>	<b>418</b>

**Insurance and liability claims**

Council was involved as defendant in various public liability and professional indemnity claims at 30 June 2008. Council's potential liability, if at all, would be its insurance excess. Council has also estimated its other liability claims.

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Insurance claim excess	399	359	399	359
Other liability claims	1,970	869	1,970	869
<b>Total insurance and liability claims</b>	<b>2,369</b>	<b>1,228</b>	<b>2,369</b>	<b>1,228</b>

**Uncalled capital or loans**

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 5 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.

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Uncalled capital - Waikato Regional Airport Ltd	10,800	10,800	10,800	10,800
<b>Total uncalled capital or loans</b>	<b>10,800</b>	<b>10,800</b>	<b>10,800</b>	<b>10,800</b>

**Associate's contingencies**

There are no contingent liabilities arising from Council's involvement in its associates.

**Weathertight homes resolution services claims**

A provision for potential liability for the 25 claims that are outstanding with the weathertight homes resolution service has been made per note 18. There may be further claims in future, but these are unable to be quantified at this point in time.

**Defined benefit superannuation schemes**

Hamilton City Council is a participating employer in the DBP Contributors Scheme ("the Scheme") which is a multi-employer defined benefit scheme. If the other participating employers ceased to participate in the Scheme, the employer could be responsible for the entire deficit of the scheme. Similarly, if a number of employers ceased to participate in the Scheme, Hamilton City Council could be responsible for an increased share of the deficit.

Insufficient information is available to use defined benefit accounting as it is not possible to determine from the terms of the Scheme the extent to which the deficit will affect future contributions by employers, as there is no prescribed basis for allocation.

As at 31 March 2007, the Scheme had a past service surplus of \$33.7 million (11.4% of the liabilities). This amount is exclusive of Specified Superannuation Contribution Withholding Tax. This surplus was calculated using a discount rate equal to the expected return on the assets, but otherwise the assumptions and methodology were consistent with the requirements of NZ IAS 19. The Actuary to the Scheme has recommended the employer contribution reduces from 2 times contributors' contributions to 1 times contributors' contributions. This is inclusive of Specified Superannuation Contribution Withholding Tax.

**Contingent assets****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 25: RELATED PARTY TRANSACTIONS**

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 between the two entities included in these accounts. Hamilton City Council has significant influence over Waikato Regional Airport Ltd, Hamilton Riverview Hotel Ltd (Novotel) and Hamilton Fibre Network Ltd as associates. The following transactions were carried out with related parties:

	2008 \$000	2007 \$000
<b>Waikato Regional Airport Ltd</b>		
Services provided by Council	4	12
<b>Hamilton Riverview Hotel Ltd (Novotel)</b>		
Services provided to Council	12	7
Services provided by Council	19	24
Rates paid to Council	95	91
<b>Hamilton Fibre Network Ltd</b>		
Services provided by Council	1,070	-
Accounts receivable from Council	39	-
Accounts payable to Council	54	-

**Key management personnel**

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

No provision has been required, nor any expense recognised for impairment of receivables for any loans or other receivables to related parties.

**Key management personnel compensation**

	2008 \$000	2007 \$000
Salaries and other short term employee benefits	2,284	2,230
Post employment benefits	-	-
Other long term benefits	-	-
Termination benefits	96	-
<b>Total key management personnel compensation</b>	<b>2,380</b>	<b>2,230</b>

Key management personnel include the Mayor, Councillors, Chief Executive and other senior management personnel.

**NOTE 26: 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 2008. The total remuneration received by elected members during the year totalled \$932,730 (2007 \$863,679) which includes statutory meeting allowances, directors fees, motor vehicle allowance and other taxable allowances. The remuneration amount excluding taxable allowances and directors fees of \$910,000 was within the allowable pool determined by the Remuneration Authority.

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
<b>Mayor</b>				
Bob Simcock (appointed on 23 May 2007)				
Salary and taxable allowances	116,211	9,661	116,211	9,661
Motor vehicle	5,094	441	5,094	441
Michael Redman (resigned on 22 May 2007)				
Salary and taxable allowances	-	99,500	-	99,500
Motor vehicle	-	4,545	-	4,545
<b>Councillors</b>				
Daphne Bell	70,518	55,473	70,518	55,473
Peter Bos	65,089	54,939	65,089	54,939
Gordon Chesterman	65,064	60,511	65,064	60,511
Joe Di Maio	63,405	55,125	63,405	55,125
John Gower	72,985	62,296	72,985	62,296
Kay Gregory (appointed 22 October 2007)	42,503	-	42,503	-
Roger Hennebry	63,246	58,777	63,246	58,777
Dave Macpherson	70,909	61,740	70,909	61,740
Pippa Mahood	70,486	62,070	70,486	62,070
Angela O'Leary (appointed 22 October 2007)	43,381	-	43,381	-
Glenda Saunders	69,891	55,817	69,891	55,817
Bob Simcock (until 22 May 2007)	-	55,155	-	55,155
Grant Thomas (until 19 October 2007)	20,392	53,361	20,392	53,361
Maria Westphal	66,365	53,658	66,365	53,658
Ewan Wilson (until 19 October 2007)	20,415	54,310	20,415	54,310
<b>Total Mayor and Councillors remuneration</b>	<b>925,954</b>	<b>857,379</b>	<b>925,954</b>	<b>857,379</b>

Councillor Peter Bos is a director of Hamilton Riverview Hotel Limited for which he received directors fees from the hotel of \$6,776 (2007 \$6,300).

**Chief Executive**

Michael Redman was appointed under section 42(1) of the Local Government Act 2002 and commenced on 2 July 2007. For the year ended June 2008, the total annual cost to Hamilton City Council of the remuneration package received by Michael Redman was \$264,145 (2007 nil).

Michael Redman was also a Director of Hamilton Riverview Hotel Limited (appointed by Hamilton City Council on 1 July 2007). Hamilton City Council received directors fees of \$7,350 (for 6 months to 31 December 2007) for Michael Redman's capacity as director.

	2008 \$	2007 \$
Michael Redman - Salary	245,852	-
Michael Redman - Motor vehicle	18,293	-
Tony Marryatt - Salary (resigned 11 May 2007)	-	320,733
Tony Marryatt - Motor vehicle	-	8,788
Tony Marryatt - Superannuation subsidy	-	17,908
Graeme Fleming - Salary (Acting CEO 12 May 2007 to 30 June 2007)	-	33,169
<b>Total Chief Executive remuneration</b>	<b>264,145</b>	<b>380,598</b>

**NOTE 27: SEVERANCE PAYMENTS**

For the year ended 30 June 2008 the Council made severance payments to 1 employee totalling \$20,000 (2007 \$67,842).

**NOTE 28: EVENTS AFTER BALANCE DATE**

There were no significant events after balance date.

**NOTE 29: FINANCIAL INSTRUMENTS****Financial Instrument Categories**

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
<b>Financial Assets</b>				
<b>Fair value through profit and loss</b>				
Derivative financial instruments	3,312	6,022	3,312	6,022
<b>Loans and receivables</b>				
Cash and cash equivalents	1,289	558	1,289	558
Debtors and other receivables	17,620	12,387	17,620	12,387
Other financial assets:				
- mortgage	2	5	2	5
- community loans	3,259	3,259	3,259	3,259
- loans to related parties	1,011	-	-	-
<b>Total loans and receivables</b>	<b>23,181</b>	<b>16,209</b>	<b>22,170</b>	<b>16,209</b>
<b>Fair value through equity</b>				
Other financial assets:				
- sinking fund investments	1,581	1,690	1,581	1,690
- unlisted shares	1,083	786	1,083	786
<b>Total fair value through equity</b>	<b>2,664</b>	<b>2,476</b>	<b>2,664</b>	<b>2,476</b>
<b>Financial Liabilities</b>				
<b>Financial liabilities at amortised cost</b>				
Creditors and other payables	37,954	22,800	37,954	22,800
Borrowings:				
- secured loans	193,480	145,636	193,480	145,636
- EECA loans	57	107	57	107
<b>Total financial liabilities at amortised cost</b>	<b>231,491</b>	<b>168,543</b>	<b>231,491</b>	<b>168,543</b>

**Financial Instrument Risks**

Hamilton City Council has a series of policies to manage risks associated with financial instruments. Council is risk averse and seeks to minimise exposure from its treasury activities. Council has established Council approved liability management and investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

**Market risk****Currency risk**

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Council uses foreign currency forward exchange contracts to manage its 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 (refer note 12).



**Interest rate risk**

The interest rates on Council's investments are disclosed in note 11, and on borrowings in note 20.

*Fair value interest rate risk*

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowing issued at fixed rates expose Hamilton City Council to fair value interest rate risk. Council's Liability Management policy outlines the level of borrowing that is to be secured using fixed interest rate instruments.

In addition, investments at fixed interest rates expose Council to fair value interest rate risk.

*Cash flow interest rate risk*

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowing and Investments issued at variable interest rates expose Council to cash flow interest rate risk.

Council manages its cash flow interest rate risk on borrowings by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings at floating rates and swaps them into fixed rates that are generally lower than those available if Council borrowed at fixed rates directly. Under the interest rate swaps, Council agrees with other parties to exchange, at specific intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

Fixed to floating interest rate swaps are entered into to hedge the fair value interest rate risk where Council has borrowed at fixed rates.

**Credit risk**

Credit risk is the risk that a third party will default on its obligation to Hamilton City Council, causing Council to incur a loss. Council has no significant concentrations of credit risk, as it has a large number of credit customers, mainly ratepayers, and Council has powers under the Local Government (Rating) Act 2002 to recover debts from ratepayers.

Council invests funds in mortgages, short term deposits with registered banks, a loan to CTC Aviation Training NZ Ltd, and sinking funds invested with the Public Trust.

Mortgages are secured by charges over property, and the CTC loan is secured by a charge over assets. Council may by specific resolution, make investments (or sell or dispose of such investments) in accordance with the provisions outlined in 4.2.7 of Council's Investment Policy.

*Maximum exposure to credit risk*

Council's maximum exposure to credit risk for each class of financial instrument is as follows:

	Council		Group	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Cash and cash equivalents	1,289	558	1,289	558
Debtors and other receivables	17,620	12,387	17,620	12,387
Community and related party loans and mortgages	4,272	3,264	4,272	3,264
Derivative financial instrument assets	3,312	6,022	3,312	6,022
Financial guarantees	333	418	333	418
<b>Total credit risk</b>	<b>26,826</b>	<b>22,649</b>	<b>26,826</b>	<b>22,649</b>

*Credit quality of financial assets*

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates:

		Council		Group	
		2008 \$000	2007 \$000	2008 \$000	2007 \$000
<b>Counterparties With Credit Ratings</b>	Rating				
Cash and cash equivalents	AA	1,289	558	1,289	558
Derivative financial instrument assets	AA	3,312	6,022	3,312	6,022
<b>Counterparties Without Credit Ratings</b>					
Community and related party loans and mortgages - existing counterparty with no defaults in the past		4,272	3,264	3,261	3,264

**Settlement Risk.**

Settlement risk is the risk that a counterparty fails to transfer funds or equities as agreed in a borrowing or investment contract. To manage this risk Council has become an associate member of Austraclear (a Reserve Bank operated facility to ensure simultaneous transfer of cash and securities at settlement) and only uses counterparties on the approved counterparty list disclosed in Council's Liability Management Policy.

**Liquidity risk**

Liquidity risk is the risk that Hamilton City Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Council aims to maintain flexibility in funding by keeping credit lines available.

Council manages its borrowings in accordance with its funding and financial policies, which includes a liability management policy. These policies have been adopted as part of Council's Long Term Council Community Plan.

Council has a maximum amount that can be drawn down against its overdraft facility of \$500,000 (2007 \$500,000). There are no restrictions on the use of this facility. Council also has \$270,944,000 of committed borrowing facilities, with available headroom of \$79,315,000 at balance date.

*Contractual maturity analysis of financial liabilities*

The table below analyses Council's financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. Future interest payments on floating rate debt is based on the floating rate on the instrument at balance date. The amounts disclosed are the contractual undiscounted cash flows.

	Carrying Amount \$000	Contractual Cash Flows \$000	Less Than 1 Year \$000	1 - 5 Years \$000	More Than 5 Years \$000
<b>Council 2008</b>					
Creditors and other payables	37,954	37,954	37,954	-	-
Secured loans	193,480	249,861	68,496	96,870	84,495
EECA loans	57	57	32	25	-
Finance leases	2,000	2,160	1,147	1,013	-
Financial guarantees	333	333	333	-	-
<b>Total</b>	<b>233,824</b>	<b>290,365</b>	<b>107,962</b>	<b>97,908</b>	<b>84,495</b>

	Carrying Amount \$000	Contractual Cash Flows \$000	Less Than 1 Year \$000	1 - 5 Years \$000	More Than 5 Years \$000
<b>Group 2008</b>					
Creditors and other payables	37,954	37,954	37,954	-	-
Secured loans	193,480	249,861	68,496	96,870	84,495
EECA loans	57	57	32	25	-
Finance leases	2,000	2,160	1,147	1,013	-
Financial guarantees	333	333	333	-	-
<b>Total</b>	<b>233,824</b>	<b>290,365</b>	<b>107,962</b>	<b>97,908</b>	<b>84,495</b>

	Carrying Amount \$000	Contractual Cash Flows \$000	Less Than 1 Year \$000	1 - 5 Years \$000	More Than 5 Years \$000
<b>Council 2007</b>					
Creditors and other payables	22,800	22,800	22,800	-	-
Secured loans	145,636	202,050	28,380	75,133	98,537
EECA loans	107	107	50	57	-
Finance leases	2,137	2,373	1,032	1,341	-
Financial guarantees	418	418	418	-	-
<b>Total</b>	<b>171,098</b>	<b>227,748</b>	<b>52,680</b>	<b>76,531</b>	<b>98,537</b>

	Carrying Amount \$000	Contractual Cash Flows \$000	Less Than 1 Year \$000	1 - 5 Years \$000	More Than 5 Years \$000
<b>Group 2007</b>					
Creditors and other payables	22,800	22,800	22,800	-	-
Secured loans	145,636	202,050	28,380	75,133	98,537
EECA loans	107	107	50	57	-
Finance leases	2,137	2,373	1,032	1,341	-
Financial guarantees	418	418	418	-	-
<b>Total</b>	<b>171,098</b>	<b>227,748</b>	<b>52,680</b>	<b>76,531</b>	<b>98,537</b>

*Contractual maturity analysis of financial assets*

The table below analyses Council's financial assets into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date.

	Carrying Amount \$000	Contractual Cash Flows \$000	Less Than 1 Year \$000	1 - 5 Years \$000	More Than 5 Years \$000
<b>Council 2008</b>					
Cash and cash equivalents	1,289	1,289	1,289	-	-
Debtors and other receivables	17,620	17,620	17,620	-	-
Community and related party loans	4,272	4,483	1,174	2,298	1,011
Net settled derivative assets	3,312	3,312	74	2,069	1,169
Sinking fund investments	1,581	1,585	1,585	-	-
<b>Total</b>	<b>28,074</b>	<b>28,289</b>	<b>21,742</b>	<b>4,367</b>	<b>2,180</b>

	Carrying Amount \$000	Contractual Cash Flows \$000	Less Than 1 Year \$000	1 - 5 Years \$000	More Than 5 Years \$000
<b>Group 2008</b>					
Cash and cash equivalents	1,289	1,289	1,289	-	-
Debtors and other receivables	17,620	17,620	17,620	-	-
Community and related party loans	3,261	3,472	1,174	2,298	-
Net settled derivative assets	3,312	3,312	74	2,069	1,169
Sinking fund investments	1,581	1,585	1,585	-	-
<b>Total</b>	<b>27,063</b>	<b>27,278</b>	<b>21,742</b>	<b>4,367</b>	<b>1,169</b>

	Carrying Amount \$000	Contractual Cash Flows \$000	Less Than 1 Year \$000	1 - 5 Years \$000	More Than 5 Years \$000
<b>Council 2007</b>					
Cash and cash equivalents	558	558	558	-	-
Debtors and other receivables	12,387	12,387	12,387	-	-
Community and related party loans	3,264	3,710	226	3,484	-
Net settled derivative assets	6,022	6,022	88	2,985	2,949
Sinking fund investments	1,690	1,943	358	1,585	-
<b>Total</b>	<b>23,921</b>	<b>24,620</b>	<b>13,617</b>	<b>8,054</b>	<b>2,949</b>

	Carrying Amount \$000	Contractual Cash Flows \$000	Less Than 1 Year \$000	1 - 5 Years \$000	More Than 5 Years \$000
<b>Group 2007</b>					
Cash and cash equivalents	558	558	558	-	-
Debtors and other receivables	12,387	12,387	12,387	-	-
Community and related party loans	3,264	3,710	226	3,484	-
Net settled derivative assets	6,022	6,022	88	2,985	2,949
Sinking fund investments	1,690	1,943	358	1,585	-
<b>Total</b>	<b>23,921</b>	<b>24,620</b>	<b>13,617</b>	<b>8,054</b>	<b>2,949</b>

**Sensitivity analysis**

The table below illustrates the potential profit and loss and equity (excluding retained earnings) impact for reasonably possible market movements, with all other variables held constant, based on Council's financial instrument exposures at balance date. We have determined that a 100 basis points (bps) movement is reasonably possible.

	Note	-100bps		+100bps	
		Profit \$000	Equity \$000	Profit \$000	Equity \$000
<b>INTEREST RATE RISK</b>					
<b>Council 2008</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	1	(1)	-	1	-
Derivative financial instruments	2	(3,404)	-	3,273	-
<b>Financial Liabilities</b>					
Borrowings - secured loans	3	1,852	-	(1,852)	-
<b>Total sensitivity to interest rate risk</b>		<b>(1,553)</b>	<b>-</b>	<b>1,422</b>	<b>-</b>

INTEREST RATE RISK	Note	-100bps		+100bps	
		Profit \$000	Equity \$000	Profit \$000	Equity \$000
<b>Group 2008</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	1	(1)	-	1	-
Derivative financial instruments	2	(3,404)	-	3,273	-
<b>Financial Liabilities</b>					
Borrowings - secured loans	3	1,852	-	(1,852)	-
<b>Total sensitivity to interest rate risk</b>		<b>(1,553)</b>	<b>-</b>	<b>1,422</b>	<b>-</b>

INTEREST RATE RISK	Note	-100bps		+100bps	
		Profit \$000	Equity \$000	Profit \$000	Equity \$000
<b>Council 2007</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	1	(1)	-	1	-
Derivative financial instruments	2	(3,261)	-	3,153	-
<b>Financial Liabilities</b>					
Borrowings - secured loans	3	1,355	-	(1,355)	-
<b>Total sensitivity to interest rate risk</b>		<b>(1,907)</b>	<b>-</b>	<b>1,799</b>	<b>-</b>

INTEREST RATE RISK	Note	-100bps		+100bps	
		Profit \$000	Equity \$000	Profit \$000	Equity \$000
<b>Group 2007</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	1	(1)	-	1	-
Derivative financial instruments	2	(3,261)	-	3,153	-
<b>Financial Liabilities</b>					
Borrowings - secured loans	3	1,355	-	(1,355)	-
<b>Total sensitivity to interest rate risk</b>		<b>(1,907)</b>	<b>-</b>	<b>1,799</b>	<b>-</b>

**Explanation of sensitivity analysis:**

- 1 Cash and cash equivalents include bank balances at call totalling \$1,259,000 (2007 \$503,000) which are at floating rates.
- 2 Derivative financial instruments include interest rate swaps with a fair value totalling \$3,312,000 (2007 \$6,021,000). A movement in interest rates of plus 1% has an effect on the unrealised value of the derivative of \$3,273,000 (2007 \$3,153,000). A movement in interest rates of minus 1% has an effect on the unrealised value of the derivative of \$3,404,000 (2007 \$3,261,000).
- 3 Council has floating rate debt with a principal amount totalling \$185,209,000 (2007 \$135,454,000). A movement in interest rates of plus or minus 1% has an effect on interest expense of \$1,852,000 (2007 \$1,355,000).

**NOTE 30: CAPITAL MANAGEMENT**

The Council's capital is its equity (or ratepayers' funds), which is comprised of retained earnings and reserves. Equity is represented by net assets.

The Local Government Act 2002 (the Act) requires Council to manage its revenues, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers' funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principal promoted in the Act and applied by the Council. Intergenerational equity requires today's ratepayers to meet the cost of utilising the Council's assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations. Additionally, the Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires the Council to make adequate and effective provision in its Long Term Council Community Plan (LTCCP) and its annual plan to meet the expenditure needs identified in those plans. The Act also sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council's LTCCP.

Hamilton City Council has the following Council created reserves:

- reserves for different areas of benefit;
- self-insurance reserves;
- trust and bequest reserves; and
- other reserves.

Reserves for different areas of benefit are used where there is a discrete set of rate or levy payers as distinct from the general rate. Any surplus or benefit relating to these separate areas of benefit is applied to the specific reserves.

Self-insurance reserves are built up annually from general rates and are made available for specific unforeseen events. The release of these funds generally can only be approved by Council.

Trust and bequest reserves are set up where Council has been donated funds that are restricted for specific purposes. Deductions are made where funds have been used for the purpose they were donated.

Other reserves are created to set aside funding from general rates for future expenditure on specific projects or activities as approved by Council.

Council uses funds from reserves to reduce external borrowing requirements and reduce financing costs. An internal interest rate is paid to all reserves and provision for the repayment of internal borrowing is covered via committed external bank funding facilities.

**NOTE 31: 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	
	2008 \$000	2007 \$000
<b>Transportation Unit</b>		
<b>Revenue</b>		
In-house professional services	1,252	674
Other revenue	1,332	1,523
Less operating expenditure	(2,447)	(2,199)
<b>Net surplus/(deficit)</b>	<b>137</b>	<b>(2)</b>

The net surplus/(deficit) on operation of the roads and traffic business unit is allocated to relevant strategic areas.

	Council	
	2008 \$000	2007 \$000
<b>Project Services Business Unit</b>		
<b>Revenue</b>		
In-house professional services	656	773
Other revenue	2,935	2,903
Less operating expenditure	(3,574)	(3,286)
<b>Net surplus/(deficit)</b>	<b>17</b>	<b>390</b>

The net surplus/(deficit) on operation of the design services business unit is allocated to relevant strategic areas.

**NOTE 32: EXPLANATION OF MAJOR VARIANCES AGAINST BUDGET**

Explanations for major variances from Council's estimated figures in the 2007/08 Long Term Plan are as follows.

**Statement of financial performance**

The Council result of a net surplus of \$0.161m is a variance of \$15.615m below the budgeted net surplus of \$15.776m.

The major reasons for this unfavourable variance were: depreciation/amortisation that was greater than budget by \$6.9m due to the revaluation of infrastructure assets, finance costs being \$4.8m less than budget due to delayed timing of loan funding, losses realised on the disposal of assets \$3.1m, net asset adjustments upon revaluation \$6.5m, and unrealised losses for the year on the fair value of investment properties \$1.9m and interest rate swaps \$2.7m. Offsetting these unfavourable variances were assets vested to Council \$12.6m.

**Statement of movement in equity**

The level of equity as at 30 June 2008 was \$836.3m greater than budget. This was mainly due to the revaluation of infrastructure assets \$160.5m, and the variance of \$691.4m that already existed in the opening balance.

**Statement of financial position**

Total assets as at 30 June 2008 were \$763.8m greater than budget mainly due to asset revaluations in the past two years that were included at significantly lower levels in the budget.

Total liabilities as at 30 June 2008 were \$72.5m lower than budget due to various loan funded projects being deferred to the 2008/09 financial year.

**Statement of cash flows**

The overall movement in cash held was \$0.73m greater than budget.

Net cash inflows from operating activities was \$5.7m lower than budget. The main unfavourable variance was interest payments due to deferred loan funded expenditure.

Net cash outflows from investing activities was \$78.0m lower than budget. This was due to some capital expenditure for the 2007/08 year being deferred to the 2008/09 financial year.

Net cash inflows from financing activities was \$71.6m lower than budget. Gross borrowings were less than budget due to the timing of refinancing requirements.



## ***Information on Council Controlled Organisations and Council Organisations***

Council has interest in 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 Hamilton Fibre Network Ltd, 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 their performance:

### **HAMILTON PROPERTIES LTD**

Hamilton Properties Ltd is no longer trading and is 100% owned by Council. Council has 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 Blair Bowcott, Deputy Chief Executive, 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 surplus of \$3,887,361 for the year ended 30 June 2008 (2007 net surplus \$2,714,277).

No dividend was paid in 2008 (2007 nil).

Refer to Note 16 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 2008 is shown below.

	<b>Actual</b>	<b>Statement of Corporate Intent Target:</b>
Operating surplus before tax/interest to average shareholders' funds	10.75%	2.88%
Operating surplus after tax to average shareholders' funds	7.96%	4.30%
Operating surplus before tax/interest to total assets	6.16%	1.83%
Operating surplus after tax to total assets	4.56%	2.73%
Percentage of non-landing charges revenue to total revenue	75.82%	81.42%
Earnings before interest, taxation and depreciation	\$2,951,270	\$2,346,037
Interest rate cover	2.21	1.70
Total liabilities to shareholders' funds (Debt/Equity ratio)	29:71	35:65

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 Authority 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.

Council has contributed additional capital of \$253,125 on 10 December 2007 (first call of 50,625 services shares in Waikato Regional Transport Model (WRTM), which represents 37.5% of the service shares in WRTM). Council's contribution for the second call of service shares in WRTM was made in July 2008.

The performance measures for Local Authority Shared Services Ltd for the year ended 30 June 2008 are shown below.

<b>Performance Measure</b>	<b>Actual Outcome</b>
Positive cash flow will be maintained so that the equity ratio is maintained at a minimum of 40%.	Whilst the overall level of cash funds has decreased during the year, LASS has been able to maintain a positive bank balance each month.
Customers will be surveyed annually to	A shareholder survey was forwarded to all

<b>Performance Measure</b>	<b>Actual Outcome</b>
ensure that there is at least 90% satisfaction with the services provided.	13 shareholders, with a total of 5 survey forms being completed and returned. The results show 82% satisfaction has been received from the respondents.
Expenditure shall not exceed that budgeted by more than 5% unless prior approval is obtained from the directors.	Total expenditure was under budget. Administration costs were below budget for the year.
The CEO will provide a written report on the business operations and financial position of the LASS as a minimum on a six monthly basis.	Six monthly reports were provided.

For more information on the activities of Local Authority Shared Services Ltd, contact Blair Bowcott, Deputy Chief Executive, Hamilton City Council, Private Bag 3010, Hamilton.

### **HAMILTON FIBRE NETWORK LTD**

Hamilton Fibre Network Ltd commenced 28 March 2008. The company controls a high speed urban broadband network which is currently under development.

Council currently holds of 34.85% of 'A' shares in Hamilton Fibre Network Ltd. The remaining 'A' shares are owned by Environment Waikato, University of Waikato, and Waikato Institute of Technology, and the partially issued 'B' shares by Telco Infrastructure Investments Ltd.

Hamilton Fibre Network Ltd reported a net deficit of \$228,994 for the period ending 30 June 2008.

Refer to Note 16 of the financial statements for investment details and Council's share of the net deficit.

For more information on the activities of Hamilton Fibre Network Ltd, contact Blair Bowcott, Deputy Chief Executive, Hamilton City Council, Private Bag 3010, Hamilton.

### **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 has a balance date of 31 December, which is different to that of Council of more than three months. In order to comply with NZ IAS 28, Council has included the interim financial results for the 6 months to 30 June 2008, in addition to the annual results for the 12 months to 31 December 2007 for Hamilton Riverview Hotel.

Hamilton Riverview Hotel Ltd reported a net surplus after tax of \$880,346 for the year ended 31 December 2007 (2006 \$1,362,552, restated for NZ IFRS), and a net surplus after tax of \$61,543 for the six months ended 30 June 2008.

When equity accounting for Hamilton Riverview Hotel Ltd, Hamilton City Council has made adjustments so that Hamilton Riverview Hotel Ltd's accounting policies conform to those of Hamilton City Council.

For the year ended 30 June 2008 (2007 nil), Council did not receive a dividend.

Refer to Note 16 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 Blair Bowcott, Deputy Chief Executive, 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 after tax of \$1,957,949 for the year ended 31 December 2007 (2006 net surplus after tax of \$2,822,225, restated for NZ IFRS).

For the year ended 30 June 2008, Council received a net dividend of \$26,760 (2007 \$25,544).

Refer to Note 11 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 Blair Bowcott, Deputy Chief Executive, Hamilton City Council, Private Bag 3010, Hamilton.

## COUNCIL ORGANISATIONS (CO)

In order to achieve its objectives for Hamilton City Council, Council is involved and represented in a number of organisations. The following table shows what the organisations do, how their performance is measured, and the results achieved in 2007/08.

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, and
- any organisation that Council has the right to directly or indirectly, appoint one or more of the trustees, directors or managers of the organisation.

<b>Organisation Representation (total members)</b>	<b>Why does it exist and what does it do?</b>	<b>What are its performance measures? (key performance targets)</b>	<b>Measurement against performance for 2007/08</b>
Community Well-being Grants Allocation Committee <i>Representation: 2 (6)</i>	<ul style="list-style-type: none"> <li>• To provide financial assistance to not-for-profit community groups and to allocate funds annually.</li> <li>• Representation is by Council policy.</li> </ul>	Annually report to Community Development Unit and minutes to Community and Environment Committee.	Achieved.
Creative Communities Scheme Allocation Committee <i>Representation: 1 (8)</i>	<ul style="list-style-type: none"> <li>• To administer and allocate funding under Creative New Zealand's Creative Communities Scheme.</li> <li>• Representation is by Council policy.</li> </ul>	Annually report to Arts & Culture Unit and Community and Environment Committee.	Achieved.
Hamilton City Crime Prevention Trust <i>Representation: 1 (4)</i>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Constitution allows for the appointment of one member of Council.</li> </ul>	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"> <li>• To promote and develop the arts in the community.</li> <li>• To distribute funds, acts as an advisory agency for the arts, and manages projects and events in relation to local arts and culture activities.</li> <li>• Constitution requires appointment of one member of Council.</li> </ul>	Annually reports to Community and Environment Committee.	Achieved.
Hamilton Community Environmental	<ul style="list-style-type: none"> <li>• Its purpose is to address and resolve environmental issues</li> </ul>	Not applicable.	Not applicable.

<b>Organisation Representation (total members)</b>	<b>Why does it exist and what does it do?</b>	<b>What are its performance measures? (key performance targets)</b>	<b>Measurement against performance for 2007/08</b>
Programme Representation: 1 (7)	through collective action. <ul style="list-style-type: none"> <li>• Representation is by Council request.</li> </ul>		
Keep Hamilton Beautiful Beautification Fund Trust Representation: 1 (12)	<ul style="list-style-type: none"> <li>• To raise environmental awareness and encourage action within the local community.</li> <li>• To undertake programmes and projects that encourage individuals and organisations to take responsibility for their environment.</li> <li>• Representation is by Council request.</li> </ul>	Annual Reports circulated to elected members.	Annual Report will be circulated to elected members September 2008.
Lake Rotokauri Advisory Committee Representation: 1 (8)	<ul style="list-style-type: none"> <li>• 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.</li> <li>• The Committee oversees the management of the lake in line with the Lake Rotokauri Management Plan (the reserve is vested in the Crown).</li> <li>• Council representation was requested.</li> </ul>	Annually report to the Community and Environment Committee.	Not Achieved. The report is to be discussed at the Sept 2008 Community and Environment Committee meeting.
Te Runanga o Kirikiriroa Joint Committee Representation: 3 (6)	<ul style="list-style-type: none"> <li>• To promote the partnership established between Hamilton City Council and Te Runanga o Kirikiriroa and administer the Maori Project Fund.</li> <li>• 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.</li> </ul>	Meets every six weeks with minutes presented to Community and Leisure Committee.	Not achieved. The Joint subcommittee has not met in 2007/08. A comprehensive review of Council's relationship with Maori organisations (including governance relationships) is currently being undertaken.
The Katolyst Group (Katolyst) Representation: 1 (9)	<ul style="list-style-type: none"> <li>• Formed to bring together under one agency Business 2 Hamilton (B2H), Innovation Waikato Ltd (Innovation Park) and the Business Development Centre.</li> <li>• 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.</li> </ul>	Reports six monthly to Council through the City Development Committee on performance for the previous year and its business plan for the coming year.	Not Achieved. Katolyst reported only once to City Development during 2007/08 financial year

<b>Organisation Representation (total members)</b>	<b>Why does it exist and what does it do?</b>	<b>What are its performance measures? (key performance targets)</b>	<b>Measurement against performance for 2007/08</b>
University of Waikato Council <i>Representation: Mayor (13)</i>	<ul style="list-style-type: none"> <li>• The functions, duties and powers of the University are defined under the Education Act 1989.</li> <li>• 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.</li> </ul>	Council Representative.	Achieved.
University of Waikato Ethics Committee: On the Welfare of Experimental Animals <i>Representation: 1(7)</i>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Constitution requires Council representation, on the basis that a layperson, 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.</li> </ul>	Not applicable.	Not applicable.
University of Waikato Institutional Biological Safety Committee <i>Representation: 1 (9)</i>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Constitution requires Council representation on the basis that a layperson, 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.</li> </ul>	Not applicable.	Not applicable.
Waikato Civil Defence Emergency Management Group <i>Representation: 1 (11)</i>	<ul style="list-style-type: none"> <li>• Coordinates civil defence response and recovery for the whole region.</li> <li>• Constitution requires appointment of one member</li> </ul>	Currently under review.	Currently under review.

<b>Organisation Representation (total members)</b>	<b>Why does it exist and what does it do?</b>	<b>What are its performance measures? (key performance targets)</b>	<b>Measurement against performance for 2007/08</b>
	of Council. The Group is set up under the provisions of the Civil Defence Emergency Management Act 2002.		
Waikato Institute of Technology (Wintec) <i>Representation: 1 (22)</i>	<ul style="list-style-type: none"> <li>• Offers courses of study for the national and international student community.</li> <li>• Constitution requires appointment of one member of Council. Established as the governing body to manage the functions of the institute.</li> </ul>	Annual budget and audited accounts publicly available and published.	Achieved.
Waikato SPCA Trust <i>Representation: 1 (8)</i>	<ul style="list-style-type: none"> <li>• To manage the investment funds arising from the sale of Higgins Road.</li> <li>• Council representation requested. The trust is responsible for the rent at the animal centre.</li> </ul>	Does not currently report formally to Council.	No formal report is presented.
WEL Energy Trust Joint Territorial Capital Beneficiaries Working Party <i>Representation: Mayor and 1 (6)</i>	<ul style="list-style-type: none"> <li>• A group comprising representatives from Hamilton City, Waikato District and Waipa District Councils, formed to monitor and influence WEL Energy Trust.</li> <li>• To act in the best interests of the capital beneficiaries and the communities they represent.</li> </ul>	Reports to the City Development Committee, although no formal report is presented.	No formal report is presented.



## ***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 2007/08 Council made significant progress towards the achievement of objectives and policies for the year as set out in the Funding and Financing 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 2007/08 year was \$2.208m, which is \$19.112m less than that outlined in the LTCCP of \$21.320m.

Major variations to year 2 of the 2006-16 LTCCP are noted below:

- Other losses - \$14.242m above LTCCP. This included the unbudgeted impact of New Zealand International Financial Reporting Standards (NZIFRS) - fair value loss on Interest Rate SWAPS \$2.709m, and loss on Investment Properties \$1.904m. There was also a loss on Property Plant & Equipment disposals of \$3.110m and asset adjustment upon revaluation of \$6.519m.
- Depreciation/Amortisation - \$9.782m above LTCCP (due to the revaluation of fixed assets during the past two years).
- Finance Costs - \$6.967m below LTCCP (due to lower than anticipated project spending)

### Specific Objectives and Targets

Objective	2007/08 Targets	Performance	Significant Variations, Comments
To maintain the direction specified in the LTCCP	Achieve the budgeted figures specified in the LTCCP	Net surplus of \$2.208m against a LTCCP net surplus of \$21.320m	Refer to comments noted above for explanation of major variances
To manage the level of commitments and contingencies	That controllable financial carryovers be no greater than 15% of the approved special and capital projects budget for that financial year.  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).	Controllable financial carryovers were greater than 15% of the approved special and capital projects budget for that financial year.  Not Achieved. Current contingencies are 2.9% of the general rate levied for the 2007/08 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 25 of the financial statements.	Significant delays in starting or completing projects outlined in the LTCCP.  No significant variation
To maintain a mix of funding mechanisms to meet the total funding requirements of	Fees and charges comprise at least 20% of total revenue  Differentials on property sectors	Achieved. Fees and charges comprised 23.0% of total revenue  Achieved	No significant variation  No significant variation

the city	maintained to achieve the rate recovery specified in the LTCCP		
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## 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 Unit.

The investment policy document sets out the parameters for the operation of the Finance 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	2007/08 Targets	Performance	Significant Variations, Comments
To manage risks associated with the investments	Investment policy Section 4.3 complied with	Council has been a net borrower during the reporting period. All sinking funds and trust funds have been invested on a rolling 90-day basis in keeping with Section 5.2.2 of the Liability Management Policy. Any operating cashflow surpluses have been managed on a prudent cash	No significant variation

		management basis.	
To use the proceeds from the sale of assets to reduce the overall level of public debt	Investment policy Section 4.7 complied with	Proceeds from the sale of assets have been used to reduce the overall debt of Council	No significant variation

#### 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 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	2008 Year Targets	Performance	Significant Variations, Comments
To manage interest rate risk exposure.	Minimum (50%) and maximum (95%) levels of fixed borrowing is not exceeded.	Achieved	No significant variations
To maintain debt within specified limits and ensure adequate provision for repayments to maintain adequate liquidity.	<p><b>For: Council Debt</b> Net debt interest payments on Council debt (excluding interest on DCL debt) do not exceed 20% of the total rating income for the year.</p> <p>Net debt (Council) does not exceed 180% of total income (excluding total DCL contributions received p.a. in income) for the year.</p> <p><b>For: Total Net Debt</b></p>	<p>Achieved: 9.3%</p> <p>Achieved: 84.4%</p> <p>Achieved: 7.1%</p>	

	<p>Net debt does not exceed 25% of total assets</p> <p>Net debt does not exceed 300% of total income for the year.</p>	Achieved: 128.0%	
	<p>Net debt interest payments on total debt do not exceed 20% of the total income for the year (including total DCL contributions received p.a. in income).</p> <p>Liquidity ratio to exceed 110%. Liquidity ratio defined as: Term debt and committed borrowing facilities is not less than 110% of the existing net debt, including working capital requirements.</p>	<p>Achieved: 8.2%.</p> <p>Achieved. 123.1%.</p>	
To report annually Council net debt against the population of the city	<b>For: Council Net Debt</b> Net debt (Council) does not exceed \$1,800 per capita.	Achieved - \$1,050 per capita	
To maintain security for public debt by way of a charge over rates through the Debenture Trust Deed, or registered mortgage over specific assets	Security documentation is reviewed to ensure compliance.	Achieved	
To ensure that transactions involving foreign currency exceeding \$25,000 in value are hedged by way of forward cover contracts	Compliance with this policy is monitored by reviewing payments in foreign currency	Achieved. All known foreign currency payments hedged. Nil balance year-end.	

## ***Statement of Compliance***

### **Compliance**

The Council of Hamilton City Council confirms that all statutory requirements in relation to the annual report, as outlined in 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 and International Financial Reporting Standards.


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 2008, and the results of its operations and cash flows and the service performance achievements for the year ended on that date.



Bob Simcock  
Hamilton Mayor  
26 September 2008



Michael Redman  
Chief Executive  
26 September 2008

## 12.0 Profile of Hamilton City

(HE WHAKAATURANGA MO TE TAAONE NUI O KIRIKIROA)

### A selection of comparisons (as at 30 June)

	2006	2007	2008
Population	129,249 <sup>1</sup>	136,600 <sup>2</sup>	139,136 <sup>3</sup>
City area	9,860ha	9,860 ha	9,860 ha
Businesses <sup>4</sup>	11,984	12,345	not available
Employees <sup>5</sup>	74,240	77,310	not available
<b>Environment</b>			
Number/area of parks and gardens <sup>6</sup>	144 (582ha)	139 (652.4ha)	144 (646.4 ha)
Number/area of sports areas <sup>7</sup>	59 (441ha)	57 (432.9ha)	61 (445.5 ha)
Number of play areas	85	94	90
Number of swimming pools <sup>8</sup>	3	3	3
Walkways in parks and reserves	43.8km	55.5km	58.0 km
Number of street trees	29,013	29,267	29,060
<b>Infrastructure</b>			
Traffic bridges over the Waikato River	6	6	6
Number of bridges <sup>9</sup>	57	59	59
Length of streets (road centreline length)	582km	586.7km	597.9 Km
Length of footpaths	882km	907.5km	918.0 Km
Length of cycleways <sup>10</sup>	45km	47.3km	65.6 Km
Length of wastewater pipes	760km	761km	775 Km
Length of stormwater pipes	607km	617km	631 Km
Length of open stormwater drains and natural water courses	90km	85km	86 Km
Length of water pipes	1,011km	1,035km	1,051 Km
<b>Refuse Disposal</b>			
Hamilton's residential and industrial/commercial waste sent to landfill	123,499 tonnes	111,148 tonnes	20,024 tonnes (kerbside) 11,362 tonnes (Wastewater Treatment Plant biosolids)
Waste recycled through kerbside recycling, recycling centre operations and greenwaste composting at the Hamilton Organic Centre	29,176 tonnes	30,527 tonnes	35,549 tonnes
<b>Rating Data</b>			
Rating system	Land value	Land value	Land value
Rateable properties (all excluding not-rated)	50,167	50,789	51,120
Rateable land value (all excluding not-rated)	\$4,301m	\$9,945m	\$10,005m
Rateable capital value (all excluding not-rated)	\$13,013m	\$21,049m	\$21,170m
Date of city revaluation	1 Sept 2003	1 Sept 2006	1 Sept 2006
Years of rate revenue to repay city debt	1.96 years	2.09 years	2.36 years
Rates revenue (net)	\$82.1m	\$89.0m	\$97.2m
Net city debt (including internal borrowing)	\$160.6m	\$186.6m	\$229.0m

#### Notes

- 1 Statistics New Zealand — 2006 Census of Population and Dwellings.
- 2 Statistics New Zealand — Population estimate (as at 30 June 2007)
- 3 Hamilton City Council/University of Waikato estimate.
- 4 Statistics New Zealand (Business Frame Survey).
- 5 Employee count includes all part-time and full-time workers.
- 6 Parks and Gardens — areas are defined as being available wholly/principally as recreational public open space. A change in criteria for 2007 has led to changes in numbers and areas reported, but there is no change in the underlying resource.
- 7 Sports Areas — areas are defined as providing a sports venue for the public. A change in criteria for 2007 has led to changes in numbers and areas reported, but there is no change in the underlying resource.
- 8 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.
- 9 Includes traffic bridges, large culverts, and pedestrian bridges/underpasses.
- 10 Includes on-road cycle lanes and off-road cycle paths.

## 13.0 Audit Report

(PURONGO KORERO O TE TARI TAATARI KAUTE)

AUDIT NEW ZEALAND  
Mana Arotake Aotearoa

### AUDIT REPORT

#### TO THE READERS OF HAMILTON CITY COUNCIL AND GROUP'S FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2008

The Auditor-General is the auditor of Hamilton City Council (the City Council) and group. The Auditor-General has appointed me, Karen MacKenzie, 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 2008, including the financial statements.

#### Unqualified Opinion

In our opinion:

- The financial statements of the City Council and group on pages 180 to 235:
  - comply with generally accepted accounting practice in New Zealand; and
  - fairly reflect:
    - the City Council and group's financial position as at 30 June 2008; and
    - the results of operations and cash flows for the year ended on that date.
- The service provision information of the City Council and group on pages 68 to 178 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 26 September 2008, 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, performance information 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, performance information 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, performance information 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, performance information and the other requirements.

We evaluated the overall adequacy of the presentation of information in the financial statements, performance information 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. The financial statements must fairly reflect the financial position of the City Council and group as at 30 June 2008. They must also fairly reflect the results of operations and cash flows and the levels of service provision for the year ended on that date. The Council is also responsible for meeting the other requirements of Schedule 10 and including that information in the annual report. 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, performance information 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.

**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.

After balance date, we have been engaged by the City Council to provide assurance over the procurement process for the City Heart Project, which is compatible with those independence requirements.

Other than the audit and in conducting the audit of the amendments to the 2006-2016 Long Term Council Community Plan and the assurance related assignment, we have no relationship with or interests in the City Council or any of its subsidiaries.



Karen MacKenzie  
Audit New Zealand  
On behalf of the Auditor-General  
Auckland, New Zealand