



# 2022-23 Annual Report Summary

Koorero Whakaraapopoto



**Hamilton  
City Council**  
Te kaunihera o Kirikiriroa





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# Introduction

Koorero whakataki

# From the Mayor and Chief Executive

## **The 2022-23 Annual Report reflects a year of steady progress for Hamilton Kirikiriroa despite the challenging economic realities.**

This year's Annual Report presents our financial results measured against the financial strategy set out in year two of our 2021-31 Long-Term Plan and the associated 2022-23 Annual Plan.

Council remains on track to carry out its planned activities for year three of the Long-Term Plan despite the disruptions of COVID-19, increasing inflation and rising costs which have had an impact on all councils across the country. It has not been easy, and the financial environment is increasingly challenging, but we are proud of the progress that has been made.

Council ended the financial year with a net debt balance of \$723

million versus the Annual Plan projection of \$774 million. Net debt is defined as total debt, less cash and cash equivalents.

There was a balancing the books deficit of \$29.8 million, compared to the Annual Plan forecast deficit of \$14.4 million.

### **Our priorities**

Council remains focused on its purpose of continuing to improve the wellbeing of our community across five important priority areas.

These priorities are based on an extensive community engagement campaign in 2020 which asked you, the residents what you love about Hamilton Kirikiriroa and what would make our city an even better place to be. Submissions from the community helped shape Council's thinking about the future of the city.

Residents and businesses

expressed their views on a range of desired outcomes, leading to the adoption of five priorities:

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

These priorities have guided Council's decision-making in improving Hamilton's social, cultural, economic and environmental wellbeing, as required by the Local Government Act.

### **A city that's easy to live in**

You wanted a city that's easy to live in we've been investing in community services, libraries, aquatic facilities, community development, transport and parking. Here are some examples of what we achieved.

Major improvements were made on our roads with the completion of the Ring Road and the opening of the Hamilton section of the Waikato Expressway.

The Te Wetini Drive extension was completed and the Claudelands/Grey Street intersection was upgraded. Construction also started on the Borman Road connection.

Many improvements to safety were made, with the installation of a new roundabout at the Darjon Drive/Gordonton Road intersection and improvements at Tristram and Collingwood Streets.

Exciting developments continued in the new Peacocke neighbourhood, with work starting on the next section of Whatukooruru Drive and the completion of the span of the new Waikato River bridge.

## **A city where our people thrive**

We were delighted that Hamilton Kirikiriroa was formally recognised as a Committed Welcoming Community. We gave a warm welcome to 1282 new citizens at our citizenship ceremonies, kicked off our first Welcoming Week and said 'kia orana' to the new K'aute Pasifika Community Hub.

The Disability Policy and Action Plan was adopted, ensuring Council operates and manages its infrastructure, facilities and services in a way that gives all people equity of access, inclusion and opportunity.

Council maintained its AA- credit rating with international financial services agency Standard and Poor's, with the AA- score a reflection the organisation has 'very strong capacity to meet financial commitments'.

The Building Unit granted a total of 1861 building consents for the year, and received a recommendation from International Accreditation New

Zealand (IANZ) for continued Building Consent Authority accreditation.

Several milestones were achieved across a number of high-profile District Plan changes. Plan Change 9 completed the first session of hearings for Historic Heritage Areas, Significant Natural Areas, and Notable Trees in May 2023. Plan Change 12 completed the strategic hearings in February 2023.

We facilitated the building of quality communities through the implementation of the City Investment Programme, which encourages a constituency of support from funders, businesses, community groups, central government and philanthropic individuals.

## **A central city where people love to be**

The Growth Programmes team continued to lead the delivery of key growth areas in the city alongside the development of the revised Hamilton Urban Growth Strategy (HUGS). This

strategy guides where, when, and how our city will grow over the next 50 years. It has three key outcomes - grow up and out from the central city; grow along transport corridors; and support the development of quality greenfield neighbourhoods.

Hamilton received central government's Infrastructure Acceleration Fund (IAF) grant for \$150 million. The grant, alongside more than \$100 million from Council, is being invested into central city infrastructure to support new homes.

Safety has been a continued focus. Our City Safe team works hard alongside local businesses and police to keep Hamilton Kirikiriroa safe. The visibility of City Safe patrols has increased, with additional patrols taking place and staff now being tasked not just to provide cover to the central city, but also to other key locations during busy times.

We worked with a range of partner agencies to deter anti-social behaviour in the central

city - looking for opportunities to prevent crime; supporting the homeless or vulnerable; and enhancing safety for users of the central city. Services we provided include CCTV cameras, graffiti removal and City Safe patrols.

NZ Police have been quick to praise the capabilities of our City Safe staff and have acknowledged the hugely valuable support they provide.

This year we trialled a River Safety Patrol, with teams on foot and e-bikes, following safety education sessions with the Aquatics team. The team focused on key education messages to share for safe river use, how to respond and keep themselves safe in a water safety incident, and a practical understanding of our awa including recognising dangers and safe entry/exit points.

Staff have been involved in a range of incidents including providing support in a medical emergency, detecting offenders breaking into cars and intervention in two significant



instances of 'at risk' behaviours by water users.

The River Safety team carried out 1325 active patrols with over 6704 members of the public out and about enjoying the river and popular swimming locations.

### **A fun city with lots to do**

We want to make sure our city provides opportunities for all our people to play and have fun, whether it be through organised sport, local playgrounds, events, or our visitor destinations.

We want to build on our growing reputation for hosting outstanding events – events that bring economic benefit, that Hamiltonians love, and that bring people from all over New Zealand to our city.

We'll continue to embrace the outdoors, not just the Waikato River but places like our destination playgrounds and Lake Rotoroa (Hamilton Lake). These facilities provide locals and visitors with memories and experiences that keep people entertained and wanting

more. They drive interest and appreciation in our city and make living here fun.

The disruptions of COVID-19 saw physical visits to libraries and pools paused, capacity restrictions and temporary branch closures due to staff shortages. As the restrictions lifted, we were delighted to return to normal operations and resume children's programming at our libraries and pools.

The Aquatics team received the Innovation in Aquatics award for the Keep on Swimming Learn to Swim Programme.

We celebrated many other achievements – Claudelands Oval was named New Zealand's best venue, our beautiful new shared entry precinct was created for Te Kaaroro (Hamilton Zoo and Waiwhakareke Natural Heritage Park) and the Hamilton section of Te Awa – The Great New Zealand River Ride opened.

Construction began on our first fully inclusive playground in

Claudelands and a floodlighting upgrade kicked off for six sports fields.

Our Libraries team also became network partners in a programme enabling low-cost internet access for our communities.

### **A green city**

We are proud of our green, clean city and we're taking a thoughtful and city-wide partnership approach between businesses, organisations and community groups to tackle how our city responds to climate change.

We saw record-breaking recycling at the Resource Recovery Centre and 6000 litres of Tronpost compost, made from green waste and kerbside food scraps, going back to the community.

We launched the Mangaonua Gully erosion control project, completed the Mangaiti Gully project and adopted our Open Spaces Strategy.

How people move around Hamilton is having to change as we manage the impacts of high growth and climate change. In August 2022, Council adopted Ara Kootuitui Kirikiriroa - Access Hamilton Transport Strategy, with the vision that our transport network will enable everyone to connect to people and places in safe, accessible and smart ways.

Walking, biking and public transport upgrades are a key part of our strategy to shape a liveable and low carbon city.

Waka Kotahi is contributing \$33.2 million under the Climate Emergency Response Fund and Council will contribute an additional \$3.8 million on a package of projects to develop safer, greener and healthier travel options.

The fund will help with the delivery of strategic cycle routes, walkable neighbourhoods, school travel planning, and projects to support making public transport more reliable and easier to use for all.

## Planning for the changing climate

We adopted our first climate change strategy – Our Climate Future: Te Pae Tawhiti o Kirikiriroa, which outlines the priorities for our response and will guide the way we consider climate change in all we do.

We are planning for the changing climate and embracing the transition to a low carbon city where everyone can thrive. We have set emissions targets for the city and our operations teams are putting the plans in place to achieve them.

To ensure we are responding to the changes in extreme weather, we completed a Council operational climate change risk assessment so that we understand how the risks for our operations will change over time.

We have been tracking our Council operational emissions since 2018/19 and over this time we have reduced our emissions by 18%, through improved energy efficiency and switching from natural gas to electricity.

## Employee wellbeing

The safety and wellbeing of our people is first in all we do. As part of Council's commitment to providing a healthy and supportive workplace for our people, we introduced several initiatives in the last 12 months. These included reviewing and focusing on Council's safety and wellbeing critical risks.

A critical safety and wellbeing risk we identified was mental health. As a result, we rolled out numerous GoodYarn mental health literacy workshops which trained our people on how to have a conversation with someone they are concerned about and how to seek support.

In December 2022 we implemented comprehensive employee health insurance with UniMed. A large number of claims and major surgeries have been completed which are significantly improving the health and wellbeing of our employees.

## Internal transformation

We implemented the next stages of our Business Improvement Plan across the organisation and achieved progress across the four streams of work – data governance, customer experience, technology enhancements and business process improvement.

We developed a new high-performance framework and implemented a leadership programme for new and emerging leaders.

We implemented key actions from the Diversity and Inclusion plan under three key workstreams – laying the diversity and inclusion foundation programmes, a diverse workforce reflecting the city and inclusive leadership and culture.

## Looking forward

As we reflect on the past year's achievements, we are proud of the progress made across our five key priorities.

Public opinion from community engagement has factored strongly into decisions we have made as we continue to balance community wellbeing and affordability alongside our aspirations for growth.

Council's vision is to make Hamilton an even better place to live, work, and thrive. We are committed to a transparent and collaborative process in shaping the city's future.

Your voice and ideas are important. Together, we are shaping a future that not only meets the needs of today but also paves the way for generations to come.

Paula Southgate  
Mayor

Lance Vervoort  
Chief Executive



# Kupu a te Kahika me te Tumu Whakarae

## **E whakaatu ana te Puurongo aa-Tau 2022-23 i teetahi tau kokenga whakamatua moo Kirikiriroa, ahakoa nga uauatanga aa-oohanga.**

E whakaatu ana te Puurongo aa-Tau o teenei tau i oo maatou hua ahumoni, kia inea atu ki te rautaki ahumoni i whakatauhia i te tau tuarua o taa maatou Mahere Tauroa 2021-31, me te Mahere aa-Tau 2022-23.

Kei te uu tonu te whai a te Kaunihera ki te kawe i ngaa mahi kua whakaritea moo te tau tuatoru o te Mahere Tauroa, ahakoa ngaa whakararu o te KOWHEORI-19, te pikinga o te pikiutu tukipuu me ngaa pikinga utu, otiraa he paanga tonu too eenei ki ngaa kaunihera puta noa i te motu. Kaaore i ngaawari te tau nei,

otiraa he uaua tonu te taiao ahumoni, engari e whakahii ana maatou ki te kokenga i hua ake.

I te mutunga o te tau puutea he \$723 miriona te tapeke nama more, atu ki te matapae o te Mahere aa-Tau o te \$774 miriona. Ko te whakamaarama o te nama koia te tapeke o te nama, ko te puutea iti iho me ngaa puutea haangai.

He takarepa whakataurite ahumoni o te \$29.7 miriona, otiraa ko te takarepa i matapaetia ki te Mahere aa-Tau, he \$14.4 miriona kee.

### **Aa maatou aronga matua**

E aro tonu ana te kaunihera ki tana kaupapa o te whakapiki haere i te oranga o te hapori puta noa i ngaa aronga matua whaitake e rima.

I poua eenei aronga matua ki teetahi kaupapa whai waahi aa-hapori whaanui i te 2020 i tono i a koutou ngaa kainoho he aha ngaa mea e arohatia ana e koe i roto o Kirikiriroa, aa, he aha ngaa aahuatanga hei haapai ake i te taaone. Naa ngaa taapaetanga a te hapori i aawhina ki te waananga i ngaa whakaaro o te Kaunihera ki te anamata o te taaone.

I whakaputa whakaaro ngaa kainoho me ngaa pakihi ki eetahi putanga huhua e wawatatia ana, otiraa ko te hua o teeraa ko ngaa aronga matua e rima:

- He hoahoa i teetahi taaone e ngaawari nei te noho i roto
- He hoahoa i teetahi taaone e toonui ai te tangata
- He hoahoa i teetahi pokapuu taaone e paarekareka ana ki te tangata

- He hoahoa i teetahi taaone hangareka, otiraa he nui ngaa mea hei whai waahitanga
- He hoahoa i teetahi taaone kaakaariki.

Naa eenei aronga matua i aarahi i ngaa mahi whakatau take a te Kaunihera ki te whakapai ake i te oranga aa-paapori, aa-ahurea, aa-oohanga, aa-taiao hoki o Kirikiriroa, i raro i ngaa here o te Local Government Act.

### **He taaone e ngaawari nei te noho i roto**

I hiahia koutou i teetahi taaone e ngaawari nei te noho i roto, - otiraa i te haumi maatou ki ngaa ratonga hapori, ngaa whare pukapuka, ngaa whare kaukau, te whanaketanga aa-hapori, te tuunuku me ngaa tuunga waka. Anei eetahi tauira o ngaa mahi kua tutuki.

He nui ngaa whakapainga o ngaa rori otiraa ko te whakaotinga o te Rori Porowhita, me te tuwheratanga o te waahanga o Kirikiriroa o Te Ara Puaki o Waikato.

I oti te toronga o Te Wetini Drive, aa, i whakahoutia te rori puutahi o Claudelands/ Grey Street. I tiimata hoki te hanganga o te tuuhonotanga o Borman Road.

He nui ngaa mahi whakapai i te haumarutanga, naa te whakaurunga o teetahi puutahi porowhita hou ki te puutahi o Darjon Drive/Gordonton Road me ngaa whakapainga kei ngaa Tiriti o Tristram me Collingwood.

I haere tonu ngaa whakanaketanga hiamoi i te waahi noho hou o Peacocke, otiraa i tiimata ngaa mahi ki te waahanga hou o Whatukooruru Drive me te otinga o te toronga o te arawhiti hou o te Awa o Waikato.

## **He taaone e toonui ai te tangata**

I harikoa maatou i whakanuia ookawatia a Kirikiriroa hei Committed Welcoming Community. I poohiritia e maatou ngaa kirirarau 1282 hou i aa maatou whakanuitanga kirirarau, otiraa ko te tiimatanga teenei o taa maatou Wiki Manaaki tuatahi, me te mihi 'kia orana' ki te K'aute Pasifika Community Hub.

I whakatinanatia te Kaupapahere Hauaatanga me te Mahere Mahi, otiraa he whakarite i te whakahaere a te Kaunihera i aana tuuaahanga, ngaa whare me ngaa ratonga i runga anoo i ngaa tikanga e mana oorite ai te aaheinga, te kauawhi me te arawaatea.

I mau tonu te Kaunihera ki tana paapaatanga taurewa AA- ki te tari ratonga ahumoni aa-ao o Standard and Poor's, otiraa e whakaata ana te piro AA- i te 'raukaha tino pakari ki te whakatutuki i oona uunga ahumoni.'

I eke ki te 1861 ngaa whakaaetanga whakatuu whare i whakamanatia e te Peka Whakatuu whare moo te tau, aa, i tuutohua hoki e te International Accreditation New Zealand (IANZ) kia mau tonu ki te mana whakaae a te Building Consent Authority.

I tutuki eetahi whaainga nui puta noa i eetahi panoni hira o te Mahere aa-Rohe. I tutuki i te Panoni Mahere 9 ngaa whakawaakanga tuatahi moo te Historic Heritage Areas, Significant Natural Areas, and Notable Trees i te Mei 2023. I tutuki i te Panoni Mahere 12 ngaa whakawaakanga rautaki i te Peepuere 2023.

I whakaritea e maatou te whakatuutanga o ngaa hapori kounga maa te whakatinana i te Hootaka Haumi aa-Taaone, e akiaki ana i te toopuutanga tautoko i ngaa kaitautoko aa-puuitea, ngaa pakihi, ngaa roopuu hapori, te kaawanatanga me ngaa taangata tukuoha.

## **He pokapuu taaone e paarekareka ana ki te tangata**

I aarahi tonu te tira Hootaka Whakatupu i te kawenga o ngaa mahi tupuranga matua i te taaone, i te taha o te whanaketanga o te whakahoutanga ki te Rautaki Tupu Taaone o Kirikiriroa (HUGS). Ka aarahi teenei rautaki i te ahunga, te aahua, me te waahi e tupu ai too taatou taaone hei ngaa tau 50 nei. E toru ngaa putanga matua - tupu whakarunga, whakawaho hoki i te pokapuu taaone; te tupu i te taha o ngaa tuunuku matua; me te tautoko i te whanaketanga o ngaa paekiritata papa ururua kounga.

I whiwhi a Kirikiriroa i te takuhe mai i te kaawanatanga matua araa, te Infrastructure Acceleration Fund (IAF) o te \$150 miriona. Taapiri atu ki teenei takuhe ko te \$100 miriona mai i te Kaunihera ka haumitia ki te tuuaahanga pokapuu taaone hei tautoko i ngaa whare hou.

I noho tonu te haumarutanga hei aronga nui. He pukumahi taa maatou tira Haumaru Taaone me ngaa pakihi me ngaa pirihihana ki te tiaki i a Kirikiriroa kia haumaru ai. Kua piki te kitenga o ngaa aapiha Haumaru Taaone, otiraa kua taapiritia eetahi tirotirohanga, aa, kua tonoa hoki ngaa kaimahi ki te tiaki i eetahi atu waahi matua e pokea ana e tangata, i waho ake o te pokapuu taaone.

I mahi ngaatahi maatou ki eetahi tari whaanui ki te whakapaahunu i ngaa whanonga aatete i te pokapuu taaone - me te kimi arawaatea ki te aukati mahi taihara; te tautoko i te hunga kaainga-kore, whakaraerae raanei; te whakapiki i te haumarutanga o te iwi kei te pokapuu taaone. Ko eetahi ratonga ko ngaa kaamera CCTV, te tango toi karawhiti me ngaa aapiha Haumaru Taaone.

I puta te whakamanahau a ngaa Pirihihana ki ngaa puukenga o aa maatou kaimahi Haumaru

Taaone otiraa i whakanuia aa raatou mahi tautoko.

I teenei tau, i whakamaatauhia e maatou teetahi Tautiaki Haumaru Awa, aa, he aapiha i runga pahikara-hiko, maa raro hoki, i muri mai o ngaa hui awheawhe haumaru ki te tira Haakina Wai. I aro te tira ki ngaa karere maatauranga matua e haumaru ai te haere i runga i te awa, me peehea te urupare me te tiaki i a raatou anooi te waa o teetahi ohotata haumaru wai, aa, kia maarama pai hoki ki too taatou awa, tae atu ki te kimi i ngaa moorearea me ngaa waahi haumaru ki te kuhu me te puta i te awa.

I whai waahi ngaa kaimahi ki eetahi aahuatanga whaanui, tae atu ki te tautoko i ngaa ohotata hauora, te tirotiro i ngaa kaihana e kuhu poka noa ki ngaa waka, me te wawao i eetahi atu aahuatanga matua e rua o ngaa whanonga 'moorearea' a te hunga haere i runga i te awa.

I eke ki te 1325 ngaa tirohanga a te tira Haumaru Awa, otiraa neke atu i te 6704 ngaa taangata i kite raatou e paarekareka ana ki te awa me ngaa waahi rorotu ki te kaukau.

### **He taaone hangareka, otiraa he nui ngaa mea hei whai waahitanga**

Kei te hiahia maatou ki te whakarite i te whakaratonga o ngaa arawaatea ki ngaa tangata katoa ki te taakaro me te mahi hangareka, peenei i te haakinakina, ngaa papa taakaro, ngaa taiopenga, ngaa waahi taapoi raanei.

Kei te hiahia maatou ka hau te rongonui o te taaone ki te whakahaere i ngaa taiopenga rangatira - ngaa kaupapa e too mai ai i ngaa hua oohanga, e arohatia ana e te iwi, aa, e too mai ana i te tangata i ngaa toopito o te motu ki too taatou taaone.

Ka awhitia tonutia e maatou ngaa waahi taiao, kua ko te Awa o Waikato anake, engari ngaa waahi peenei i oo maatou

taunga papataakaro me te roto o Rotorua. Ko taa ngaa hanganga nei he whakarato maharatanga, wheako hoki ki ngaa kainoho me ngaa manuhiri, e noho ngahau ai raatou, me te hiahia anoo ki te hoki mai. Otiraa ka kookiri hoki i te kaingaakau me te whakamaioha o too taatou taaone, otiraa kia hangareka te noho i konei.

I taarewatia ngaa toronga aatinana ki ngaa whare pukapuka me ngaa puna kaukau naa ngaa whakararu o te KOWHEORI-19, i kitea ngaa herenga kiitanga me te katinga taupua o ngaa tari naa te kore kaimahi. I te waa i whakakorea ngaa herenga, i manamanahau katoa maatou ki te hoki ki ngaa whakahaerenga o ia raa, me te whakahaere anoo i ngaa hootaka tamariki i oo maatou whare pukapuka me ngaa puna kaukau.

I whakawhiwhia te tira Haakina Wai ki te tohu Innovation in Aquatics moo te Hootaka o Keep on Swimming Learn to Swim.



Araa noa atu ngaa whakawhiwhinga i whakanuia e maatou - I whakaingoatia a Claudelands Oval te whaitua hira rawa o Aotearoa, aa, i hangaia taa maatou paetomokanga tiri hou moo Te Kaaroro (Whare Kararehe me Waiwhakareke Natural Heritage Park), aa, i whakatuwheratia hoki te waahanga kei Kirikiriroa o Te Awa - The Great New Zealand River Ride.

I tiimata ngaa mahi hanga i te papataakaro kauawhi tuatahi ki Claudelands, aa, i tiimata te whakatuutanga o ngaa tuurama raharaha ki ngaa papa taakaro e ono.

I tuuhono hoki oo maatou Whare Pukapuka hei hoa rangapuu whatunga i teetahi hootaka aaheinga ipurangi ngaawari te utu maa ngaa hapori.

### **He taaone kaakaariki**

E whakahii ana maatou ki too maatou taaone kaakaariki, maa hoki, aa, e whaaia ana e maatou teetahi tikanga whai whakaaro,

rangapuu taaone whaanui hoki i waenga i ngaa pakihi, ngaa roopuu whakahaere me ngaa roopuu hapori ki te whakatau i te aahua o te urupare a te taaone ki te hurihanga aahuarangi.

I tutuki i te Resource Recovery Centre ngaa rekoata hou o te mahi hangarua, otiraa he 6000 rita te wairaakau Tronpost, i hangaia i te para kaakaariki me ngaa para kai, i hoki anoo ki te hapori.

I tiimataria e maatou te kaupapa whakahaere ngaahorohoro i te whaarua o Mangaonua, i tutuki te kaupapa o te whaarua o Mangaiti, aa, i whakatinanahia taa maatou Rautaki Open Spaces.

Kei te panoni haere te aahua o te nuku haere a te tangata i Kirikiriroa i te waa e whakahaere ana i te paapaatanga o te tupuranga nui me te hurihanga aahuarangi. I te Aakuhata 2022, i whakatinanahia e te Kaunihera a Ara Kootuitui Kirikiriroa - Access Hamilton Transport Strategy,

me te matawhaanui ake kia whakaritea e te whatunga tuunuku kia hono haere ngaa taangata katoa ki ngaa waahi katoa, i runga anoo i ngaa tikanga haumarua, tomopai, atamai hoki.

Ka noho ngaa whakahounga ara hiikoi, pahikara, tuunuku tuumatanui hoki hei waahanga nui o taa maatou rautaki ki te hoahoa haere i teetahi taaone nohopai, tukuwaro iti hoki.

E taapae ana a Waka Kotahi i te \$33.2 miriona i raro i te Tahua Urupare Ohotata Aahuarangi, aa, ka taapaetia e te Kaunihera he \$3.8 miriona ki ngaa kaupapa whakawhanake i ngaa koowhiringa tuunuku haumarua ake, kaakaariki ake, hauora ake hoki.

Ka aawhine te tahua nei ki te whakarato i ngaa ara pahikara aa-rautaki, ngaa paekiritata e pai ai te hiikoikoi haere, ngaa whakamaheretanga tuunuku aa-kura, me ngaa kaupapa hei tautoko kia horopuu ake, kia

ngaawari ake hoki ngaa tuunuku tuumatanui.

### **Te whakarite moo te hurihanga aahuarangi**

I whakatinanahia e maatou taa maatou rautaki hurihanga aahuarangi tuatahi - Our Climate Future: Te Pae Tawhiti o Kirikiriroa, e whakatakoto ana i ngaa whakaarotau o taa maatou urupare, aa, ka aarahi i te whai whakaarotanga ki te hurihanga aahuarangi i roto i ngaa mahi katoa.

E whakarite ana maatou moo te hurihanga me te kauawhi i te whakawhiwhinga hei taone tukuwaro iti e toonui ai te katoa. Kua whakaritea eetahi whaainga tukuwaro moo te taone, aa, e whakariterite ana aa maatou roopuu whakahaere i ngaa mahere e tutuki ai eenei.

E rite ai te urupare ki ngaa hurihanga o te huarere taikaha i oti i a maatou teetahi aromatawai tuuraru hurihanga aahuarangi aa-Kaunihera kia maarama ai maatou ki ngaa

tuuraru ki aa maatou mahi i te pahemotanga o te waa.

Kua whaaia haeretia e maatou ngaa tukuwaro a te Kaunihera mai i te 2018/19, aa, i taua waa i whakahekea aa maatou tukuwaro maa te 18%, maa te whakapai ake i te whaaomo puungao me te whiti i te kaapuni ki te hiko.

### Oranga kaimahi

Ko te haumarua me te oranga o aa maatou kaimahi te whakaaro maataamua o ngaa mahi. Hei waahanga o te uunga o te Kaunihera ki te whakarato i te waahi mahi hauora, tautoko hoki, i whakaurua e maatou eetahi kaupapa hou i ngaa marama 12 nei. I uru ki eenei te arotake me te aronui ki ngaa tuuraru waiwai o te hauora me te oranga a te Kaunihera.

I tautuhia teetahi tuuraru waiwai ki te hauora me te oranga, araa ko te hauora hinengaro teeraa. Ko te hua o teeraa, i tiimatatia eetahi awheawhe maatau hauora hinengaro o

GoodYarn, i whakangungu i aa maatou kaimahi me peehea te whakawhiti koorero ki teetahi tangata e taumaha ana, aa, me peehea te rapu tautoko.

I te Tiihema 2022, i whakatinanahia e maatou tetahi kaupapa inihua hauora kaimahi ki a UniMed. He nui ngaa kereeme me ngaa poka nui i oti otiraa i whakapiki nui o te hauora me te oranga o aa maatou kaimahi.

### Whakaumu rāroto

I whakatinanahia ngaa kooeke hou o taa maatou Mahere Whakawhanake Pakihi puta noa i te whakahaere, aa, i koke whakamua puta noa i ngaa awamahi e whaa - mana whakahaere raraunga, wheako kiritaki, whakaraakei hangarau me te whakapai ake i ngaa tukanga pakihi.

I whakaritea e maatou teetahi anga mahi-kounga hou, me te whakatinana i teetahi hootaka hautuutanga maa ngaa kaiaarahi e pihi ake ana.

I whakatinanahia e maatou ngaa mahi matua i puta ake i te mahere Kanorau me te Kauawhi i raro i ngaa awamahi matua e toru - te whakarite i ngaa hootaka tuuaapapa kanorau me te kauawhi, he tira mahi kanorau e whakaata ana i te taaone, me te hautuutanga me te ahurea kauawhi.

### Te anga whakamua

I a maatou e huritao ana ki ngaa mahi o te tau ki muri, e whakahii ana maatou ki te kokenga puta noa i aa maatou whakaarotau matua e rima.

I whai waahi nui ngaa whakaaro tuumatanui mai i ngaa whai waahitanga aa-hapori ki roto i ngaa whakataunga take i a maatou e whakataurite tonu ana i te oranga o te hapori me te ngaawari o te utu, i te taha o oo maatou wawata tupu.

Ko te matawhaanui o te Kaunihera, kia noho a Kirikiriroa hei waahi pai ake ki te noho, te mahi me te whakapuaawai. E uu ana maatou ki teetahi tukanga

kooataata, mahi ngaatahi hoki ki te hoahoa i te anamata o te taaone.

He mea hira too reo me oo whakaaro. Maa te mahi ngaatahi, e hoahoa ana maatou i teetahi anamata e tutuki ai oo taatou hiahia o te rangi nei, engari e para ana i te huarahi moo ngaa whakatupuranga.



Paula Southgate  
Kahika



Lance Vervoort  
Tumu Whakarae

# What is the Annual Report?

## He aha te Puurongo-aa-Tau?

The Annual Report is a key document in Council's planning and reporting process, with its contents directed by the Local Government Act 2002.

Our planning cycle starts with an extensive and deliberate community engagement process developed alongside the people of Hamilton Kirikiriroa to understand the aspirations they have for their city. These are captured in our vision and five priorities and provide the focus for what Council will work on for the next decade.

Then Council prepares a Long-Term Plan. This sets out the work programmes, budgets and rates needed to deliver the vision and priorities. Each Long-Term Plan covers the next decade, with a focus on the first three years.

Our current plan is the 2021-31 Long-Term Plan.

When we aren't producing a Long-Term Plan, we produce an Annual Plan. The Annual Plan gives Council the chance to review the work programme set out in the Long-Term Plan and consider where any changes are necessary. Council's current Annual Plan is the 2023-24 Annual Plan, which identifies any differences between what we said we would do in 2023-24 in the Long-Term Plan, and what we are doing.

The Annual Report is produced to review our performance and tell you, the community, how well we did on delivering to the Long-Term Plan.

This 2022-23 Annual Report is provided to compare Hamilton City Council's actual performance for the 2022-23 year against what was forecast in the 2021-31 Long-Term Plan.

The Report considers, against the Long-Term Plan:

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

### Audit

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

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

### Intended audience

This Report is intended to provide this important information to a range of stakeholders including local businesses, Council partners, government departments and agencies, non-government organisations, and the community of Hamilton Kirikiriroa. It is also an opportunity for our teams to look back on and celebrate the successes of the year and to highlight the amazing work delivered to the community of Hamilton Kirikiriroa.



## Piecing it all together:

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

**1 July 2022:**  
Council's 2022-23  
Annual Plan

**31 October 2022\*:**  
Council's Annual Report (reporting on  
the 2021-22 financial year) is adopted

**1 July 2023:**  
Council's 2023-24  
Annual Plan

**By 31 October 2023:**  
Council's Annual Report (reporting on  
the 2022-23 financial year) is adopted

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

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



\*pursuant to section 98(7)(b) of the Local Government Act 2002, this Annual Report must be completed and adopted no later than the close of 31 December 2022, an extension of two months due to the ongoing impacts of COVID-19.

# Our vision for Hamilton

## Kirikiroa ka hua. Ka puaawai. Ka ora

**Everything we do is aimed at improving the wellbeing of Hamiltonians.**

### Our priorities

Our priorities\* describe what we aim to achieve for our community and what you can expect us to work towards. These outcomes were used to shape the development of the 2021-31 Long-Term Plan. All our activities contribute to the overall achievement of our priorities and reflect our purpose and mission – to improve the wellbeing of Hamiltonians and to help build a more vibrant, attractive, and more prosperous city.

During the development of the 2021-31 Long-Term Plan, we used your feedback to create five long-term priorities for Hamilton Kirikiroa over the next decade. These priorities reflect what you said is important to you, your family, and your neighbourhood.

The five priorities for our city are:

- A city that's easy to live in | He taaone e ngaawari noa iho ana te noho
- A city where our people thrive | He taaone e tipu matomato ai te tangata
- A central city where people love to be | He pokapuu taaone e ngaakautia ana e te marea
- A fun city with lots to do | He taaone kua kikii ki ngaa tini kaupapa
- A green city | He taaone tiaki taiao

All the activities we carry out contribute to the achievement of our community outcomes. If we achieve all the expectations that we have set for our service delivery, we will be making progress on achieving all five priorities.

\* These priorities are our Community Outcomes as defined under the Local Government Act 2002

# Maaori contribution to the decision-making process

## Mana Motuhake Maaori ki te Whakatakoto Whakataau

We are committed to meeting our Treaty and legislative responsibilities.

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

### **He Pou Manawa Ora - Pillars of Wellbeing**

This strategy, adopted in August 2021, outlines Council's vision

for a city that celebrates its whole history, including its unique Maaori heritage, and ensures everyone has a voice in developing its future.

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

The principles of the Te Tiriti o Waitangi (The Treaty of Waitangi)

will help guide this partnership on its journey towards creating a more socially, economically, and environmentally diverse city for future generations to be proud of.

### **Maaori Wards**

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

### **Maangai Maaori**

Maangai Maaori, meaning the voice of Maaori, were first appointed to Council committees with full voting rights in 2018. It is an initiative to give effect to Te Tiriti o Waitangi.

Maangai Maaori currently sit on three committees. The Maangai Maaori represent and are chosen by Iwi, Mana Whenua (Waikato-Tainui/Hapuu) and Maataawaka (urban Maaori) organisation Te Rūnanga Ō Kirikiriroa. Maangai Maaori are selected based on skill, knowledge, and experience.

### **Council Kaumatua**

Hamilton City Council's Kaumatua is appointed by the Office of the Maaori King to give support and advice to Hamilton's Mayor and its elected members. The kaumatua gives cultural guidance to council in line with Tainui tikanga and protocols.



## Amorangi Maaori

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

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

## Partnerships with Maaori

### Waikato-Tainui

Te Whakakitenga o Waikato-Tainui is the local iwi (tribe) focussed on the economic, social, cultural, and environmental wellbeing of its 75,000 tribal members. Hamilton City Council and Waikato-Tainui have a strong and mutually beneficial partnership to promote better wellbeing outcomes through agreed projects and meet obligations to restore and protect the Waikato River. This partnership is governed through the Waikato-Tainui/Hamilton City Council Co-Governance Forum.

## Mana Whenua o Kirikiriroa

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

## Te Rūnanga o Kirikiriroa (TeROK)

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

# Climate change reporting

## Te Puurongo i te Huringa o te Aahuarangi

The impacts of climate change have become more apparent for Aotearoa this year, with 11 councils declaring a state of emergency during Cyclone Gabrielle in early 2023. While Hamilton Kirikiriroa was relatively unimpacted in comparison, weather events like this serve as a reminder of the urgent need to reduce emissions and future-proof our city for the changing climate.

Over the last financial year, Council has strengthened its commitment to addressing this need. In August 2022, the first climate change strategy for the city was approved – Our Climate Future: Te Pae Tawhiti o Kirikiriroa. This foundation document sets the long-term direction for Hamilton's climate change response, including city-wide emissions targets of:

- a 'turning point' for emissions to peak in 2025 at the very latest
- 30% reduction by 2030, and

- 82% reduction by 2050.

Our first task after setting these targets was to understand how we're expecting emissions to change from now to 2030, and the level of ambition required to achieve the reductions we're aiming for. This emissions trajectory has been completed and provides direction for future projects, advocacy and funding to help us achieve the targets.

We recognise that everyone has an important role in responding to climate change and delivering on these targets. We secured funding of \$750,000 through the Better Off Fund (part of the Three Waters Reform) to deliver projects specifically focussed on supporting community and businesses to achieve climate action, and on making changes in our own operations to reduce Council emissions.

For Council's operational emissions, targets of a 50%

reduction by 2030 and net zero by 2050 were set in Our Climate Future: Te Pae Tawhiti o Kirikiriroa. In 2022-23, Council's greenhouse gas emissions were 9523 tonnes of carbon dioxide equivalents. This was a reduction in emissions overall, largely driven by our continued shift away from natural gas to electricity for powering our operations, and the increase in renewable electricity sources in the national grid. Nationally, we saw an increase in hydroelectricity generation as New Zealand experienced its wettest winter on record in 2022, then a wet spring over the North Island, and finally the wettest summer (2022-23) on record for Auckland, Northland, Bay of Plenty and Hawke's Bay<sup>1</sup>. In October-December 2022, hydroelectricity generation was 38.9% higher compared to the same period in 2021<sup>2</sup>. While overall Council's emissions have decreased, we need to continue our focus on finding alternative ways to travel and conduct business as we see pre-COVID

travel and ways of working return.

Working with the community, we've also supported some of the amazing mahi already underway. This includes engagements with high school students and the University of Waikato, sponsoring Climathon Waikato, and hearing our community's views on climate change at 'Your Neighbourhood' events. We'll continue sharing these stories, and information on what Council is doing, to the 500+ subscribers of our dedicated climate change e-newsletter, Te Pae Tawhiti – Delivering on Our Climate Future.

Alongside reducing emissions, we're also focused on understanding the risks that a changing climate presents. This will help to better prepare our city for the future. We have completed a climate change risk assessment for our Council operations, which helps us understand how climate change could impact on our operations.

1 NIWA - Taihoro Nukurangi, Seasonal Climate Summaries

2 Ministry of Business, Innovation & Employment - Hiikina Whakatutuki, New Zealand Energy Quarterly – December 2022

# Our Financial Strategy

## Too Maatou Rautaki Puutea

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

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

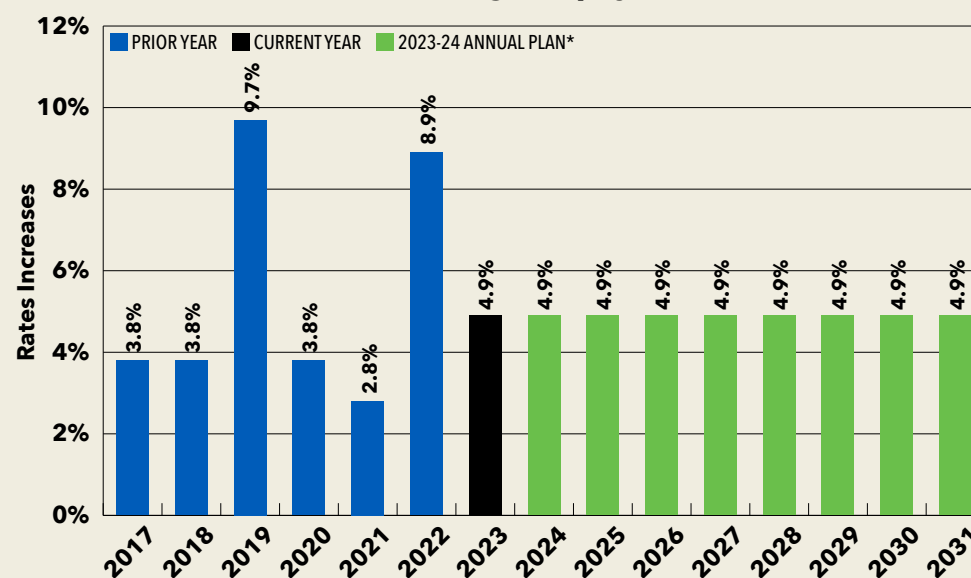
The Financial Strategy can be read in full in the 2021-31 Long-Term Plan or on our website. It sets limits on the amount of debt we can take on compared to revenue (debt to revenue), forecasts net debt (the money we owe lenders, less cash) and forecasts when we will balance the books. The Council books are balanced when everyday revenue pays for everyday expenses.

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

Against the strategy, we exceeded the balancing the books budgeted deficit for 2022-23 by \$15.3 million and ended the financial year with a net debt balance \$51 million lower than projected.

### Rates

#### Total rates increases to existing ratepayers



*\*The figures for 2024 to 2031 have been reforecast as part of the 2023-24 Annual Plan process.*



## Balancing the books

The balancing the books measure is a way of assessing our operating performance. You can see how our balancing the books measure is calculated on page 167 of the full Annual Report. There are other ways to measure operating performance, including the Government's balanced budget measure, which we report against in the Disclosure Statement section of the full Annual Report on page 261.

The main differences between the two measures are:

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

expenditure not considered everyday (such as grants for the Waikato Regional Theatre and the discount unwind on the Housing Infrastructure Fund loan). These are not adjusted for in the Government measure.

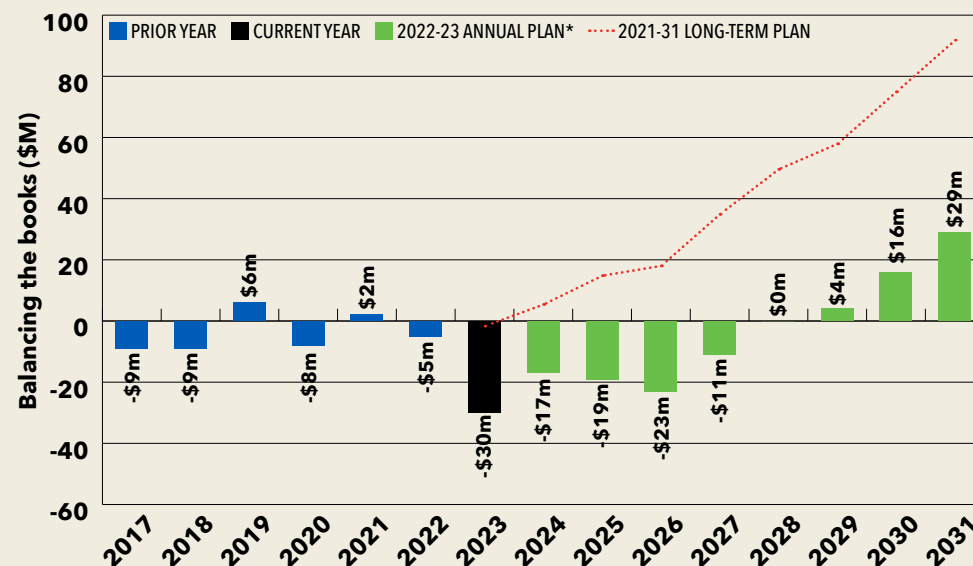
We exceed the balancing the books budgeted deficit in 2022-23, with an adjusted operating deficit of \$29.8 million against a budgeted deficit of \$14.4 million. Using the Government's balanced budget measure, we are reporting a surplus of \$20 million against a budgeted surplus of \$58.5 million.

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

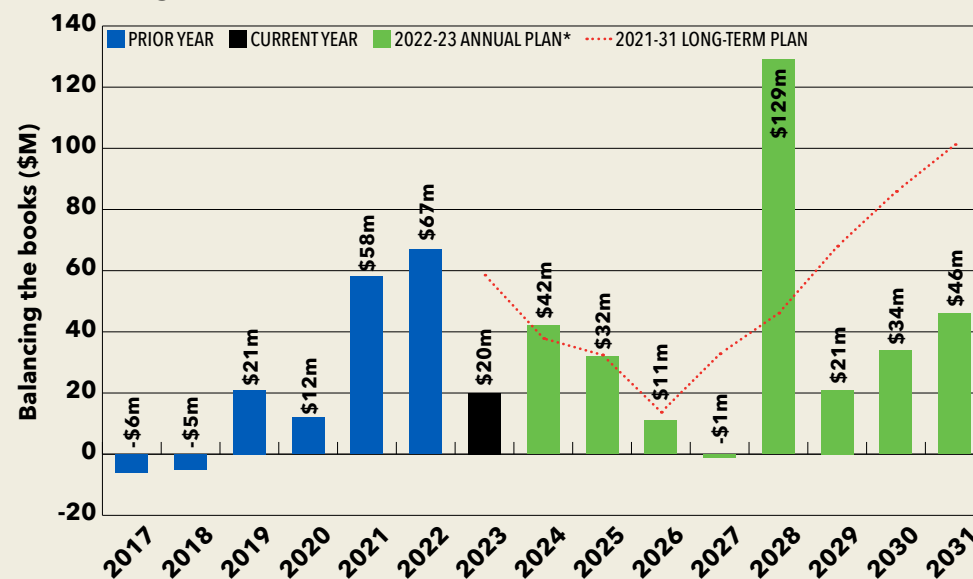
- Finance costs exceeded budget and was driven by higher interest rates. This was slightly offset by higher than budgeted interest income.
- Depreciation was higher than budgeted due to earlier fulfilment of transportation capital works for the year, and a greater than expected revaluation increase in the Waters assets activity at 30 April 2022.
- Operating and maintenance costs were higher than budgeted

due to increased reliance on subcontractor resources to help support the reactive Wastewater and Stormwater operational responses as a result of weather events and Work in Progress reclasses due to accounting treatment assessments at the date of capitalisation.

### Balancing the books - Hamilton City Council measure



### Balancing the books - Government measure



\*The figures for 2024 to 2031 have been reforecast as part of the 2023-24 Annual Plan process.

## Debt

The definition we use for debt is total debt, less cash and cash equivalents. We refer to this as a net debt. To see the details of how this figure is calculated, see note 30 to the financial statements on page 233 of the full Annual Report.

We ended the financial year with a net debt balance of \$723 million, which was lower than the projected target of \$774 million. Our debt is now 185% of revenue against a performance target of 208%.

The main reasons for this favourable result are:

- Higher than budgeted revenue from fees and charges, and subsidies and grants.
- Total deferrals of \$31 million, being the net position between projects moved out to future years and projects brought forward into 2022-23.

The 2022-23 approved capital budget was \$352.8 million, an increase on the previous 2021-22 budget of \$328.7 million. Actual spend for the capital portfolio was \$321.3 million, representing a 27.3% increase on the prior year spend of \$252.2 million.

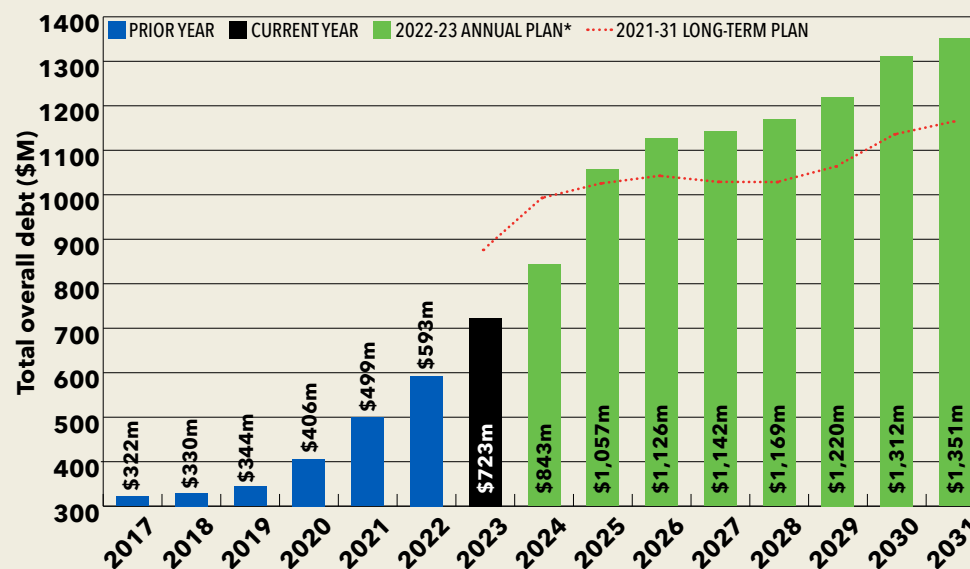
Project deferrals have a favourable impact on our financial result. However, it is only a timing impact as the expenditure will still be incurred, although later than originally planned.

Projects were deferred due to:

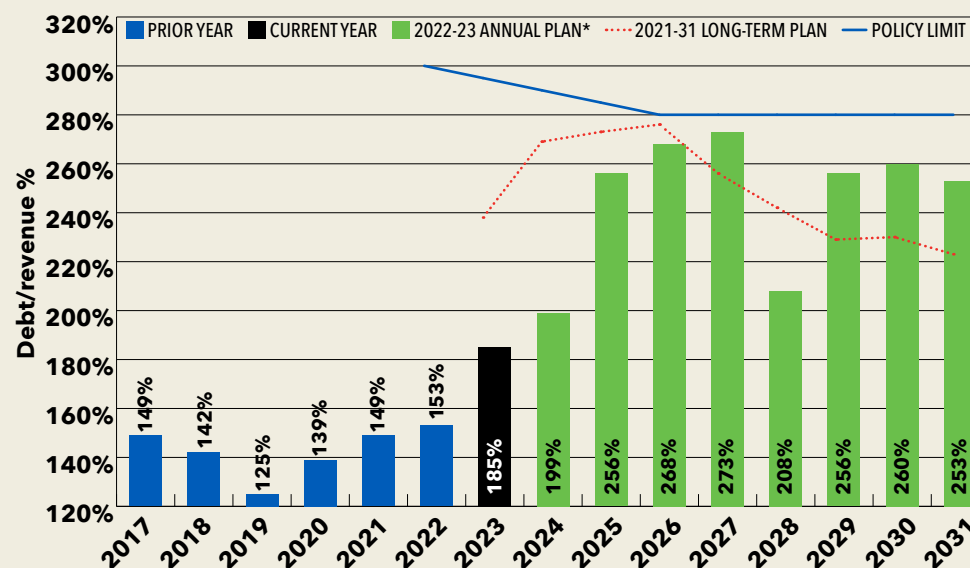
- third party delays e.g. infrastructure that is dependent on developers;
- contractual delays e.g. a design issue or delay in the tender process;
- delays due to change in project scope or change in prioritisation by the Council.

To keep debt at manageable levels, the financial strategy caps debt to revenue at 300%. This ratio will taper back to 280% by 2026.

## Total overall debt



## Debt-to-revenue ratio

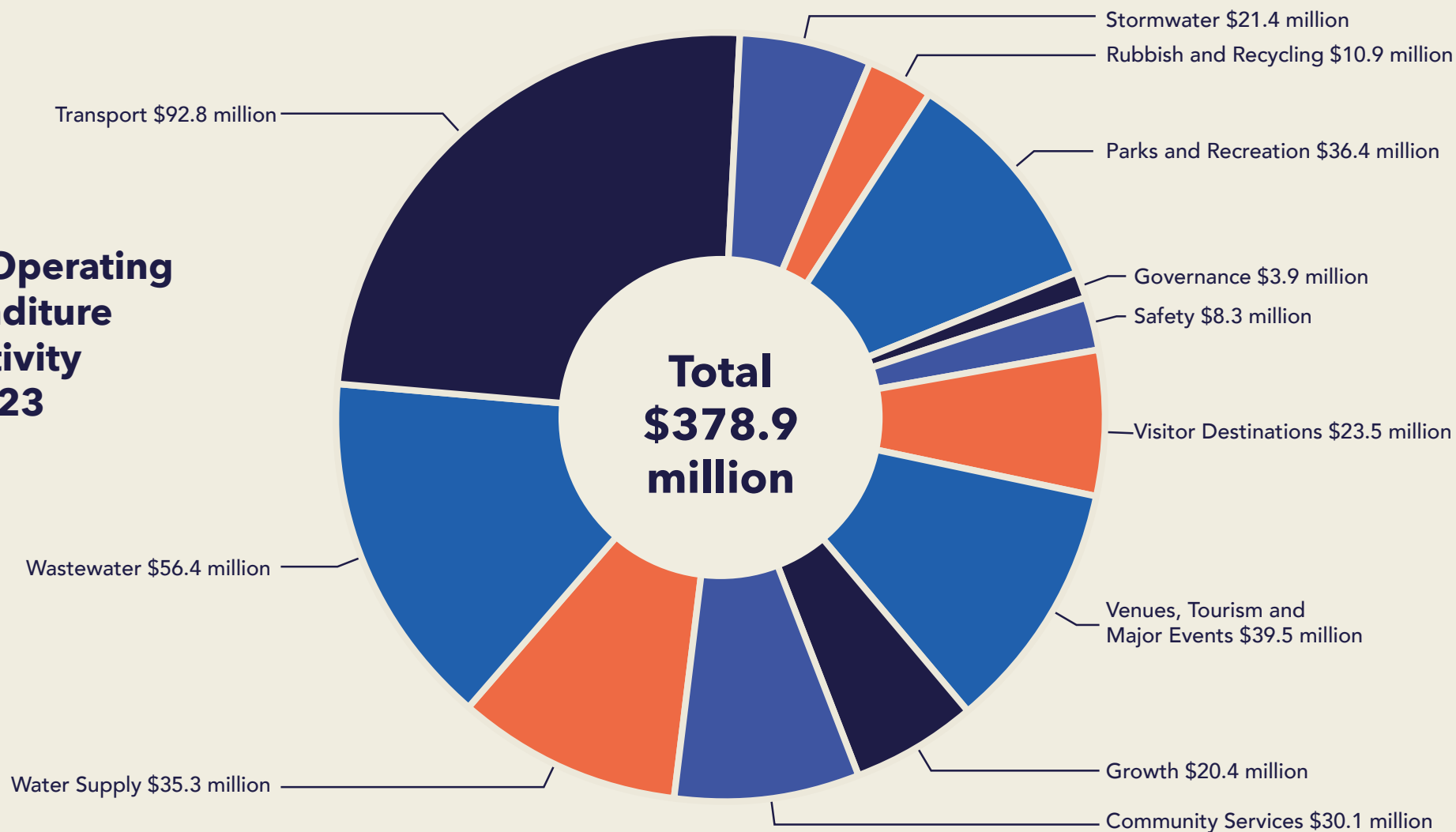


\*The figures for 2024 to 2031 have been reforecast as part of the 2023-24 Annual Plan process.

# Overview of our 2022-23 finances

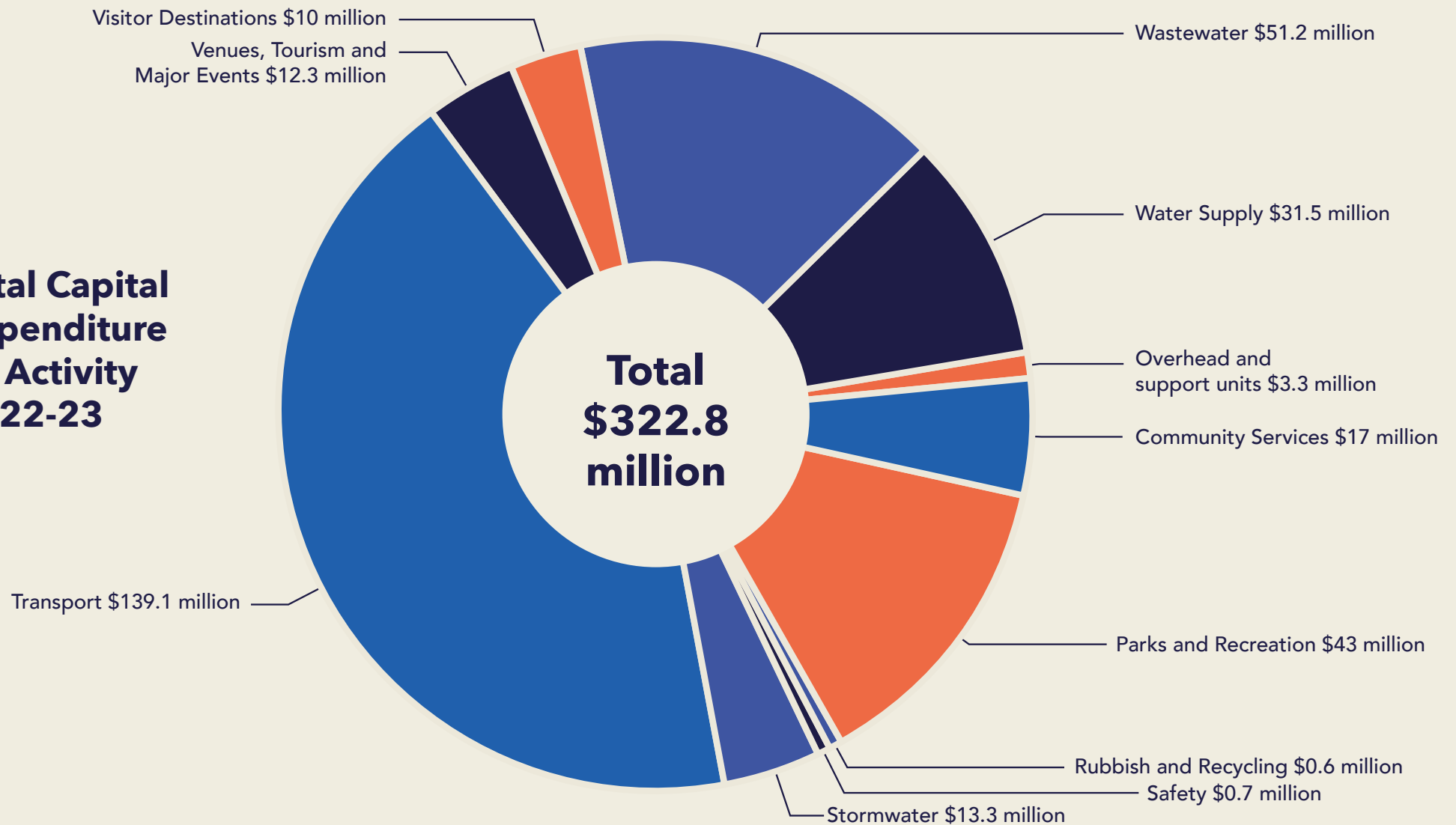
Tirowhaanui moo Ngaa Puutea 2022-23

## Total Operating Expenditure by Activity 2022-23





## Total Capital Expenditure by Activity 2022-23



# Capital projects delivery

## Kaupapa haupuu rawa whakatinanatanga

**The 2022-23 year has seen the delivery of more than \$322 million worth of capital projects, to improve the wellbeing of Hamiltonians.**

**These projects play an important part in making our city one of the best places to live, work, and raise families. Our capital projects portfolio is shaped by five priorities that are based on feedback from our community. Our regular capital reporting tracks how we're delivering on these.**

The past 12 months have seen the start of some new transport safety initiatives, the continuation of significant infrastructure to deliver housing in Peacocke and the completion of some awesome community assets: Te Awa River Ride and Te Kete Aronui Rotorua Library. Government funding has upped the ante for a lot of our work programmes. In addition to the planned projects, Council received a \$150 million Infrastructure Acceleration Fund (IAF) grant to deliver infrastructure to support new homes in the central city, and is on track to deliver a \$37 million Climate Emergency Response Fund (CERF) transport programme,

providing 29 walking, biking and public transport projects, by July 2024. Overall, the three-year portfolio is on track to be delivered to expectations set by the 2021-31 Long-Term Plan despite major disruptions in the three-year period. The tail end of the COVID-19 pandemic, inflation, and challenging economic climate have had an impact on how we delivered our projects.

This summer's construction season was also significantly impacted by severe weather events, including Cyclone Gabrielle. While Hamilton got off lightly when compared with some parts of the motu, the wider impacts were still felt

here. As well as the obvious impacts rain has on delivery and timing, the availability of resources locally and nationally played a part.

In the coming year we're looking forward to cutting the ribbon on the new bridge over the Waikato River, and other Housing Infrastructure Fund projects in Peacocke that have been in the pipeline since 2018. It's shaping up to be another busy year. We say: bring it on!

Activity Area	Total Capital Spend \$million
Community Services	17
Parks and Recreation	43
Rubbish and Recycling	0.6
Safety	0.7
Storm Water	13.3
Transport	139.1
Venues Tourism and Major Events	12.3
Visitor Destinations	10
Waste Water	51.2
Water Supply	31.5
Overhead and support units	3.3
<b>Total</b>	<b>322.8</b>



# Highlights of 2022-23

## Ngaa Mea Hirahira 2022-23

Here's some of what went on...

### July - September 2022

Hamilton Kirikiriroa recognised as a **Committed Welcoming Community**



Hamilton section of the Waikato Expressway opened



We completed the **Ring Road**



We launched our **new website**



**Five playgrounds refreshed** across the city

Claudlands Oval named New Zealand's best venue



Civic honour awarded to **Rocky Horror** creator **Richard O'Brien**

We committed to **Our Climate Future: Te Pae Tawhiti o Kirikiriroa**



Work continued on the **Pukete Wastewater Treatment Plant** staged upgrade



**Mangaiti Gully project completed**



**Record breaking recycling** at Resource Recovery Centre



### October - December 2022

**6000 litres of Tronpost** went back to the community



Construction started on the **Borman Road connection**



**New Waikato River bridge to Peacocke span completed**





We launched the Mangaonua Gully **erosion control project**

Work started on the next section of **Whatukooruru Drive** in Peacocke



## Puutikitiki Street ▶

New te reo Maaori names for **Puutikitiki Street** and **Te Wehenga Park**

Ruakura **water and wastewater connections** completed

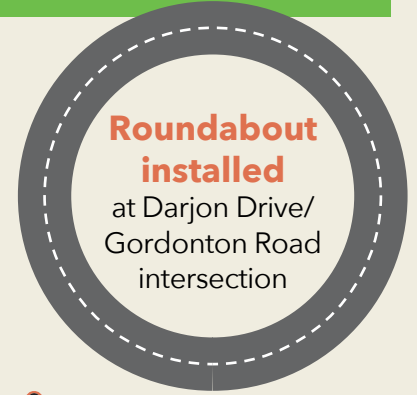


## April - June 2023

Hamilton Gardens launched new audio tours



**Roundabout installed** at Darjon Drive/ Gordonton Road intersection



## January - March 2023



Kia orana to the new **K'aute Pasifika Community Hub**

Te Awa Great New Zealand River Ride **Hamilton section opened**



Construction began on **fully-inclusive playground** in Claudelands



**Safety improvements** completed at Tristram/Collingwood Street intersection



**Exscite: Home** opened at Waikato Museum

**Floodlighting upgrade** kicked off for six sports fields



**Shared entry precinct for Hamilton Zoo/ Waiwhakareke Natural Heritage Park completed**

We adopted our **Open Spaces Strategy**



**Te Wetini Drive extension completed**



**Council welcomed 1282 new citizens**

Claudlands/Grey Street **intersection upgraded**





# Delivering on our Priorities

Te whai kia tutukihia  
aa maatou Kawatau



# Summary of our Delivery

## Whakaraapopoto o te Whakatinanatanga

**Delivering on our Priorities' reports on how well Council's activity groups performed during 2022-23 against the performance measures and targets set out in the 2021-31 Long-Term Plan.**

We also report on four community outcome measures that are not linked to a Council activity group and do not form part of our performance measures and targets.

All of the activities we carry out contribute to the achievement of our community outcomes, our five Priorities. Each activity has performance measures that show how well we are delivering our services to the community.

The performance measures and targets are from Year Two (2022-23) of our 2021-31 Long-Term Plan, which you can find on our website. **[hamilton.govt.nz/long-term-plan/](https://hamilton.govt.nz/long-term-plan/)**

Of the 58 non-financial service performance measures that we use to track performance, 42 achieved the target, 16 did not achieve the target.

# Our community outcome measures

Te inenga hua o oo taatou haapori

We ask our communities:

- is Hamilton a great place to live
- are they proud of how Hamilton looks and feels
- to they believe Council make decisions that are in the best interest of the city

Our two-yearly Quality of Life Survey, was last completed in early 2022.

As perceptions can change within the two-year cycle, Council commissioned another survey in June 2023 to gain the most up to date perceptions of our community's quality of life.

Our fourth community outcome measure demonstrates our commitment to reduce the carbon footprint of the city and to build a city that is resilient to the effects of climate change

Reduction in greenhouse emissions footprint for Hamilton City Council

## **Percentage of residents who think Hamilton is a great place to live**

Our 2022-23 result of 75% represents a 2% decrease on the 2021-22 result and 4% below our 2022-23 target.

## **Percentage of residents who are proud of how Hamilton looks and feels**

We failed to meet our 2022-23 target of at least 60%, coming in at 34%, which also represents a 19% decrease on the 2021-22 result.

## **The percentage of residents who believe we make decisions that are in the best interest of the city**

We failed to meet our 2022-23 target of 32%, coming in at 30%, which is a 3% decrease on our 2021-22 results.

## **Reduction in greenhouse emissions footprint for Hamilton City Council**

Our 2022-23 target, to achieve a decrease in greenhouse emissions per head of population from the previous year, was achieved with 0.053 tonnes per head of population, down from 0.059 tonnes per head of population in 2021-22.



# Service performance measures

Te taatari i te mahi ratonga

## Highlights from the 2022-23 year

- we reduced Council's greenhouse gas emissions by 959 tonnes.
- customers at our libraries continue to demonstrate high levels of satisfaction, with 93% of library customers satisfied with their overall experience.
- the number of fatal and serious injury crashes on our roads decreased by 12 when compared to 2021-22.
- we exceeded our 88% target with 97% of our qualifying footpaths within Hamilton Kirikiriroa meeting the level of service standard of less than 5 faults per 100m section.
- despite increased complexity our average processing days for our consenting activities was under target, with the average processing days for non-notified land use and subdivision resource consents being 16.7 working days, and the average processing days for building consent being 17.8 days.
- 100% of urgent dog control requests were responded to within 60 minutes against a target of 95%.
- visitation at our Visitor Destinations (Waikato Museum, Hamilton Gardens & Te Kaaroro Precinct) increased 872,348 visits a 58% increased when compared to 549,941 visits in 2021-22.
- we had 556,046 attendees at our stadia and Claudelands over 100,000 more than our target of 440,000.
- Hamiltonians reduced their average consumption of drinking water to 305 litres per resident per day.
- we emptied 4,654,524 bins and had 2767 missed collections for a clearance rate of 99.94%, of that ten missed collects were completed outside the required timeframe. This resulted in zero months with more than 6 missed collections not resolved by following working day.

# Areas for improvement

**There are 58 non-financial service performance measures. Of the 58 non-financial service performance measures 42 achieved target and 16 did not achieve target.**

## Non-achievement for various reasons:

### Priority: A city that's easy to live in

#### Community Services

- The percentage of aquatic facilities customers surveyed who are satisfied with their overall experience decreased from 84% in the 2021-22 year result to 79% in 2022-23 year result, not meeting the target of at least 84%. Customer satisfaction has dropped compared to last year. The key theme in complaints is availability of the steam room and sauna at Waterworld. The condition of our changing rooms and poor provision to meet diversity and accessibility needs has also contributed to the low satisfaction level. The much-anticipated upgrade of point-of-sale software in late 2023 is expected to ease the reception wait times through the introduction of swipe cards and at the gates and better online integrations.
- The number of visits to Council owned aquatic facilities in 2022-23 was 367,587, which is an increase from the 2021-22 year result of 229,385, however not reaching the target of 500,000. The wet weather over summer, and the continuation of

reduced opening hours at Gallagher Aquatic Centre due to tight lifeguard staffing, has contributed to the overall visitations for the year being lower than expected.

- The percentage of community stakeholders surveyed who are satisfied with community and social development outcomes decreased by 19%, not meeting the target of at least 80%. The 2022-23 year result of 60%, was lower than the 79% from the 2021-22 year result. Across every community and social development outcome, respondents are generally satisfied with Council's progress. Satisfaction was greatest for inclusive community engagement with 64%. Satisfaction was lowest for Council's promotion of community-led development with 56%.

### Priority: A city where people thrive

#### Governance

- The percentage of Hamilton Kirikiriroa voters for the 2022 local government election was 29.40%, not meeting the target of an increase from previous results. There was a significant decrease

in the voter turnout when compared to the 2019 turnout rate of 39.4%. It has been suggested that the change to Single Transferable Vote (STV) contributed to this. In general, voter turnout across the country was lower than in the 2019 local elections. The next election is 2025/26.

## Growth

- The target for at least three years capacity of business zoned land supplied with development infrastructure in the city was not met, seeing a reduction from 3 years in the 2021-22 result to 2.7 years in the 2022-23 result. Hamilton has again seen heightened levels of industrial consenting between January 2023 – June 2023, particularly with uptake in Ruakura maintaining momentum. Work continues on a plan change to the District Plan to enable industrial land use in Te Rapa North. A Future Proof subregional assessment of industrial land is currently underway to identify future medium - and long-term options for subregional industrial land supply.

## Safety

- The percentage of graffiti removed within 2 working days increased to 91.89% in 2022-23 from 73.17% for the 2021-22 result, still below our target of at least 95%. We have seen a 40% increase in tagging around the city since 2020/2021. An additional graffiti removal technician working Sunday to Thursday has been employed, which has already resulted in an improvement in response times.

## Priority: A fun city with lots to do

### Parks and Recreation

- The percentage of households that have access to a neighbourhood park or open space within 500 metres walking

distance target to maintain or increase on previous year, was not met. There was a decrease from 82.37% in 2021-22 result to 80.95% in the 2022-23 result. We have seen a decline due to a number of factors, primarily due to continued development in the north of the city (Rototuna and Flagstaff) as well as increased infill across the city, including areas already identified as lacking access to neighbourhood parks.

## Priority: A green city

### Water Supply

- The extent to which the Council's water supply complies with Part 4 of the drinking-water standards for bacteria compliance criteria was not achieved. Based on an internal assessment, Council had one non-compliant day for bacterial compliance. The non-compliant day for bacterial compliance occurred in May 2023 in the Claudelands Grandstand distribution zone (low fluoride drinking water fountain/tap). The microbiological sample taken for E.coli and Total Coliforms was compliant but the Free Available Chlorine (FAC) field test taken at the same time was below the required level of 0.1mg/L. Taumata Arowai was notified, the incident was investigated and appropriate remedial actions were taken. Risk to public health was low. All other distribution zones were compliant.
- The total number of complaints received about drinking water clarity, taste, odour, pressure, flow or continuity of supply and Council's response to any of these issues did not meet the target of no more than 5 complaints per 1000 connections. We received 377 complaints, relating to drinking water about clarity, taste, odour, pressure, continuity of supply and complaints. Most complaints are a result of customer impacts from our water main renewal and capital work programmes including the ongoing delivery of the network hydrant flushing programme.

- The median attendance time for non-urgent callouts from the time that Council received the notification of the fault or unplanned interruption to the time that service personnel reach the site was 6 working days, against a target of no more than 5 days, this was a decrease from 8 working days in the 2021-22 result. We received 1739 non-urgent water call-outs. Predominantly non-urgent water call-outs are due to water leaks, low pressure or minor works associated with Toby's or valves.

### Wastewater

- The number of infringement notices, enforcement orders and convictions received in relation to resource consents for discharge from the wastewater system resulted in 1 conviction action for the 2022-23 result against a target of 0 infringement, enforcement, or conviction actions. In 2021-22, Waikato Regional Council filed charges in the District Court against Hamilton City Council in relation to an unauthorised wastewater discharge into a tributary of Te Awa o Katapaki Stream from the wastewater network in Delia Court. Hamilton City Council entered an early guilty plea and sentencing was completed on 7 June 2022. Hamilton City Council was convicted under section 15(1)(a) of the Resource Management Act. The judgement was issued by the Courts on the 3 October 2022 and as a result Council received a total fine of \$76,500.

### Stormwater

- The number of flooding events that occurred within the city, exceeded the 2022-23 target of no more than 1 flooding event. We received 636 notifications of flooding incidents. Of these, 12 impacted habitable floors. This was during three periods of intense heavy rain in November 2022, December 2022 and June 2023.
- The median response time, from the time that we receive notification to the time that our service personnel reach the site

of the flooding event exceeded the 60 minute target. Intense rainfall, as experienced in November 2022, December 2022 and June 2023, may continue to cause localised flooding as volumes of rain exceed design capacity. Resourcing capacity for staff responding to these events is stretched during heavy and intense rainfall events, meaning that response timeframes are not always able to be met.

- The number of complaints received about the performance of the stormwater system exceeded the target of no more than 10 complaints per 1000 properties connected, with 23.04 complaints per 1000 properties, an increase from 15.74 in the 2021-22 year. We received 1448 complaints in relation to the performance of the stormwater system recorded, which is equivalent to 23 complaints per 1000 connections. The number of complaints is due to the high level of rainfall recorded in November 2022, December 2022 and in June 2023, including periods of high intensity rainfall, that caused significant road flooding in localised areas around Hamilton.

### Rubbish and Recycling

- The amount of waste received at Council-operated waste facilities that is diverted from landfill was 15,129 tonnes, below target of at least 16,000 tonnes per annum, however, was an increase from the 2021-22 year result of 13,939 tonnes. The amount of waste diverted is encouraging for the future and the diversion target is likely to be met in future years.
- The number of valid missed collections of kerbside rubbish, food waste and recycling exceeded the target of 110 missed collections. The overall trend for missed collections continues downwards since the service commenced. The total number of missed collections for this year fell to 2767 from the 4736 recorded for the same period last year.





# Financial matters

Ko ngaa take puutea



# Summary financial statements

## Ngaa Tauaakii aa-Tahua

### Guide to this section of the Annual Report:

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

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

**The financial statements include four primary statements:**

#### **Statement of comprehensive revenue and expense**

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

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

#### **Statement of changes in net assets/equity**

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

#### **Statement of financial position**

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

#### **Statement of cashflows**

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

**These four statements reflect Council's actual position to the budget. The 2022-23 budget was adopted by Council through the 2021-31 Long-Term Plan.**

#### **Notes to the financial statements**

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

# Summary financial statements

## Ngaa Tauaakii aa-Tahua

For the year ended 30 June 2023

	Note	Council			Group	
		Actual 2023	Budget 2023	Actual 2022	Actual 2023	Actual 2022
		\$000	\$000	\$000	\$000	\$000
<b>STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE TO 30 JUNE</b>						
Rates revenue	1	238,229	239,860	223,504	238,229	223,504
Other revenue	2	284,938	215,614	232,546	290,829	239,410
<b>Total revenue</b>		<b>523,167</b>	<b>455,474</b>	<b>456,050</b>	<b>529,058</b>	<b>462,914</b>
Personnel costs		110,063	109,125	96,589	113,563	100,089
Depreciation and amortisation	3	89,160	86,520	80,629	90,186	81,641
Finance costs	4	40,863	21,454	18,955	41,300	19,173
Other expenses	5	138,654	124,925	121,361	142,005	124,931
<b>Total expenditure</b>		<b>378,740</b>	<b>342,024</b>	<b>317,534</b>	<b>387,054</b>	<b>325,834</b>
<b>Operating Surplus/(deficit)</b>		<b>144,427</b>	<b>113,450</b>	<b>138,516</b>	<b>142,004</b>	<b>137,080</b>
Net gains/(loss)	6	(1,011)	(60,092)	30,143	(1,011)	30,143
Share of associates' surplus/(deficit)		-	-	-	9,282	12,130
<b>Net surplus/(deficit) before tax</b>		<b>143,416</b>	<b>53,359</b>	<b>168,659</b>	<b>150,275</b>	<b>179,353</b>
Income tax expense		-	-	-	539	589
<b>Net surplus/(deficit) after tax</b>		<b>143,416</b>	<b>53,359</b>	<b>168,659</b>	<b>150,814</b>	<b>179,942</b>
<b>Other comprehensive revenue and expense</b>						
Financial assets at fair value through other comprehensive revenue and expense		212	-	938	212	938
Gain/(loss) on property revaluations	7	419,260	52,063	365,011	421,884	371,554
Income tax on other comprehensive income		-	-	-	-	-
Impairment of revalued property, plant and equipment	8	(1,303)	-	(16)	(1,303)	(16)
Other revaluation reserve movements	9	2,533	-	1,228	2,533	1,228
<b>Total other comprehensive revenue and expense</b>		<b>564,118</b>	<b>105,422</b>	<b>535,820</b>	<b>574,140</b>	<b>553,646</b>
<b>Total comprehensive revenue and expense attributable to:</b>						
Hamilton City Council		564,118	105,422	535,820	574,451	553,918
Non-controlling interest		-	-	-	(311)	(272)

**For the year ended 30 June 2023**

	Note	Council			Group	
		Actual 2023	Budget 2023	Actual 2022	Actual 2023	Actual 2022
		\$000	\$000	\$000	\$000	\$000
<b>CHANGES IN EQUITY TO 30 JUNE</b>						
Equity at the beginning of the year		4,915,745	4,829,519	4,379,925	5,024,016	4,470,370
Total comprehensive revenue and expense attributable to Hamilton City Council		564,118	105,422	535,820	574,451	553,918
Total comprehensive revenue and expense attributable to non-controlling interest		-	-	-	(311)	(272)
<b>Equity at the end of the year</b>		<b>5,479,863</b>	<b>4,934,941</b>	<b>4,915,745</b>	<b>5,598,156</b>	<b>5,024,016</b>
<b>Total equity at the end of the year attributable to:</b>						
Hamilton City Council		5,479,863	4,934,941	4,915,745	5,594,627	5,020,176
Non-controlling interest		-	-	-	3,529	3,840
<b>FINANCIAL POSITION AS AT 30 JUNE</b>						
Current assets	10	268,171	148,649	178,187	268,989	178,782
Non-current assets	11	6,244,868	5,760,138	5,539,008	6,371,089	5,654,046
<b>Total assets</b>		<b>6,513,039</b>	<b>5,908,787</b>	<b>5,717,195</b>	<b>6,640,078</b>	<b>5,832,828</b>
Current liabilities	12	238,898	174,833	172,312	240,111	173,436
Non-current liabilities	13	794,279	799,012	629,138	801,811	635,376
Accumulated comprehensive revenue and expense	14	2,359,651	2,202,721	2,214,690	2,417,685	2,265,015
Other reserves	15	3,076,071	2,689,365	2,658,370	3,132,801	2,712,476
Restricted reserves		42,137	41,911	41,743	42,137	41,743
Council created reserves	16	2,004	944	942	2,004	942
Non-controlling interest		-	-	-	3,529	3,840
<b>Total equity and liabilities</b>		<b>6,513,039</b>	<b>5,908,787</b>	<b>5,717,195</b>	<b>6,640,078</b>	<b>5,832,828</b>
<b>CASH FLOWS TO 30 JUNE</b>						
Opening cash and cash equivalents balance at 1 July		114,826	102,174	54,036	114,937	54,262
Net cash inflows/(outflows) from operating activities		153,418	150,649	148,205	152,021	148,329
Net cash inflows/(outflows) from investing activities		(337,644)	(327,326)	(267,329)	(338,939)	(267,378)
Net cash inflows/(outflows) from financing activities		243,529	174,712	179,914	246,110	179,724
<b>Closing cash and cash equivalents balance at 30 June</b>		<b>174,129</b>	<b>100,209</b>	<b>114,826</b>	<b>174,129</b>	<b>114,937</b>

# Notes

## Nooti

- 1 Rates revenue was \$1.6 million unfavourable to budget due to lower water by meter consumption over a wet summer (\$0.5 million). The balance is primarily due to objections from the 2021 rating valuation, which were completed after rates were set. Where a property's value was reduced, rates were also reduced.
- 2 Other revenue was favourable to budget by \$69.3 million primarily due to a vested asset variance of \$25 million as a result of increased subdivision activity. A \$20 million favourable variance in other revenue is attributable to the fair value increase in the interest free Housing Infrastructure Fund. Interest revenue contributed \$9.5 million towards the favourable variance in other revenue, as more cash was held on term deposit than budgeted. Fees and charges show a favourable variance of \$5.9 million. Development contributions show a favourable variance of \$2.7 million and subsidies and grants reflect a \$3.2 million favourable variance.
- 3 Depreciation was unfavourable against budget by \$2.6 million. This was driven by increased transport depreciation as a result of earlier fulfilment of the capital works for the financial year.
- 4 Finance costs were \$19.4 million unfavourable to budget. This was due to increase in interest rates during the year.
- 5 Other expenses were unfavourable to budget by \$13.7 million. This was due to:
  - Administration costs were unfavourable to budget mainly due to efficiency savings budgets being allocated to this category but realised mainly in Professional Costs and Operating and Maintenance Costs.
  - Operating and maintenance costs were unfavourable due to increased reliance on Subcontractor resources to help support the reactive Wastewater and Storm Water operational responses as a result of weather events and WIP reclasses due to accounting treatment assessments at the Date of capitalisation.
  - Professional costs were unfavourable due to the significant increase in Audit NZ audit fees and significant legal costs in relation to the District Plan and Peacock Plan changes.
  - Property costs were unfavourable due to higher electricity costs.



- 6 Due to the unpredictable nature of these items, a budget was only set in instances where the amount could be reliably determined. There was a favourable variance to budget of \$59.1 million. The main contributors are:
  - The net increase in the revaluation of interest rate swaps by \$7.8 million is due to an increase in market interest rates, this was offset by:
    - The anticipated vesting of transportation assets did not occur in the the financial year and therefore the budgeted loss of \$60m was not realised;
    - The budget gain on investment property of \$1m; was not realised as a result of the downturn in the property market leading to a loss of \$4.8m;
    - The net loss on disposal of \$4.6m was due to asset data cleansing as well as asset replacement; and
    - \$0.4 million in impairment losses were identified through the annual impairment reviews.
- 7 The gain on revaluation was favourable to budget by \$367.2 million. The revaluation gains were higher than budget for transportation and parks and gardens improvements due increases in unit rates being higher than budget.
- 8 Impairment losses are unbudgeted, these are indentified through annual impairment reviews and consistent of a number of different assets the most significant being the glass display house at the Hamilton Gardens.
- 9 There was other revaluation reserve movements of \$2.5 million that was not budgeted due to found assets during the year.
- 10 Current assets was favourable to budget mainly due to more cash and term deposits being on hand and receivables being higher due to the timing of invoicing and payments at year end. Higher rates receivable balances are reflecting a tougher economic climate.
- 11 Non-current assets was favourable to budget by \$477m primarily due to the gain on revaluation for plant, property and equipment (\$367m) and other factors such as greater than budgeted vested assets. The reality of virtually fully spent capital program compounded the variance. Derivative financial instruments were favourable to budget by \$7.3 million due to higher market interest rates. Other financial assets were favourable to budget by \$4.8 million due to more borrowers notes than expected.
- 12 Current liabilities was unfavourable to budget by \$64.1 million. The main contributors were:
  - Payables and deferred revenue was \$31.3 million unfavourable to budget due to a higher level of project costs that have been accrued at year end. Items accrued include \$13.7 million for Rotokauri works, \$7 million for Peacocke Network, \$5.6 million for Ruakura and \$6.8 million of other transport maintenance or improvement projects. Income in Advance includes \$5.8 million of Building Control revenue which is yet to be recognised based on the revenue recognition policy.
  - Current borrowings were higher than budget by \$31.2 million due to more borrowings being payable in the next 12 months than originally budgeted for.
  - Employee entitlements were \$2 million unfavourable to budget. Accrued leave was higher due to the timing of pay runs over the year and annual leave balances were higher than anticipated.

- 13 Non-current liabilities were favourable to budget by \$4.7 million. The main contributors were:
- An unfavourable variance in borrowings of \$32.7 million was offset by a favourable variance of \$36.4 million in derivative financial instruments. This was due to an increase in market interest rates.
  - Provisions were \$0.8 million favourable to budget as a result of fewer provisions being raised for building defects and other legal proceedings than which had been budgeted for.
14. Accumulated funds were favourable to budget due to a higher surplus achieved and the opening equity was also higher than budgeted.
- 15 Other reserves were favourable to budget as a result of higher revaluation gains on plant, property and equipment valuations.
- 16 Council created reserves were favourable to budget as a result of an increase in the waste minimisation reserve.

## Accounting policies

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

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

The summary financial statements of the Council and Group are for the year ended 30 June 2023.

Council has designated itself and the Group as a public benefit

entity as defined under the PBE International Public Sector Accounting Standards (PBE IPSAS).

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

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

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

## Capital commitments and contingencies

Council has capital contract commitments of \$368 million (2022 \$228 million).

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

Contingent liabilities, which are dependent on future events, are \$0.1 million (2022 \$0.1 million).

Council has identified 3 unquantified contingent liabilities. This is in relation to a legal action from Enviro Waste Services Limited, staff matters and Riskpool.

## Change in accounting policy

New standards issued and adopted in the 2022-23 Annual Report include PBE IPSAS 41 Financial Instruments and PBE FRS 48 Service Performance Reporting. For Council, adoption of these standards has not resulted in any material effect on the 2022-23 Annual Report.

## Related parties

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

## Events after balance date

A valuation on Financial Derivatives has been provided due to the movement in interest rates since balance date. The value of interest rate swaps has increased by \$6.3 million since the reporting date based on a valuation at 30 September 2023.

The official cash rate (OCR) is the benchmark interest rate in New Zealand. It is the wholesale rate at which banks can borrow money. The OCR was 5.50% at 30 June 2023. The OCR has not increased or decreased since the reporting date.

The sale of Melody Dairies Limited Partnership (MDLP), as detailed in the non current asset held for sale note, was completed on 16 October 2023.

## Disclaimer

The specific disclosures included in this summary annual report have been extracted from the full annual report and were authorised for issue by the Chief Executive on 31 October 2023.

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

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

The summary has been examined for consistency with the full annual report and was audited by Audit New Zealand on behalf of the Office of the Auditor-General. The full annual report received an unmodified audit opinion on 31 October 2023.

The full annual report can be obtained from our website - [hamilton.govt.nz/annualreport](https://hamilton.govt.nz/annualreport) or from the Hamilton City Council main office.

# Audit Opinion

## Whakaaro Taatari Kaute

### Independent Auditor's Report

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

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

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

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

#### **Opinion**

In our opinion:

- the summary of the annual report represents, fairly and

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

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

#### **Summary of the annual report**

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

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

#### **The full annual report and our audit report thereon**

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

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

## **Emphasis of matter - uncertainty over the water services reform programme**

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

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

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

## **Council's responsibility for the summary of the annual report**

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

## **Auditor's responsibility**

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

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

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




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



Hamilton City Council  
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