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Council's 2006-16 Long-Term Plan (Volume II)

Funding and Financial Policy

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1.0 Introduction to the Funding and Financial Policy

Every local authority is required by Section 281(2) of the Local Government Act 2002 to develop a Funding and Financial Policy. The Funding and Financial Policy 2006-16 is included in Sections 2-14 following this introduction and covers the period 1 July 2006 to 30 June 2016.

The Funding and Financial Policy sets out the guidelines of how Council plans for, and acquires funds, to finance its operation, and the projects and programmes in the 2006-16 Long Term Plan. It also sets out Council's policy parameters, targets and guidelines concerning a number of policies.

The Funding and Financial Policy includes the following policies and summaries:

- **Revenue and Financing Policy**, which shows how Council's operational and capital expenditure will be funded or financed for each significant service, after taking into consideration a number of different factors.
- **Other Financial Policies and 2006-16 Long Term Plan Assumptions**, which describe the key policies and assumptions that the 2006-16 Long-Term Plan financial projections have been based on.
- **Investment Policy**, which sets out how Council will manage its cash investments, trust funds, special and reserve funds, sinking funds and investment in shares and property, recognising that Council is a net borrower for the foreseeable future.
- **Liability Management Policy**, which sets out how Council will manage its borrowing, funding and interest rate risks, recognising that Council is a net borrower for the foreseeable future. The policy guides Council on the specific borrowing limits and funding facilities, debt repayment parameters, credit exposure and foreign exchange risk management.
- **Rating Policy**, which sets out in detail the types of rates, rate systems, differential rating categories and definitions, rating levels, and specific rating policies Council has adopted. The rating policy also includes the:
 - **Rates Remission Policies**, which sets out Council's criteria for remitting rates, which involves reducing the amount of rates owing or waiving collection of rates under certain circumstances.
 - **Rates Postponement Policies**, which sets out Council's criteria for postponing rates which involves the payment of rates that is not waived in the first instance, but delayed until a certain time, or until certain events occur.
 - **Remission and Postponement of Rates on Maori Freehold Land Policy**, which sets out Council's criteria for remitting and postponing rates on Maori freehold land, which involves situations where there is no occupier, no economic or financial benefit capable of being derived from the land and there is no practical means of enforcing the rates assessed.
- **Funding Impact Statement**, which discloses the revenue, operational and capital expenditure requirements and funding sources/financing mechanisms of Council. It sets out how Council will determine the setting and collecting of rates, types of rates, rate systems, differential rating, and rating levels for the 2006/07 financial year.

- **Significance Policy**, which sets out how Council will decide on the significance of proposals and decisions. The policy guides Council on how to consult when making decisions of varying importance to the community. It also lets the community know what is expected in terms of consultation.
- **Partnerships with the Private Sector Policy**, which sets out Council's policy on committing resources to partnerships between Council and the private sector. It also guides Council on the circumstances Council will enter into partnership arrangements with private businesses, what conditions will be imposed and what consultation will take place.
- **Development and Financial Contributions Policy**, which sets out how Council will determine the financial contributions to be taken from developers to develop infrastructure and services to support the provision of services as the City develops and to mitigate the economic, environmental and community impacts of additional development in the City.
- **Appointment and Remuneration of Directors of Council Organisations Policy**, which sets out an objective and process for the identification and consideration of skills, knowledge and experience required of directors of a Council organisation, and the appointment of directors and the remuneration of directors.
- **Freeholding of Council Domain and Municipal Endowment Leases Policy**, which sets out the process Council will follow relating to the sale (freeholding) of Council domain and municipal endowment leases. It also sets out how Council will use the proceeds from the sales of such property.
- **Activity Management Plan Summary**, which sets out summary information about Council's major assets based on activity management plans prepared in 2005.
- **Summary Assessment of Water and Other Sanitary Services**, which sets out summary information on services which are considered important to maintaining public health within a local government district.
- **Summary of Hamilton City Council's Waste Management Plan**, which sets out information about Council's waste strategies for the future.
- **Appendices**, which provide further detailed financial information on Council's 2006-16 Long-Term Plan.

2.0 Revenue and Financing Policy

2.1 Introduction

The Local Government Act 2002 ("the Act") requires Council to adopt a Revenue and Financing Policy containing Council's policies that sets out how operating and capital expenditure will be funded with respect to the available sources of funding. It is an important policy, as it determines who pays for Council's services and how those services will be paid for.

The Council will manage its financial affairs prudently and in a manner that promotes the current and future interests of the community. The aim of its Revenue and Financing Policy is to promote consistent, prudent, effective and sustainable financial management of the Council and to fund its activities from the most appropriate source after consideration of who benefits from each service.

2.2 Legal Requirements of the Revenue and Financing Policy

The legal requirements for the Revenue and Financing Policy is detailed in the following sections of the Local Government Act 2002:

- S101 Financial Management – outlines the process for making funding decisions
- S102 Funding and Financial Policies – details the policies that must be adopted by Council
- S103 Revenue and Financing Policy – details the information that must be described in the Revenue and Financing Policy.

The detailed requirements are:

Section 103 Revenue and Financing Policy

- (1) *A policy adopted under section 102(4)(a) must state -*
 - (a) *the local authority's policies in respect of the funding operating expenses from the sources listed in subsection (2);*
 - (b) *the local authority's policies in respect of the funding of capital expenditure from the sources listed in subsection (2).*
- (2) *The sources referred to in subsection (1) are as follows:*
 - (a) *general rates, including -*
 - (i) *choice of valuation system*
 - (ii) *differential rating*
 - (iii) *uniform annual general charges;*
 - (b) *targeted rates;*
 - (c) *fees and charges;*
 - (d) *interest and dividends from investments;*
 - (e) *borrowing;*
 - (f) *proceeds from asset sales;*
 - (g) *development contributions;*
 - (h) *financial contributions under the Resource Management Act 1991;*
 - (i) *grants and subsidies;*

- (j) *any other source.*
- (3) *A policy adopted under section 102(4)(a) must also show how the local authority has, in relation to the sources of funding identified in the policy, complied with section 101(3).*

Section 101(3) Financial Management

The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of, -

- (a) *in relation to each activity to be funded, -*
 - (i) *the community outcomes to which the activity primarily contributes*
 - (ii) *the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals*
 - (iii) *the period in or over which those benefits are expected to occur*
 - (iv) *the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity*
 - (v) *the costs and benefits, including consequences for transparency and accountability, of funding the activity from other activities*
- (b) *the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community.*

2.3 Funding of Operating and Capital Expenditure

The operating and capital expenditure of Council are fully funded each year in accordance with the Adopted Plan. Operational expenditure and capital expenditure are funded or financed from a variety of sources. Refer to Section 2.2 of the Revenue and Financing Policy.

2.3.1 Operating Expenditure

The Council's policies and practices as regards the funding of its operating expenses are set to ensure that it complies with applicable legislation and generally accepted accounting practice.

Operating expenditure allows for the full provision of existing services, revised service levels, increased operating costs from new projects and infrastructure upgrades. In addition, several services have an increase applied to certain costs where there is expected to be a relationship between costs and increased population or assets vested. An inflationary adjustment has also been applied to all operational expenditure.

The Council fully funds depreciation on its operational and infrastructure assets with the exception of:

- Roads:** Depreciation on the proportion of roads funded by the Land Transport NZ subsidy are not funded based on the premise that the funding for this cost has been provided by an external party and is not required to be funded by Council funds.
- Refuse:** Depreciation on the Horotiu Landfill liner and capping are not funded as the landfill will close on 31 December 2006 and under the resource

consent the landfill is unable to continue operating. As a result, Council does not need to provide funding to replace these assets.

2.3.2 Funding Sources - Operating Expenditure

Council will use a mix of revenue sources to meet operating expenses, with the major sources being:

- **Rates (General Rates and Targeted Rates)** – These cover the revenue shortfalls for all significant services after any direct revenue earned has been applied, and are described in the Funding Impact Statement and the Rating Policy.
- **Fees and Charges (user pays principle)** – These are utilised where the services can be quantified and the end customer readily identified.
- **Subsidies and Grants** – Funding received from external agencies, eg. Land Transport New Zealand.
- **Other operating revenue** – e.g. petrol tax, dividends.

2.3.3 Capital Expenditure (Special and Capital Projects)

The Council policies and practices as regards the funding of its special and capital projects expenditure are set to ensure that it complies with applicable legislation and generally accepted accounting practice.

Council is required to identify its major projects for the purpose of completing this Long-Term Plan. Council has resolved that all major projects are budgeted for and funded through the annual planning process.

Council have determined that loan funding is available as a funding mechanism for all special and capital projects, subject to Council approval. Loan funding is used where there are intergenerational equity issues to consider. The use of the loan allows for the cost of the facility to be spread over the time period of the loan. The repayment of loans and their financing costs are funded from three sources - Reserves, Development and Financial Contributions and Rates (General Rates and Access Hamilton targeted rate). For loans funded from rates, each year the ratepayers contribute to a share of the cost, in the form of the loan and interest repayment. Other methods of funding (subsidies or grants, capital contributions/other revenue, development and financial contributions, reserves or depreciation (rates), should be considered as the primary means of funding before consideration of loan funding. However, each case is assessed on its merits to determine to the appropriate funding source.

2.3.4 Funding Sources - Capital Expenditure

Council uses a mix of funding sources to meet special and capital projects expenditure, with the major sources being:

- **Loan Funding** – Used to fund capital and infrastructural developments or refinance existing assets or for other special and capital projects in accordance with the capital expenditure policy.
- **Subsidies and Grants** – Funding received from external agencies, eg. Land Transport New Zealand.
- **Capital Contributions/Other Revenue** – These can be from any source, including proceeds from the sale of assets and revenue from third parties.

- **Development and Financial Contributions** – Contributions for the city's asset development needs under the Local Government Act 2002 are outlined in the Development and Financial Contributions Policy included as part of the Funding and Financial Policy.
- **Reserves** – Special reserves are available to fund projects that meet qualifying criteria.
- **Depreciation (Rates)** - Depreciation reserves funded from operational expenditure are available to offset special and capital projects expenditure and debt repayment.

2.4 Section 101(3) Analysis

Each of the significant services of Council are reviewed according to the following considerations:

- **Community outcomes** s101(3)(a)(i)
- **Who benefits from the services?** s101(3)(a)(ii)
- **What is the timeframe for the benefits?** s101(3)(a)(iii)
- **Who causes the costs?** s101(3)(a)(iv)
- **Where is the funding coming from?** s101(3)(a)(v)

The consolidated results are then considered in light of section 101(3)(b) of the Act, which requires regard being given to the overall community well being in deciding upon the final policy.

The following outlines the principles used for the review of each significant service.

2.4.1 Community Outcomes

Each significant service must be aligned to a community outcome.

The community outcomes for this Long-Term Plan are:

SUSTAINABLE AND WELL-PLANNED

1 “An attractive city that is planned for the well-being of people and nature, now and in the future”

HAMILTON PEOPLE WANT A CITY THAT:

- 1.1 Is easy to get around so everybody can access services and facilities.
- 1.2 Is safe and enjoyable for walking and cycling, encourages innovative transport options and has quality public transport.
- 1.3 Has integrated transport systems that connect it to New Zealand and the world.
- 1.4 Protects and enhances its green spaces and natural environment for everyone to value and enjoy.
- 1.5 Uses processes of sustainable urban design that enhance neighbourhood communities.
- 1.6 Sustainably manages resources such as water and energy.
- 1.7 Encourages and enables people to recycle and minimise waste.

VIBRANT AND CREATIVE**2 “A city that encourages creativity for a vibrant lifestyle”****HAMILTON PEOPLE WANT A CITY THAT:**

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

UNIQUE IDENTITY**3 “A city with a strong identity that recognises the significance of its river and history”****HAMILTON PEOPLE WANT A CITY THAT:**

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

SAFETY AND COMMUNITY SPIRIT**4 “A safe, friendly city where all people feel connected and valued”****HAMILTON PEOPLE WANT A CITY THAT:**

- 4.1 Has safe roads and low crime rates, where people can feel secure at all times.
- 4.2 Promotes awareness and involvement in community activities and events.
- 4.3 Enables ethnic communities to feel connected and valued.
- 4.4 Addresses social issues and values volunteers.
- 4.5 Builds socially engaged, responsive communities.

HEALTHY AND HAPPY**5 “Active and healthy people with access for all to affordable facilities and services”****HAMILTON PEOPLE WANT A CITY THAT:**

- 5.1 Provides opportunities for people of all ages and abilities to access and participate in sport and leisure activities that meet their diverse needs.
- 5.2 Provides affordable, responsive and accessible activities and health care for people of all ages and abilities.
- 5.3 Is an ideal place for family and whanau, with lots of activities and places for tamariki and rangatahi to enjoy.
- 5.4 Provides access for all people to a range of healthy, affordable, quality housing.

INTELLIGENT AND PROGRESSIVE CITY**6 “Business growth that is in harmony with the city’s identity and community spirit”****HAMILTON PEOPLE WANT A CITY THAT:**

- 6.1 Is recognised as the thriving economic hub for the Waikato region and provider of regional services.
- 6.2 Attracts and retains sustainable, innovative businesses.
- 6.3 Offers a range of job opportunities throughout the city to suit all skill levels.
- 6.4 Is progressive and cosmopolitan, creating an environment for business success.
- 6.5 Attracts and retains people and investment and grows great ideas.

WORKING TOGETHER**7 “Collaborative decision-making and planning are common practice”****HAMILTON PEOPLE WANT A CITY THAT:**

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

2.4.2 Who Benefits from the Services?

Council must analyse the benefits from each service and determine whether those benefits flow to the community as a whole or to individuals or identifiable parts of the community.

Public and Private Benefits

Benefits to the community as a whole are **public benefits** and these benefits are characterised by the following:

- It is not possible to accurately identify persons or groups of persons that receive the benefit.

- It is usually not possible to control who receives the benefit.
- Generally, public benefits are those most appropriately funded by the community through rates.

It is not necessary that the entire community receive a benefit for that benefit to be public.

Benefits to individuals or identifiable parts of the community are **private benefits** and those benefits are characterised by the following:

- It is possible to identify persons or groups of persons that receive the benefit.
- It is usually possible to control who receives the benefit.
- Generally, private benefits are those most appropriately funded on a user pays basis.

In most instances, a Council service has elements of both public and private benefit. It is necessary for the Council to decide the mixture of public and private benefit that arises from the delivery of a service. It is important to analyse the mixture of public and private benefit for a service as a guide to deciding the most appropriate mix of funding sources for the service.

Council has used an assessment formula to gauge an aggregate public/private benefit mix for each service. This aggregate is based on an average score from a series of questions used to determine the public/private benefit mix. The aggregate score is then aligned with the closest of one of the below preset public/private benefit mixes.

Category	Public	Private
Purely Public	100%	0%
Mainly Public	75%	25
Mixed	50%	50%
Mainly Private	25%	75%
Purely Private	0%	100%

2.4.3 What is the Timeframe of the Benefits

Council is required to assess the period of time over which the benefits from each service will flow.

For all activities, operating costs are directly related to providing benefits in the year of expenditure. As such, they are appropriately funded on an annual basis from annual revenue or rates.

Capital expenditure on assets provide benefits for the duration of the assets useful life. An asset's useful life can run for many decades and benefit more than one generation within the community. In this case, it is appropriate to consider how future generations will contribute to funding the cost of the asset. The concept of intergenerational equity reflects the view that benefits occurring over time should be funded over time. Thus, the focus is on allocating the costs of capital expenditure fairly between the ratepayers of today and tomorrow. The principle is that ratepayers should not be required to meet costs until they enjoy the associated benefits.

One method used to spread these costs over time is loan funding. Each year's ratepayers pay the interest (representing the cost of capital) and depreciation charges

(representing the loan principle repayments) that are associated with the asset. This results in costs being spread more evenly across the life of the asset and the different ratepayers who benefit from the asset.

2.4.4 Who Causes the Costs?

Council must consider if there is any group that causes the cost of a service and assess the extent to which each service exists only because of the actions or inaction of an individual or group. If it is the case that such a group can be identified, they will be required to contribute towards the cost.

This principle is known as exacerbator pays or polluter pays. The principle is that Council should identify the costs to the community of controlling the negative effects of individual or group actions and recover any costs directly from those causing the problem. However, exacerbaters should only be required to cover the cost to the extent to which they contribute to the cost in the first place.

2.4.5 Where is the funding coming from?

Council must consider the costs and benefits of funding each service in a way that relates exclusively to that service. Some activities may be best funded using user charges, such as swimming pool admission fees, others with targeted rates, such as a water rate, and others from the general rate, such as road maintenance.

Distinct funding enables ratepayers or payers of user charges to assess more readily whether or not the cost of the service to them represents good value. They can also more easily determine how much money is being raised for the service and spent on the service, which promotes transparency and accountability.

Distinct funding for every service would be extremely complex and costly to administer. Sometimes the amount that is collected is not sufficient to justify this expense. Council collects a general rate to pay for many services where distinct funding would be too expensive. Ratepayers are still able to find out where the funding collected through the general rate will be spent because the services, and the amount of the general rate that will go towards paying for each service, is published in the Long-Term Plan or Annual Plan.

2.4.6 How are the Rates Allocated?

The general rate is allocated to properties based on the value of that property. Council has chosen to use land value as the basis by which to calculate the amount of rates to allocate to a specific property.

In a number of cases, analysing the benefits of a service suggests that a sector either benefits less than the rest of the community or doesn't benefit at all. In these cases, it would not be fair to require that sector to pay as much as other sectors who do benefit from the service, even though it is still most efficient to collect the funding through rates charged to the community as a whole.

Council has divided property into seven different property sectors, Residential, Inner City Residential Apartments, Commercial/Industrial, Multi-Unit, Rural Residential, Small Rural and Large Rural. When different cost and benefit patterns amongst these sectors of the community are significant, these are recognised through the use of differentials on the general rate. Differentials are expressed as separate factors for each property sector and those factors are applied to the general rate. Differentials have the effect of

adjusting the general rate allocated to a particular sector to better reflect the level of service to that sector.

Refer to the following Strategic Framework Strands to ascertain the basis for the funding allocation for each service.

Strategic Framework: Strand A – Investing in our People

2.5 Community Support

2.5.1 Description of the services

The community support services encompass coordinating, managing, operating and funding a range of community-based neighbourhood houses, programmes and initiatives. The services often involve Council working in partnership with community organisations, government agencies and various services in Hamilton to benefit a number of sectors of the community. For the purposes of determining costs and funding, Community Support is further divided into the following services:

- Community Assistance
- Social Development – Administration
- Employment Development
- Neighbourhood Development
- Youth Programme

2.5.2 Community Outcomes

The Community Support services contribute to the community outcome of:

Safety and Community Spirit

“A safe friendly city where all people feel connected and valued.”

- A city that builds socially engaged, responsive communities.

Who benefits from the services?

Council has determined that the benefits from expenditure on community support services are a mixture of both private and public.

Individuals who direct benefit from the employment development and youth advisory services do so by way of either gaining employment experience or opportunities or by receiving professional youth support and advice. Individuals, groups, clubs and community organisations receive private benefits by way of grants or other forms of financial and advisory support.

All of the community support activities provide a substantial public benefit in some way. Employment development, neighbourhood development and community assistance can benefit the economic, environmental and social development of the community as a whole through the resulting contribution that individuals or community groups that benefit directly from the service are able to make. There are also the wider community benefits from the safety and well being aspects of youth initiatives, neighbourhood development and social development programmes.

Activity	Public Benefit (%)	Private Benefit (%)
Community Assistance	50	50
Social Development	50	50
Employment Development	50	50
Neighbourhood Development	50	50
Youth Programme	50	50

What is the timeframe for the benefits?

For all the community support activities, the period of benefit for operating costs is the short term – one year.

Council determined that there were no intergenerational equity issues to consider for the community support services.

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council determined that, as the object is to provide support rather than user pays services, there were no particular groups that could be identified as a significant cause of the cost of the community support service.

Where is the funding coming from?

There are two sources of funding:

- i) Subsidies and Other Revenue
Government subsidies through WINZ funding and other sources of funding, if and when available.
- ii) Rates
Council considers that the most appropriate mechanism for funding the balance of the activities costs is the general rate.

The funding source for each activity is as follows (in percentage of total activity cost):

Activity	Subsidies & Other Income (%)	Rates (%)
Community Assistance	6	94
Social Development	0	100
Employment Development	30	70
Neighbourhood Development	0	100
Youth Programme	0	100

How are the Rates allocated?

The general rate is allocated to land using differentials and land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the services is not in direct correlation to land value and, to address this issue, have made appropriate allocation adjustments to the different property sectors.

The general rate is allocated over residential, inner city apartment, commercial/industrial, multi-unit and rural residential property sectors based on land value.

The large rural and small rural sector allocations have been reduced because Council determined that an allocation to these sectors based purely on land value would result in a disproportionate amount of costs allocated to these sectors.

2.6 Community Facilities

2.6.1 Description of the Services

The community facilities services involve operating facilities that meet a variety of community needs. The facilities are mostly buildings and property requiring regular maintenance. For the purposes of determining costs and funding, community facilities is further divided into the following services:

- Community Facilities:
 - Enderley Park Community Centre
 - Celebrating Age Centre
 - Te Rapa Sportsdrome
- Cemeteries and Crematorium
- Community Halls
- Leased Buildings
- Housing Services
- Public Toilets

2.6.2 Community Outcomes

The Community Facilities services contribute to the community outcome of:

Healthy and Happy

"Active and healthy people with access for all to affordable facilities and services."

- A city that provides access for all people to a range of healthy, affordable, quality housing.

Who benefits from the services?

Council has determined that the benefits from expenditure on community facilities are a combination of mixed and mainly private. Individuals and groups derive private benefit from the use of community halls and public toilet facilities. Individuals in housing provided by Council benefit from affordable accommodation. Family members of the deceased benefit from cemetery and crematorium services.

The public benefits of the community facilities derive from the community well being as a result of having access to community facilities and affordable housing. The Celebrating Age Centre and community halls promote and develop social cohesion through being places for the community to meet. Public health and sanitation is a public benefit provided by toilets and cemeteries and crematorium. Cemeteries also benefit the public through their heritage value and as reserves.

Activity	Public Benefit (%)	Private Benefit (%)
Community Facilities	50	50
Cemeteries and Crematorium	25	75
Community Halls	25	75
Leased Buildings	25	75
Housing Services	25	75
Public Toilets	50	50

What is the timeframe for the benefits?

For all the community facility services, the period of benefit for operating costs is the short term – one year.

Council considered the intergenerational equity issues for the community facility services and determined that the development of the crematorium, the purchasing of new housing units, the construction of new public toilets will benefit both the current and future generations. This means that the costs of these activities are most appropriately spread over time via a combination of loan funding and development and financial contributions.

Activity	Period of benefit from Capital Assets
Community Facilities	40 – 100 years
Cemeteries and Crematorium	3 – 100 years
Community Halls	40 – 100 years
Leased Buildings	40 – 100 years
Housing Services	40 – 100 years
Public Toilets	40 – 100 years

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Tenants of housing, users of community halls and users and mis-users of the public toilets were all identified by Council as having the potential to add to the costs of the services. The cost of identifying mis-users of toilets prohibits them being identified to allocate costs to them. Therefore, Council determined that there were no particular groups that could be identified as a significant cause of the cost of the community facilities service, with the exception of demand for new facilities as a result of development and growth in the city. In this situation, Council have determined that the cost of developing new facilities should be recoverable in part from developers via development and financial contributions.

Renewals of existing facilities will be funded by either loans and/or depreciation reserves.

Where is the funding coming from?

There are two sources of operating funding:

- i) Fees, user charges and other income
The users of the community buildings and Housing services are charged rentals and lease fees.

Interment fees are charged for the cemeteries and crematorium.

Council has considered the option of user pays toilet facilities and has determined that this is not feasible without a major cost to upgrade the current facilities.
- ii) Rates
Council considers that the most appropriate mechanism for funding the balance of the activities costs is the general rate.

The funding source for each activity is as follows (in percentage of total activity cost):

Activity	Fees, User Charges, Other Income (%)	Rates (%)
Community Facilities	14	86
Cemeteries and Crematorium	76	24
Community Halls	4	96
Leased Buildings	9	91
Housing Services	98	2
Public Toilets	0	100

Sources of capital funding may be funded by a mixture of any of the following:

- Loans
- Development and financial contributions
- Subsidies and Grants
- Capital Contributions/other revenue
- Reserves
- Depreciation reserves (rates)

How are the Rates allocated?

The general rate is allocated to land using differentials and land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the services is not in direct correlation to land value and, to address this issue, have made appropriate allocation adjustments to the different property sectors.

The general rate is allocated over residential, inner city apartment, commercial/industrial, multi-unit and rural residential property sectors based on land value.

The large rural and small rural sector allocations have been reduced because Council determined that an allocation to these sectors based purely on land value would result in a disproportionate amount of costs allocated to these sectors.

2.7 Emergency Management

2.7.1 Description of the Services

These services consist of the development and maintenance of emergency management strategies, programmes and plans that minimise, reduce or eliminate the impact of the consequences of a major disaster in Hamilton and the Waikato region.

2.7.2 Community Outcomes

The Emergency Management service contributes to the community outcome of:

Working Together

“Collaborative decision-making and planning are common practice.”

- A city that engages all local communities in planning and developing the city’s future.

Who benefits from the services?

Council has determined that the benefit from expenditure on emergency management is a purely public benefit, to people rather than to property. The whole community benefits from the knowledge of the essential contingency service, which indicates a state of readiness in the event of an emergency.

The Council recognises that in the event of an emergency there will be private benefits, but the cost of providing those benefits will not come from the funding for emergency management.

Activity	Public Benefit (%)	Private Benefit (%)
Emergency Management	100	0

What is the timeframe for the benefits?

For emergency management, the period of benefit for operating costs is the short term – one year.

Council determined there were no intergenerational equity issues for emergency management.

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council considered that groups or individuals that might cause a civil defence emergency are, in practice, difficult to identify.

Where is the funding coming from?

There are two sources of funding:

- Contributions
Contributions from other councils within the regional emergency area.
- Rates
Council considers that the most appropriate mechanism for funding the balance of the activities costs is the general rate.

The funding source for the activity is as follows (in percentage of total activity cost):

Activity	Contributions (%)	Rates (%)
Emergency Management	44	56

How are the Rates allocated?

The general rate is allocated to land using differentials and land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the services is not in direct correlation to land value and, to address this issue, have made appropriate allocation adjustments to the different property sectors.

The general rate is allocated over residential, inner city apartment, commercial/industrial, multi-unit and rural residential property sectors based on land value.

The large rural and small rural sector allocations have been reduced because Council determined that an allocation to these sectors based purely on land value would result in a disproportionate amount of costs allocated to these sectors.

2.8 Partnership with Maori

2.8.1 Description of the Services

The partnership with Maori service involves the relationship with the Waikato Raupatu Trustee Company (Tainui). The partnership also covers Nga Mana Toopu O Kirikiriroa on natural and physical resource management issues and Te Runanga O Kirikiriroa, which includes discussing relevant partnership issues, administering the Council's Maori project fund, and providing services and policy advice on urban Maori issues.

2.8.2 Community Outcomes

The Partnership with Maori service contributes to the community outcome of:

Working Together

"Collaborative decision-making and planning are common practice."

- A city that ensures Maori are respected as a partner in decision-making and have a voice on issues that affect the city.

Who benefits from the services?

Council has determined that the benefits from expenditure on partnership with Maori are a mixture of private and public. Maori groups derive private benefit from the various grants available under the service and from the policy.

The wider community derives public benefit from the public consultation and partnership with Maori organisations, because the social support this partnership provides helps to build a more resilient and cohesive community.

Activity	Public Benefit (%)	Private Benefit (%)
Partnership with Maori	50	50

What is the timeframe for the benefits?

For partnership with Maori services, the period of benefit for operating costs is the short term – one year.

Council determined there were no intergenerational equity issues for Partnership with Maori services.

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council determined that, to be consistent with the objective of providing a support service, there were no particular groups that could be identified as a significant enough cause of the cost of the Partnership with Maori service.

Where is the funding coming from?

Council decided that the most appropriate mechanism for funding the partnership with Maori service costs is the general rate. The services are 100% funded from the general rate. Council determined that user charges would conflict with the purpose of Partnership with Maori, which is to provide support rather than a user pays service.

Activity	Subsidies & Grants (%)	Rates (%)
Partnership with Maori	0	100

How are the Rates allocated?

The general rate is allocated to land using differentials and land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the services is not in direct correlation to land value and, to address this issue, have made appropriate allocation adjustments to the different property sectors.

The general rate is allocated over residential, inner city apartment, commercial/industrial, multi-unit and rural residential property sectors based on land value.

The large rural and small rural sector allocations have been reduced because Council determined that an allocation to these sectors based purely on land value would result in a disproportionate amount of costs allocated to these sectors.

2.9 Representation and Civic Affairs

2.9.1 Description of the Services

The representation and civic affairs service provides support to Council's democratic process, including elected members remuneration, meetings, public consultation, communication, civic functions, the Office of the Mayor, elections and the maintenance of the electoral roll. For the purposes of determining costs and funding, Representation and Civic Affairs is further divided into the following services:

- Councillor Services
- Elections
- Mayoral

2.9.2 Community Outcomes

The Representation and Civic Affairs service contributes to the community outcome of:

Working Together

"Collaborative decision-making and planning are common practice."

- A city that engages all local communities in planning and developing the city's future.

Who benefits from the services?

Council has determined that the benefit of expenditure on representation and civic affairs is a purely public benefit. The service means the public has the opportunity to be part of the democratic process and be represented. The public also benefits from the opportunity to have input into the development of the city through public consultation and every three years through the election of the Mayor and Council. The assurance the public has that the city's resources, including assets and funds, are maintained and managed according to the relevant laws is also a benefit.

Activity	Public Benefit (%)	Private Benefit (%)
Councillor Services	100	0
Elections	100	0
Mayoral	100	0

What is the timeframe for the benefits?

For representation and civic affairs, the period of benefit for operating costs is the short term – one year.

Council determined there were no intergenerational equity issues for representation and civic affairs.

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council determined that there were no particular groups that could be identified as a significant cause of the cost of the representation and civic affairs service.

Where is the funding coming from?

There are two sources of funding:

- i) Fees, user charges and other income
Contributions from another local authority and the DHB, for conducting elections every three years.
- ii) Rates
Council considers that the most appropriate mechanism for funding the balance of the activities cost is the general rate.

The funding source for the activity is as follows (in percentage of total activity cost):

Activity	Fees, User Charges, Other Income (%)	Rates(%)
Councillor Services	1	99
Elections	100	0
Mayoral	0	100

Note: Every three years (2007/08, 2010/11, 2013/14) the elections service incurs the operational costs of conducting an election and the funding sources are approximately 33% fees, 67% rates.

How are the Rates allocated?

The general rate is allocated to land using differentials and land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the services is not in direct correlation to land value and, to address this issue, have made appropriate allocation adjustments to the different property sectors.

The general rate is allocated over residential, inner city apartments, commercial/industrial, multi-unit and rural residential property sectors based on land value.

The large rural and small rural sector allocations have been reduced because Council determined that an allocation to these sectors based purely on land value would result in a disproportionate amount of costs allocated to these sectors.

2.10 Environmental Health

2.10.1 Description

The environmental health services primarily involve the monitoring, inspection and enforcement of standards in regards to all premises licensed for the sale of liquor and regulated under the Health Act 1956, recreational water quality (including public pools), and the control of air, noise and land pollution. It also includes central city safety activities and initiatives, such as working in partnership with the police, community groups, government agencies and other Council units to reduce crime and increase people's safety within the central city. For the purposes of determining costs and funding, Environmental Health is further divided into the following services:

- Environmental Health
- Central City Safety

2.10.2 Community Outcomes

The Environment Health services contribute to the community outcome of:

Healthy and Happy

"Active and happy people with access to affordable facilities and services."

Who benefits from the services?

Council has determined that the benefits of expenditure on environmental health services are mixture of both private and public benefits. The public benefit arises from the general community health and safety welfare that results from the enforcement of bylaws and statutory requirements of health standards. Environmental control functions such as licensing of dangerous goods, and inspecting and monitoring premises and installations and investigating nuisances and concerns, including air and noise pollution, provide the public with the benefit of safety and assure relief from public nuisances. Reducing crime and anti-social behaviour through central city safety activities enhances the reputation of the city as a public benefit.

Council considers individual licences that certify individuals or particular owners of premises to use premises for a specific use are a private benefit to those individuals. Individual owners also benefit from advice about improvements to health, hygiene and safety conditions on their premises. Individuals and commercial operators within the central city privately benefit from the increased safety for themselves, their property and, in the case of commercial operators, their customers and trade.

Activity	Public Benefit (%)	Private Benefit (%)
Environmental Health	50	50
Central City Safety	50	50

What is the timeframe for the benefits?

For the environmental health services, the period of benefit for operating costs is the short term – one year.

The Council did not consider there were any intergenerational equity issues for the environmental health services.

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council considered that, in most cases, a particular group could be identified and held responsible for paying for the enforcement of a particular environmental health service. However, in the case of central city safety activities, it is not necessarily possible or practical to be able to charge the cost of the services to the individuals responsible for the cost.

Where is the funding coming from?

Council has determined it is appropriate to recover the cost of some of the service by user charges to those who require the services.

Therefore the two sources of funding are:

- i) Fees, user charges and other income
User charges through licence fees, registration fees, fines and other processing and inspection fees.
- ii) Rates
Council decided that the most appropriate mechanism for funding the balance of the activities costs is the general rate.

The funding source for the service is as follows (in percentage of total activity cost):

Activity	Fees, User Charges, Other Income (%)	Rates (%)
Environmental Health	45	55
Central City Safety	27	73

How are the Rates allocated?

The general rate is allocated to land using differentials and the land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the service is not in direct correlation to land value and to address this issue makes appropriate allocation adjustments to the different property sectors or to the allocation of the costs to the sector.

The general rate is allocated over the residential, inner city apartment, multi-unit, rural residential, small rural and large rural property sectors based on land value.

The allocation to the commercial/industrial sector has been increased to reflect the economic benefits to the commercial sector from the Environmental Health services.

2.11 Parks and Gardens

2.11.1 Description of the services

The parks and gardens service provides open space for active and passive recreation, including parks, walkways and playground facilities. The service also maintains plantings within open spaces, parks, streets and traffic islands. Parks and Gardens is divided into the following services:

- City Beautification
- Hamilton Gardens
- Parks and Gardens

2.11.2 Community Outcomes

The Parks and Gardens service contribute to the community outcome of:

Sustainable and Well-Planned

"An attractive city that is planned for the well-being of people and nature, now and in the future."

- A city that protects and enhances its green spaces and natural environment for everyone to value and enjoy.

Who benefits from the services?

Council has determined that the benefit from expenditure on the parks and garden services are generally a mixture of private and public, with city beautification having a predominantly public benefit.

The public benefit is the unrestricted access to parks and gardens and the general enhancement value of green space, trees and plants to the city. There are also tourism opportunities created by the Hamilton Gardens, which impacts positively on Hamilton's economy.

The private benefit is to individual and groups who use the parks and gardens, including the Hamilton gardens and pavilion, and to property owners who benefit from the ambience of their neighbourhood being improved by tree and traffic island planting. There is also private benefit to community groups who lease endowment property.

Activity	Public Benefit (%)	Private Benefit (%)
City Beautification	75	25
Hamilton Gardens	50	50
Parks and Gardens	50	50

What is the timeframe for the benefits?

The period of benefit for operating costs for the parks and gardens services is the short term – one year.

Council considered the intergenerational equity issues and determined that, for the most part, capital works in the parks and gardens services are minor so it is more appropriate to allocate the cost to the community in the year the work is undertaken.

Renewals of existing facilities will be funded by either loans and/or depreciation reserves.

Purchase of greenfields reserve land, and development of additional park and garden reserves is funded by development and financial contributions from developers, which avoids any intergenerational equity issues.

Activity	Period of benefit from Capital Assets
City Beautification	4 –20 years
Hamilton Gardens	40 – 100 years
Parks and Gardens	40 – 100 years

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council considers that developers are the particular group that cause the demand for developing and reserving parks and garden spaces within the city. Development of the city has an impact on the space available for people to enjoy and Council have determined that the cost of developing such spaces should be recoverable in part from developers via development and financial contributions.

Where is the funding coming from?

There are two sources of operating funding:

- i) Other income
Rental charged on endowment properties and the pavilion. Entry fees are not charged because Council felt these fees would be inconsistent with the objective of providing accessible and widely used parks and garden facilities.
- ii) Rates
Council considers that the most appropriate mechanism for funding the balance of the activities costs is the general rate.

The funding source for each activity is as follows (in percentage of total activity cost):

Activity	Other Income (%)	Rates (%)
City Beautification	0	100
Hamilton Gardens	9	91
Parks and Gardens	10	90

Sources of capital funding may be funded by a mixture of any of the following:

- Loans
- Development and financial contributions
- Subsidies and Grants
- Capital Contributions/other revenue
- Reserves
- Depreciation reserves (rates)

How are the Rates allocated?

The general rate is allocated to land using differentials and land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the services is not in direct correlation to land value and, to address this issue, have made appropriate allocation adjustments to the different property sectors.

The general rate is allocated over residential, inner city apartment, commercial/industrial, multi-unit and rural residential property sectors based on land value.

The large rural and small rural sector allocations have been reduced because Council determined that an allocation to these sectors based purely on land value would result in a disproportionate amount of costs allocated to these sectors.

2.12 Sports Areas

2.12.1 Description of the services

The sports areas service consists of developed open spaces and facilities for active leisure needs and general public use. The activities under this service include the maintenance and development of these areas for sporting use.

2.12.2 Community Outcomes

The Sports Areas service contributes to the community outcome of:

Healthy and Happy

"Active and healthy people with access to affordable facilities and services."

- A city that provides opportunities for people of all ages and abilities to access and participate in sport and leisure activities that meet their diverse needs.

Who benefits from the services?

Council has determined that the benefits from expenditure on sports areas are mainly private. The availability of sports grounds and facilities for use by sporting groups, teams, clubs and associations is a significant private benefit to those groups and their members.

The public derive benefit from having access to sports grounds for recreation other than organised sport (walking, running, picnicking etc.).

Activity	Public Benefit (%)	Private Benefit (%)
Sports Areas	25	75

What is the timeframe for the benefits?

The period of benefit for operating costs for sports areas is the short term – one year.

Council considered the intergenerational equity issues for the sports areas services and determined that, for the most part, capital works on sports areas are minor so it is more appropriate to allocate the cost to the community in the year the work is undertaken. Renewals of existing facilities will be funded by either loans and/or depreciation reserves. Development of new sports areas is funded by development and financial contributions from developers, which avoids any intergenerational equity issues.

Activity	Period of Benefit from Capital Assets
Sports Areas	40-100 years

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council considers that developers are the particular group that cause the demand for developing and reserving spaces for sports areas within the city. Development of the city has an impact on the space available for people to enjoy and Council have determined that the cost of developing

such spaces should be recoverable in part from developers via development and financial contributions.

Where is the funding coming from?

There are two sources of operating funding:

- i) Fees, user charges and other income
Rent charged to users of the sports areas. Rental user charges are kept reasonably low in line with the objective of providing widely used community sporting facilities.
- ii) Rates
Council considers that the most appropriate mechanism for funding the balance of the activities cost is the general rate.

The funding source for the activity is as follows (in percentage of total activity cost):

Activity	Fees, User Charges, Other Income (%)	Rates(%)
Sports Areas	5	95

Sources of capital funding may be funded by a mixture of any of the following:

- Loans
- Development and financial contributions
- Subsidies and Grants
- Capital Contributions/other revenue
- Reserves
- Depreciation reserves (rates)

How are the Rates allocated?

The general rate is allocated to land using differentials and land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the services is not in direct correlation to land value and, to address this issue, have made appropriate allocation adjustments to the different property sectors.

The general rate is allocated over residential, inner city apartment, commercial/industrial, multi-unit and rural residential property sectors based on land value.

The large rural and small rural sector allocations have been reduced because Council determined that an allocation to these sectors based purely on land value would result in a disproportionate amount of costs allocated to these sectors.

2.13 Swimming Facilities

2.13.1 Description of the services

The swimming facilities services consist of the operation and funding of public swimming facilities throughout the City.

2.13.2 Community Outcomes

The Swimming Facilities service contributes to the community outcome of:

Healthy and Happy

"Active and happy people with access to affordable facilities and services."

- A city that provides opportunities for people of all ages and abilities to access and participate in sport and leisure activities that meet their diverse needs.

Who benefits from the services?

Council has determined that the benefits from expenditure on events facilities are mainly the private benefit to the swimmers and other patrons who use the pools, spa, hydroslide and barbeque facilities etc.

The public derive benefit from education in water safety and from the provision of recreational resources that encourage community health and social gathering.

Activity	Public Benefit (%)	Private Benefit (%)
Swimming Facilities	25	75

What is the timeframe for the benefits?

The period of benefit for operating costs for the swimming facilities services is the short term – one year.

Council considered the intergenerational equity issues for the swimming facilities services and determined that the extent of the capital development that is required from time to time means that it is most appropriate to allocate the cost to the current and future communities via a combination of loan funding and development and financial contributions.

Renewals of existing facilities will be funded by either loans and/or depreciation reserves.

Activity	Period of benefit from Capital Assets
Swimming Facilities	40 – 100 years

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council determined that there were no particular groups that could be identified as a significant cause of the cost for the swimming facilities service, although the demand for new swimming facilities is largely as a result of development and growth in the city. Council have determined

that the cost of developing new swimming facilities should be recoverable in part from developers via development and financial contributions.

Where is the funding coming from?

There are two sources of operating funding:

- i) Fees, user charges and other income
Admission fees are charged for the use of the swimming facilities. Admission fees are kept at a level that is consistent with the objective of promoting community-wide access to the benefits provided by the swimming facilities.
- ii) Rates
Council considers that the most appropriate mechanism for funding the balance of the activities costs is the general rate.

The funding source for each activity is as follows (in percentage of total activity cost):

Activity	Fees, User Charges, Other Income (%)	Rates (%)
Swimming Facilities	40	60

Sources of capital funding may be funded by a mixture of any of the following:

- Loans
- Development and financial contributions
- Subsidies and Grants
- Capital Contributions/other revenue
- Reserves
- Depreciation reserves (rates)

How are the Rates allocated?

The general rate is allocated to land using differentials and land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the services is not in direct correlation to land value and, to address this issue, have made appropriate allocation adjustments to the different property sectors.

The general rate is allocated over residential, inner city apartment, commercial/industrial, multi-unit and rural residential property sectors based on land value.

The large rural and small rural sector allocations have been reduced because Council determined that an allocation to these sectors based purely on land value would result in a disproportionate amount of costs allocated to these sectors.

Strategic Framework: Strand B – Creating Identity and Prosperity

2.14 Environmental Services

2.14.1 Description of the services

Environmental Services comprises activities that primarily involve the management of the built environment primarily through consent and enforcement activities of relevant legislation. The services also include activities related to animal control. For the purposes of determining costs and funding, Environmental Services is further divided into the following services:

- Animal Care and Control
- Building Control
- Building Support
- Parking Enforcement
- Planning Guidance

2.14.2 Community Outcomes

Environmental Services contribute to the community outcome of:

Safety and Community Spirit

"A safe, friendly city where all people feel connected and valued."

Sustainable and Well-Planned

"An attractive city that is planned for the well-being of people and nature, now and in the future."

- A city that is easy to get around so everybody can access services and facilities.
- A city that uses processes of sustainable urban design that enhance neighbourhood communities.

Who benefits from the services?

Council has determined that benefits from expenditure on activities within Environmental Services provide a mixture of both private and public benefits.

Property owners, occupiers, developers and commercial operators derive private benefit from Building Control and Planning Guidance because of the value those activities contribute to the land and buildings as a result of the consents that are granted and monitored. Animal owners are the principal private beneficiaries of Animal Care and Control through control education and the dog registration service, although commercial operators also benefit from dog control measures.

Building Control and Planning Guidance provide public benefit by monitoring and enforcing consents, ensuring that the public can rely on statutory safety standards, District Plan, Resource Management Act and consent requirements being met. The public also has the opportunity to be involved in public consultation and hearings or raise complaints about non-complying private activities. The public benefits of Animal Care and Control are those of public safety and welfare, safeguarded through control

laws and bylaws, Council response to public complaints and better educated dog owners.

Activity	Public Benefit (%)	Private Benefit (%)
Animal Care and Control	50	50
Building Control	50	50
Building Support	50	50
Parking Enforcement	50	50
Planning Guidance	50	50

What is the timeframe for the benefits?

For all the Environmental services activities, the period of benefit for operating costs is the short term – one year.

Council has determined that there are no intergenerational equity issues relating to the services. Capital assets for these services do provide benefit over several years but the cost of the capital expenditure is funded on an annual basis.

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council considers that there are identifiable groups that are responsible for the costs of these services, such as property developers, owners, individuals who do not comply with regulations and dog owners. The principle of exacerbator pays is applied and fees and penalties are charged specifically to individuals.

Where is the funding coming from?

There are two sources of funding:

- i) Fees, user charges and other income
User charges and fees are charged through building consent applications charges, processing and inspection fees, hearing charges, monitoring fees and fines for planning and dog registration, impounding fees fines and disposal fees. Penalties for non-compliance with laws and bylaws also contribute to funding from this source through fines.
- ii) Rates
The balance of funding for the activities is funded through the general rate.

The funding source for each activity is as follows (in percentage of total activity costs).

Activity	Fees, User Charges, Other Income (%)	Rates (%)
Animal Care & Control	56	44
Building Control	93	7
Building Support	73	27
Parking Enforcement	100	0
Planning Guidance	60	40

Sources of capital funding may be funded by a mixture of any of the following:

- Loans
- Development and financial contributions
- Subsidies and Grants
- Capital Contributions/other revenue
- Reserves
- Depreciation reserves (rates)

How are the Rates allocated?

The general rate is allocated to land using differentials and land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the services is not in direct correlation to land value and, to address this issue, have made appropriate allocation adjustments to the different property sectors.

The general rate is allocated over residential, inner city apartments, commercial/industrial, multi-unit, rural residential and small and large rural property sectors based on land value.

Council considers that it is not necessary to further adjust the allocation because of the substantial benefit of the services to the community as a whole.

2.15 Economic Development

2.15.1 Description of the services

Economic development involves the communication, marketing and support of Hamilton's economic development activities through partnerships and financial support primarily through the economic development agency Katolyst Group.

2.15.2 Community Outcomes

The Economic Development service contributes to the community outcome of:

Intelligent and Progressive City

"Business growth that is in harmony with the city's identity and community spirit."

- A city that attracts and retains sustainable, innovative businesses.

Who benefits from the services?

Council has determined that the benefit from expenditure on economic development is a mixture of both private and public benefits. Agencies, businesses and organisations experience private benefit through the financial support they receive. Visitors to the city benefit from being able to obtain information about the city at the visitor information centre.

The public benefit arises from the overall benefits to the city's economy derived from economic development activities.

Activity	Public Benefit (%)	Private Benefit (%)
Economic Development	50	50

What is the timeframe for the benefits?

For the economic development services, the period of benefit for operating costs is the short term – one year.

Council considered intergenerational equity issues and concluded that past contributions granted to the "Innovation Park" were intended to benefit the current and future community. It is therefore appropriate that these contributions be funded by the community over time.

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council determined that there were no particular groups that could be identified as a significant cause of the cost of the economic development services.

Where is the funding coming from?

Council decided that the most appropriate mechanism for funding the economic development service costs is the general rate. The services are 100% funded from the general rate. Council determined that user charges would conflict with the purpose of the economic development service, which is to encourage business growth in the region.

Activity	Fees, User Charges, Other Income (%)	Rates (%)
Economic Development	0	100

How are the Rates allocated?

The general rate is allocated to land using differentials and land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the services is not in direct correlation to land value and, to address this issue, have made appropriate allocation adjustments to the different property sectors.

The general rate is allocated over residential, inner city apartments, multi-unit and rural residential property sectors based on land value.

Council considers that the economic development services of funding the Katolyst Group are of greater benefit to the commercial sector. The allocation to the commercial/industrial sector has been increased to reflect the economic benefits to the commercial sector from the economic development services.

The large rural and small rural sector allocations have been reduced because Council determined that an allocation to these sectors based purely on land value would result in a disproportionate amount of costs allocated to these sectors.

2.16 City Promotion

2.16.1 Description of the services

City promotion involves communicating to local residents and those living outside the city the points of difference and advantages that Hamilton has to offer. City Promotion includes the I-site Visitor Information Centre. City promotion facilitates the attraction and support of key icon events within the city via the Event Sponsorship Fund.

It also includes news media relations and comprises Hamilton's formal links with three sister cities: Saitama City (Japan), Wuxi (China) and Sacramento (USA).

2.16.2 Community Outcomes

The Sustainable Environment service contributes to the community outcome of:

Vibrant and Creative

"A city that encourages creativity for a vibrant lifestyle."

- A city that is recognised for its wide range of events, activities, attractions and entertainment for everyone, including iconic events.

Who benefits from the services?

Council has determined that the benefit from expenditure on city promotion is a mixture of both private and public benefits. Agencies, businesses and organisations experience private benefit through the commercial opportunities that arise from the formal links with Hamilton's three sister cities, and from key events held within the city.

The public benefit arises from the raising of the international profile and from the promotion of international understanding at a city level.

Activity	Public Benefit (%)	Private Benefit (%)
City Promotion	50	50

What is the timeframe for the benefits?

For the city promotion services, the period of benefit for operating costs is the short term – one year.

The Council did not consider there were any intergenerational equity issues for the city promotion services.

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council determined that there were no particular groups that could be identified as a significant cause of the cost of the city promotion services.

Where is the funding coming from?

Council decided that the most appropriate mechanism for funding the economic development service costs is the general rate. The services are 100% funded from the general rate. Council determined that user charges would conflict with the purpose of the city promotion service, which is to encourage national and international commercial

opportunities as well as raising the national and international profile of the city, and as a result encourage business growth in the region.

Activity	Fees, User Charges, Other Income (%)	Rates (%)
City Promotion	0	100

How are the Rates allocated?

The general rate is allocated to land using differentials and land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the services is not in direct correlation to land value and, to address this issue, have made appropriate allocation adjustments to the different property sectors.

The general rate is allocated over residential, inner city apartment, multi-unit and rural residential property sectors based on land value.

The allocation to the commercial/industrial sector has been increased to reflect the economic benefits to the commercial sector from the city promotion services, in particular the key events which bring considerable new commercial business and trading opportunities to the city.

The large rural and small rural sector allocations have been reduced because Council determined that an allocation to these sectors based purely on land value would result in a disproportionate amount of costs allocated to these sectors.

2.17 Performing Arts

2.17.1 Description of the services

Performing Arts comprise the management and operation of three live performance venues (Founders Theatre, The Community Theatre and The Meteor Theatre).

2.17.2 Community Outcomes

The Sustainable Environment service contributes to the community outcome of:

Vibrant and Creative

"A city that encourages creativity for a vibrant lifestyle."

- A city that has a vibrant arts and music scene and supports and celebrates its artists, festivals and facilities.

Who benefits from the services?

Council has determined that the benefit from expenditure on Performing Arts services is mainly a private benefit to the patrons of theatre.

There is a public benefit from the general promotion of entertainment and the enrichment of the community as a result of access to and involvement in theatre productions.

Activity	Public Benefit (%)	Private Benefit (%)
Performing Arts	25	75

What is the timeframe for the benefits?

For the Performing Arts services, the period of benefit for operating costs is the short term – one year.

There are intergenerational equity issues to consider for the Performing Arts services because major upgrades of Council's theatres will be required, benefiting both current and future communities. The Council considers it is appropriate to recover this cost from the community over time via loan funding.

Renewals of existing facilities will be funded by either loans and/or depreciation reserves.

Activity	Period of benefit from Capital Assets
Performing Arts	4 – 100 years

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council determined that there were no particular groups that could be identified as a significant cause of the cost of the Performing Arts services.

Where is the funding coming from?

There are two sources of operating funding:

- i) Fees, user charges and other income
User charges through admission fees are used to recover some of the costs. The admission fees do not reflect the full cost of the Performing Arts services because if the fees did, the aim of providing the service to encourage the use of the theatre facilities and enrich the cultural life of the community would not be achieved.
- ii) Rates
Council decided that the most appropriate mechanism for funding the balance of the activities costs is the general rate.

The funding source for each activity is as follows (in percentage of total activity cost):

Activity	Fees, User Charges, Other Income (%)	Rates (%)
Performing Arts	36	64

Sources of capital funding may be funded by a mixture of any of the following:

- Loans
- Development and financial contributions
- Subsidies and Grants
- Capital Contributions/other revenue
- Reserves
- Depreciation reserves (rates)

How are the Rates allocated?

The general rate is allocated to land using differentials and land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the services is not in direct correlation to land value and, to address this issue, have made appropriate allocation adjustments to the different property sectors.

The general rate is allocated over residential, inner city apartment, commercial/industrial, multi-unit and rural residential property sectors based on land value.

The large rural and small rural sector allocations have been reduced because Council determined that an allocation to these sectors based purely on land value would result in a disproportionate amount of costs allocated to these sectors.

2.18 Hamilton City Libraries

2.18.1 Description of the services

Hamilton City Libraries comprise services provided at the central library and five community libraries.

2.18.2 Community Outcomes

The Sustainable Environment service contributes to the community outcome of:

Unique Identity

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

- A city that supports research, education and innovation, and is recognised as a centre of excellence.

Who benefits from the services?

Council has determined that the benefits from expenditure on Hamilton City libraries are a mixture of both private and public. Library users derive private benefit from the opportunity to borrow books and gain information or develop their skills.

There is public benefit in the availability of libraries for the promotion of literacy and informing and educating the community. The contribution of libraries to the cultural identity and social cohesion of the community is also a significant public benefit.

Activity	Public Benefit (%)	Private Benefit (%)
Hamilton City Libraries	50	50

What is the timeframe for the benefits?

For the library services, the period of benefit for operating costs is the short term – one year.

The Council considered that the intergenerational equity issues were split into two groups - for minor capital improvements and book purchases because the annual spend was relatively constant from year to year no intergenerational equity issues were identified. Renewals of existing facilities will be funded by either loans and/or depreciation reserves. For the development of new library facilities, which will benefit both current and the future generations, Council considered the cost of these facilities are most appropriately spread over time via a combination of loan funding and development and financial contributions.

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council determined that there were no particular groups that could be identified as a significant cause of the cost of the library services, with the exception of demand for new facilities as a result of development and growth in the city. In this situation, Council have determined that the cost of developing new facilities should be recoverable in part from developers via development and financial contributions.

Where is the funding coming from?

There are two sources of operating funding:

- i) Fees, user charges and other income
User charges through rental collection fees and charges and contributions from other local authorities, such as the Waikato District Council, based on usage by their community. User charges do not reflect the recovery of costs of the library services because the aim is to encourage the widest use of the library facilities by the community rather than make the entry fees prohibitive.
- ii) Rates
Council decided that the most appropriate mechanism for funding the balance of the activities costs is the general rate.

The funding source for each activity is as follows (in percentage of total activity cost):

Activity	Fees, User Charges, Other Income (%)	Rates (%)
Hamilton City Libraries	12	88

Sources of capital funding may be funded by a mixture of any of the following:

- Loans
- Development and financial contributions
- Subsidies and Grants
- Capital Contributions/other revenue
- Reserves
- Depreciation reserves (rates)

How are the Rates allocated?

The general rate is allocated to land using differentials and land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the services is not in direct correlation to land value and, to address this issue, have made appropriate allocation adjustments to the different property sectors.

The general rate is allocated over residential, inner city apartment, commercial/industrial, multi-unit and rural residential property sectors based on land value.

The large rural and small rural sector allocations have been reduced because Council determined that an allocation to these sectors based purely on land value would result in a disproportionate amount of costs allocated to these sectors.

2.19 Waikato Museum of Art and History

2.19.1 Description of the services

The Waikato Museum of Art and History encourages, supports and promotes Hamilton's art and history (including Tainui iwi history), which includes operating a community arts group venue and managing exhibitions. Science and technology are also promoted through Exscite. Beale Cottage and the Rangiriri are also managed by the Museum. For the purposes of determining costs and funding, Waikato Museum of Art and History is further divided into the following services:

- Museum
- Arts Post

2.19.2 Community Outcomes

The Waikato Museum of Art and History services contribute to the community outcome of:

Vibrant and Creative

"A city that encourages creativity for a vibrant lifestyle."

- A city that is recognised for its wide range of events, activities, attractions and entertainment for everyone, including iconic events."

Who benefits from the services?

Council has determined that the benefits from expenditure on Waikato Museum of Art and History are a mixture of both private and public. There is a private benefit to museum patrons from the opportunity to attend exhibitions.

There is public benefit to the community in the preservation of cultural heritage and the educational opportunities made available by the museum. The contribution of the museum and arts promotion to the cultural identity and social cohesion of the community is also significant.

Activity	Public Benefit (%)	Private Benefit (%)
Waikato Museum of Art and History	50	50
Arts Post	50	50

What is the timeframe for the benefits?

For the Waikato Museum of Art and History, the period of benefit for operating costs is the short term – one year.

The Council considered that the intergenerational equity issues were insignificant because planned capital improvements to the Museum are of a relatively minor nature. Renewals of existing facilities will be funded by either loans and/or depreciation reserves.

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council determined that there

were no particular groups that could be identified as a significant cause of the cost of the Waikato Museum of Art and History.

Where is the funding coming from?

There are two sources of operating funding:

- i) Fees, subsidies, user charges and other income
User charges through admission fees, subsidies from Creative NZ, lease and rental revenue and community contributions.
- ii) Rates
Council decided that the most appropriate mechanism for funding the balance of the activities costs is the general rate.

The funding sources for the services are as follows (in % of total activity cost):

Activity	Fees, Subsidies, User Charges, Other Income (%)	Rates (%)
Waikato Museum of Art and History	9	91
Arts Post	72	28

Sources of capital funding may be funded by a mixture of any of the following:

- Loans
- Development and financial contributions
- Subsidies and Grants
- Capital Contributions/other revenue
- Reserves
- Depreciation reserves (rates)

How are the Rates allocated?

The general rate is allocated to land using differentials and land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the services is not in direct correlation to land value and, to address this issue, have made appropriate allocation adjustments to the different property sectors.

The general rate is allocated over residential, inner city apartment, commercial/industrial, multi-unit and rural residential property sectors based on land value.

The large rural and small rural sector allocations have been reduced because Council determined that an allocation to these sectors based purely on land value would result in a disproportionate amount of costs allocated to these sectors.

2.20 Event Facilities

2.20.1 Description of the services

Event Facilities service comprises the management and operation of the Waikato Stadium, Seddon Park, Waikato Events Centre and the Hamilton Leisure Centre, which provides affordable sport, fitness and leisure programmes and activities. For the purposes of determining costs and funding, Event Facilities is further divided into the following services:

- Hamilton Leisure Centre
- Claudelands Events Centre
- Waikato Stadium
- Seddon Park

2.20.2 Community Outcomes

The Event Facilities service contributes to the community outcome of:

Vibrant and Creative

"A city that encourages creativity for a vibrant lifestyle."

- A city that is recognised for its wide range of events, activities, attractions and entertainment for everyone, including iconic events.

Who benefits from the services?

Council has determined that the benefits from expenditure on events facilities are mainly the private benefit to the sporting groups, teams, clubs, associations and patrons of the use of these facilities. Commercial operators also benefit from commercial opportunities associated with events held at these facilities.

The public derive benefit from the entertainment provided at these facilities and its contribution to the general community enrichment. The public also benefit from the promotion and development of a healthy community through these recreational resources.

Activity	Public Benefit (%)	Private Benefit (%)
Hamilton Leisure Centre	25	75
Claudelands Events Centre	25	75
Waikato Stadium	25	75
Seddon Park	25	75

What is the timeframe for the benefits?

The period of benefit for operating costs for events facilities services is the short term – one year.

Council considered the intergenerational equity issues for the events facilities services and determined that the extent of the capital development that is required from time to time means that it is most appropriate to allocate the cost of these developments to the current and future generations via a combination of loan funding and development and financial contributions.

Renewals of existing facilities will be funded by either loans and/or depreciation reserves.

Activity	Period of benefit from Capital Assets
Hamilton Leisure Centre	40 – 100 years
Claudeland Events Centre	40 – 100 years
Waikato Stadium	40 – 100 years
Seddon Park	40 – 100 years

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council considers that developers are the particular group that cause the demand for reserving space for event facilities within the city. Development of the city has an impact on the space available to provide for event facilities and Council have determined that some of the cost of developing such spaces should be recoverable in part from developers via development and financial contributions. Council also considers that the private operator of the leisure centre has the potential to cause additional costs, but the Council is able to terminate and renegotiate management contracts for this activity.

Where is the funding coming from?

There are two sources of operating funding:

- i) Fees, user charges and other income
Admission fees and rent are charged for the use of the event facilities. Council encourages the commercial operator of the Leisure Centre to maximise usage fees to minimise the cost of the service to the ratepayer. However, admission fees are still kept at a level that is consistent with the objective of promoting community-wide access to the entertainment and health benefits provided by the facilities.
- ii) Rates
Council considers that the most appropriate mechanism for funding the balance of the activities costs is the general rate.

The funding source for each activity is as follows (in percentage of total activity cost):

Activity	Fees, User Charges, Other Income (%)	Rates (%)
Hamilton Leisure Centre	0	100
Claudeland Events Centre	54	46
Waikato Stadium	44	56
Seddon Park	20	80

Sources of capital funding may be funded by a mixture of any of the following:

- Loans
- Development and financial contributions
- Subsidies and Grants
- Capital Contributions/other revenue
- Reserves

- Depreciation reserves (rates)

How are the Rates allocated?

The general rate is allocated to land using differentials and land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property.

Council recognises that the benefit from the services is not in direct correlation to land value and, to address this issue, have made appropriate allocation adjustments to the different property sectors.

The general rate is allocated over residential, inner city apartment, commercial/industrial, multi-unit and rural residential property sectors based on land value.

The large rural and small rural sector allocations have been reduced because Council determined that an allocation to these sectors based purely on land value would result in a disproportionate amount of costs allocated to these sectors.

2.21 Hamilton Zoo

2.21.1 Description of the services

The Hamilton Zoo service involves the operation and management of the Zoo for conservation, education, recreation and scientific purposes.

2.21.2 Community Outcomes

The Hamilton Zoo service contributes to the community outcome of:

Healthy and Happy

"Active and happy people with access for all to affordable facilities and services."

- A city that provides opportunities for people of all ages and abilities to access and participate in sport and leisure activities that meet their diverse needs.

Who benefits from the services?

Council has determined that the benefit from expenditure on the Hamilton Zoo is a mixture of public and private benefits. There is private benefit directly for the visitors to the Zoo.

The public benefit comes from the tourism opportunities that the Zoo generates and the benefit of that to Hamilton's economy. The Zoo is also a further open green space that enhances the attractiveness of the city.

Activity	Public Benefit (%)	Private Benefit (%)
Hamilton Zoo	25	75

What is the timeframe for the benefits?

The period of benefit for operating costs for the Hamilton Zoo is the short term – one year.

Council considered the intergenerational equity issues for the Hamilton Zoo and determined that planned capital works were relatively minor so it is more appropriate to allocate the cost to the community in the year the work is undertaken. Renewals of existing facilities will be funded by either loans and/or depreciation reserves.

Activity	Period of benefit from Capital Assets
Hamilton Zoo	40 – 100 years

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council determined that there were no particular groups that could be identified as a significant cause of the cost for the Hamilton Zoo.

Where is the funding coming from?

There are two sources of operating funding:

- i) Fees, user charges and other income
Admission fees are charged for the Hamilton Zoo. Admission fees kept at a level that is consistent with the objective of promoting the use of the facility.
- ii) Rates
Council considers that the most appropriate mechanism for funding the balance of the activities costs is the general rate.

The funding source for each activity is as follows (in percentage of total activity cost):

Activity	Fees, User Charges, Other Income (%)	Rates (%)
Hamilton Zoo	30	70

Sources of capital funding may be funded by a mixture of any of the following:

- Loans
- Development and financial contributions
- Subsidies and Grants
- Capital Contributions/other revenue
- Reserves
- Depreciation reserves (rates)

How are the Rates allocated?

The general rate is allocated to land using differentials and land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the services is not in direct correlation to land value and, to address this issue, have made appropriate allocation adjustments to the different property sectors.

The general rate is allocated over residential, inner city apartment, commercial/industrial, multi-unit and rural residential property sectors based on land value.

The large rural and small rural sector allocations have been reduced because Council determined that an allocation to these sectors based purely on land value would result in a disproportionate amount of costs allocated to these sectors.

Strategic Framework: Strand C – Protecting our Future

2.22 Wastewater Management

2.22.1 Description of the services

Wastewater Management involves the collection and treatment of urban wastewater that is reticulated to the city's wastewater treatment plant. For the purposes of determining costs and funding, Wastewater Management is further divided into the following services:

- Wastewater Reticulation
- Wastewater Treatment Plant

2.22.2 Community Outcomes

The wastewater supply services contribute to the community outcome of:

Sustainable and Well-Planned

"An attractive city that is planned for the well-being of people and nature, now and in the future."

- A city that sustainably manages resources such as water and energy.

Who benefits from the services?

Council has determined that the benefits from expenditure on wastewater management services are mainly public. There are public health, safety and sanitation benefits that arise from the provision of a waste water system. There are also environmental benefits to the public in having a public sewerage collection, treatment and disposal system available, including odour control and minimal impact on waterways.

Council considers there is also a private benefit to property owners who are connected to the wastewater system from being able to have the wastewater generated on that property disposed of through the wastewater system.

Activity	Public Benefit (%)	Private Benefit (%)
Wastewater Reticulation	75	25
Wastewater Treatment Plant	75	25

What is the timeframe for the benefits?

For the wastewater management services, the period of benefit for operating costs is the short term – one year.

There are intergenerational equity issues to consider as the benefits for the capital expenditure, such as major infrastructural works, are for both current and future generations. As a result, the Council considers it is appropriate to recover the cost of major infrastructure work from the community and developers via a combination of loan funding and development and financial contributions.

Renewals of existing facilities will be funded by either loans and/or depreciation reserves.

Activity	Period of benefit from Capital Assets
Wastewater Reticulation	30 – 100 years
Wastewater Treatment Plant	30 – 100 years

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council has identified that new subdivisions require wastewater infrastructure and therefore cost recovery is sought from property developers by way of development and financial contributions.

Trade waste discharge from commercial properties is a significant contributor to wastewater management and infrastructure and a proportion of these costs are recovered by trade waste fees.

Where is the funding coming from?

Council has considered charging for wastewater by metering the water supply into the property. However the high capital cost and ongoing administration does not justify installing water meters for all properties receiving services.

There are three sources of operating funding:

i) Fees, user charges and other income

These consist of:

- Direct charges, where appropriate, for minor capital works.
- Trade waste fees, pipe survey fees and laboratory fees (where appropriate) are charged to commercial properties that discharge waste into the wastewater network.

ii) Targeted Rates

Council have also decided it is appropriate to apply a targeted rate to non-rateable properties to cover a share of the wastewater generated by those properties. The targeted rate is applied to 50% and 100% (fully) non-rateable properties.

iii) General Rate

Council decided that the most appropriate mechanism for funding the balance of the activities costs is the general rate.

The funding source for each activity is as follows (in percentage of total activity cost):

Activity	Fees, User Charges, Other Income (%)	Targeted Rates (%)	Rates (%)
Wastewater Reticulation	42	3	55
Wastewater Treatment Plant	3	3	94

Sources of capital funding may be funded by a mixture of any of the following:

- Loans
- Development and financial contributions
- Subsidies and Grants
- Capital Contributions/other revenue
- Reserves

- Depreciation reserves (rates)

How are the Rates allocated?

The general rate is allocated to land using differentials and the land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the service is not in direct correlation to land value and to address this issue makes appropriate allocation adjustments to the different property sectors or to the allocation of the costs to the sector.

The general rate is allocated over residential, inner-city apartments and rural residential sectors based on land value.

The allocation to the commercial/industrial sector has been increased to reflect the additional volume of wastewater this sector generates in relation to the other sectors.

There is a small allocation to the large and small rural property sectors to reflect the benefit they receive from the septic tank management program. These sectors do not receive any other benefit from the services because they are not connected to the wastewater systems.

The allocation to the multi-unit sector has been increased to reflect the high density of the sector and the impact it has on wastewater resources.

2.23 Stormwater Management

2.23.1 Description of the services

Stormwater Management involves the operation and maintenance of the stormwater network to ensure community safety and the protection of property by draining stormwater from roadways and public land through pipes and open watercourses to the city's streams, lakes and the Waikato River.

2.23.2 Community Outcomes

The Stormwater Management services contribute to the community outcome of:

Sustainable and Well-Planned

"An attractive city that is planned for the well-being of people and nature, now and in the future."

- A city that sustainably manages resources such as water and energy.

Who benefits from the services?

Council has determined that the benefits of expenditure on stormwater management services are mainly public. There are public health benefits in providing a stormwater system. A further significant public benefit from the stormwater system is that roads remain passable during times of heavy rain and flooding.

Council considers there is a private benefit that accrues to individual property owners who benefit to the extent that flooding is prevented on their land and buildings. The ability to connect, or the potential to connect, to the stormwater system service is reflected in the market value of the land.

Activity	Public Benefit (%)	Private Benefit (%)
Stormwater Management	75	25

What is the timeframe for the benefits?

For the stormwater management services, the period of benefit for operating costs is the short term – one year.

There are intergenerational equity issues to consider for stormwater management services because major infrastructure works benefit the current and future generations. The Council considers it is appropriate to recover this cost from the community and developers via a combination of loan funding and development and financial contributions.

Renewals of existing facilities will be funded by either loans and/or depreciation reserves.

Activity	Period of benefit from Capital Assets
Stormwater Management	5 – 100 years

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council has identified that new

subdivisions require stormwater infrastructure and therefore cost recovery is sought from property developers by way of development and financial contributions.

Where is the funding coming from?

It is difficult to establish the extent of use of the service and therefore it is not cost effective to separately identify and rate or charge the users. Therefore, the source of funding is solely from the general rate.

Activity	Fees, User Charges, Other Income (%)	Rates (%)
Stormwater Management	0	100

Sources of capital funding may be funded by a mixture of any of the following:

- Loans
- Development and financial contributions
- Subsidies and Grants
- Capital Contributions/other revenue
- Reserves
- Depreciation reserves (rates)

How are the Rates allocated?

The general rate is allocated to land using differentials and the land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the service is not in direct correlation to land value and to address this issue makes appropriate allocation adjustments to the different property sectors or to the allocation of the costs to the sector.

The general rate is allocated over residential, inner city apartments and commercial/ industrial property sectors based on land value.

The allocation to the multi-unit sector has been increased to reflect the high density of the sector the impact it has on the stormwater service.

Council has determined that the rural residential, large and small rural properties should pay only for the cleaning of open drains in rural areas. This is the only direct benefit attributable to these sectors. Therefore the rural residential, large and small rural sectors allocations have been reduced to reflect this reduced level of service.

2.24 Refuse/Recycling Collection

2.24.1 Description of the services

The refuse and recycling services comprise the collection and disposal of refuse, operation of refuse transfer station and management of closed landfills as well as the operation, monitoring and provision of aftercare at Horotiu landfill. It also provides a composting facility at the Hamilton Organic Centre. For the purposes of determining costs and funding, Refuse/Recycling Collection is further divided into the following services:

- Refuse/Recycling Collection
- Refuse Old Sites
- Refuse Transfer Station
- Refuse Horotiu

2.24.2 Community Outcomes

The Refuse/Recycling Collection services contribute to the community outcome of:

Sustainable and Well-Planned

"An attractive city that is planned for the well-being of people and nature, now and in the future."

- A city that encourages and enables people to recycle and minimise waste.

Who benefits from the services?

Council has determined that the benefits of expenditure on refuse and recycling services are a mixture of both private and public benefits. The public benefit arises from household collections, transfer station operations and landfill as these activities promote public health and sanitation, as well as controlling vermin and pollution. The management of old landfill sites ensure public health is maintained. In addition, the organic recycling centre's operation provides an environmentally sustainable waste management service that benefits the public by reducing unnecessary waste.

There is private benefit to owners of property in sectors that receive weekly rubbish and recyclable collections (inner-city residential apartments and commercial properties do not receive a household collection and recycling service). Individual users of the refuse transfer station and landfill facility, including commercial operators, benefit from being able to dispose of their waste at these facilities.

Activity	Public Benefit (%)	Private Benefit (%)
Refuse/Recycling Collection	50	50
Refuse Old Sites	100	0
Refuse Transfer Station	25	75
Refuse Horotiu	25	75

What is the timeframe for the benefits?

For the refuse and recycling services, the period of benefit for operating costs is the short term – one year.

The Council considers the intergenerational equity issues for refuse and recycling will be recovered in line with the opportunities for the private operators to recover costs from the users.

Renewals of existing facilities will be funded by either loans and/or depreciation reserves.

Activity	Period of benefit from Capital Assets
Refuse/Recycling Collection	3 – 100 years
Refuse Old Sites	3 – 100 years
Refuse Transfer Station	3 – 100 years
Refuse Horotiu	3 – 100 years

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs.

Council considers that the users of the waste disposal facilities are those that cause the costs for the refuse and recycling services and are therefore charged an appropriate fee.

Where is the funding coming from?

Council considers the most effective mechanism of funding for the provision of landfills and transfer stations is user charges on those who use the services. The Horotiu landfill is self-funded over its remaining life (up until 31 December 2006).

Therefore the three sources of operating funding are:

- i) Fees, user charges and other income
User charges to disposers of waste through refuse transfer station fees and landfill fees. A further source of funding comes from Hamilton Organic Centre rents.
- ii) Targeted Rates
Council have also decided it is appropriate to apply a targeted rate to non-rateable property to cover a share of the refuse/recycling generated by those properties. The targeted rate is applied to 50% and 100% non-rateable properties.
- iii) General Rate
Council considers the most appropriate mechanism for funding the balance of the activities costs is the general rate.

The funding source for each activity is as follows (in percentage of total activity cost):

Activity	Fees, User Charges, Other Income (%)	Targeted Rates (%)	General Rate (%)
Refuse/Recycling Collection	0	1	99
Refuse Old Sites	0	0	100
Refuse Transfer Station	78	0	22
Refuse Horotiu	100	0	0

Sources of capital funding may be funded by a mixture of any of the following:

- Loans
- Development and financial contributions
- Subsidies and Grants
- Capital Contributions/other revenue
- Reserves
- Depreciation reserves (rates)

How are the Rates allocated?

The general rate is allocated to land using differentials and the land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the service is not in direct correlation to land value and to address this issue makes appropriate allocation adjustments to the different property sectors or to the allocation of the costs to the sector.

The general rate is allocated over residential, , rural residential, large rural and small rural property sectors based on land value.

There is no allocation of household collection and recycling to the inner city apartment and commercial/industrial property sectors because there is no household collection and recycling services provided to those sectors. These sectors only contribute towards landfill aftercare and refuse transfer station costs from their general rate, noting that the allocation to the commercial/industrial sector has been increased to reflect the impact commercial waste has on the operating costs of the services.

The allocation to the multi-unit sector has been increased to reflect the high density of the sector and the impact it has on refuse/cycling services.

2.25 Water Supply

2.25.1 Description of the services

Water Supply provides for water treatment, storage and distribution in Hamilton City. For the purposes of determining costs and funding, Water Supply is further divided into the following services:

- Water Reticulation
- Water Treatment Plant

2.25.2 Community Outcomes

The Water Supply services contribute to the community outcome of:

Sustainable and Well-Planned

"An attractive city that is planned for the well-being of people and nature, now and in the future."

- A city that sustainably manages resources such as water and energy.

Who benefits from the services?

Council has determined that the benefits from expenditure on water supply services are mainly public. There are considerable public health advantages that arise from access to a continuous supply of safe drinking water and the assured availability of water for fire fighting purposes.

Council considers there is also a private benefit to property owners. This is because connection, or the potential to connect, to the public water system avoids the significant capital cost to a landowner finding an alternative source of water. The ability to connect or the potential to connect to the service are both reflected in the market value of the land.

Activity	Public Benefit (%)	Private Benefit (%)
Water Reticulation	75	25
Water Treatment Plant	75	25

What is the timeframe for the benefits?

For the Water Supply services, the period of benefit for operating costs is the short term – one year.

There are some intergenerational equity issues to consider as the benefits for the capital expenditure, such as major infrastructural works, are for both current and future generations. As a result, the Council considers it is appropriate to recover the cost of major infrastructural work from the community and developers via a combination of loan funding and development and financial contributions.

Renewals of existing facilities will be funded by either loans and/or depreciation reserves.

Activity	Period of benefit from Capital Assets
Water Reticulation	10 – 120 years
Water Treatment Plant	10 – 120 years

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council has identified that new subdivisions require water supply infrastructure, and therefore cost recovery is sought from property developers by way of development and financial contributions.

Where is the funding coming from?

Council considered that universal water metering would mean more specific allocation of costs to those who cause them and would lead to conservation of water. However the high capital cost and ongoing administration does not justify installing water meters for all properties receiving services.

Therefore the three sources of operating funding are:

- i) Fees, user charges and other income
These consist of direct charges, where appropriate, for minor capital works and new connections.
- ii) Targeted Rates
Council has set a targeted rate for non-domestic water supply (water-by-meter) to commercial and industrial, small and large rural properties that have water meters installed.

Council have also decided it is appropriate to apply a targeted rate to non-rateable property to cover a share of the water used on those properties. The targeted rate is applied to 50% and 100% (fully) non-rateable properties.
- iii) General Rate
Council decided that the most appropriate mechanism for funding the balance of the activities costs is the general rate.

The funding source for the activity is as follows (in percentage of total activity cost):

Activity	Fees, User Charges, Other Income (%)	Targeted Rates (%)	Rates (%)
Water Reticulation	91	1	8
Water Treatment Plant	0	1	99

Sources of capital funding may be funded by a mixture of any of the following:

- Loans
- Development and financial contributions
- Subsidies and Grants
- Capital Contributions/other revenue
- Reserves
- Depreciation reserves (rates)

How are the Rates allocated?

The general rate is allocated to land using differentials and the land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the service is not in direct correlation to land value and to address this issue makes appropriate allocation

adjustments to the different property sectors or to the allocation of the costs to the sector.

The general rate is allocated over residential, inner city apartments, and rural residential property sectors based on land value.

There is no allocation to the commercial and rural large and rural small property sector because there are user charges for water in that sector.

The allocation to the multi-unit sector has been increased to reflect the high density of the sector and the impact it has on water supply services.

2.26 Sustainable Environment

2.26.1 Description of the services

The sustainable environment services involve creative partnerships and the delivery of a wide range of environmental education programmes, to raise awareness about urban sustainability and the principles of Agenda 21.

2.26.2 Community Outcomes

The Sustainable Environment service contributes to the community outcome of:

Sustainable and Well-Planned

"An attractive city that is planned for the well-being of people and nature, now and in the future."

Who benefits from the services?

Council has determined that the benefits from expenditure on this activity are mainly public by creating a cleaner, safer and more sustainable living environment through environmental promotion and education. An "environmentally friendly" image also benefits the public through positive promotion of the city.

Private benefits do accrue to individual property owners from environmental projects that are community based and that improve the overall ambience of neighbourhoods. Financial grants and advisory and educational support can also provide specific benefit to particular individuals, groups, clubs, schools and community organisations.

Activity	Public Benefit (%)	Private Benefit (%)
Sustainable Environment	75	25

What is the timeframe for the benefits?

For the sustainable environment services, the period of benefit for operating costs is the short term – one year.

The Council did not consider there were intergenerational equity issues for sustainable environment services.

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council determined that, for the majority of the activities, there were no particular groups that could be identified as a significant cause of the cost of the sustainable environment service.

Where is the funding coming from?

Council decided that as it is difficult to establish the extent or use of the benefit, the most appropriate mechanism for funding the sustainable environment services costs is the general rate. The services are 100% funded from the general rate.

Activity	Fees, User Charges, Other Income (%)	Rates (%)
Sustainable Environment	0	100

How are the Rates allocated?

The general rate is allocated to land using differentials and the land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the service is not in direct correlation to land value and to address this issue makes appropriate allocation adjustments to the different property sectors or to the allocation of the costs to the sector.

The general rate is allocated over residential, inner city apartments, multi-unit and rural residential property sectors based on land value.

The allocation to the commercial/industrial sector has been increased to reflect the additional volume of waste (e.g. wastewater) this sector generates in relation to other sectors.

The large rural and small rural sector allocations have been reduced because Council determined that an allocation to these sectors based purely on land value would result in a disproportionate amount of costs allocated to these sectors.

2.27 Transport: Road Network Management

2.27.1 Description of the services

The Transport: Road Network Management service provides for the ongoing management, growth and development of the City's road network. For the purposes of determining costs and funding, Transport: Road Network Management is further divided into the following services:

- Carriageways
- Central Area Parking
- Footpaths, Cycleways and Verges
- Network Management
- Road Safety
- Traffic
- Transport Centre

2.27.2 Community Outcomes

The Transport: Road Network Management services contribute to the community outcome of:

Sustainable and Well-Planned

"An attractive city that is planned for the well-being of people and nature, now and in the future."

- A city that is easy to get around so everybody can access services and facilities
- A city that is safe and enjoyable for walking and cycling, encourages innovative transport options and has quality public transport.

Who benefits from the services?

Council has determined that, in most cases, the benefits of expenditure on these activities are mainly benefits to the public as the community as a whole by providing a safe and efficient roading network for access to, from and within the city. These public benefits include the provision of the network within the requirements of Transit New Zealand Act, District Plan and Resource Management Act, development and sustainability of the network, reducing congestion, vehicle safety and roadworthiness, and pedestrian and cycle access.

Council has recognised the activities of this significant service do provide some greater private benefit to user groups such as road-users, commercial operators and retailers, visitors and travellers, cyclists and pedestrians. Property owners also benefit from the activities in terms of the effect of the amenity value of the road network on the value of their property or, in the case of commercial retailers, on the attractiveness of their business to customers.

Activity	Public Benefit (%)	Private Benefit (%)
Carriageways	50	50
Central Area Parking	50	50
Footpaths, Cycleways and Verges	75	25
Network Management	75	25
Road Safety	75	25
Traffic	75	25
Transport Centre	75	25

What is the timeframe for the benefits?

For all the road network activities, the period of benefit for operating costs is the short term – one year.

There are intergenerational equity issues to consider for some activities. The period of benefits for capital expenditure vary for each activity, and ranges over 4 to 150 years, benefiting both current and future generations. As a result, Council considers it is appropriate to recover the cost of major infrastructural work from the community and developers via a combination of loan funding and development and financial contributions.

Renewals of existing facilities will be funded by either loans and/or depreciation reserves.

Activity	Period of benefit from Capital Assets
Carriageways	4 – 150 years
Central Area Parking	4 – 50 years
Footpaths, Cycleways and Verges	50 – 70 years
Traffic	12 – 70 years
Transport Centre	40 – 100 years

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs.

Council considers that the provision of a roading network is of greater benefit to commercial/industrial properties by providing access to the commercial, industrial and retail areas. These benefits are derived from customers and staff being able to travel directly to and from their place of work.

In addition, the roading network provides for businesses to transport goods to and from their premises. This is usually via the use of large trucks, which place a larger burden of demand on the roading infrastructure due to the size and weight of the vehicles. Therefore Council considers it is appropriate that the sector pays for a greater share of the roading infrastructure.

Council has also identified that as the city continues to grow (as a result of new subdivisions and population growth), new roading infrastructure is required. A share of

the cost providing this new infrastructure is sought from property developers by way of development and financial contributions.

Where is the funding coming from?

There are three sources of operating funding:

- i) Subsidies and Grants
Government subsidies through Land Transport NZ fund the roading network and Council's aim is to obtain the maximum government subsidies available.
- ii) Fees, user charges and other income
User charging is employed through the use of parking charges and fines for Central Area Parking. However, Council considers there are significant technological, collection, efficiency and enforcement barriers to identifying and charging users individually for the private benefit for other activities.
- iii) Rates
Council therefore considers that the most appropriate mechanism for funding the balance of the activities costs is the general rate.

The funding source for each activity is as follows (in percentage of total activity cost):

Activity	Subsidies & Grants(%)	Fees, User Charges, Other Income (%)	Rates (%)
Carriageways	10	-	90
Central Area Parking	-	90	10
Footpaths, Cycleways and Verges	1	-	99
Network Management	52	-	48
Road Safety	56	-	44
Traffic	34	-	66
Transport Centre	25*	-	75

Note: * mixed user charges and subsidies

Sources of capital funding may be funded by a mixture of any of the following:

- Loans
- Development and financial contributions
- Subsidies and Grants
- Capital Contributions/other revenue
- Reserves
- Depreciation reserves (rates)

How are the Rates allocated?

The general rate is allocated to land using differentials and land value of the property. This has meant that costs allocated to a particular property sector are apportioned to individual properties within that land use category based on the land value of the property. Council recognises that the benefit from the services is not in direct correlation to land value and, to address this issue, have made appropriate allocation adjustments to the different property sectors.

Council considers that the provision of a roading network is of greater benefit to commercial/industrial properties by allowing staff and customers access to the

commercial, industrial and retail areas and therefore the commercial sector allocation has been increased.

In addition, the roading network provides for businesses to transport goods to and from their premises. This is usually via the use of large trucks, which place a larger burden of demand on the roading infrastructure due to the size and weight of the vehicles. Therefore Council considers it is appropriate that the sector pays for a greater share of the roading infrastructure.

The general rate is allocated over residential, inner city apartments, commercial/ industrial, multi-unit, rural residential and small and large rural property sectors based on land value.

Council considers that the level of service to rural properties is lower than that provided to other sectors as they have limited access to footpaths, streetlights, curbs and channels. These properties have access to this level of service as part of the citywide benefit but do not receive these services directly outside their property. Therefore rural residential, large rural and small rural sectors allocations for these specific services (a subset of Transport: Road Network Management) have been reduced because Council determined that an allocation to these sectors based purely on land value would result in a disproportionate amount of costs allocated to that sector.

2.28 Transport: Access Hamilton

2.28.1 Description of the services

Access Hamilton is a strategy initiative that addresses Hamilton's increasing traffic congestion and aims to create a sustainable, integrated transport system for the city.

Access Hamilton includes both infrastructure improvements and incentives to encourage the use of alternative travel modes and increase public awareness of options and effects of travel behaviour and travel choices.

2.28.2 Community Outcomes

The Access Hamilton service contributes to the community outcome of:

Sustainable and Well-Planned

"An attractive city that is planned for the well-being of people and nature, now and in the future."

- A city that is easy to get around so everybody can access services and facilities
- A city that is safe and enjoyable for walking and cycling, encourages innovative transport options and has quality public transport.

Who benefits from the services?

Council has determined that, in most cases, the benefits of expenditure on these activities are mainly benefits to the public as the community as a whole by providing a safe and efficient roading network for access to, and from and within the city. These public benefits include the provision of the network within the requirements of Transit New Zealand Act, District Plan and Resource Management Act, development and sustainability of the network, reducing congestion, vehicle safety and roadworthiness, and pedestrian and cycle access.

Council has recognised this significant service provide some greater private benefit to user groups such as road-users, commercial operators and retailers, visitors and travellers, cyclists and pedestrians. Property owners also benefit from the activities in terms of the effect of the amenity value of the transport network on the value of their property or, in the case of commercial retailers, on the attractiveness of their business to customers.

Activity	Public Benefit (%)	Private Benefit (%)
Access Hamilton	50	50

What is the timeframe for the benefits?

For all Access Hamilton activities, the period of benefit for operating costs is the short term - one year.

There are intergenerational equity issues to consider for some activities. The period of benefits for capital expenditure vary for each activity, and ranges over 4 to 150 years, benefiting both current and future generations. As a result, Council considers it is appropriate to recover the cost of major infrastructural work from the community and developers via a combination of loan funding and development and financial contributions.

Activity	Period of benefit from Capital Assets
Access Hamilton	4 – 150 years

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs.

Council considers that the provision of a roading network is of greater benefit to commercial/industrial properties by providing access to the commercial, industrial and retail areas. These benefits are derived from customers and staff being able to travel directly to and from their place of work.

In addition, the roading network provides for businesses to transport goods to and from their premises. This is usually via the use of large trucks, which place a larger burden of demand on the roading infrastructure due to the size and weight of the vehicles. Therefore Council considers it is appropriate that the sector pays for a greater share of the roading infrastructure.

Council has also identified that as the city continues to grow (as a result of new subdivisions and population growth), new roading infrastructure is required. A share of the cost providing this new infrastructure is sought from property developers by way of development and financial contributions.

Where is the funding coming from?

There are two sources of operating funding:

- i) Subsidies and Grants
Government subsidies through Land Transport NZ fund the roading network and Council's aim is to obtain the maximum government subsidies available.
- ii) Rates
Council decided that as it is difficult to establish the extent or use of the benefit, the most appropriate mechanism for funding this activity costs is a targeted rate on all properties on the capital value of the property.

The funding source for each activity is as follows (in percentage of total activity cost):

Activity	Subsidies & Grants (%)	Fees, User Charges, Other Income (%)	Targeted Rate (%)
Access Hamilton	0	0	100

Sources of capital funding may be funded by a mixture of any of the following:

- Loans
- Development and financial contributions
- Subsidies and Grants
- Capital Contributions/other revenue
- Reserves
- Depreciation reserves (rates)

How are the Rates allocated?

The targeted rate is allocated to the capital value of the property.

The targeted rate is allocated over all sectors based on capital value with no differentials.

Council considers that capital value (uniform basis) is a "pure" taxing mechanism for the allocation of costs and reflects the use of services in the roading network which Access Hamilton funds.

2.29 Endowment and Investment Property Portfolio Management

2.29.1 Description of the services

The Endowment and Investment Policy Portfolio Management service comprises the management and administration of both endowment properties and of Council's corporate properties (Property Management).

2.29.2 Community Outcomes

The Endowment and Investment Property Portfolio Management service contribute to the community outcome of:

Intelligent and Progressive City

"Business growth that is in harmony with the city's identity and community spirit."

- A city that attracts and retains people and investment and grows great ideas.

Who benefits from the services?

Council has determined the benefits that expenditure on the Property Management service are a mixture of both public and private benefits.

The private benefits are to groups, clubs and community organisations who benefit from leasing municipal and domain endowment properties.

There is a public benefit to the community as a whole from the property assets that are held and will be available for future community use. The public also benefit from the development of this property in a way that is consistent with the community's interest.

Activity	Public Benefit (%)	Private Benefit (%)
Property Management	50	50

What is the timeframe for the benefits?

For the Property Management service, the period of benefit for operating costs is the short term – one year.

Council has considered intergenerational equity issues in relation to capital expenditure and concluded that there were adequate funds (by way of endowment) to fund future capital purchases.

Activity	Period of benefit from Capital Assets
Property Management	40 – 100 years

Who causes the costs?

Council must consider if there is any group that may cause the costs for the service and if there is, ensure they contribute towards the costs. Council considers that tenants are responsible for the costs of this service and Council has the appropriate mechanisms in place to protect its position as landlord.

Where is the funding coming from?

Council considers the most appropriate mechanism for funding is for the users pay the full cost of the service via rents and leases.

Therefore fees, user charges and other income are the sole source of funding for the Property Management service.

Activity	Fees, User Charges, Other Income (%)	Rates (%)
Property Management	100	0

2.30 Section 101(3) Analysis Summary of Allocations across land use sectors

Council's principal funding mechanism is a land use differential general rate. The analysis of the costs and benefits of separate funding covers the application of the differential general rate. The amount of cost allocated to each land use sector is determined firstly as a percentage allocation based on the land value of the sector in relation to the total land value of city. Council then considers the impact of who receives the benefits and the exacerbator pays principles, and makes an adjustment to the allocation percentage.

Using this process, the allocation adjustments are considered and applied to each significant service. The allocations within a service between each land use sector vary depending on the assessment of the benefit received by the land use sector for the service.

The summary of the cost allocation and percentages by service are outlined in the following table. The shaded boxes indicate services that have cost allocations modified by a varying factor to reflect an assessment of the benefit received by the land use sector for a service.

Service Name	Rural						
	Residential	Inner City	Commercial	Multi Unit	Residential	Rural Large	Rural Small
Strategic Framework A: - Investing in our People							
Community Assistance	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Social Development	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Employment Development	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Neighbourhood Development	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Youth Programme	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Enderely Center	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Celebrating Age	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Te Rapa Sportsdrome	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Cemeteries and Crematorium	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Community Halls	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Leased Buildings	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Housing Services	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Toilets	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Emergency Management	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Partnership With Maori	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Councillor Services	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Elections	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Mayoral Services	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Environmental Health	36.71%	0.10%	60.34%	0.76%	0.03%	0.86%	1.20%
Central City Safety	36.71%	0.10%	60.34%	0.76%	0.03%	0.86%	1.20%
City Beautification	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Hamilton Gardens	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Parks and Gardens	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Sports Areas	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Swimming Facilities	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Strategic Framework B: - Creating Identity and Prosperity							
Animal Care and Control	73.95%	0.20%	20.11%	1.53%	0.07%	1.72%	2.42%
Building Control	73.95%	0.20%	20.11%	1.53%	0.07%	1.72%	2.42%
Building Support	73.95%	0.20%	20.11%	1.53%	0.07%	1.72%	2.42%
Parking Enforcement	73.95%	0.20%	20.11%	1.53%	0.07%	1.72%	2.42%
Planning Guidance	73.95%	0.20%	20.11%	1.53%	0.07%	1.72%	2.42%
Economic Development (excl Events Promo Fund)	37.19%	0.10%	60.34%	0.77%	0.03%	0.34%	1.23%
Events Promotion Fund	37.19%	0.10%	60.34%	0.77%	0.03%	0.34%	1.23%
I-site	37.19%	0.10%	60.34%	0.77%	0.03%	0.34%	1.23%
Sister Cities Programme	37.19%	0.10%	60.34%	0.77%	0.03%	0.34%	1.23%
Performing Arts	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Libraries	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Museum	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
ArtsPost	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Leisure Centre	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Claudlands Events Centre	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Waikato Stadium	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Seddon Park	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Zoo	75.93%	0.20%	20.65%	1.57%	0.07%	0.34%	1.23%
Strategic Framework C: - Protecting our Future							
Wastewater Reticulation	33.72%	0.09%	60.34%	3.82%	0.03%	1.00%	1.00%
Wastewater Treatment Plant	35.71%	0.10%	60.34%	3.82%	0.03%	0.00%	0.00%
Stormwater Reticulation	74.26%	0.20%	20.11%	3.82%	0.03%	0.34%	1.23%
Refuse Collection & Recycle	90.99%	0.00%	0.00%	3.82%	0.08%	2.12%	2.98%
Refuse Old Sites	33.82%	0.09%	60.34%	3.82%	0.03%	0.79%	1.11%
Refuse Transfer Station	33.82%	0.09%	60.34%	3.82%	0.03%	0.79%	1.11%
Refuse Horotiu	36.71%	0.10%	60.34%	0.76%	0.03%	0.86%	1.20%
Water Reticulation	95.83%	0.26%	0.00%	3.82%	0.09%	0.00%	0.00%
Water Treatment Plant	95.83%	0.26%	0.00%	3.82%	0.09%	0.00%	0.00%
Sustainable Environment	56.82%	0.15%	40.22%	1.17%	0.05%	0.34%	1.23%
Carriageways Management	16.37%	0.04%	80.45%	0.34%	0.02%	0.33%	2.46%
Central Area Parking	18.10%	0.05%	80.45%	0.37%	0.02%	0.42%	0.59%
Footpaths, Cycleways and Verges	19.10%	0.05%	80.45%	0.40%	0.00%	0.00%	0.00%
Network Management (Transport)	18.10%	0.05%	80.45%	0.37%	0.02%	0.42%	0.59%
Road Safety	18.10%	0.05%	80.45%	0.37%	0.02%	0.42%	0.59%
Traffic	17.53%	0.05%	80.45%	0.36%	0.03%	0.34%	1.23%
Transport Centre	18.10%	0.05%	80.45%	0.37%	0.02%	0.42%	0.59%
Transport: Access Hamilton	72.99%	0.26%	22.09%	2.35%	0.06%	0.68%	1.58%
Property Management (Service)	73.95%	0.20%	20.11%	1.53%	0.07%	1.72%	2.42%

2.31 Overall Funding Consideration

Council is required by section 101(3)(b) of the Act to consider the overall impact of the allocation of liability for revenue needs on the community well being. This involves weighing up the impact of rates on the current and future social, economic, environmental and cultural well-being of the community. It allows Council, as a final measure, to modify the overall mix of funding in response to these considerations.

Council has considered each service individually to determine the allocation of benefit and rate burden across the seven differential sectors.

Proposed summary of rate allocation before overall funding consideration adjustment as per section 101(3)(b) is as follows:

		Residential	Inner City	Commercial	Multi Unit	Rural Residential	Rural Large	Rural Small
Rates Requirement by Property Sector (pre 101(3)(b))								
Rate Levy	82,341,000	48,997,518	124,845	30,377,910	1,623,694	43,421	252,658	920,955
% by Property Sector		59.5056%	0.1516%	36.8928%	1.9719%	0.0527%	0.3068%	1.1185%
Rate in cents per \$ by Sector		0.015980	0.015131	0.036425	0.025609	0.015300	0.003535	0.009169
Rate in cents per \$ by Sector (incl. GST)		0.017977	0.017022	0.040978	0.028810	0.017213	0.003977	0.010315
Differential Factor Actual		1.00	0.95	2.28	1.60	0.96	0.22	0.57

The section 101(3)(b) adjustment allows Council to acknowledge the funding allocations involved in the balancing of complex current and future social, economic, environmental and cultural factors.

Council acknowledges a number of external issues such as growth in the city and valuation movements impact on the overall rate burden. Therefore Council considers it appropriate to make a final adjustment to ensure the burden of rates is distributed across the sectors in a manner consistent with previous years.

The overall funding consideration adjustment in accordance with section 101(3)(b) is as follows:

	Residential	Inner City	Commercial	Multi Unit	Rural Residential	Rural Large	Rural Small
S101(3)(b) Adjustment	2,600,095	3,250	(2,310,000)	(23,300)	(1,395)	(36,150)	(232,500)
Revised Differential Factor	1.00	0.92	2.00	1.50	0.88	0.18	0.41

The impact of this adjustment is to move 2.8% of the rate burden from the commercial sector to the residential sector with minor changes to the other sectors.

This has resulted in the proposed rates by sector as follows:

		Residential	Inner City	Commercial	Multi Unit	Rural Residential	Rural Large	Rural Small
Rates Requirement by Property Sector (final)								
Rate Levy	82,341,000	51,597,613	128,095	28,067,910	1,600,394	42,026	216,508	688,455
% by Property Sector		62.6633%	0.1556%	34.0874%	1.9436%	0.0510%	0.2629%	0.8361%
Rate in cents per \$ by Sector		0.016828	0.015525	0.033655	0.025242	0.014808	0.003029	0.006854
Rate in cents per \$ by Sector (incl. GST)		0.018931	0.017465	0.037862	0.028397	0.016660	0.003408	0.007711
Differential Factor		1.00	0.92	2.00	1.50	0.88	0.18	0.41

2.32 Conclusion

Council has determined the most appropriate general rate funding mechanism remains as a differential general rate based on the land use sectors within the city.

The detailed analysis by service in sections 2.5 through to 2.29 consider the requirements of section 101(3)(a) resulting in a percentage allocation by sector for each service. This allocation is applied to the costs of each service which generates the differential factor by sector.

Council has given further consideration to the overall well-being of the city community and made an adjustment to provide a differential factor that is consistent with previous years. Council believes providing a reasonably stable rating system is to the benefit of the whole community.

Therefore this Revenue and Financing Policy has been adopted giving due consideration to the well-being of the community, as defined under section 101(3)(b) of the Act, with regard to each service, the funding requirements of that service and the selection of the funding sources available to meet those funding requirements (general and targeted rates, user charges, subsidies and other funding sources).

2.33 Performance Targets

The table below summarises the performance targets set for the Revenue and Financing Policy:

Objective	Target
To maintain the direction specified in the Long-Term Financial Strategy.	Achieve the budgeted figures specified in the Annual Plan.
To manage the level of commitments and contingencies.	<p>That controllable financial carryovers be no greater than 15% of the approved special and capital projects budget for that financial year.</p> <p>Total contingencies do not exceed 2% of the general rate for 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).</p>
To maintain a mix of funding mechanisms to meet the total funding requirements of the City.	<p>Fees and charges comprise at least 20% of total revenue.</p> <p>Differentials on property sectors maintained to achieve the rate recovery specified in the Annual Plan.</p>

3.0 Other Financial Policies and 2006-16 Long-Term Plan Assumptions

3.1 Introduction

There are a number of other policies and financial assumptions that Council takes into consideration when preparing the Long-Term Plan. These are detailed below:

3.2 Financial Policies

3.2.1 Capital Expenditure Policy

Council have determined that loan funding is available as a funding mechanism for all special and capital projects, subject to Council approval. Other methods of funding (subsidies, fees and charges, development and financial contributions, reserves or rates) should be considered as the primary means of funding prior to loan funding. Each case is however considered on its own merits. Where a loan is employed as the means of funding a special project, the financing costs are spread over significant services on the basis of the book value of land and buildings employed, except where the costs are to be recovered from specific services (as outlined in the Statement of Accounting Policies).

Borrowing is managed within the framework specified in the Investment Policy (in relation to internal borrowing) and the Liability Management Policy. Net debt is split into categories depending on the source of funds that will fund the financing costs of the debt - reserves, Access Hamilton, rates, or development and financial contributions.

3.2.2 Balanced Budget Requirement

Under Section 100 of the Local Government Act 2002, Council must ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses.

The Forecast Statement of Financial Performance summarises the net operating performance of Council. The Council has determined that the balanced budget requirement has been met, and that over the term of the Long-Term Plan, set revenue levels sufficient to fully fund depreciation of its assets after excluding depreciation on the proportion of roads funded by the Land Transport NZ subsidy, and depreciation on the Horotiu Landfill which will close on 31 December 2006.

3.2.3 Prospective Financial Statements

The Council has not presented group prospective financial statements because the Council believes that the parent prospective financial statements are more relevant to users as the only subsidiary is non-trading. The main purpose of prospective financial statements in the Long-Term Plan is to provide users with information about the core services that the Council intends to provide ratepayers, the expected cost of those services and as a consequence, how much the Council requires by way of rates to fund the intended levels of service. The level of rates funding required is not affected by subsidiaries or investments in Council Controlled Organisations (CCO's) and Council

Organisations (CO's) except to the extent that the Council obtains distributions from, or further invests in, those subsidiaries or investments in CCO's and CO's. Such effects by way of dividends are included in the prospective financial statements of the Council. Council's financial shareholding in the three CCO's and two CO's is equity accounted. Adjustments to the value of these shareholdings do not have a material impact on the accounts.

The prospective financial statements are presented in the Financial Section of the Long-Term Plan (Volume I). The financial statements include a Statement of Financial Performance, Statement of Financial Position, Statement of Cashflows, Statement of Commitments and Contingencies, and a summary of Term Debt.

3.2.4 Statement of Financial Performance

The estimated expenses, including debt servicing (interest) and depreciation, and the estimated funding sources of each service is included in the Cost of Service Statements and is summarised in the Statement of Financial Performance. Total rates, capital contributions and other income are also presented in the Statement of Financial Performance.

3.2.5 Statement of Financial Position

The Statement of Financial Position estimates the balances of reserves, investments, assets and debt, and also estimates the changes in equity over the period of the 2006-16 Long-Term Plan.

3.2.6 Statement of Cashflows

The Statement of Financial Performance provides the basis of the cashflow projections for the period of the 2006-16 Long-Term Plan.

The Statement of Cashflows has been prepared in a summarised format, which details how funds from operating, investing and financing activities will be utilised.

3.2.7 Statement of Commitments and Contingencies

The Statement of Commitments and Contingencies summarises the estimated commitments and contingencies based on known events.

It has been assumed for the budget that not all projects undertaken in any financial year are completed within the same financial year. These are referred to as carryovers of project budgets. There are therefore some projected outstanding contractual commitments for any individual year, which need to be recognised. A performance target measuring the level of controllable financial carryovers has been included in the Revenue and Financing Policy.

The Council has agreed that the Waikato Regional Airport issue to it \$10.8m shares in the form of uncalled capital, as well as the option of providing an additional \$1m funding by way of uncalled capital or loan. As a result, Council recognises a contingent liability for uncalled capital and potential loan in the notes to the budget financial statements.

The Council is at times requested to act as guarantor to loans raised by community organisations and sports clubs. Subject to meeting Council's Loan Guarantee Policy, Council may agree to such guarantees only as long as the total annual contingent loan

servicing charges of all such guarantees do not exceed a sum equivalent to 2 per cent of the proceeds of the general rate for the preceding financial year.

While specific community groups that might require loan guarantees in the future have not been identified, an amount has been included based on the current level of loan guarantee exposure.

The Council may be involved as defendant in various public liability and professional indemnity claims arising out of its normal operations. A portion of these claims may not be covered under specific insurance policies. A general contingency has been included for events which have not yet occurred or been identified. The Council is insured for civil disaster, material damage (replacement of buildings) and business interruption. Infrastructural assets such as pipes and roads are not insured.

3.2.8 Term Debt (Net Debt)

The Term Debt table outlines the projected net debt of Council over the period of the 2006-16 Long-Term Plan, split into four categories based on the funding source to repay the debt financing costs, and the linkage to the debt servicing targets outlined in the Liability Management Policy.

3.2.9 Accounting Policies

All financial statements in the 2006-16 Long-Term Plan have been prepared in accordance with the Accounting Policies stated in the Financial Section of Volume I of the Long-Term Plan.

3.2.10 Other Financial Policies

All figures are in NZ dollars and stated GST exclusive.

All carry forward expenditure from 2004/05 will be spent in 2005/06. All expenditure for the period 2006-16 is assumed to be spent in the year it is budgeted acknowledging some projects may not be completed fully by year end and may result in carry over of budget.

The Long-Term Plan is based on current Council policies.

In matters of judgement, the "accounting principle of prudence" has been applied.

3.3 Activity (Asset) Management Plans

In preparing the 2006-16 Long-Term Plan, Council relied on Activity (Asset) Management Plans that were updated at October 2005.

All of the Activity (Asset) Management Plans were peer reviewed and the detailed information contained in the plans has been used as a base for the 2006-16 Long-Term Plan. The Activity (Asset) Management Plans provide strong linkage to the long-term planning of Council, particularly in the areas of asset maintenance and renewal, provision of appropriate assets to support services of Council, and the funding of depreciation.

An outline of the Activity (Asset) Management Plans is included in Section 13.

3.4 Material Error Policy

Council has defined a material error as being any financial error greater than 2% of the average gross per annum expenditure in the 2006-16 Long-Term Plan in any of the following policies:

- Revenue and Financing Policy
- Funding Impact Statement
- Investment Policy, or
- Liability Management Policy

In the event that such an error is identified Council is obligated, as soon as practicable, by resolution to publicly notify and amend the strategy or policy, unless the error is such that Council is satisfied on reasonable grounds that no person will otherwise be significantly disadvantaged. In this event the Council shall prepare and adopt a replacement strategy or policy as early as is lawfully practicable.

3.5 Significant Forecasting Assumptions and Risks

Clause 11 of Schedule 10 of the Local Government Act 2002 requires that the significant forecasting assumptions and risks underlying the financial estimates in the 2006-16 Long-Term Plan must be clearly identified. The Council has made a number of assumptions in preparing this Long-Term Plan. These assumptions are necessary as the planning term for the Long-Term Plan is 10 years and the assumptions ensure that all estimates and forecasts are made on the same basis. Those assumptions and risks are detailed as follows:

3.5.1 Population/Growth Adjustment

Growth has been allowed for at a rate based on a mid-line projection between the Statistics NZ 'high' growth projections for the city, and the Council's own building consent projections using historical building consent data from the early 1980's. The Long-Term Plan assumes that the city's population will increase from the latest estimation of 134,300 people as at June 2006, to 159,600 by June 2016. Within the Long-Term Plan an annual adjustment to the budget for growth has been based on either population annual change or assets vested per annum. These assumptions have been applied when projecting expenditure and revenue that is directly affected by these factors over the ten year period. The projections for different infrastructure services, such as water and wastewater, will vary from the above population figures, because the levels of assets vested vary between asset types and vary to the rate of population change.

The amount of the adjustment per annum for each growth factor is as follows for years 2-10:

Roading Vested Assets	1.8% p.a.
Water Vested Assets	2.7% p.a.
Wastewater Vested Assets	1.6% p.a.
Stormwater Vested Assets	2.3% p.a.
Other Vested Assets & Population	Varies between 2% & 2.2% p.a.

In year 1 of the budgets, an adjustment to the specified O&M lines for growth of 2.1% and inflation of 2.5% has been included to reflect the annual contract adjustments that occur.

3.5.2 Inflation Adjustment

Price level adjustments for inflation have been allowed for the last nine years of the 2006-16 Long-Term Plan. For the first year the estimates have been prepared using 2006 dollars. Price level adjustments for the outer years have been derived from those recommended to Local Government from Business and Economic Research Limited (BERL). The price level adjustments for the Long-Term Plan applied to operating and capital expenditure are as follows - (note these rates are cumulative):

Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10
2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
0%	3.2%	6.4%	9.4%	12.2%	14.9%	17.4%	19.7%	21.8%	23.9%

3.5.3 Operating Expenditure

Operating expenditure includes increased operating costs from new projects and infrastructure upgrades. In addition, some services have a population/growth adjustment applied to certain costs where there is expected to be a direct relationship between costs and increased population or assets being vested to the city. Apart from the foregoing instances, expenditure is generally assumed to be constant before an inflation adjustment. The planned costs exclude any financial implications of natural disasters. The list of services that have the population/growth adjustment applied are:

- Carriageways O&M
- Footways, Cycleways and Verges O&M
- Library Book Purchase SAP
- Parks and Gardens (individual neighbourhood parks) O&M
- Refuse (excluding Horotiu) O&M
- Stormwater Management O&M
- Swimming O&M
- Traffic Services/Street Lighting O&M
- Wastewater O&M
- Wastewater Treatment Plant O&M
- Water Supply O&M
- Water Treatment Station O&M

3.5.4 Operating Revenue

Some projects and infrastructure upgrades attract additional Land Transport NZ subsidy or other income and this additional income is included in revenue projections. In addition, the costs which attract the population/growth adjustment (referred to in the comments above on Operating Expenditure) sometimes attract subsidy or revenue. In these cases such additional revenue is included. Apart from the foregoing reasons, revenue is generally assumed to be constant before an inflation adjustment. Support from central government (e.g. Land Transport NZ) and other funding providers are assumed to continue at existing levels.

3.5.5 Land Transport NZ Subsidy Rates

Operational costs and capital expenditure that is expected to attract Land Transport NZ subsidy (based on past history or known future opportunities), have included subsidy as a funding source. The rate of subsidy varies depending on the project type and the known rates for each type of expenditure.

3.5.6 Capital Expenditure (Sources of funds for Future Replacement of Significant Assets)

Capital expenditure including renewals is funded from the sources deemed most appropriate by Council. Such sources are development and financial contributions (DCL), debt, user charges, subsidies, other contributions, reserves, asset sales and rates. The Funding of Operating and Capital Expenditure note within the Revenue and Financing Policy (Section 2) details Council's guidelines for funding Special and Capital Projects.

Capital expenditure projections from 2007/08 are best estimates based on current knowledge but will be reviewed as part of the preparation of the 2007/08 Annual Plan.

3.5.7 Depreciation and Useful Lives of Assets

Assets are depreciated on a straight-line basis over their useful lives with annual depreciation expense included in the total costs for each significant service. The Council has made a number of assumptions about the useful lives of its assets. The depreciation note within the Statement of Accounting Policies outlined in the Financial Section of Volume I of the 2006-16 Long-Term Plan includes a detailed list of the estimated useful lives for each major class of assets.

Depreciation on existing assets has been forecasted by using actual assets loaded as at November 2005. Work in progress assets at November 2005 have had depreciation calculated for years 2006-16.

3.5.8 Depreciation Rates on Planned Asset Acquisitions and Vested Assets

All new capital and renewal asset purchases included in the 2006-16 Long-Term Plan, plus anticipated vested assets over the period 2006-16, have been depreciated from the year following purchase or vesting, based on the useful lives applied for existing assets.

3.5.9 Revaluation of Non-Current Assets

All assets at November 2005 have been increased in value to reflect the valuation of fixed assets being undertaken in the 2005/06 financial year. Whilst this revaluation has not been completed, an estimated adjustment has been made to increase infrastructural assets by 10% effective 1 July 2005, and all other assets by 5% effective 1 July 2006. These increased asset values flow through to the projected depreciation expense. For the period 2006-16, the annual inflation adjustment (outlined earlier in the assumptions) has been assumed as an annual revaluation of fixed assets and directly flows into an increased depreciation expense.

3.5.10 Commitments and Contingencies

All commitments or contingencies that the Council is aware of have been included in the Long-Term Plan. (Refer to Section 3.2.7)

3.5.11 Service Levels on which Financial Forecasts are Based

The basis for the operating costs and capital expenditure programme for each service are the activity (asset) management plans, strategic plans, and other planning documents maintained by each service.

It is assumed that the current range of services and their delivery options will continue at the present levels except for refuse services. The Council operated landfill at Horotiu will close at the end of December 2006 at which point Council will no longer operate a landfill. Refuse collection costs are budgeted to rise from this time. In addition, from 1 January 2007 Council will contract out the operation of the Refuse Transfer Station.

3.5.12 City Growth

Projections have been made on city growth which influences several of Council's financial estimates, for example development and financial contributions received, processing of building consents and subdivision assets vested with Council. Should the assumed growth occur at a greater or lesser level this would affect a range of costs and revenues. As a further consequence of urban expansion and city growth, the rating base increases each year. The effect of this is that a portion of the rates levy each year is borne by new ratepayers as well as existing ratepayers. The amount of rates borne by new ratepayers averages approximately \$900,000 per year over the 10-year period 2006/07 – 2015/16.

3.5.13 Sale of Assets

Council has budgeted for the sale of some of its older pensioner housing stock, with the sale proceeds being used to fund the construction of replacement rental houses. Council has also budgeted for the sale of its investment in the Hamilton Riverview Hotel Ltd in year 5 of the Long-Term Plan. Proceeds from this sale are budgeted to repay debt (funded by rates). No other assets sales are budgeted, apart from the operational replacement of motor vehicles.

3.5.14 Debt Repayment

Net debt (funded by rates) is repaid at 4% of opening net debt (i.e. a 25 year repayment term). Some projects incur a greater level of debt repayment above the 4% level, where specific business cases approved by Council deem the loan associated with the project shall be repaid earlier than 25 years. Council have also budgeted to accelerate debt repayment on net debt (funded by rates) from year 4 of the Long-Term Plan. Net debt (funded by reserves and Access Hamilton) is repaid over varying terms depending on the project, or funding mechanism. Development and financial contributions received in any given year is applied to fund interest and principal on net debt (funded by development and financial contributions). The amount of debt principal repaid varies each year depending on the level of contributions income received.

3.5.15 Interest Rates on Borrowing

Interest paid on new debt is assumed to be at the following rates, before adjustment for existing financial instruments used to manage interest rate risk (e.g. Swaps):

Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10
2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
7.86%	7.76%	7.53%	7.43%	7.33%	7.33%	7.23%	7.23%	7.23%	7.20%

The interest rate budgeted on the loans is appropriate based on recent past and current interest rates, the financial market Swap rates at the time of preparing the budget, and also based on the recommendation of Council's treasurer advisor. The Council utilises both surplus internal funds and external borrowing. The projected balance sheet includes external loans only. The Council has applied the funds to special and capital projects and the service that constructed the asset, or made a special operational grant, is charged the interest. It means the Council is prudently utilising its cash reserves and saves the difference between interest charged borrowing funds and the interest it would earn if the money were invested.

The Liability Management Policy (Section 5) includes details on Councils interest rate risk management policies.

3.5.16 Accounting for Interest Rate Swaps

The Council's policy going forward is to have Interest Rate Swaps over its debt. Whilst Council is required to revalue and "mark to market" these Swaps each balance date (an unrealised transaction), the assumption in the budget is that the long run interest rates will be reasonably stable over the period and the gains and losses arising from Swap transactions will be consistent with historical trends. The existing derivative financial assets and liabilities have been budgeted to remain at a constant level as a result.

3.5.17 Return on Investments

For the foreseeable future, Council will have a permanent net debt/borrowing position, and will use an internal borrowing mechanism to offset debt rather than maintain cash deposits. Accordingly the return on investments is budgeted to be negligible.

The Investment Policy and Liability Management Policy includes details on the Internal Borrowing Policy.

3.5.18 Projected Rates

Projected rates are calculated according to the funds requirement of each service to maintain current and anticipated future levels of service, and to ensure that the 2006-16 Long-Term Plan is a balanced budget. That is, projected revenue (including rates) is at a sufficient level to meet the projected operating expenditure.

3.5.19 Currency Movements (Foreign Exchange Revaluations)

It is assumed that movements in currency will have no material impact on the 2006-16 Long-Term Plan, as Council does not have any significant exposure to exchange rate movements.

The assumption is that, from time-to-time, the Council will have some foreign exposure arising from off shore transactions. It is assumed that the revaluation gains and losses arising from this exposure will be consistent with historic trends.

3.5.20 Landfill Aftercare Provision

Council will operate a landfill at Horotiu until December 2006, after which Council has a responsibility to provide ongoing maintenance and monitoring of the landfill. The Long-Term Plan includes a landfill aftercare provision.

The assumptions relating to the landfill aftercare provision are based on:

- no significant changes in technology which would affect the cost of remediation;
- no significant changes in the regulations required with respect to the level of remediation; and
- no significant change to the weighted average cost of capital.

3.5.21 Risk

There are a number of risks that have been considered in the preparation of the 2006-16 Long-Term Plan. Outlined below are the key risks and the mitigation strategy adopted.

Key Risks	How addressed in Long-Term Plan or Mitigation Measures
Price Level Adjustments differ significantly to that included in the Long-Term Plan. The cumulative effect of price level changes over the period of the Long-Term Plan probably introduces the greatest uncertainty into the financial estimates (Will probably occur)	The Long-Term Plan has been prepared based on price level adjustments based on the adjustments recommended by BERL, an economic forecasting agency. All financial estimates, unless explicitly stated, are stated in price adjusted terms. There are few realistic mitigation measures that the Council can take to address the effects of inflation. As it reviews its Long-Term Plan, the Council will consider the effects of price level changes and alter its future year projections accordingly. Presently, the Council has not considered it necessary to alter the level of services offered, or amend its capital expenditure programme, to compensate future price level changes. In the future, it is possible the Council may need to consider this option should the effect of price level adjustments exceed the ability of the community to afford the services provided.
Growth occurs at rates different to that forecast (Will probably occur)	<p>The Long-Term Plan has assumed growth based on a mid-line projection between the 'high' Statistics NZ projections, and the city's building consent projections, using historical building consent data from the early 1980's, which is the best information our planners have available, supplemented by knowledge of particular city developments. The decision to utilise these figures reflects the current expectations and confidence in the Hamilton market, and the fact that Hamilton has consistently had population increases in excess of the 'high' Statistics NZ projections. Capital expenditure and revenue forecasts have been based on these assumptions. The impact on capital expenditure could be significant if there are changes. Most significant capital works include a growth component that will cater for changes in demand. If growth slows then expenditure may be deferred, or the asset will still have capacity. However if growth is faster than forecast, it may mean at some stage in the future upgrades may need to occur sooner than anticipated. This is considered a medium risk.</p> <p>Of greater sensitivity is the impact on revenue forecasts. The Council has made assumptions about the level and amount of development</p>

	<p>contributions to be received as a result of growth and also the number of ratepayers that are in the city to share the rating burden. If development occurs at different rates, then these projections will need to be amended.</p> <p>The Council will review growth rates whenever updated information is available and prior to every Annual Plan and Long-Term Plan. If there are significant changes in the trends then the forecasts will be amended accordingly.</p>
Capital expenditure forecasts for major capital projects vary considerably from those contained in the Long-Term Plan (May Occur)	<p>The capital expenditure estimates included in the budget are based on the best information available at present. For some projects detailed design has been undertaken but for most projects this design and detailed costing is included in the budget in the year prior to the major capital works being undertaken. Therefore until the design is complete and the projects tendered, it is possible that the final cost will vary from that forecast in the budget.</p> <p>The Council's experience in managing its overall existing capital expenditure and operating expenditure programme close to budget provides confidence that the Council has effective processes and capability to effectively manage large capital projects.</p>
Major adverse event e.g. earthquake, flood, pandemic (May occur)	<p>No specific provision is included in the Long-Term Plan, although Civil Defence training is provided for and there are risk management plans for key infrastructure assets - the Council also has a self-insurance fund with over \$3m set aside. It also maintains a comprehensive insurance programme, which insures its water and wastewater treatment plants, certain bridges, community assets, operational and infrastructural buildings, plant, vehicles and sundry operational assets. The Council is developing plans to ensure critical service delivery in the event of a pandemic is maintained.</p>

3.5.22 Impact on Forecasting Assumptions as a Result of High Uncertainty

There are no cases in the Long-Term Plan that include a level of 'high' uncertainty. There are situations where there is some uncertainty relating to:

- (a) price level adjustments and the
- (b) impact of growth rates, which have been highlighted in the table on the previous page.

These are outlined further below:

3.5.22.1 Price Level Adjustments

The Council considers that the highest level of uncertainty relates to price level adjustments. Currently, many New Zealand economic commentators are signalling a downturn in New Zealand's economy. Should this eventuate, there is uncertainty about how it will impact the Council and its financial projections. Should price level adjustments be higher than those contained in the Long-Term Plan, then the cumulative effect of price level adjustments in outer years could be significant.

The Council has relied on independent recognised economic forecasters to determine the price level adjustment factors. As the Council reviews its Long-Term Plan, it will revise future price level adjustment factors based on the best information available at that time.

3.5.22.2 Impact of Growth Rates

As projected rates of growth are inherently uncertain, there are possible implications for Council's capital works programme and for expenditure on Council's core infrastructure services, should eventual growth rates differ substantially from those projected in this document. The city has, however, experienced real growth at levels above its projected growth rates over recent years, and the Council is confident that the population will reach, and possibly exceed the Statistic NZ high projections of 159,600 for 2006. Implications of both above and below projected growth eventuating for the city are discussed below:

- Above projected growth is realised: The implications of higher than expected growth are that budgeted works in the capital work programme may need to be designed and implemented earlier than planned. This relates particularly to 'core services' of roading, water supply, wastewater and stormwater, where the need to service new developments is often more immediate. The Council may also need to reprioritise the capital work programme for community services such as sports areas, parks and gardens, event facilities, swimming pools and libraries. Other Council regulatory, long-term planning, support services and governance functions could be expanded as required to cater for additional function or demand. Additional development and financial contributions and rates revenue resulting from the increased growth would help to fund the majority of the increased demand for infrastructure, services and other facilities.
- Below projected growth is realised: The implications of lower than expected growth are that budgeted works in the capital programme may be deferred or reprioritised. Core service infrastructure upgrades could be deferred as lower rate and development and financial contributions revenue would impact on the community's ability to pay for all desired services. Other regulatory, long-term planning, support services and governance services could be provided at status-quo levels as required. Elective community services development could be reprioritised and deferred, as revenue to pay for planned upgrades or new assets may be more limited than anticipated.

4.0 Investment Policy

4.1 Objectives

For the foreseeable future, Council will have a permanent net debt/borrowing position and will, where practical, use flexible short-term working capital money market funding lines instead of maintaining cash deposits. Accordingly, it will not have any requirement to be in a surplus cash situation apart from:

- the management of historical sinking funds
- restricted special funds, and
- trust funds.

Therefore, outside of the above-mentioned exceptions, any liquid investments must be restricted to a term that meets future cash flow projections.

The objective of the investment policy is consistent with Council's objectives and with the Long-Term Plan and Annual Plan. It is:

- (i) to maximise interest income on investments approved within the policy, by profiling the investment portfolio to gain from favourable market movements and to protect against adverse movements,
- (ii) to manage short-term cashflows in an efficient and prudent manner,
- (iii) to manage a level of liquidity sufficient to meet both planned and unforeseen cash requirements,
- (iv) to invest only in approved financial securities and maturity time periods permitted by the policy,
- (v) to have an adequate monitoring and reporting process to ascertain existing risk position and to measure performance levels against a predetermined benchmark,
- (vi) to operate a conservative approach to ensure protection of Council's assets,
- (vii) to establish investment and control practices and procedures to prevent unauthorised transactions,
- (viii) to establish an accurate cashflow forecasting model/schedule to increase efficiency in Council's investment decision-making.

4.2 General policy

4.2.1 Management Structure

The management structure involves the Funds Accountant, Finance and Administration Manager, General Manager Corporate and Chief Executive Officer who report to Council through the Finance & Audit Committee. Refer to Section 5.4.3 for full-delegated authorities.

4.2.2 Acquisition of New Investments

Council has adopted a conservative approach to its fiduciary duty to ratepayers. It will generally rely on proven investments (such as cash) but may invest in shares or property where specified criteria are met. These criteria are outlined in Section 4.2.7 (below). The Council has established a Significance Policy to identify significant issues, which require public consultation.

4.2.3 Cash Investments

Council's general, special or reserve funds cash (when required to be held in cash, e.g., Restricted Special Funds which can not be used for internal borrowing) will, as far as practicable, be spread by institution and instrument, having particular consideration to the type of fund being invested, the fund's cashflow requirements, interest rates available, and the risk of default.

4.2.4 Trust Funds

Any funds held by Council that are subject to a form of trust deed will be administered according to the conditions of the appropriate trust deed.

4.2.5 Special Funds and Reserve Funds

From time-to-time, Council establishes special funds or reserve funds. These funds or reserves are usually used for specific purposes and will be accounted for according to the conditions set out at the time of establishing the fund or reserve (or as amended by Council resolution). Liquid assets will not be required to be held against special funds, instead, such commitments to future specified releases will be covered by a committed standby line of credit in the form of a committed credit facility.

Such a facility will be for an amount equivalent to the maximum special fund release commitments over a 12-month period and, as in the nature of the facility, will be reviewed annually. Liquid assets (except when restricted to being held in cash as per Section 4.2.3) will be utilised for internal borrowing to offset Council's working capital and debt funding requirements.

Accounting entries representing monthly interest accrual allocations will be made using the lower of:

- Council's average weighted cost of funds for that period, or
- weighted average 90-day bank bill bid rate for that period.

Such a mechanism is subject to a Council resolution, which will supersede previous Council resolutions pertaining to the funding of specific special funds.

4.2.6 Sinking funds

Council is no longer required to use sinking funds as a mechanism for loan repayments. Where practical, Council will actively pursue the cessation of contributions to existing sinking funds. Accordingly, the existing sinking funds established pre 1 July 1998, will run down over their attributable life to zero.

A statement of sinking funds is prepared annually by the Sinking Fund Commissioner (Public Trust).

Given that Council will be a net borrower for the remaining life of the existing sinking funds, the sinking funds should be invested in short-term financial instruments and the investment return contracted with the Sinking Fund Commissioner should be maturity matched with equivalent borrowings. Council may also choose to utilise sinking funds for internal borrowing purposes and act as the Sinking Fund Commissioner. These methods will negate any interest rate gap risk that occurs when Council borrows at higher rates compared to the investment rate achieved by sinking funds. Such matched borrowings should be netted from the projected net debt level as defined in Section 5.2.2.

4.2.7 Investments in Shares, Property and Other

Council may, by specific resolution, make investments (or sell, or dispose of such investments) in companies, local authority trading enterprises, joint ventures or other organisations, having regard to all relevant information including, but not limited to, the following:

- investments to be in the best interest of the community
- legislative authority to hold such investments
- the degree of equity interest or control able to be exercised
- prudence
- the likely returns on the investment
- other advantages as deemed appropriate by Council.

Investments are deemed to include loans and/or guarantees to community organisations.

Council will monitor its investments in companies and other institutions by reviewing half-yearly financial reports on performance.

4.2.8 Specific Investments

Council considers its specific financial investments (listed below), as representing the best interests of the community and ratepayers. Council's exposure to risk would be that of any other financial shareholder. Specific investments include:

Waikato Regional Airport Limited

In December 1995, Council, along with four other Waikato local authorities, purchased the Crown's 50 per cent shareholding in Waikato Regional Airport Ltd. This purchase increased Hamilton City Council's holding from 32 per cent to 50 per cent.

Reason for the Council holding shares:

The purpose of this shareholding is that the airport is considered to be a significant infrastructural asset, important to the economic health and growth of the region. In 1997, Council evaluated its shareholding in Waikato Regional Airport Ltd and elected to retain its interest at the existing level.

NZLG Insurance Company

This company evolved from the former Municipalities Insurance Co-operative.

Reason for the Council holding shares:

As a member of this Co-operative, Council was entitled to a shareholding related to the level of its premiums.

Hamilton Riverview Hotel Ltd

Council holds 42 per cent of the shares in the Hamilton Riverview Hotel venture. Tainui Development Ltd, AAPC NZ PTY Ltd and AAPC Ltd own the remaining shares.

Reason for the Council holding shares:

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.

Local Authority Shared Services Ltd

Council holds 7.69 per cent of the shares in Local Authority Shared Services Ltd. The remaining shares are held at equal amounts of 7.69 per cent each, by all the Councils in the Waikato Regional Council region.

Reason for the Council holding shares:

In November 2005 Council resolved to become a shareholder for the purpose of developing shared services across the local authorities within the Waikato region, following consultation in the 2005/06 Annual Plan.

Investments Managed by External Investment Managers

From time-to-time Council may decide to have specific funds managed by external investment managers.

Externally managed funds will be subject to specific contract conditions.

4.3 Hedging Interest Rate Risk

In accordance with the Council's policy to manage the balance sheet on a net basis, Council will be a net borrower for the foreseeable future. All sinking funds and trust funds will be invested on a rolling 90-day basis in keeping with Section 5.2.2 of the Liability Management Policy. Any operating cashflow surpluses will be managed on a prudent cash management basis.

4.4 Approved Financial Instruments

A list of approved instruments can be found in Section 5.4 of the Liability Management Policy.

4.5 Counterparty Credit Risks

Counterparty credit risk is the risk that a party to a transaction will default on its contractual obligation. A counterparty credit risk is incurred whenever Council enters a transaction with a third party which requires the third party to make a payment to

Council. The degree of counterparty credit risk will vary according to the perceived creditworthiness of the counterparties.

Refer to Section 5.6 of the Liability Management Policy for the list of authorised counterparties, with whom management is authorised to transact.

4.6 Allowable Investment Instruments

For allowable investment instruments refer to Section 5.4 of the Liability Management Policy.

4.7 Disposal of Assets

Any disposition of proceeds from the sale of assets or investments (other than vehicles and light plant) must be used in the first instance to repay any outstanding borrowings, to reduce the overall debt of Council unless otherwise specifically authorised by Council. If the assets are subject to legislative restrictions, the proceeds are to be used in accordance with the provisions of the appropriate legislation.

4.8 Reporting

For reporting on the Investment Policy, the following reports will be completed and presented to the Finance & Audit Committee through each quarterly meeting cycle:

- Funding Summary (Financial Overview)
- Funding Facilities/Liquidity Report
- Return on Investments Report
- Counterparty Credit Report

4.9 Performance Targets

The table below summarises the performance targets set for the Funding Policy:

Objective	Target
To manage risks associated with the investments.	Investment policy Section 4.3 complied with.
To use the proceeds from the sale of assets to reduce the overall level of public debt.	Investment policy Section 4.7 complied with.

5.0 Liability Management Policy

Borrowing under this Liability Management Policy includes internal as well as external borrowing (refer to the definition of borrowing in Section 112 of the Local Government Act 2002).

5.1 Objective

The objective of the Liability Management Policy is consistent with Council's objectives and with the Long-Term Plan and Annual Plan. It is:

- to achieve the lowest possible net borrowing costs achievable within the policy parameters, by actively managing funding risk and interest rate risk within the overall limit control of maximising benefits (from favourable interest rate movements) while having levels of protection in place against prolonged and significant adverse interest rate movements.

5.1.1 Active Management and Hedging

Active management of borrowing is the use of direct borrowing methods such as committed or un-committed facilities, bond issues, term loans, overdraft etc. (as detailed in Section 5.4 of this policy).

Hedging is the use of interest rate swap contracts, forward rate agreements, options or swaptions to manage Council's interest rate exposure on existing loans (interest rate risk). There is no purchase or exchange of capital borrowing involved in the use of hedging products (Sections 5.4, 5.4.1 and 5.4.2 of this policy provide details of hedging products).

5.1.2 Definition of Treasury Risks

Council is exposed to a number of risks when borrowing or investing funds, and in the management of treasury functions. These treasury risks are:

- Interest rate risk (detailed in Section 5.2 of this policy).
- Funding risk – This is the risk of not having funding facilities spread over a reasonable period of years and being unable to source funding when required. To manage this risk Council has in place committed funding facilities with three banks and also issues term debt under its Debenture Trust Deed (further information is available in Section 5.3 of this policy).
- 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 (refer Section 5.6.1).
- Counterparty credit risk – Counterparty credit risk is the risk that a party to a transaction will default on its contractual obligations. This risk is managed by using only counterparties on the approved counterparty list (refer Section 5.6).

The Hamilton City Council will have a permanent net debt/borrowing position (refer Section 4.1 of Council's Investment Policy). Council's cash requirements are managed on a daily basis. These cash requirements are achieved by the use of long term funding facilities, term loans and debenture stock/bond issuances along with short-term bank

funding lines and bank overdraft. Investments will only occur occasionally and for brief periods and will be managed according to Council's Investment Policy. Risks associated with cash management in addition to those above are those associated with internal controls of treasury functions. These are managed by the use of formal delegation of authority and authority limits (refer Section 5.4.3) and by the separation of duties so that one person does not initiate a transaction and check confirmations.

5.2 Interest Rate Risk Policy

Interest rate risk is the risk of significant unplanned changes to interest costs as a result of financial market movements.

The purpose of managing interest rate risk is to have a framework in place under which Council can actively manage its borrowings, within overall guidelines to spread and reduce risks. In this manner, Council has control on the level of financial market interest rate movement exposures, and can maintain a relative balance between such risk and other business investment risks that Council has in its normal course of business.

The control limits cover both the underlying physical borrowing risks and the use of synthetic instruments that may be used to limit, reduce, eliminate and re-profile these physical risks.

5.2.1 Currency Borrowings

Borrowings can only be made in New Zealand dollars (see Section 113 of the Local Government Act 2002).

5.2.2 Net Borrowings

Fixed/floating percentages are calculated on the 12-month projected net debt level based on Council's Long-Term Plan and Annual Plan. Net debt is the amount of total debt net of liquid financial assets/investments (including sinking funds). This allows for pre-hedging in advance of projected physical drawdowns of new debt. When forecasts are changed, the amount of fixed rate cover in place may have to be adjusted to comply with the policy minimums and maximums.

5.2.3 Fixed/Floating Mix

Fixed rate is defined as all debt with interest rate repricing beyond 12-months. It can be made up of fixed rate borrowings, interest rate swap contracts, swaptions, and caps, with more than 12-months to run. Interest rate caps with a rate more than 2 per cent above market rates cannot be considered as fixed rate. Floating rate is defined as all debt with an interest rate repricing within 12-months.

To match the fixed nature of the income that Council generates (i.e., rates), the mix of fixed borrowings at any one time is to be 50 per cent minimum and 95 per cent maximum.

To spread the interest rate risk on the profile of borrowings, the following controls/guidelines have been established:

1 – 3 years	20% (min) – 60% (max) of the Fixed Rate total
3 – 5 years	20% (min) – 60% (max) of the Fixed Rate total
> 5 years	10% (min) – 60% (max) of the Fixed Rate total

The mix of floating borrowings at any one time is to be 5 per cent minimum and 50 per cent maximum.

Call Market borrowings cannot exceed \$15 million.

5.2.4 Debt Ratios and Limits

Debt is categorised into **Gross Debt** and **Net Debt**. **Gross Debt** comprises all internal and external debt of the Council. **Net Debt** comprises **Gross Debt** less sinking funds held to repay old Local Government stock.

Net Debt will be reported in total (**Total Net Debt**), as well as under two subtotals:

- (a) Council Net Debt, comprising debt which is to be funded from:
 - Reserves,
 - Access Hamilton, and
 - Rates.
- (b) Development Contributions Net Debt, which is to be funded from:
 - Development and Financial Contributions (DCL).

Net Debt ratios will be calculated and managed against a mixture of **Council Net Debt**, and **Total Net Debt** within the following macro limits:

Debt Ratio	Policy Limit
Council Net Debt	
Net interest on Council debt (excluding interest on DCL debt) as a percentage of total annual rates income.	<20%
Net debt (Council) as a percentage of income (excluding total DCL contributions received p.a. in income).	<180%
Net debt (Council) per capita	<\$1,800
Total Net Debt	
Net debt as a percentage of total assets	<25%
Net debt as a percentage of income	<300%
Net interest (total debt) as a percentage of income (including total DCL contributions received p.a. in income).	<20%
Liquidity (term debt + committed loan facilities to existing net debt including working capital requirements).	>110%

Income is defined as earnings from rates, government grants and subsidies, user charges, total development and financial contributions received p.a. (DCL), interest and other revenue.

Debt will be repaid as it falls due in accordance with the applicable loan agreement. Subject to the debt limits, a loan may be rolled over or re-negotiated as and when appropriate.

Information relating to the level of public debt and linkage to debt servicing performance targets has been applied to Council's Long-Term Plan for the next 10 years.

5.3 Funding Risk Policy

Funding risk is the risk to Council of not having funding facilities spread over a reasonable period of years and being unable to source funding when required. The risks can be summarised as follows:

- (i) If the majority of facilities are maturing at or around the same time, there is a risk that it is an unfavourable time to be renewing facilities in the market due to high pricing/margins from lenders.
- (ii) If Council is having some difficulties by having all facilities maturing at one time, this may be detrimental to the ability to either renew the facilities or receive favourable conditions.
- (iii) There is a danger of saturating the market if all the facilities are maturing at the same time and Council has access to only one type of funding, i.e., either bank funding or capital funding.

To spread this risk, it is prudent to have the total debt spread so that a certain proportion is maturing periodically.

The maturity profile of the total committed funding in respect to all loans and committed facilities is to be controlled by the following system:

Debt/facilities maturing 0– 3 years time	20	–	50%
Debt/facilities maturing 3– 5 years time	20	–	50%
Debt/facilities maturing 5 years and over	10	–	50%

- A maturity schedule outside these limits requires specific Council approval. A twelve-month phase-in non-compliance period is permitted.
- The Chief Executive has discretionary authority to refinance, rollover, re-negotiate existing debt on more favourable terms. Such action is reported to Council at the earliest opportunity.

5.4 Approved Financial Instruments and their Use

Dealing in interest rate products must be limited to financial instruments approved by Council.

Current approved interest rate instruments are as follows:

Category	Instrument
Cash management and borrowing	Bank overdraft Committed cash advance and bank accepted bill facilities (term facilities) Uncommitted money market facilities Bond issuance Term loans

Investments	Short-term bank deposits Bank bills Bank certificates of deposit (CD) Treasury bills Local authority stock or state owned enterprise (SOE) bonds Corporate bonds Promissory notes/Commercial paper
Interest rate risk management	Forward rate agreements (FRA) on: <ul style="list-style-type: none"> a) Bank bills b) Government bonds Interest rate swaps including: <ul style="list-style-type: none"> a) Forward start swaps (start date <24-months) b) Amortising swaps (whereby notional principal amount reduces) Interest rate options on: <ul style="list-style-type: none"> a) Bank bills (purchased caps and one for one collars) b) Government bonds Interest rate swaptions (purchased only)

Any other financial instrument must be specifically approved by Council on a case-by-case basis and only be applied to the one singular transaction being approved.

5.4.1 Definitions

Interest Rate Swap Contract (SWAP)

An interest rate swap contract is an agreement between two parties (one party typically being a bank) to exchange interest rate obligations on an agreed notional principal amount for an agreed time period. There is no physical exchange of principal amounts.

Forward Rate Agreement

A forward rate agreement is a contract between two parties whereby each party agrees to fix an interest rate for a specified contract period and a specified future date, based on an agreed notional amount. Neither party undertakes to lend or borrow a principal amount – it is only the obligation to make the interest payment that is agreed on.

Options

Interest Rate Option

An interest rate option is a contract between two parties where the buyer pays the seller a premium for the right, but not the obligation, to enter into a transaction at an agreed interest rate for an agreed notional principal, maturing on an agreed date.

Government Stock Option

A Government stock option is a specialist contract where the party buying the option has the right, but not the obligation, to purchase or sell Government stock.

Swaption

A swaption is an agreement where the party buying the option has the right, but not the obligation, to enter into an interest rate swap contract.

Counterparties who sell these treasury management products will require Council to sign a Master Agreement that covers all the legal terms, conditions, rights, responsibilities and liabilities under the contract. The Master Agreements protect both parties and cover all individual contracts entered between the counterparty and Council (these are normally confirmed by computer-generated confirmation letters only).

5.4.2 Financial Instrument Use**Interest Rate Swap Contracts (SWAP)**

- SWAP contracts cannot exceed 10-years.
- Net outstanding/open interest rate swap contracts cannot exceed 100 per cent of total 12-month projected net debt.
- Existing interest rate swap contracts may be closed out or amended prior to maturity by cancellation/amendment with the same counterparty, or by an equal and opposite interest rate swap contract with another counterparty.

Forward Rate Agreements

- Net outstanding/open forward rate agreement contracts cannot exceed 75 per cent of floating rate debt.
- Refer to interest rate swap contracts for transaction limits.

Interest Rate Options, Government Stock Options and Swaptions

- Selling of interest rate options is only allowed as part of a combined strategy, including the simultaneous purchase of interest rate options with identical amount and maturity.
- Strike prices must be within 1 per cent of the appropriate SWAP rate.
- Refer to interest rate swap contracts for transaction limits.

5.4.3 Delegation of Authority and Authority Limits

Treasury transactions entered into by Council without the proper authority are difficult to cancel given the legal doctrine of 'apparent authority'. Also, insufficient authorities for a given bank account or facility may prevent the execution of certain transactions (or at least cause unnecessary delays).

To prevent these types of situations, the following procedures must be complied with:

- all delegated authorities and signatories must be reviewed at least every 12-months to ensure that they are still appropriate and current.

- a comprehensive letter must be sent to all bank counterparties at least every year that details all relevant current delegated authorities of Council and contracted personnel empowered to bind Council.

Whenever a person with delegated authority on any account or facility leaves Council, all relevant banks and other counterparties must be advised in writing immediately to ensure that no unauthorised instructions are to be accepted from such persons.

Council has the following responsibilities, either directly itself, or via the following stated delegated authorities. (In the absence of individuals, delegated authorities revert upward to their immediate reporting officer).

Activity	Delegated Authority	Limit
Approving and changing policy	Council	Unlimited
Borrowing new debt	Council Chief Executive Officer (CEO) – delegated by Council General Manager Corporate (GMC) – delegated by the Chief Executive Officer Finance & Administration Manager (F&AM) – delegated by the General Manager Corporate	Unlimited (subject to legislative and other regulatory limitations) Subject to Council resolutions
Overall day-to-day risk management	CEO (delegated by Council) GMC (delegated by CEO) F&AM (delegated by GMC)	Subject to policy
Maximum daily transaction amount (borrowing, investing, interest rate risk management, foreign exchange rate risk management) The limit excludes interest rate rollovers on existing swap transactions and rollovers of existing drawn debt	Council Chief Executive Officer (CEO) – delegated by Council General Manager Corporate (GMC) – delegated by the Chief Executive Officer Finance & Administration Manager (F&AM) – delegated by the General Manager Corporate Funds Accountant (delegated by the GMC)	Unlimited \$50 million \$40 million \$30 million \$5 million (limited to daily cash management)
Re-financing existing debt	CEO (delegated by Council) GMC (delegated by the CEO) F&AM (delegated by the GMC)	Subject to policy/Council resolutions

Approving transactions outside policy	Council	Unlimited
Adjust interest rate risk profile	GMC delegating to F&AM each adjustment individually signed off by the GMC	Fixed/floating ratio between 50% and 95% Fixed rate maturity profile limit as per risk control limits
Managing funding maturities in accordance with Council approved facilities	GMC/F&AM	Per risk control limits
Maximum daily transaction amount (borrowing, investing, interest rate risk management)	Council GMC F&AM (delegated by the GMC) Funds Accountant (delegated by the GMC)	Unlimited \$50 million \$15 million \$5 million (limited to daily cash management)
Authorising lists of signatories	GMC	Unlimited
Opening/closing bank accounts	GMC	Unlimited
Annual review of policy	F&AM	N/A
Ensuring compliance with policy	F&AM	N/A

5.4.4 Derivative Financial Instrument Accounting Treatment and Valuation

Council uses derivative financial instruments within prescribed policies and limits (see Section 5.2). These derivative financial instruments are used to manage exposure to fluctuations in interest rates and exchange rates. All derivative financial instruments are valued to fair value at balance date and any resulting gains or losses are recognised in the Statement of Financial Performance. Council does not engage in speculative transactions or hold derivative financial instruments for trading purposes.

5.5 Liquidity Policy

The objective of the liquidity policy is to ensure adequate financial resources are available to Council to meet all obligations as they arise.

The purpose of the Liquidity Policy is to analyse Council's cash flows, in both the short and long-term for all perceived requirements and contingencies, and arrangement of suitable sources of liquid resources.

5.5.1 Policy

Liquid resources are defined as:

- unencumbered financial assets which can readily be converted to cash in a short space of time to the best interests of Council;
- un-drawn committed or standby facilities which can be accessed in a suitable timeframe.

There are three aspects to liquidity management:

- short-term operational liquidity management, to be monitored and controlled through daily cash management activities;
- long-term operational liquidity management, to be monitored and controlled through long-term financial planning;
- contingency crisis management, to be monitored through the long-term and short-term planning process and arrangement of liquidity sources sufficient to meet worst case scenarios.

Council requires a minimum level of surplus liquidity to meet unexpected cash expenditure or revenue shortfall. Liquidity should be flexible enough to manage the rate payment cycle.

5.5.2 Committed Bank Facilities

To ensure the ongoing funding of Council and to manage funding risk (and hence liquidity), it is important that Council obtain committed bank facilities to ensure that sufficient funds can be called upon when required. This form of borrowing would usually be secured through the issuing of a security stock certificate under the Debenture Trust Deed. Committed borrowing facilities plus term debt will be maintained at 10 per cent above the existing net debt amount including working capital. This is deemed to include the value and terms of credit from suppliers including leases, hire purchase and deferred payments agreements.

Council is not permitted to have borrowings from uncommitted bank facilities greater than unutilised committed bank facilities at any one point in time (i.e., used uncommitted facilities are not to exceed unused/available committed facilities).

A list of authorised counterparties is required. This list is approved by the Chief Executive Officer and any additions or deletions to this list require approval.

5.6 Counterparty Credit Risks

Counterparty credit risk is the risk that a party to a transaction will default on its contractual obligation. A counterparty credit risk is incurred whenever Council enters a transaction with a third party, which requires the third party to make a payment to Council. The degree of counterparty credit risk will vary according to the perceived creditworthiness of the counterparties.

The qualifying criteria for lenders on the approved list are that they must meet a minimum credit rating criteria, where appropriate. The counterparty credit limits are as follows:

Credit/Issuer/Authorised Counterparty	Minimum Long-term Credit Rating	Investments maximum per credit (\$m)	Interest Rate Risk management instrument maximum per credit (\$m)	Total maximum counterparty Limit per credit (\$m)
NZ Government	A -	unlimited	none	unlimited
State Owned Enterprises	A -	5	none	5
NZ Registered Banks	A -	***	***	15
ANZ National Bank	AA -	***	***	30
ASB Bank	AA -	***	***	30
Bank of New Zealand	AA -	***	***	30
Deutsche Bank AG	AA -	***	***	15
Westpac Banking Corporation	AA -	***	***	30
ABN Amro	AA-	***	***	15
Corporate Bonds	A -	2*	none	2
Christchurch International Airport	A +	2	none	2
Fonterra	AA -	2	none	2
Ports of Auckland	A	2	none	2
Auckland International Airport	A +	2	none	2
Telecom Corporation of New Zealand Limited	A	2	none	2
Watercare	A +	2	none	2
Local Government Stock	A - (if rated) unrated	5** 2	none none	5 2
Local Authority Bond Trust	unrated	2	none	2
Local Government Finance Corporation	unrated	5	none	2
Members of Austraclear	n/a	none	none	none
Travelex	n/a	none	0.1	0.1

* Subject to a maximum of \$20m investment in corporate bonds/CP at any one point in time.

** Subject to a maximum of \$25m investment in Local Government stock at any one point in time, including Local Government Finance Corporation and Local Authority Bond Trust.

*** These counterparty limits are interchangeable between investments and interest rate risk management instruments within the maximum counterparty limit.

Any changes to the above named counterparties must be approved by the Chief Executive Officer.

In determining the usage of the above gross limits, the following product weightings will be used:

- Money Market (e.g., Bank Deposits, Investments) – Transaction principal amount x Weighting 100%
- Interest Rate Risk Management (e.g., swaps, FRAs, collars) – Transaction principal amount x Maturity (years) x 3%
- Foreign Exchange (e.g. foreign exchange forward contracts, foreign exchange options, cross-currency interest rate swaps) – Transaction principal amount x the square root of the maturity (years) x 15%.

Each transaction is entered into a reporting spreadsheet and a monthly report prepared for the Finance and Administration Manager to show assessed counterparty actual exposure versus limits.

The Finance and Administration Manager on an ongoing basis reviews ratings and in the event of material credit downgrades, this is immediately reported to the General Manager Corporate and the Chief Executive Officer and assessed against exposure limits. Counterparties exceeding limits are reported to Council.

Risk Management

To avoid undue concentration of exposures, a range of financial instruments must be used with as wide a range of counterparties as possible. The approval process to allow the use of individual financial instruments must take into account the liquidity of the market the instrument is traded in and re-priced from.

5.6.1 Settlement Risk

Counterparty settlement risk is also incurred when a transaction is settled. Whenever there is a physical exchange of cash or securities, Council is at risk that the counterparty's cheque will not be honoured or the securities will not be legally transferred.

To avoid settlement risk, Council will require that all settlements are to be made by bank cheque or directed through Austraclear (a Reserve Bank operated facility), to an account in the name of Hamilton City Council. Austraclear is a real-time trade matching, transfer, clearance and settlement system for securities. Once ownership of the security and the ability to pay controls has been checked, the transfer is irrevocable. Transactions are not accepted by the system unless the paying member has sufficient credit provided by their banker within the system to allow the transaction to be completed.

There does still remain a bank-to-bank risk, hence counterparty limits need to be maintained. Transactions will only be entered into with those institutions on the approved counterparty list.

Council is an Associate Member of Austraclear. Should Council be approached by an investor who is not listed in the counterparty list, or is not a member of Austraclear, the General Manager Corporate has the delegated authority to approve such Counterparties on a transaction-by-transaction basis, with subsequent reporting to Council.

5.7 Debt Repayment Policy

The objective of the debt repayment policy is to ensure that Council is able to repay debt on maturity with minimum impact on Council operations.

The purpose of the debt repayment policy is to provide a framework by which Council can manage its financial commitments for debt, through the establishment and maintenance of financial reserves and a suitable debt maturity profile.

5.7.1 Debt Repayment Policy

Debt repayment will occur at different levels for the four sub-categories of net debt defined in section 5.2.4, as follows:

Debt Funded by Reserves

Debt repayment shall be budgeted to be either 4 per cent of the opening balance of net debt or an accelerated debt repayment programme in accordance with a Council resolution pertaining to the specific loans or programme for which the debt is raised. A mixture of both debt repayment profiles may occur under this debt category.

Debt Funded by Access Hamilton

Debt repayment shall be budgeted to be either 4 per cent of the opening balance of net debt or an accelerated debt repayment programme in accordance with a Council resolution pertaining to the specific loans or programme for which the debt is raised. A mixture of both debt repayment profiles may occur under this debt category.

Debt Funded by Rates

Debt repayment shall be budgeted to be 4 per cent of the opening balance of net debt (excluding internal borrowing). Debt repayment will include sinking fund interest earned on accumulated sinking funds, but to exclude lump sum debt repayments from asset sales. Opening debt balance will be adjusted down for any lump sum debt repayments from asset sales in the budgeted year.

Debt Funded by Development Contributions

Debt repayment shall be budgeted to be the annual difference between budgeted contributions received and interest expense calculated by the Development and Financial Contributions model. The model ensures that all debt funded by development and financial contributions is "ring-fenced" and the total net debt is paid in full at the end of the last year that growth capacity is provided by the projects which are funded by this debt.

5.7.2 Sale of Assets

Funds derived from the disposition of assets or investments (other than vehicles and light plant) are to be utilised for the purpose of repayment of debt as set out in Section 4.7.

5.7.3 Cost of Capital Policy

The liability policy is based on balance sheet funding, with all borrowings or debt deemed to be corporate debt. Debt repayments will be made from revenue. The cost of capital is to be spread over significant services on the basis of the book value of land

and buildings employed, except where Council has provided for the costs to be recovered from specific activities (refer Statement of Accounting Policies and Revenue and Financing Policy [Capital Expenditure Policy]).

5.8 Security Policy

The objective of the security policy is to ensure that Council is able to provide suitable security to lenders and investors, while retaining maximum flexibility and control over assets.

The purpose of the security policy is to establish a mechanism through which Council is able to monitor any security given.

All of Council's loans and interest rate risk management instruments will be secured by way of a charge over Council's rates and rates revenue, unsecured, or secured by way of charge over physical assets.

A charge on Council's rates and rates revenue will be granted in favour of a trustee. The trustee will hold the benefit of the charge for all parties to whom Council grants the benefit of the rates security under a debenture trust deed. Council will engage a trustee, a registrar, paying agent and advisors from time-to-time to act under the debenture trust deed.

Other security may be given under certain circumstances.

Physical assets will be pledged only where:

- there is a direct relationship between the debt and the asset purchase or construction (e.g., operating lease, or project finance);
- Council considers a pledge of physical assets to be appropriate;
- the Finance and Administration Manager ensures that the required register of charges and any associated documents are provided, filed and kept in accordance with the Local Government Act 2002 and the Securities Act 1978.

5.9 Foreign Exchange Risk Management Policy

Council does not incur large, ongoing, foreign exchange risks in a trading/operating sense, although regular foreign exchange transactions are made for the purchase of items such as library books, subscriptions and seeds. However, from time-to-time large 'one-off' imports such as the purchase of machinery do result in foreign exchange exposures.

The policy is as follows:

- Council cannot borrow in foreign currencies (see Section 113 of the Local Government Act 2002).
- All foreign exchange transactions over \$20,000 must be reported to the Funds Accountant prior to the placement of a firm order/signing of sale and purchase contract.
- Prior to the placement of a firm order/signing of sale and purchase contract, Council is not allowed to enter forward exchange contracts, but may purchase currency options as an insurance protection over the period leading up to the firm order. The option term may be no longer than three-months. The purchase of the option is to be approved by the Finance and Administration Manager. If the order does not go ahead, the only loss is the premium paid up front in cash. If a forward

contract is entered and the plant purchase does not take place, the potential loss on the unneeded forward contract is unlimited and unknown.

- Within seven-days of an order being placed with an overseas supplier of \$25,000 or greater, a minimum of 75 per cent of the foreign currency exposure is to be covered forward by way of forward exchange contracts. The remaining 25 per cent may be left open to gain from any favourable trend in the market, but must be covered within three-months of the firm order.
- All foreign currency forward contracts and option contracts are only to be entered into with banks on the approved counterparty list.
- The Funds Accountant in consultation with the Finance and Administration Manager will decide whether or not to cover transactions under \$25,000.
- In reviewing compliance with counterparty limits, foreign exchange forward contracts will be given a weighting equivalent to the transaction principal amount x the square root of the maturity (years) x 15%.

5.10 Reporting

For reporting on the Liability Management Policy, the following reports will be completed and presented to Council's Finance and Audit Committee through each quarterly meeting cycle:

- Funding Facilities Report/Liquidity Report
- Financial Instrument Contracts Report
- Cost of Funds Report
- Summary of Funding and Interest Rate Risks
- Actual and Forecast Debt (current year)
- Debt Performance Targets Report
- Funding Summary (Financial Overview)

5.11 Performance Targets

The table below summarises the performance targets set for the funding policy. For definitions of **Council Net Debt** and **Total Net Debt** refer to Section 5.2.4.

Objective	Target
To manage interest rate risk exposure.	Minimum (50%) and maximum (95%) level of fixed borrowing is not exceeded.
To maintain debt within specified limits and ensure adequate provision for repayments to maintain adequate liquidity.	<p>For: Council Net Debt</p> <p>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>For: Total Net Debt</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> <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:</p> <p>Term debt and committed borrowing facilities is not less than 110% of the existing net debt, including working capital requirements.</p>
To report annually Council net debt against the population of the city.	<p>For: Council Net Debt</p> <p>Net debt (Council) does not exceed \$1,800 per capita.</p>
To maintain security for public debt by way of a charge over rates through the Debenture Trust Deed, or registered mortgage over specific assets.	Security documentation is reviewed to ensure compliance.
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.

6.0 Rating Policy (incorporating Rates Remission and Rates Postponement Policies)

6.1 Objective

The objective of the Rating Policy is to develop a system, which reflects the following attributes:

- Effectiveness to meet Council's goals, which takes into account the community needs for environmental, economic and social issues.
- Efficiency, in that resources are allocated to best advantage for the benefit of the community.
- Equity, reflecting the accounting principles: ability to pay principle and the benefit principle.
- Simplicity through low cost administration and implementation.
- Transparency, in that the policy is clear and readily understandable.
- Spread the incidence of rates as fairly as possible.
- Be consistent in charging rates.
- Ensure all ratepayers pay their fair share for Council services.
- Provide the income to meet the goals.

The Rating Policy should be read in conjunction with the Council's Revenue & Financing Policy, and the Funding Impact Statement outlined in the Annual Plan/Long-Term Plan.

The Rating Policy incorporates all Rates Remission and Rates Postponement Policies of Council.

6.2 Background

Rates are assessed under the Local Government (Rating) Act 2002, on all rateable rating units on the land value supplied by Quotable Value New Zealand Limited.

6.3 Rating Systems

There are three rating systems available to local authorities under Section 13 of the Local Government (Rating) Act 2002 for the general rate.

Annual Value

These values are based on the rent for which a particular property could be let from year-to-year, with a minimum of 5 per cent of the capital value.

Capital Value

These values are based on the market value of the property, including improvements.

Land Value

These values are based on the market value of land.

6.4 Differential Rating

Differential rating is the system on which rates are made. It is a means where rates assessed on one or more groups of property that may vary from those assessed in respect to others. Under Council's current policy the impact of rating on a differential basis is primarily to shift the rates assessed off residential properties onto other sectors in the community based on funding considerations outlined in the Revenue and Financing Policy.

6.5 Types of Rates

General Rate

Is a rate in the dollar assessed on all rateable rating units.

Targeted Rate

May be set on a uniform basis for all rateable land or only on some categories of rateable land either uniformly or differentially for different categories of rateable land under Sections 16 & 17 of the Local Government (Rating) Act 2002.

Uniform Annual General Charge

Is a fixed amount per rating unit or separately used or inhabited part of a rating unit applied equally to all rateable properties.

6.6 Maximum Uniform Annual Charge Revenue & Mix of Rates

By law, rating revenue from uniform annual general charges and uniform per property targeted rates (except those for water and wastewater services) cannot exceed 30 per cent of the total rates revenue.

Council has resolved not to assess uniform annual general charges (UAGCs). Council assesses the following targeted rates:

- a targeted rate for non-domestic water supply;
- a targeted rate relating to the Access Hamilton Strategy;
- three targeted rates on a differential basis for 100% (fully) non-rateable properties for water supply, refuse and wastewater; and
- four targeted rates on a differential basis for 50% non-rateable properties for water supply, refuse and wastewater.

Council has resolved that in addition to the targeted rates listed above, to levy general rates under the land value rating system (with differentials).

6.7 Rating System

The following sub-sections describe in detail the Council's rating system (as summarised above in Section 6.6). For details on the rating revenue sought by each individual rate, refer to the Funding Impact Statement in the Annual Plan/Long-Term Plan.

6.7.1 General Rate

The general rate under Section 13 of the Local Government (Rating) Act 2002 is set based on the rateable value of the land. The rateable value is the land value of the land. General rates are set at different rates per dollar of rateable value for different categories of rateable land, as described below under the heading "General Rate - by Differential".

6.7.2 General Rate - by Differential

The differential basis is based on the use to which the land is put.

The current categories of rateable land and the differential factors are as follows:

Differential Categories of Rateable Land	Differential Factor
Residential	1.00
Inner City Residential Apartments	0.92
Commercial/Industrial	2.00
Multi-Unit Residential	1.50
Rural Residential	0.88
Rural Small	0.41
Rural Large	0.18

6.7.3 Category Definitions - General Rate Differential

Each rating unit is allocated to a differential rating category (based on the land use) for the purpose of calculating the general rate. Refer to the Funding Impact Statement for definitions used to allocate rating units to categories.

6.7.4 Home Occupations

Although home occupations are permitted activities in all residential zones, Council's present differential rating system charges rates on property 'use or uses' rather than zoning (refer to Section 14(b) of the Local Government (Rating) Act 2002).

Currently, those properties used both for residential and commercial purposes have their values apportioned against the different types of use and are rated accordingly. The residential use portion is charged for through Residential rates, and the commercial use portion is charged for through Commercial rates.

Council reviewed the rating of commercial activities in a residential property on 9 February 2006 and resolved that no change be made to the current policy.

The apportionment of values for different "uses" on the property will occur through the operation of Section 27(5) of the Local Government (Rating) Act 2002.

6.7.5 Uniform Annual General Charge

The effect of a uniform annual general charge is that properties pay the same fixed amount per rating unit or separately used or inhabited part of a rating unit.

The current policy is that no uniform annual general charge be used, due to their regressive nature, and in particular their impact on the rating of lower valued properties.

6.7.6 Targeted Rates

Council may set a targeted rate for an activity if the activity is identified in its Funding Impact Statement as an activity for which a targeted rate may be applied. Council assesses the following targeted rates: (Refer to the Funding Impact Statement for more detailed information on the targeted rates).

(1) Targeted Rate for Non-Domestic Water Supply

Pursuant to Section 19(2)(b) and Clause 7 of Schedule 3 of the Local Government (Rating) Act 2002, Council will set and assess a targeted rate on a differential basis to all rating units supplied with non-domestic water supply (as defined by Hamilton City Council's Water Supply Bylaw 1999).

(2) Targeted Rate - Access Hamilton

Pursuant to Sections 16(3)(b) & 16(4)(a) and Schedule 2 Clause 1 of the Local Government (Rating) Act 2002, Council will set and assess a targeted rate relating to Access Hamilton, assessed on a uniform rate based on the capital value of all categories of rateable properties (excluding 100% non-rateable and 50% non-rateable properties). The amount raised by this targeted rate will be transferred into a special reserve and these funds will be used to fund any of:

- Investigation or associated Access Hamilton capital costs
- Debt servicing of loan funded Access Hamilton capital projects
- Subsidies of transport initiatives, design and feasibility studies and other operational costs linked to the Access Hamilton strategy.

(3) Targeted Rates - 100% (fully) Non-Rateable Properties

Pursuant to Sections 8, 9 & 16(3)(b) and Schedules 2 & 3 (Clauses 3, 7 & 8) of the Local Government (Rating) Act 2002, Council will set and assess three targeted rates on a differential basis for 100% (fully) non-rateable properties for water supply, refuse and wastewater services.

Note: The 100% (fully) non-rateable properties will have a change to the way they are rated from 1 July 2007. The current discounts provided for Community Organisations (Need Based) and Churches (Place of Worship) will be discontinued.

(4) Targeted Rates - 50% Non-Rateable Properties

Pursuant to Sections 16(1), 17 & 18 of the Local Government (Rating) Act 2002, Council will set and assess four targeted rates on a differential basis for 50% non-rateable properties for water supply, refuse and wastewater services.

Note: The 50% non-rateable properties will have a change to the way they are rated as from 1 July 2007. The current differential rates will be removed and the properties will be charged in strict accordance with the Local Government (Rating) Act 2002, Section 8(2). This means the properties will be rated at 50% of the residential general rate on the land value of the property - (Council resolution of 9 February 2006).

6.7.7 Rating of 100% (fully) Non-Rateable Land - General Description

Council rates a number of categories of non-rateable land assessed under the Local Government (Rating) Act 2002. Properties which are 100% (fully) non-rateable (excluding water, refuse and wastewater rates) are summarised as follows:

- Educational Institutions
- Churches (Place of Worship)
- Community Organisations (Need Based)
- any land which falls within Part 1 of Schedule 1 of the Local Government (Rating) Act 2002, eg Health Services (public hospitals and related services).

Where the land is 100% (fully) non-rateable, three targeted rates will be set and assessed on a differential basis for water supply, waste collection (refuse), and sewerage disposal (wastewater), in accordance with Sections 8, 9 & 16(3)(b) and Schedules 2 & 3 (Clauses 3, 7 & 8) of the Local Government (Rating) Act 2002. These funding mechanisms cover the water, refuse and wastewater services.

Application & Review Process for 100% (fully) Non-Rateable Land

- (i) Two categories of non-rateable land being Educational Institutes and Churches (Place of Worship) will not be required to complete an application each year but their rating status will be reviewed by staff annually. Staff may request an application if they feel unsure whether that organisation still meets the criteria, or where it is unclear if a new organisation satisfies the definitions of one of these two categories.
- (ii) Existing organisations rated community organisations (Need Based) will be required to complete a yearly declaration confirming that they still meet the criteria outlined in definition for communication organisations (Need Based).
- (iii) All new organisations seeking classification under the community organisations (Need Based) rating category must complete a new application form.
- (iv) All new applications for classification as 100% (fully) non-rateable land and declarations confirming the organisation still meets the community organisations (Need Based) rating status, will be reviewed by the Finance & Administration Manager, Revenue Manager and Community Support Manager. If the review panel is unsure whether the organisation still meets the criteria, then a full application will be required.
- (v) The information to be requested from new and existing (where applicable) applicants seeking Community Organisations (Need Based) rating status must include the following:
 - property location
 - contact details
 - legal status of organisation
 - audited annual accounts
 - aims of organisation
 - description of services offered and community benefit
 - client group (gender, age, ethnic group, locality) client numbers

6.7.8 Rating of Educational Institutions - 100% (fully) Non-Rateable

Definition

Educational Institutions are defined in Clause 6 of Part 1 of Schedule 1 of the Local Government (Rating) Act 2002.

The current policy is as follows:

- that all educational institutions (including private schools and tertiary institutions in accordance with the definition as outlined above) be rated for general rates on the same basis. Under the current legislation this means that no general rates will be chargeable;
- that these properties be charged by way of three targeted rates for the full cost of water, refuse and wastewater services supplied, and charged at a rate in cents per dollar on the land value of the property;
- that there be a minimum charge for each service;
- that all educational institutions operating for private pecuniary profit will be rated at full commercial/industrial rates.

6.7.9 Rating of Churches (Place of Worship) - 100% (fully) Non-Rateable

Definition

Land and buildings that are to be used as a place of religious worship (Part 1 of Schedule 1 of the Local Government (Rating) Act 2002) not including associated rooms, halls or buildings which are used for meetings, accommodation and preparation of food. These are classified under the community organisations' category.

The current policy is as follows:

- that these properties be charged by way of three targeted rates for the full cost of water, refuse and wastewater services supplied, discounted by 66.6% on the basis that the services are primarily used on one day of the week, and charged at a rate in cents per dollar on the land value of the property;
- that there be a minimum charge for each service.

Note: As from 1 July 2007, the rating of Churches (Place of Worship) properties will be changed to remove the discount on three targeted rates for the full cost of water, refuse and wastewater services supplied. The 66.6% discount for these services will be discontinued - (Council resolution of 9 February 2006).

6.7.10 Rating of Community Organisations (Need Based) - 100% (fully) Non-Rateable

Definition

Community Organisations - (Need Based) (as defined in Clause 21 of Part 1 of Schedule 1 of the Local Government (Rating) Act 2002) with a not-for-profit status, existing to deliver social benefits to the community where neither government nor business is best or appropriately placed.

(Refer: A Good Practice Guide, LGNZ, January 2000, page 20).

The current policy is as follows:

- that these properties be charged by way of three targeted rates for the full cost of water, refuse and wastewater services supplied, discounted by 40% on the basis that these organisations are of a charitable nature, and charged at a rate in cents per dollar on the land value of the property;
- that there be a minimum charge for each service.

Any land (other than Educational Institutions, Churches (Place of Worship), or Community Organisations - (Need Based) defined within Part 1 of Schedule 1 of the Local Government (Rating) Act 2002 will be rated the same as a Community Organisation (Need Based).

Note: As from 1 July 2007, the rating of Community Organisations (Need Based) properties will be changed to remove the discount on three targeted rates for the full cost of water, refuse and wastewater services supplied. The 40% discount for these services will be discontinued - (Council resolution of 9 February 2006).

6.7.11 Targeted Rates for 100% (fully) Non-Rateable Properties

To give effect to the foregoing policy on the rating of 100% (fully) non-rateable properties, the Council will set and assess the following targeted rates:

Non-Rateable Water Targeted Rate

A targeted rate for water on all 100% (fully) non-rateable properties as described in the Funding Impact Statement.

Non-Rateable Refuse Targeted Rate

A targeted rate for refuse on all 100% (fully) non-rateable properties as described in the Funding Impact Statement.

Non-Rateable Wastewater Targeted Rate

A targeted rate for wastewater on all 100% (fully) non-rateable properties as described in the Funding Impact Statement.

Note: These targeted rates apply only to properties which are 100% (fully) non-rateable in terms of Part 1 of Schedule 1 of the Local Government (Rating) Act 2002 and only to those properties supplied with the relevant service.

To calculate each sector's proportion of the cost of each service, the total cost of the service for the relevant year is multiplied by the proportion that the total rateable value of the sector bears to the total rateable value of the City.

6.7.12 Rating of 50% Non-Rateable Land - General Description

Council rates a number of categories of non-rateable land assessed under the Local Government (Rating) Act 2002. Properties which are 50% non-rateable (excluding water, refuse and wastewater rates) are summarised as follows:

- Community Organisations (Arts Based)
- Sporting & Cultural Organisations (with income under \$500,000 income)
- any land which falls within Part 2 of Schedule 1 of the Local Government (Rating) Act 2002

Where the land is 50% non-rateable as defined under Part 2 of Schedule 1 of the Local Government (Rating) Act 2002, Council must rate these properties at 50% of the residential general rate (mandatory rates). Council has resolved to introduce a Rates Relief - 50% Non-Rateable Land Policy to give properties in this category a further relief by way of new differentials. These funding mechanisms cover all the services of Council.

Note: The 50% non-rateable properties will have a change to the way they are rated as from 1 July 2007. The current differential rates will be removed and the properties will be charged in strict accordance with the Local Government (Rating) Act 2002, Section 8(2). This means the properties will be rated at 50% of the residential general rate on the land value of the property - (Council resolution of 9 February 2006).

6.7.13 Rates Relief - 50% Non-Rateable Land Policy

Council has a relief policy for land that is 50% non-rateable which is used for the purposes of either a community organisation (arts based), a sporting and cultural organisation (income under \$500,000), or any land defined within Part 2 of Schedule 1 of the Local Government (Rating) Act 2002, in accordance with Section 16(1), 17 & 18 of the Local Government (Rating) Act 2002. The objective of this relief policy is to give properties in this category a further relief (in addition to the mandatory 50% of the residential general rate) by way of new differentials, as outlined in the following sections.

Note: As from 1 July 2007, this policy will no longer apply in accordance with the changes to the rating of 50% non-rateable properties resolved by Council on 9 February 2006.

Application & Review Process for Non-Rateable Properties

- (i) Existing organisations rated community (arts based), sporting and cultural will be required to complete a yearly declaration confirming that they still meet the criteria outlined in the definition for community (arts based) sporting and cultural organisations.
- (ii) All new organisations seeking rating relief under the community (arts based), sporting and cultural rating categories must complete a new application for rating relief.
- (iii) All new applications for rating relief and declarations confirming the organisation still meets the community (arts based), sporting and cultural rating status, will be reviewed by the Finance & Administration Manager and Revenue Manager. If the review panel is unsure whether the organisation still meets the criteria, then a full application will be required.
- (iv) The information will be requested from new and existing (where applicable) applicants seeking community rating status must include the following:
 - property location
 - contact details
 - legal status of organisation
 - audited annual accounts
 - aims of organisation
 - description of services offered and community benefit

- client group (gender, age, ethnic group, locality) client numbers

6.7.14 Rating of Community Organisations (Arts Based) - 50% Non-Rateable

Definition

Community Organisations (Arts Based) (as defined in Clause 3 of Part 2 of Schedule 1 of the Local Government (Rating) Act 2002) with a not-for-profit status, existing to deliver social benefits to the community where neither government nor business is best or appropriately placed.

(Ref: A Good Practice Guide, LGNZ, January 2000, page 20).

The rates relief policy is as follows:

Land in the category of Community Organisations (Arts based) - 50% non-rateable will receive a further relief (in addition to 50% general residential mandatory rates) in the form of a lower rate in the dollar of all relevant rates. The relief policy is to create four targeted rates on a differential basis (with a rate per dollar of land value) based on the services provided to these properties as described in the Funding Impact Statement.

Community Organisations (Arts Based) with more than three separately used or inhabited parts of one rating unit will be rated at the 50% general residential mandatory rates, and receive no further rates relief.

Unless otherwise stated, any land:

- which is entitled to a 50% rates exemption under Part 2 of Schedule 1 of the Local Government (Rating) Act 2002; but
- to which the rates relief policies for Community Organisations (Arts based); and Sporting and Cultural Organisations do not apply;

will be rated in accordance with the rates relief policy for Community Organisations (Arts Based) - 50% non-rateable.

Note: As from 1 July 2007, the four differential rates will be removed and the Community Organisations (Arts Based) properties will be charged in strict accordance with the Local Government (Rating) Act 2002, Section 8(2). This means the properties will be rated at 50% of the residential general rate on the land value of the property - (Council resolution of 9 February 2006).

6.7.15 Rating of Sporting and Cultural Organisations - 50% Non-Rateable

Definition

An organisation whose principal object is to promote games, sports, recreation, arts or instructions, for the benefit of residents or any group or groups of residents of the district, not for private pecuniary profit in accordance with the definition provided in Part 2 of Schedule 1 of the Local Government (Rating) Act 2002. If applicable, no commercial rating apportionment will be applied to the liquor licence portion of the premises.

The rates relief policy is as follows:

That these properties be classified into two categories based on gross annual income received by these organisations.

Category 1

Land in the category of Sporting and Cultural Organisations - 50% non-rateable, where the organisation has a gross annual income of less than \$500,000, will receive a further relief (in addition to 50% general residential mandatory rates) in the form of a lower rate in the dollar of all relevant rates. The relief policy is to create four targeted rates on a differential basis (with a rate per dollar of land value) based on the services provided to these properties as described in the Funding Impact Statement.

Sporting and Cultural Organisations (with income under \$500,000) with more than three separately used or inhabited parts of one rating unit will be rated at the 50% general residential mandatory rates, and receive no further rates relief.

Note: As from 1 July 2007, the four differential rates will be removed and the Sporting and Cultural Organisations properties will be charged in strict accordance with the Local Government (Rating) Act 2002, Section 8(2). This means the properties will be rated at 50% of the residential general rate on the land value of the property- (Council resolution of 9 February 2006).

Category 2

No further relief will apply to land in the category of Sporting and Cultural Organisations - 50% non-rateable with a gross annual income of \$500,000 or over in accordance with Part 2 of Schedule 1 of the Local Government (Rating) Act 2002.

6.7.16 Rating of Utility Companies

The result of the High Court decision in the Telecom v Auckland City Council case confirmed that telecommunication utilities were separate rateable properties.

Council, in conjunction with the other territorial local authorities within the Waikato region, engaged a valuation consultant and these utility valuations have been entered on the District Valuation Roll.

While valuation under capital value is possible, legal advice received advises that there is no land value component in these valuations.

6.7.17 Rates Payable by Instalments

The Council provides for rates to be paid in four equal instalments. A ratepayer may elect to pay weekly, fortnightly, monthly by automatic payment through the banking system. Rates can also be paid by direct debit (monthly or quarterly), Internet and other banking methods.

6.7.18 Discounts for Prompt Payment

The Local Government (Rating) Act 2002, Section 55 authorises a council, if it so desires, to allow a discount for prompt payment of rates. There have been few requests for this concession and Council's policy is to provide no discount.

6.7.19 Rating Penalties

In accordance with Sections 57 & 58 of the Local Government (Rating) Act 2002, a penalty of 10 per cent is added to all rates assessed (GST inclusive balance) or part thereof in the current financial year (including general and targeted rates), which are

unpaid after the due date for payment. Previous years rates, which remain unpaid, will have a further 10 per cent added on 1 September and again on 1 March each year.

6.7.20 Special Rating Values and Farm Postponement Values

The Local Government (Rating) Act 2002 repealed Sections 22-25 of the Rating Valuation Act 1998, which up until this time had provided for special rating values and farm postponement values. As a result, the Valuer General has determined that from 1 September 2003 with effect from the 2004/05 rating year, no special rating values or farm postponement values will be assessed for rating purposes. These were previously assessed as part of the three yearly revaluation.

The effect of the special rating values has generally been to lower the full market value of a property, to reflect the current use of the property (e.g. residential properties in commercially zoned areas are given a lower special value than the otherwise higher commercial value). The effect of the farm postponement values has been to reduce the rateable value of large rural properties on the edge of the City from potential subdivision basis to use as rural properties (eg farms).

The difference between farm postponement values and special rating values is that the rates on special rating value properties are assessed on the lower value each year (hence the rating burden is spread to other ratepayers). The rates assessed on farm postponement value properties are written off in part after the fifth year of that farm being subject to the scheme (hence a five year deferral of the cost of the rates write-off).

Council resolved from 1 July 2004 to continue assessing rates on special rating values or farm postponement values then rate the properties at their full market value and remit the rates back to the special value level by adopting a new remission policy and a new postponement policy. The two policies are outlined further in this document as the Rates Remission - Special Rating Values Policy and Rates Postponement - Farm Postponement Values Policy.

6.7.21 Cap on Residential Rates

Council has confirmed the legal position that a cap cannot be used. However, it is lawful for rates on residential properties to be assessed on a stepped differential basis according to land value. The lowest rate should not be at zero per cent.

Current policy is that there be no cap on residential rates.

6.7.22 Rating of Council Owned Property

Council have resolved that a decision on whether a Hamilton City Council-owned property is to be rated or non-rated is determined in accordance with the following criteria:

Rateable Hamilton City Council Properties:

- Investment properties
- Residential properties
- Pensioner housing
- Carparks (fee-charged)
- Vacant land (set aside for commercial or investment activity).

Non-rateable Hamilton City Council Properties (in accordance with Schedule 1, Clause 4 of Local Government (Rating) Act 2002):

- Reserves (recreation, utility, infrastructure)
- Council properties classified as community assets (library, museum, toilets, transport centre, RTS)
- Council administrative buildings
- Infrastructural assets
- Sports facilities
- Carparks (when no fee is charged).

6.8 Rates Remission and Rates Postponement Policies

In accordance with Sections 85 & 87 of the Local Government (Rating) Act 2002 and Sections 102(5), 109 & 110 of the Local Government Act 2002, Council will remit and postpone rates as set out in the Rates Remission and Rates Postponement Policies as listed in this section.

6.8.1 Rate Remissions - Remission of Penalties

The objective of this policy is to consider requests for remission of penalty charges on rates.

Council's current policy is that additional charges by way of penalty may be applied in accordance with Sections 57 & 58 of the Local Government (Rating) Act 2002. These penalties may be remitted in accordance with Section 109 of the Local Government Act 2002 and Section 85 of the Local Government (Rating) Act 2002 under the following criteria:

- Remission may be granted where payment has been received after the date fixed for imposition of a late penalty charge, provided that none of the previous four instalments were similarly received late.
- Remission may be granted where a ratepayer either:
 - (a) makes satisfactory arrangements for regular and substantial reduction of arrears. (These arrangements are to include the remission of late penalty charges as long as such arrangements are fully met) or,
 - (b) provides sufficient information which, if considered genuine and if substantiated with reasonable excuse for late payment, would justify remission for late penalty charges or,
 - (c) Rates staff have the authority to reset penalties where the application meets the criteria set above.

The practice of a penalty for non-payment of rates by due date is an accepted standard practice for local authorities.

A written application for remission is required if the request does not meet the above criteria.

The General Manager Corporate may approve or decline application for waiver of rates penalty where the application is not within the criteria set above; this is also delegated to the Finance & Administration Manager (up to \$1,000.00) and the Revenue Manager

(up to \$200.00). Amounts exceeding \$1,000.00 must be approved by the General Manager Corporate.

6.8.2 Rates Remission - Hardship Relief

The objective of this policy is to receive and consider applications for rates remission in the cases of extreme financial hardship.

Section 109 of the Local Government Act 2002 and Section 85 of the Local Government (Rating) Act 2002 provides for Council to remit part of the rates owing on the rating unit in cases of extreme hardship. Council has approved a Rates Remission - Hardship Relief Policy based on the following criteria:

- (i) Ratepayers must apply to Council in writing to be considered for a remission.
- (ii) The maximum remission under the Rates Remission - Hardship Relief Policy is \$300 - (updated 1 July 2006).
- (iii) The maximum remission amount to be increased by the average percentage general residential rates increase annually.
- (iv) The application will be assessed independently from the Government Rates Rebate Scheme.
- (v) For the purposes of calculating the remission the basic allowable income factor will be set at \$12,000 - (updated 1 July 2006).
- (vi) The income threshold level be adjusted by the annual percentage change in the Super Living Alone benefit payment effective 1 July each year.
- (vii) The following essential elements must be met before any remission is granted:
 - the applicant must be the owner of the property, the applicant must reside at the property and the property must be classified as either a residential or inner city residential apartment. Companies, trusts and other similar ownership structures of these properties do not qualify for this remission;
 - Council must be satisfied that extreme financial hardship on any individual exists or would be caused by requiring payment of the whole or part of the rates;
 - the applicant must declare total household income and their total financial position for the purposes of the remission calculation;
 - the applicant's total assets must not exceed the "total assets" formula described in the Rates Remission - Postponement due to Financial Hardship Policy;
 - all applications for rates remission be treated on a case-by-case basis and approved/declined by either the Finance & Administration Manager or Revenue Manager;
 - Council shall consider whether postponement of rates is a more suitable option.

6.8.3 Rates Remission - Special Rating Values

The objective of this policy is that a remission of rates continues to be applied to those properties that had special rating values as at 1 September 2003 and still meet the conditions and criteria of this policy as assessed by Quotable Value New Zealand.

As from 1 July 2004, in accordance with Section 109 of the Local Government Act 2002, Council may remit rates under Section 85 of the Local Government (Rating) Act 2002 based on the following conditions and criteria:

- (a) That no properties be provided a special rating value other than those properties assessed on this basis at 1 July 2003.
- (b) That special rating values are assessed by Quotable Value NZ as part of the three yearly revaluation.
- (c) That a special rating value will be assessed where a property use either:
 - (i) does not match the zoning of the property; or
 - (ii) is a permitted use within the property zoning but the property is not utilised to its potential.
- (d) That where a property is no longer eligible to receive a special rating value (in accordance with the definitions in (c) above), or where a property is sold after 1 September 2003, and where a special rating value exists on the Rating Information Database, the special rating values will be removed immediately for rating purposes.

The effect of the Rates Remission – Special Rating Values Policy is to remit rates on qualifying properties from being calculated on the full market value to the special rating value.

6.8.4 Remission of Rates on Land affected by Natural Calamity or Disaster

The objective of this policy is to enable rate relief to be provided to assist ratepayers experiencing extreme financial hardship due to a calamity or natural disaster that affects their ability to pay rates.

Conditions and Criteria

Remissions approved under this policy do not set a precedent and will be applied only for each specific event and only to properties affected by the event.

The Council may remit all or part of any rate on any rating unit where the application meets the following criteria:

- (i) Where erosion, subsidence, submersion or other natural calamity or disaster has affected the use or occupation of any rating unit.
- (ii) It is applicable for each single event and does not apply to erosion, subsidence or other incidences that may have occurred without a recognised major natural calamity or disaster.
- (iii) The Council can set additional criteria for each event where it considers it to be fair and reasonable to do so. This is because the criteria may change depending on the nature and severity of the event and available funding at the time. The Council may require financial or other records to be provided as part of the remission approval process.
- (iv) The extent of any remission shall be determined by the Council on a case-by-case basis.

6.8.5 Rates Remission - Remission of Targeted Rates to 100% Non-Rateable Community Organisations (Need Based)

The objective of this policy is to facilitate the ongoing provision of the Community Organisations (Need Based) and its services to the residents of Hamilton City where the charging of the full targeted rate for water, wastewater and refuse may affect the Community Organisations (Need Based) viability.

Conditions and Criteria

The Council may remit up to 40% of the targeted rates levied for water, wastewater and refuse in respect of the rating unit, where the application meets the following criteria, and where it considers it to be fair and reasonable to do so:

- (i) Community Organisations (Need Based) must not operate for private pecuniary profit.
- (ii) Community Organisations (Need Based) must not receive any funding from government agencies or have any contracts for fee for service with government agencies.
- (iii) Community Organisations (Need Based) must operate on a voluntary basis and have no full-time or part-time paid employees or contractors operating in this capacity.
- (iv) The cost of the full targeted rates for water, wastewater and refuse will cause the Community Organisations (Need Based) extreme financial hardship and/or cause the organisation to operate at a financial deficit.

The Community Organisations (Need Based) must provide the following documents with their application:

- Statement of Objectives
- Constitution or Trust Deed
- Full financial accounts
- Information showing extreme financial hardship and operating position
- Information on activities and programmes
- Information on funding sources

A rates remission under this policy is only available from 1 July 2007 after the increased charges have been implemented.

Each application shall be determined by Council on a case-by-case basis.

Applications for this remission must be made annually by the Community Organisation (Need Based).

The Finance & Administration Manager or Revenue Manager may approve the Rates Remission - Remission of Targeted Rates to 100% Non-Rateable Community Organisations (Need Based) applications.

6.8.6 Rates Remission - Remission of Rates to 50% Non-Rateable Sporting and Cultural Organisations

The objective of this policy is to facilitate the ongoing provision of the Sporting and Cultural Organisations and its services to the residents of Hamilton City where the charging of the full targeted rate for water, wastewater and refuse may affect the Sporting and Cultural Organisations viability.

Conditions and Criteria

The Council may remit a further portion of the 50% general residential rate levied in respect of the rating unit where the application meets the criteria outlined below and where it considers it to be fair and reasonable to do so. Any further remission of the rates will be based on the core services received by the organisation as follows:

- (i) Wastewater only (metered water and no refuse collection) - remit up to a further 41% of the general residential rate.
- (ii) Wastewater & Refuse (metered water) - remit up to a further 34.5% of the general residential rate.
- (iii) Wastewater, Water & Refuse - remit up to a further 21% of the general residential rate.
- (iv) Wastewater & Water (no refuse collection) - remit up to a further 30.5% of the general residential rate.

The application must meet the following criteria and conditions to qualify for the above remissions:

- (i) Sporting and Cultural Organisations must not operate for private pecuniary profit.
- (ii) Sporting and Cultural Organisations must not receive any funding from government agencies or have any contracts for fee for service with government agencies.
- (iii) Sporting and Cultural Organisations must not hold a liquor licence under the Sale of Liquor Act 1989.
- (iv) Gross annual income of the Sporting and Cultural Organisation must be less than \$500,000.
- (v) Sporting and Cultural Organisations must operate on a voluntary basis and have no full-time and part-time paid employees or contractors operating in this capacity.
- (vi) The charge of 50% of the general residential will cause the Sporting and Cultural Organisations extreme financial hardship and/or cause the organisation to operate at a financial deficit.

The Sporting and Cultural Organisations must provide the following documents with their application:

- Statement of Objectives
- Constitution or Trust Deed
- Full financial accounts
- Information showing extreme financial hardship and operating position
- Information on activities and programmes
- Information on funding sources

A rates remission under this policy is only available from 1 July 2007 after the increased charges have been implemented.

Each application shall be determined by Council on a case-by-case basis.

Applications for this remission must be made annually by the Sporting and Cultural Organisation.

The Finance & Administration Manager or Revenue Manager may approve the Rates Remission - Remission of Rates to 50% Non-Rateable Sporting and Cultural Organisations applications.

6.8.7 Rates Remission - Organisation with Liquor Licences

The objective of this policy is to ensure sporting clubs and organisations are entitled under Schedule 1, Part 2, Local Government (Rating) Act 2002 to a remission of 50% of residential rates. However the Local Government (Rating) Act 2002 excludes land, in respect of which a club licence under the Sale of Liquor Act 1989 is for the time being in force, from receiving the 50% non-rateable status.

It is difficult to determine the portion of the property to which the liquor licence applies. A further consideration is that often the liquor licence is not held to generate profit but helps to cover the operating costs of the sporting club or organisation. To ensure consistency, sporting clubs and organisations which hold a liquor licence, will be eligible for the 50% remission if they meet the following conditions and criteria:

Conditions and Criteria

- (i) The sporting club or organisation must qualify as 50% non-rateable under Schedule 1, Part 2, Local Government (Rating) Act 2002.
- (ii) The sporting club or organisation must not operate for private pecuniary profit.
- (iii) The sporting club or organisation must hold the liquor licence as an incidental activity to the primary purpose of occupancy.
- (iv) The sporting club or organisation will be required to complete a yearly statutory declaration confirming that they meet the condition and criteria under the policy.

Council may remit 50% of the rate levied in respect of the land relating to the liquor licence where it considers it to be fair and reasonable to do so.

6.8.8 Remission of Rates for Commercial Land Use in a Rural Location

The objective of this policy is to enable remission of part of the rates to a property where a commercial activity is operated in a rural location but do not receive all the Council core services.

Conditions and Criteria

- (i) The rural commercial properties be rated under the commercial/industrial category.
- (ii) Council to determine which services are unavailable to individual properties annually.
- (iii) The core services available for remission are:
 - (a) wastewater
 - (b) water
 - (c) stormwater
 - (d) footpaths
 - (e) street lighting

- (iv) Council will remit the amount equal to the cost that Council would have charged for the services unavailable as part of the commercial general rate.

6.8.9 Remission and Postponement of Rates on Maori Freehold Land

The objective of this policy is:

- To recognise situations where there is no occupier or no economic or financial benefit is derived from the land and there is no practical means of enforcing the rates assessed.
- To grant remission, (where part only of a block is occupied), for the portion of land unoccupied and unproductive.
- To encourage owners or trustees to use or develop the land.
- Where the owners cannot be found, to take into account the statutory limitation of time for the recovery of unpaid rates.

Council's current policy is that a remission of all or part of rates may be granted in respect of rating units which are Maori freehold land in multiple ownership, where the land is both unoccupied and unproductive.

This policy addresses the requirements prescribed under Section 108 and Schedule 11 of the Local Government Act 2002 and Section 114 of the Local Government (Rating) Act 2002.

Conditions or Criteria:

- (i) The land must be multiple-owned and unoccupied Maori freehold land, which is incapable of producing any income.
- (ii) A request for rates remission by the owners must include:
 - (a) Details of the land
 - (b) Documentation that shows the ownership of the land
 - (c) Reasons why remission is sought.
- (iii) Where after due enquiry the owners of an unoccupied block cannot be found the Council may apply a remission without the need for a request.
- (iv) If circumstances changes in respect of the land, the Council will review whether this remission policy is still applicable to the land.
- (v) The General Manager Corporate has delegated authority to grant or refuse remissions under this policy.
- (vi) Any appeals against the decision of the General Manager Corporate will be referred to the Finance & Audit Committee for final determination.

Definitions

The following definitions are taken from section 5 of the Local Government (Rating) Act 2002:

- Maori freehold land means land whose beneficial ownership has been determined by the Maori Land Court by freehold order.
- Maori freehold land in multiple ownership means Maori freehold land owned by more than two persons
- Postponed rates means rates for which the requirement to pay is postponed.

- Remitted rates means rates for which the requirement to pay is remitted.

6.8.10 Rates Postponement - Postponement due to Financial Hardship

The objective of this policy is to provide a measure of rating relief to property owners where the full payment of rates would otherwise cause financial hardship.

Section 110 of the Local Government Act 2002 and Section 87 of the Local Government (Rating) Act 2002 provides for Council to postpone rates in cases of extreme financial hardship. The "Act" provides the necessary authority to grant relief after Council's full enquiry and on being satisfied that financial hardship exists or would be caused by non-postponement. Postponed rates are a charge against the property and must be paid either at the end of the postponement term or when the property is sold, whichever is the earlier. A delegated authority has been granted to the Chief Executive to decide on qualifying cases within the policy guidelines.

A prerequisite is that Council establish base criteria against which the acceptability or otherwise of individual applications for rates postponement relief on grounds of hardship will be able to be judged.

It is proposed that, in the Council's opinion, "hardship" may occur and a measure of relief may be able to be given when all of the following aspects are present:

- The ratepayer is the property owner.
- The property is used by the ratepayer as his or her permanent place of residence.
- The property is used solely for residential purposes.
- The ratepayer has not less than 25% equity in the property.
- The total assets of the household are not more than those specified by the formula below.
- The total rate bill which would otherwise be payable, when compared with the total gross annual income for the ratepayer's household, exceeds the appropriate figure as calculated on the application form - (Rates Postponement Calculation Sheet).
- For those residential property owners whose disposable income is too low to clear both arrears and current year's rates within a 24 month period, Council will consider the postponement of all or part of the arrears that would not be cleared within a two year time frame. An agreement to regularly pay a set amount to cover both current and the nominated amount of arrears is assumed. Each application will be considered on its individual merits.

Total Assets Formula

The total asset formula is:

No property owner(s) would be eligible for rates postponement relief if the total assets held exceed:

- the property to which the application for rates postponement relief relates;
- normal household chattels;
- a car;
- other assets of whatever nature (including cash and investments) with a total value of more than \$15,000.00 - (updated 1 July 2006, to adjust annually by CPI index).

Household Income Formula

The annual income formula proposed would have three elements to calculate the value of rates postponed:

(i) Initial Contribution

It is suggested that an initial contribution towards the cost of rates is charged before any relief is calculated. This sum is likely to cover the cost of all utility services to residential properties calculated on a uniform charge basis. This amount is \$660.00 - (updated 1 July 2006).

The minimum rates payable figure is adjusted annually by the movement in the CPI.

(ii) Additional Contribution

It is also suggested that the ratepayer should pay at least one-third of the remainder due, i.e. one third of the amount by which the rates exceed the initial contribution payable by the ratepayer.

(iii) Abatement

Where the annual income is in excess of the household income limit, the postponed amount is reduced by \$1.00 for each \$20.00 of excess income. Council's current household income limit is \$14,175.00 - (updated 1 July 2006).

The household income limit is adjusted annually by the movement in the CPI and the updated figures are disclosed in the Annual Plan/Community Plan each year.

(The income limit before abatement applies is a 50% increase on Government income limits set for the Rates Rebate Scheme) and CPI adjusted since 1991 when the policy was first introduced.

The formula followed to establish the amount of postponed rates will be based on the above, combined with the general method used in the calculation of Government Rates Rebate.

Applications for Rates Postponement

All applicants will be required to complete, in full, the application questionnaire annually. Staff will conduct an interview with the applicant, supported, where considered necessary, by advice and assistance from the Budget Advisory Service. It is proposed that the General Manager Corporate will make the decisions on eligibility for postponement under delegated authority from the Chief Executive.

The General Manager Corporate, Finance & Administration Manager and Revenue Manager may approve, in cases of extreme hardship, the postponement of rates in accordance with Section 110 of the Local Government Act 2002 and Section 87 of the Local Government (Rating) Act 2002, subject to regular reporting of decisions made under this delegation to the Finance & Audit Committee. When deciding that extreme financial hardship applies, consideration must be given to any guidelines approved by Council.

The financial circumstances of successful applicants will be reviewed each year during the period of postponement in order to ascertain whether the situation has changed. For this purpose it is likely that the application questionnaire and a declaration will be required annually.

If the financial circumstances of the person in receipt of rates postponement improves during the term that relief has been granted to the extent that the payment of rates in

whole would not create a hardship, the remainder of the period of the postponed rates may be cancelled and the applicant could be required to pay all current rates, together with postponed rates and any accrued interest.

Process and Period of Postponement

When an application for postponement is approved, it is suggested that the following provisions will apply:

- Postponement will first apply in the year a completed application is received. The amount of rates postponed will not incur additional charges.
- Instead of the Council requiring payment of the full annual rates bill in the year in which it falls due, the ratepayer will be required to pay to the Council the appropriate amount shown on the application form as the "Minimum Payment Scale". The balance of the total annual rates bill will be postponed.
- Any rates postponed shall be registered as a charge on the land.
- Interest may be charged annually on the postponed rates at 10% p.a. or at the same rate of interest that would be charged by the Council's bankers on any overdraft in the Council's name at the commencement of each rating year, whichever is less.
- The total amount of all postponed rates and charges will be postponed:
 - until the death of the property owner; or
 - until the applicant/occupier ceases to be the occupier (or one of the occupiers) of the land; or
 - until a date when the applicant/occupier ceases to:
 - use the property as his/her permanent place of residence; or to
 - use the property solely for residential purposes.
 - until a date upon which any of the statements certified by the applicant in the application for rates postponement are found to have been incorrect at the time they were made; or
 - until a date upon which all or any part of the rates due and owing by the property owner from time to time, and not postponed, become overdue - whichever occurs first.

In any case, rates postponement will be for a period of time not exceeding ten years from the date of application.

Any Part of the Postponed Rates May be Paid at Any Time

Notwithstanding the above:

- The applicant may elect to "postpone" the payment of a lesser sum than that which he/she would otherwise be entitled to have postponed under this policy.
- Any part of the postponed rates and/or interest charges may be paid at any time.

Ratepayers to be Given Details of Postponed Rates Each Year

Not less than once annually every ratepayer, a part of whose rates have been postponed under this policy, will be provided with:

- a statement showing the total annual rates currently due;

- a breakdown showing year by year the total amount of the postponed rates and interest charges.

Following the end of the financial year, a schedule of rates postponed will also be provided to Council (annually), listing all the properties for which rates postponements have been granted and which remain outstanding.

When rates are no longer eligible to be postponed on the property, all postponed rates will be payable immediately.

Prescribed Application Form

The prescribed application form for rates postponement relief under this policy is available from the Revenue Manager.

Financing the Postponement Programme

Adoption of this policy represents a formal recognition of a loss of cash flow (at least initially). However, once the programme has been in place a number of years, it might be expected that the collection of previously postponed rates will finance current applications.

To the extent of this programme's acceptance, it is proposed the current loss of income will be financed by Council's general cash resources and/or bank overdraft.

Note: This system complements the rates rebate programme and other schemes run by Government and voluntary organisations. The criteria regarding "household assets and income" have remained at the 1 July 1991 level, in line with the Government Rates Rebate Scheme having also been held at the levels applying at that date.

6.8.11 Rates Postponement - Farm Postponement Values

The objective of this policy is that those properties that had farm postponement values as at 1 September 2003 and still meet the conditions and criteria of this policy assessed by Quotable Value New Zealand would continue to qualify for postponement with the sixth year of rates being remitted.

As from 1 July 2004, in accordance with Section 110 of the Local Government Act 2002, the Council may postpone rates under Section 87 of the Local Government (Rating) Act 2002 based on the following conditions and criteria:

- That no properties be provided a farm postponement value other than those properties assessed on this basis at 1 July 2003.
- That farm postponement values are assessed by Quotable Value NZ as part of the three yearly revaluation.
- That a farm postponement value will be assessed where a property use meets the criteria as defined in Section 22 of the Rating Valuation Act 1998 (now repealed).
- That where a property is no longer eligible to receive a farm postponement value (in accordance with the definition c) above), or where a property is sold after 1 September 2003, and where a farm postponement exists on the Rating Information Database, the farm postponement values will be removed immediately for rating purposes.

The effect of the Rates Postponement - Farm Postponement Values Policy is to postpone rates on qualifying properties based on the difference of rates calculated between the full market value and the farm postponement value.

Where a property qualifies for farm postponement values rates will be postponed up to a maximum of 5 years with sixth year of rates postponed on a given property being remitted. When a property no longer qualifies for farm postponement values, all outstanding postponed rates will be required to be paid immediately.

Ratepayers to be Given Details of Postponed Rates Each Year

Not less than once annually every ratepayer, a part of whose rates have been postponed under this policy, will be provided with:

- a statement showing the total annual rates currently due;
- a breakdown showing year by year the total amount of the postponed rate and interest charges.

Following the end of the financial year, a schedule of rates postponed will also be provided to Council (annually), listing all the properties for which rates postponements have been granted and which remain outstanding.

6.9 Review of Rating System and Differentials

The current Council policy is that the Revenue & Financing Policy, rating system and the differential system be reviewed every three years with the Long-Term Plan.

Council reviewed its Revenue & Financing Policy and rating system for the 2006/07 rating year on 9 February 2006 (as part of the 2006-16 Long-Term Plan) and decided to retain the land value general rating system with differentials (no change from 2005/06) for the general rate for the 2006/07 rating year and beyond.

Council has also resolved to charge targeted rates as outlined earlier in this policy in Section 6.7.6.

Council has resolved not to levy any uniform annual general charges.

6.10 Delegation of Rating Functions, Powers and Duties

Section 132 of The Local Government (Rating) Act 2002 allows Council to delegate the exercise of functions, powers or duties conferred by this Act to the Chief Executive or to any officer specified. Council has delegated the responsibility of administering the rating function to the General Manager Corporate, Finance & Administration Manager and Revenue Manager. Section 132 prevents Council from delegating:

- (i) any of the powers to set and assess rates,
- (ii) any of the duties relating to the setting and assessment of replacement rates, and
- (iii) the power to delegate.

The delegation of powers from Council to the Chief Executive and staff is further outlined in the Delegation to Officers Council Policy.

6.11 Three Yearly Revaluation of Property Values

The property values on which the Council bases the general rates calculation are independently revalued every three years, with the next revaluation on 1 September 2006 for effect in the 2007/08 rating year.

The revaluation may affect the amounts assessed against individual rating units within each differential rating sector relative to other rating units in that sector.

7.0 Funding Impact Statement

7.1 Introduction

In terms of the Local Government (Rating) Act 2002, and the Local Government Act 2002, each Council is required to prepare a Funding Impact Statement disclosing the revenue and financing mechanisms it intends to use.

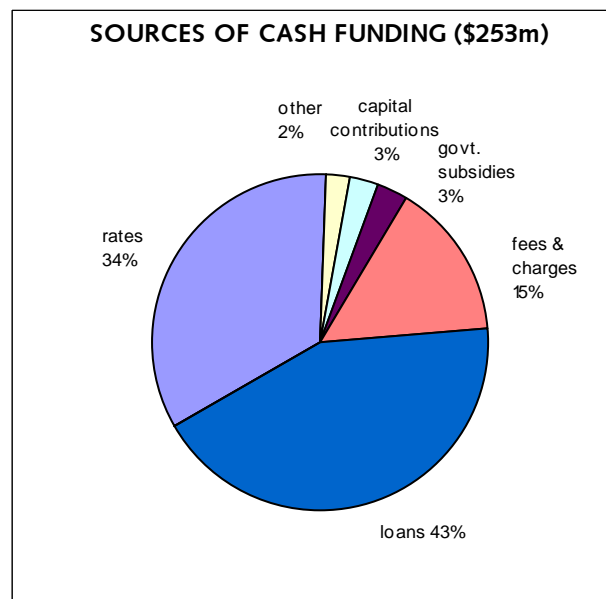
The information in the following sub-sections is intended to achieve compliance with this legislation by, among other things, giving ratepayers full details of how rates are calculated.

This statement should be read in conjunction with Council's Revenue and Financing Policy (Section 2) of Volume II of the 2006-16 Long-Term Plan which sets out Council's policies in respect of each source of funding of operating and capital expenses - i.e. the revenue and financing mechanisms to be used to cover the expenses of the Council.

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

7.2.1 2006/07 Funding Mix

The mix of funding mechanisms for the City as a whole for the 2006/07 financial year is summarised graphically below.



The particular revenue and financing mechanisms selected by Council, including the amount to be produced by each mechanism to meet the budgeted costs (as outlined in the 2006-16 Long-Term Plan), are set out in the Funding Impact Statement on the following page.

Details of user charges, other funding sources and rating mechanisms, and the proportion applicable to each service are outlined further in the Revenue and Financing Policy (Section 2) and the Appendices (Section 16) to this document.

FUNDING IMPACT STATEMENT 2006-16

All figures in \$000s

	2006/07 1	2007/08 2	2008/09 3	2009/10 4	2010/11 5	2011/12 6	2012/13 7	2013/14 8	2014/15 9	2015/16 10
OPERATING REVENUE										
Fees & Charges	77,592	76,436	79,102	81,447	84,552	87,049	89,272	91,319	93,077	94,603
Operating Subsidies	3,388	3,832	3,876	3,896	4,184	4,235	4,383	4,541	4,696	4,868
Rates Penalty Charges Income	550	568	585	602	617	632	646	658	670	681
Capital Contributions										
Development Contributions	8,408	12,646	15,893	24,650	25,764	26,771	30,008	30,843	31,420	33,454
Financial Contributions	2,223	2,362	1,884	771	763	781	1,092	814	1,133	843
Subsidies	7,757	12,874	16,471	19,240	19,796	10,825	7,979	9,637	8,214	9,355
Other Income (Interest, Petrol Tax)	2,051	9,652	1,326	1,353	16,157	1,185	1,210	1,234	1,256	1,277
Total Operating Revenue	101,969	118,370	119,137	131,959	151,833	131,478	134,590	139,046	140,467	145,081
LESS OPERATING EXPENDITURE										
Operational Expenditure	136,183	140,399	144,924	150,031	155,574	159,756	164,256	169,725	174,426	177,842
Interest Expense	15,713	21,007	26,561	31,072	34,947	37,454	38,919	39,619	40,482	41,427
Other Expenses	242	276	284	292	300	307	313	320	325	331
Total Operating Expenditure	152,138	161,682	171,769	181,395	190,821	197,517	203,488	209,664	215,233	219,600
PLUS OTHER FUNDING										
Loans	75,746	91,213	93,168	77,644	70,031	61,742	31,613	27,206	26,826	33,226
Transfer from Special & General Reserves	16,702	17,666	21,037	30,835	38,425	35,019	39,388	40,024	40,297	42,431
Total Other Funding	92,448	108,879	114,205	108,479	108,456	96,761	71,001	67,230	67,123	75,657
LESS OTHER EXPENDITURE										
Capital Expenditure	111,252	130,035	134,433	120,426	122,310	101,722	71,472	69,863	67,960	76,223
Debt Repayments	6,553	15,267	9,039	19,863	34,388	19,824	23,314	23,841	24,828	27,641
Transfer to Special & General Reserves	13,986	16,496	22,064	30,811	32,947	35,426	38,918	39,774	40,702	42,760
Total Other Expenditure	131,791	161,798	165,536	171,100	189,645	156,972	133,704	133,478	133,490	146,624
NET RATES REQUIRED	89,512	96,231	103,963	112,057	120,177	126,250	131,601	136,866	141,133	145,486
RATES FUNDED FROM										
General Rate	82,341	88,911	93,553	101,428	108,595	113,261	118,494	123,650	127,818	131,971
Targeted Rates										
General rate-50% Non-Rateable Properties	40	41	43	44	45	46	47	48	48	50
Targeted Rates										
Water Supply (metered properties only)	4,191	4,327	4,463	4,669	4,711	4,826	4,934	5,033	5,124	5,314
Targeted Rates										
Access Hamilton	2,560	2,560	5,500	5,500	6,400	7,680	7,680	7,680	7,680	7,680
Targeted Rates										
100% Non-Rateable Properties (water/refuse/wastewater)	380	392	404	416	426	437	446	455	463	471
TOTAL RATES	89,512	96,231	103,963	112,057	120,177	126,250	131,601	136,866	141,133	145,486

Note:

Targeted Rates-Water Supply (re. water by meter charges) is disclosed separately in the Funding Impact Statement. In the Statement of Financial Performance and in the Protecting our Future Cost of Service, these charges are included as revenue in the water supply service.

Internal revenue and expenditure (from internal support services and business units) is included in total operating revenue and total operating expenditure in the Funding Impact Statement. In the Statement of Financial Performance and the Cost of Services Statements, these internal transactions are eliminated and overhead allocation charges included.

7.3 Detailed Description of Rate Funding Mechanisms

Council sets the following rates for the year commencing 1 July 2006 and ending 30 June 2007 pursuant to the powers conferred on it by the Local Government Act 2002 and the Local Government (Rating) Act 2002.

7.3.1 General Rate

A general rate will be assessed on the land value of all rateable land in the City.

General rates are set under Section 13 of the Local Government (Rating) Act 2002 on a differential basis on the land value of all rateable properties. The differential basis is based on the use to which the land is put. The different categories of rateable land (differential) are outlined in the table below.

The rate per dollar of land value outlined in the table below for 2006/07 is based on the value of land in the City as at 30 June 2006, and subject to movement of land between rating categories, and the total rate requirement and funding decisions finalised by Council for 2006/07.

This funding mechanism covers all services of Council. The total revenue sought for 2006/07 is \$92.634 million including GST (\$82.341 million excluding GST).

The general rate will be set and assessed on a differential basis as follows:

Source	Differential Categories	Differential Factor	General Rate in the dollar of Land Value for 2006/07	Revenue (GST exclusive) 2006/07
Rates General Rate	Residential	1.00	\$0.018931	\$51,597,613
	Inner City Residential	0.92	\$0.017465	\$128,095
	Commercial/Industrial	2.00	\$0.037862	\$28,067,910
	Multi Unit Residential	1.50	\$0.028397	\$1,600,394
	Rural Residential	0.88	\$0.016660	\$42,026
	Rural Small	0.41	\$0.007711	\$688,455
	Rural Large	0.18	\$0.003408	\$216,508

7.3.2 Category Definitions - General Rate Differential

Each rating unit is allocated to a differential rating category (based on the land use) for the purpose of calculating the general rate. Set out below are the definitions used to allocate rating units to categories.

Category A - Residential and Other

All separately rateable properties -

- (i) Used solely or principally for residential purposes as the home or residence of not more than two households, excluding properties categorised as Category B or Category C; or
- (ii) 2,000 square metres or less in area, used solely or principally for rural purposes, which receive full water and wastewater services from the Council; or
- (iii) The residential portion of a property which is used for both residential/commercial use, i.e. small business operated from residential properties; or
- (iv) Not otherwise categorised in this special order.

Category B - Inner City Residential Apartments

All separately rateable properties -

- (i) Used solely or principally for residential purposes as the home or residence of not more than two households, excluding properties categorised as Category C; and
- (ii) Located within the CBD where the Council cannot provide a household refuse collection service.

Category C - Commercial/Industrial

All separately rateable properties -

- (i) Used solely or principally for commercial or industrial purposes, but excluding properties categorised as Category F or G (note: commercial properties in rural areas will be rated at full commercial and a remission may be applied subject to the Remission of Rates for Commercial Land Use in a Rural Location Policy); or
- (ii) Used solely or principally for commercial residential purposes, including, but not limited to, hotels, boarding houses, resthomes, motels, residential clubs, hostels; or
- (iii) The commercial portion of the property, which is used for both commercial/residential use, i.e. small business, operated from residential property; or
- (iv) All vacant commercial/industrial land.

Definition

Commercial residential purposes is where a property is being provided for residential accommodation at a fee with the average occupancy period of the property not exceeding three months. Where the average occupancy exceeds three months, the property would be classified under the multi-unit category.

Definition

A hostel is the residence or lodging place for persons.

Category D - Multi-Unit Residential

All separately rateable properties used solely or principally for residential purposes as the home or residence of three or more households, but excluding properties categorised as Category C.

Also includes hostels operated by charitable trusts that are not classified as 100% non-rateable - (Schedule 1, Part 1).

Category E - Rural Residential

All separately rateable properties -

- (i) Used solely or principally for residential purposes as the home or residence of not more than two households; or
- (ii) Receive all the services of a residential property apart from stormwater, footpaths and traffic/streetlighting services.

Category F - Rural Small Holding

All separately rateable properties less than 10 hectares in area, used solely or principally for rural purposes, excluding properties categorised under paragraph (ii) of Category A or Category E.

Category G - Rural Large Holding

All separately rateable properties over 10 hectares in area, which are used solely or principally for rural purposes.

For categories A, F and G, rural purposes include agricultural, horticultural or pastoral purposes and the keeping of bees or poultry or other livestock.

Note:

Subject to the right of objection in Sections 29 and 39 of the Local Government (Rating) Act 2002, it shall be at the sole discretion of the Council to determine the sole use or principal use of any separately rateable property within the district.

7.3.3 Uniform Annual General Charge

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

7.3.4 Targeted Rates

Targeted Rate - Non-Domestic Water Supply

(a) Pursuant to Section 19(2)(b) and Clause 7 of Schedule 3 of the Local Government (Rating) Act 2002, Hamilton City Council will set and assess the following targeted rate on a differential basis to all rating units supplied with non-domestic water supply (as defined by Hamilton City Council's Water Supply Bylaw 1999) as follows:

- (i) a fixed amount on every separately used or inhabited parts of a rating unit supplied with non-domestic water in accordance with the following scale:
 - \$200 for commercial/industrial properties, non-rateable properties, or other properties with metered supply;
 - \$164 for rural properties receiving a restricted flow supply.
- (ii) a charge per unit of water consumed or supplied on every separately used or inhabited parts of a rating unit in accordance with the following scale:
 - commercial/industrial properties, non-rateable properties, or other properties with metered supply -
84 cents per kilolitre of water supplied after the first 240 kilolitres of consumption or supply;
 - rural properties receiving a restricted flow supply -
68 cents per kilolitre of water supplied after the first 240 kilolitres of consumption or supply.

Properties in the Waikato District Council and Waipa District Council supplied with water under contractual arrangements will be charged at equivalent rates per unit of water, but outside the rating system.

The Targeted Rate - Non-Domestic Water Supply is summarised in the table below.

Summary of Targeted Rate - Non-Domestic Water Supply

Category	Rate per Unit of Water (cents per kilolitre)	Minimum Charge (incl GST)
Non-Domestic Supply Rateable/Non-Rateable City (Commercial/Industrial Properties and Non-Rateable Properties)	84.0 (after the first 240 kilolitres of consumption or supply)	\$200
Non-Domestic Supply Rural - Restricted Flow Supply (Rural Large & Rural Small Properties which receive the service)	68.0 (after the first 240 kilolitres of consumption or supply)	\$164
Outside City - (Waipa District Council & Waikato District Council properties)	84.0 (after the first 240 kilolitres of consumption or supply)	\$200
Waikato District Council (supply agreement)	68.0 after the first 240 kilolitres of consumption or supply)	\$164

(b) General Information - Targeted Rate for Non-Domestic Water Supply:

Each rating unit, or part of a rating unit, assessed a targeted rate for non-domestic water supply will be charged a rate per unit of water supplied in accordance with the scale of charges above. Where the six monthly consumption is less than 50% of the annual minimum charge, a fixed amount of 50% of the annual minimum charge will be charged to every rating unit or every separately used or inhabited part of a rating unit supplied with non-domestic water.

The charge per unit of water consumed or supplied is on a scale that reflects the difference between City full pressure supply and rural restricted flow supply.

Non-Domestic Supply is defined in the Bylaw as any water supplied for all purposes other than domestic supply (domestic supply is generally limited to City based domestic use).

This funding mechanism covers the Water Supply service. The total revenue sought for 2006/07 is \$4.715 million including GST (\$4.191 million excluding GST).

The revenue from this targeted rate will be applied to fund the operation, and maintenance of capital works, depreciation and financing costs of the water supply service.

The meters on properties with a total annual consumption of less than 30,000 kilolitres are read twice during the year. The charges will be due and payable in two instalments per year, on receipt of an invoice from the Council.

Meters on properties with a total annual consumption of more than 30,000 kilolitres are read monthly. These charges will be due and payable in twelve instalments per year, on receipt of an invoice from the Council.

All amounts stated above include Goods and Services Tax and are for the period commencing 1 July 2006 and ending 30 June 2007.

7.3.5 Targeted Rate – Access Hamilton

A targeted rate relating to Access Hamilton is assessed on a uniform rate based on the capital value of all categories of rateable properties (excluding 100% non-rateable and 50% non-rateable properties).

The amount raised by this targeted rate will be transferred into a special reserve and these funds will be used to fund any of:

- Investigation or associated Access Hamilton capital costs
- Debt servicing of loan funded Access Hamilton capital projects
- Subsidies of transport initiatives, design and feasibility studies and other operational costs linked to the Access Hamilton strategy.

These targeted rates are assessed in accordance with Sections 16(3)(b) & 16(4)(a) and Schedule 2 Clause 1 of the Local Government (Rating) Act 2002.

The targeted rate will be \$0.000242316 per dollar of capital value. The total revenue sought for 2006/07 is \$2,880,000 including GST (\$2,560,000 excluding GST).

7.3.6 Targeted Rate – 100% (fully) Non-Rateable Properties

Council rates a number of categories of non-rateable land assessed under the Local Government (Rating) Act 2002.

The properties which are 100% (fully) non-rateable (excluding water, refuse and wastewater rates) are:

- Educational Institutions
- Churches (Place of Worship)
- Community Organisations (Need Based)
- any land which falls within Part 1 of Schedule 1 of the Local Government (Rating) Act 2002, e.g. Health Services (public hospitals and related services).

Where the land is 100% (fully) non-rateable, three targeted rates will be set and assessed on a differential basis for water supply, waste collection (refuse), and sewerage disposal (wastewater), in accordance with Sections 8, 9 & 16(3)(b) and Schedules 2 & 3 (Clauses 3, 7 & 8) of the Local Government (Rating) Act 2002.

These funding mechanisms cover the Water, Refuse and Wastewater services. The total revenue sought for 2006/07 is \$474,973 including GST (\$422,198 excluding GST).

Note:

As from 1 July 2007, the rating of Community Organisations (Need Based) and Churches (Place of Worship) properties will be changed to remove the discount on the three targeted rates for the full cost of water, refuse and wastewater services supplied. The 40% discount for Community Organisations (Need Based) and the 66.6% discount for Churches (Place of Worship) for these services will be discontinued - (Council resolution of 9 February 2006).

Category Definitions - 100% (fully) Non-Rateable Properties

Educational Institutions

Educational Institutions are defined in Clause 6 of Part 1 of Schedule 1 of the Local Government (Rating) Act 2002.

Churches (Place of Worship)

Land and buildings that are to be used as a place of religious worship (Part 1 of Schedule 1 of the Local Government (Rating) Act 2002) not including associated rooms, halls or buildings which are used for meetings, accommodation and preparation of food. These are classified under the Community Organisations' category.

Community Organisations (Need Based)

Community Organisations (Need Based) (as defined in Clause 21 of Part 1 of Schedule 1 of the Local Government (Rating) Act 2002) with a not-for-profit status, existing to deliver social benefits to the community where neither government nor business is best or appropriately placed.

(Refer: A Good Practice Guide, LGNZ, January 2000, page 20).

Any land (other than Educational Institutions, Churches (Place of Worship), or Community Organisations (Need Based)) defined within Part 1 of Schedule 1 of the Local Government (Rating) Act 2002 will be rated the same as a Community Organisation (Need Based).

Details of Targeted Rates

To give effect to the foregoing policies on the rating of 100% (fully) non-rateable properties, the Council will set and assess the following targeted rates:

Non-Rateable Water Targeted Rate

A targeted rate for water on all 100% (fully) non-rateable properties as follows:

- (a) a fixed amount of \$200 per rating unit, or separately used or inhabited part of a rating unit; and
- (b) a rate per dollar of land value to achieve the following differentials:
 - Educational Institutions - the rate per dollar of land value required to meet this sector's proportion of the full cost of the service (after allowing for the total revenue raised by the fixed amount of \$200 per property) is \$0.003568;
 - Churches (Place of Worship) - the rate per dollar of land value required to meet 33.3% of the sector's proportion of the full cost of the service (after allowing for the total revenue raised by the fixed amount of \$67 per property) is \$0.001189;
 - Community Organisations (Need Based) (and any other land defined within Part 1 of Schedule 1 of the Local Government (Rating) Act 2002 not including churches (place of worship) or education institutions) - the rate per dollar of land value required to meet 60% of this sector's full cost of the service (after allowing for the total revenue raised by the fixed amount of \$120 per property) is \$0.002141.

Non-Rateable Refuse Targeted Rate

A targeted rate for refuse on all 100% (fully) non-rateable properties as follows:

- (a) a fixed amount of \$95 per rating unit, or separately used or inhabited part of a rating unit; and
- (b) a rate in cents in the dollar on the land value to achieve the following differentials:
 - Educational Institutions - the rate per dollar of land value required to meet this sector's proportion of the full cost of the service (after allowing for the total revenue raised by the fixed amount of \$95 per property) is \$0.001251;

- Churches (Place of Worship) - the rate per dollar of land value required to meet 33.3% of the sector's proportion of the full cost of the service (after allowing for the total revenue raised by the fixed amount of \$32 per property) is \$0.000417;
- Community Organisations (Need Based) (and any other land defined within Part 1 of Schedule 1 of the Local Government (Rating) Act 2002 not including churches (place of worship) or education institutions) - the rate per dollar of land value required to meet 60% of this sector's full cost of the service (after allowing for the total revenue raised by the fixed amount of \$57 per property) is \$0.000750.

Non-Rateable Wastewater Targeted Rate

A targeted rate for wastewater on all 100% (fully) non-rateable properties as follows:

- (a) a fixed amount of \$215 per rating unit, or separately used or inhabited part of a rating unit; and
- (b) a rate per dollar of land value to achieve the following differentials:
 - Educational Institutions - the rate per dollar of land value required to meet this sector's proportion of the full cost of the wastewater services (after allowing for the total revenue raised by the fixed amount of \$215 per property) is \$0.002993;
 - Churches (Place of Worship) - the rate per dollar of land value required to meet 33.3% of the sector's proportion of the full cost of the service (after allowing for the total revenue raised by the fixed amount of \$72 per property) is \$0.000998;
 - Community Organisations (Need Based) (and any other land defined within Part 1 of Schedule 1 of the Local Government (Rating) Act 2002 not including churches (place of worship) or education institutions) - the rate per dollar of land value required to meet 60% of this sector's full cost of the service (after allowing for the total revenue raised by the fixed amount of \$129 per property) is \$0.001796.

Note:

These targeted rates apply only to properties which are 100% (fully) non-rateable in terms of Part 1 of Schedule 1 of the Local Government (Rating) Act 2002 and only to those properties supplied with the relevant service.

To calculate each sector's proportion of the cost of each service, the total cost of the service for the relevant year is multiplied by the proportion that the total rateable value of the sector bears to the total rateable value of the City.

As from 1 July 2007, the rating of Community Organisations (Need Based) and Churches (Place of Worship) properties will be changed to remove the discount on the three targeted rates for the full cost of water, refuse and wastewater services supplied. The 40% discount for Community Organisations (Need Based) and the 66.6% discount for Churches (Place of Worship) for these services will be discontinued - (Council resolution of 9 February 2006).

7.3.7 Targeted Rates and Activities

The targeted rate for non-domestic water supply funds the operating and depreciation costs of water supplies to Commercial/Industrial, Non-Rateable, Rural properties and other customers outside the City boundary.

The targeted rate for Access Hamilton funds the work programmes and /or financing costs relating to this project.

The targeted rate for Non-Rateable properties for water, refuse and wastewater, represents a charge for the operating, financing and depreciation costs for these activities.

7.3.8 Rating of 50% Non-Rateable Land

Council rates a number of categories of non-rateable land assessed under the Local Government (Rating) Act 2002.

The properties which are 50% non-rateable (excluding water, refuse and wastewater rates) are:

- Community Organisations (Arts Based)
- Sporting and Cultural Organisations (with income under \$500,000 income)
- any land which falls within Part 2 of Schedule 1 of the Local Government (Rating) Act 2002

Where the land is 50% non-rateable as defined under Part 2 of Schedule 1 of the Local Government (Rating) Act 2002, rather than assess the existing three targeted rates for water, refuse and wastewater, Council must rate these properties at 50% of the residential general rate (mandatory rates). Council has a Rates Relief - 50% Non-Rateable Land Policy, in accordance with Sections 16(1), 17 & 18 of the Local Government (Rating) Act 2002, to give properties in this category a further relief by way of new differentials.

These funding mechanisms cover all the services of Council. The total revenue sought for 2006/07 is \$47,403 including GST (\$42,136 excluding GST).

Note:

The 50% non-rateable properties will have a change to the way they are rated as from 1 July 2007. The current differential rates will be removed and the properties will be charged in strict accordance with the Local Government (Rating) Act 2002, Section 8(2). This means the properties will be rated at 50% of the residential general rate on the land value of the property - (Council resolution of 9 February 2006).

7.3.9 Targeted Rate - Rating of Community Organisations (Arts Based) - 50% Non-Rateable

Definition

Community Organisations (Arts Based) (as defined in Clause 3 of Part 2 of Schedule 1 of the Local Government (Rating) Act 2002) with a not-for-profit status, existing to deliver social benefits to the community where neither government nor business is best or appropriately placed.

(Ref: A Good Practice Guide, LGNZ, January 2000, page 20).

The rates relief policy is as follows:

Land in the category of Community Organisations (Arts based) - 50% non-rateable will receive a further relief (in addition to 50% general residential mandatory rates) in the form of a lower rate in the dollar of all relevant rates in excess of the amounts specified below. The relief policy is to create four new rating differentials (with a rate per dollar of land value) based on the services provided to these properties:

- (i) Wastewater only (metered water and no refuse collection) - charge 18% of mandatory rates (which is 50% of general residential rates). Therefore these properties are paying 9% of the general residential rates, which is a rate per dollar of land value of \$0.001704.
- (ii) Wastewater & Refuse (metered water) - charge 31% of mandatory rates (which is 50% of general residential rates). Therefore these properties are paying 15.5% of the general residential rates, which is a rate per dollar of land value of \$0.002934.
- (iii) Wastewater, Water & Refuse - charge 58% of mandatory rates (which is 50% of general residential rates). Therefore these properties are paying 29% of the general residential rates, which is a rate per dollar of land value of \$0.005490.
- (iv) Wastewater & Water (no refuse collection) - charge 39% of mandatory rates (which is 50% of general residential rates). Therefore these properties are paying 19.5% of the general residential rates, which is a rate per dollar of land value of \$0.003692.

Community Organisations (Arts Based) with more than three separately used or inhabited parts of one rating unit will be rated at the 50% general residential mandatory rates, and receive no further rates relief, which is a rate per dollar of land value of \$0.009466.

Unless otherwise stated, any land:

- which is entitled to a 50% rates exemption under Part 2 of Schedule 1 of the Local Government (Rating) Act 2002; but
- to which the rates relief policies for Community Organisations (Arts based); and Sporting and Cultural Organisations do not apply.

will be rated in accordance with the rates relief policy for Community Organisations (Arts Based) - 50% non-rateable.

Note:

As from 1 July 2007, the four differential rates will be removed and the Community Organisations (Arts Based) properties will be charged in strict accordance with the Local Government (Rating) Act 2002, Section 8(2). This means the properties will be rated at 50% of the residential general rate on the land value of the property - (Council resolution of 9 February 2006).

7.3.10 Targeted Rate - Rating of Sporting and Cultural Organisations - 50% Non-Rateable**Definition**

An organisation whose principal object is to promote games, sports, recreation, arts or instructions, for the benefit of residents or any group or groups of residents of the district, not for private pecuniary profit in accordance with the definition provided in Part 2 of Schedule 1 of the Local Government (Rating) Act 2002. If applicable, no

commercial rating apportionment will be applied to the liquor licence portion of the premises.

The rates relief policy is as follows:

That these properties be classified into two categories based on gross annual income received by these organisations.

Category 1

Land in the category of Sporting and Cultural Organisations - 50% non-rateable, where the organisation has a gross annual income of less than \$500,000, will receive a further relief (in addition to 50% general residential mandatory rates) in the form of a lower rate in the dollar in excess of the amounts specified below. The relief policy is to create four new rating differentials (with a rate in cents in the dollar on the land value) based on the services provided to these properties:

- (i) Wastewater only (metered water and no refuse collection) - charge 18% of mandatory rates (which is 50% of general residential rates). Therefore these properties are paying 9% of the general residential rates, which is a rate per dollar of land value of \$0.001704.
- (ii) Wastewater & Refuse (metered water) - charge 31% of mandatory rates (which is 50% of general residential rates). Therefore these properties are paying 15.5% of the general residential rates, which is a rate per dollar of land value of \$0.002934.
- (iii) Wastewater, Water & Refuse - charge 58% of mandatory rates (which is 50% of general residential rates). Therefore these properties are paying 29% of the general residential rates, which is a rate per dollar of land value of \$0.005490.
- (iv) Wastewater & Water (no refuse collection) - charge 39% of mandatory rates (which is 50% of general residential rates). Therefore these properties are paying 19.5% of the general residential rates, which is a rate per dollar of land value of \$0.003692.

Sporting and Cultural Organisations (with income under \$500,000) with more than three separately used or inhabited parts of one rating unit will be rated at the 50% general residential mandatory rates, and receive no further rates relief, which is a rate per dollar of land value of \$0.009466.

Note:

As from 1 July 2007, the four differential rates will be removed and the Sporting and Cultural Organisations properties will be charged in strict accordance with the Local Government (Rating) Act 2002, Section 8(2). This means the properties will be rated at 50% of the residential general rate on the land value of the property - (Council resolution of 9 February 2006).

Category 2

No further relief will apply to land in the category of Sporting and Cultural Organisations - 50% non-rateable with a gross annual income of \$500,000 or over in accordance with Part 2 of Schedule 1 of the Local Government (Rating) Act 2002.

Therefore these properties are paying 50% of the general residential rates, which is a rate per dollar of land value of \$0.009466.

7.3.11 Due Dates for Payment of Rates

The due dates for rates covering the financial period 1 July 2006 to 30 June 2007 are as follows:

INSTALMENTS

Area	1	2	3	4
North East	31 Aug 2006	16 Nov 2006	15 Feb 2007	17 May 2007
South East	07 Sep 2006	23 Nov 2006	22 Feb 2007	24 May 2007
North West	14 Sep 2006	30 Nov 2006	01 Mar 2007	31 May 2007
South West	21 Sep 2006	07 Dec 2006	08 Mar 2007	07 Jun 2007

7.3.12 Penalties

Pursuant to Section 57 and 58 of the Local Government (Rating) Act 2002:

- A penalty of 10% of the amount of all rates assessed (GST inclusive) in the 2006/2007 financial year (including general and targeted rates) that are unpaid after the due date for each instalment will be added on the day following the due date.
- A penalty of 10% of the amount of all rates assessed (GST inclusive) in any previous financial year (including general and targeted rates) prior to 1 July 2006 that remain unpaid after 1 September 2006 will be added on the day following that date.
- A penalty of 10% of the amount of all rates assessed (GST inclusive) in any previous financial year (including general and targeted rates) to which a penalty was added pursuant to clause b) above and which is unpaid 6 months after that penalty was added, a further penalty will be applied on 1 March 2007.

Note:

The amount of unpaid rates to which any penalty is added includes:

- Any additional charges previously added to the amount of unpaid rates under Section 132 of the Rating Powers Act 1988; and
- Any penalties previously added to unpaid rates under Section 58 of the Local Government (Rating) Act 2002.

7.3.13 Payment Options

- By pre-arranged automatic payment, direct debit, telephone banking or internet desktop banking - (weekly, fortnightly, monthly or quarterly).
- By post, using the prepaid envelope enclosed with this account.
- At any branch of the Bank of New Zealand within the Waikato.
- In person at our Council Municipal Building, Garden Place, during the hours of 8.00am-4.45pm, Monday to Friday, or Branch Library drop-off boxes. (EFTPOS debit cards accepted, not credit cards).

7.3.14 Funding Rationale

In selecting the rate funding mechanisms outlined in Section 3.3, the Council applied the matters in Section 101 (3) of the Local Government Act 2002 and the funding of each service of Council is further explained in the Revenue and Financing Policy (Section 2) of Volume II of the 2006-16 Long-Term Plan.

8.0 Significance Policy

8.1 Objective

To ensure that the community of Hamilton is fully consulted and able to actively participate in the consideration of issues, proposals, decisions or other matters which are significant, and/or which involve the community's strategic assets.

8.2 Policy Outline

This policy outlines the general approach of Hamilton City Council (Council) to determining the significance of issues, proposals, decisions, and other matters. It includes thresholds, criteria and procedures that Council will use in assessing which issues, proposals, decisions and other matters are deemed to be significant as required by Section 90 of the Local Government Act 2002.

It also provides a list of assets which Council considers to be strategic assets.

Council will normally consult on any matters of significance through the preparation, review, or amendment to its Long Term Council Community Plan (LTCCP), or where appropriate through its Annual Plan. Notwithstanding this Council may consult at any time, using the Special Consultative Procedure, with its community, where a matter is deemed to be significant through the application of this policy.

8.2.1 Legislative Requirement

Council is required to have a policy on significance under Section 90 of the Local Government Act 2002 (LGA 2002).

8.2.2 Definitions

Section 5 of the LGA 2002 defines 'significance', 'significant' and 'strategic asset' as follows:

significance, in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for, -

- (a) the current and future social, economic, environmental, or cultural well-being of the district or region;
- (b) any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision or matter; and
- (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.

significant, in relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision, or other matter has a high degree of significance.

strategic asset, in relation to the assets held by a local authority, means an asset or group of assets that the local authority needs to retain if the local

authority is to maintain the local authority's capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community; and includes:

- (a) any asset or group of assets listed in accordance with Section 90(2) by the local authority;
- (b) any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and
- (c) any equity securities held by the local authority in:
 - (i) a port company within the meaning of the Port Companies Act 1988
 - (ii) an airport company within the meaning of the Airport Authorities Act 1966.

8.3 Application of the Significance Policy

In determining the application of this policy Council will have regard to the definition of "Significance", "Significant", and "Strategic Asset" as defined in the LGA 2002, and contained in section 1.2 of this policy. It will further have regard to the general approach to determining which issues, proposals, decisions or other matters are significant (Section 90(1)(a) LGA 2002), the thresholds, criteria, and procedures for determining which issues, proposals, decisions or other matters are significant (Section 90(1)(b) LGA 2002), and those strategic assets and groups of strategic assets as a whole identified by the Hamilton City Council (Section 90(2) LGA 2002). (See Attachment One.)

8.3.1 General Approach

In considering whether any issue, proposal, decision or other matter is of significance under this policy Council will be guided by the following:

- the likely impact/consequences of the issue, proposal, decision or other matter, on the current and future social, economic, environmental, and cultural well-being of the community;
- the parties who are likely to be particularly affected by or interested in the issue, proposal, decision or other matter;
- the likely impact/consequences of the issue, proposal, decision or other matter from the perspective of those parties;
- the financial and non-financial costs and implications of the issue, proposal, decision or other matter having regard to Council's capacity to perform its role.

The more material the impact or consequences of the issue, proposal, decision or other matter is likely to be, the higher the standard of compliance required with Part 6 of the LGA 2002, and the more likely the matter will be 'significant'.

In determining whether any issue, proposal, decision or other matter is significant Council will consider the thresholds and apply the criteria and procedures set out below in this policy.

8.3.2 Thresholds

When undertaking a process to determine which issue, proposal, decision or other matter is significant Council will recognise the following thresholds in determining significance:

- Issues, proposals, decisions, assets, or other matters for which Council will:
 - incur unbudgeted operational expenditure exceeding 7.5% of its annual budget for that year
 - incur unbudgeted capital expenditure exceeding 2.5% of the total value of Council's assets, or where spent on a strategic asset or strategic asset as a whole as defined in the LGA 2002, or in Attachment One of this policy, exceeds 25% of that asset's value

(provided that emergency works which are required to protect life, property or level of service target as specified in an LTCCP shall be exempted);

- Any transfer of ownership or control, or the disposal or abandonment, of a strategic asset as a whole as defined by the LGA 2002 or listed in Attachment One of this policy;
- The sale of Council's shareholding in any council controlled trading organisation, or council controlled organisation;
- A decision that will, directly or indirectly, severely affect the capacity (including financial capacity) of Council to carry out any activity identified in the Long-Term Council Community Plan;
- Entry into any partnership with the private sector to carry out a **significant activity**.

Where any issue, proposal, decision or other matter triggers one or more of the above thresholds, it shall be considered against the criteria spelt out in section 2.3 of this policy in determining whether it is significant.

8.3.3 Criteria

In considering whether any issue, proposal, decision or other matter is significant the following criteria will be used:

- the issue, proposal, decision or other matter affects all or a large portion of the community in a way that is not inconsequential;
- the impact or consequences of the issue, proposal, decision or other matter on the affected persons will be substantial;
- the financial implications of the issue, proposal, decision or other matter on Council's overall resources are substantial;
- the outcomes will dramatically impact on the level of service for any significant activity, and/or will affect the Council's capacity to continue to carry out an established significant activity; and
- a consultation process for the issue, proposal, decision, or other matter is not specifically provided for under the Local Government Act 2002, or any other specific legislation.

8.3.4 Procedures

In achieving this policy:

- Decisions on 'significance' shall be made by Council or a committee were specifically delegated in accordance with Council's Governance Statement, Standing Orders, and the Council Policy Manual.
- Where an issue, proposal, decision or other matter is considered to be significant in accordance with the Policy, any report to Council will also include a statement addressing the appropriate observance of such of Sections 77, 78, 80, 81 and 82 of the LGA 2002 as are applicable.
- Once an issue, proposal, decision or other matter is determined as significant in accordance with the application of this policy, the "Decision Making" provisions of the LGA 2002, shall be applied as outlined in Sections 76 to 82 of the LGA 2002.
- Council will determine the most appropriate means to conduct its consultation on any significant issue, decision or other matter. Generally Council will undertake this as part of the preparation, review or amendment to its Long Term Council Community Plan, or where appropriate through its Annual Plan.
- Council will report annually through its Annual Report on all issues, proposals, decisions or other matters determined to be significant, and subject to the procedure outlined in Sections 76 - 82 of the LGA 2002 as appropriate.

8.4 Strategic Assets of the Hamilton City Council

The LGA 2002 requires that this policy shall identify all the strategic assets, as defined in Section 5 of the LGA 2002, and outlined in Section 1.2 above.

The Strategic Assets register (Attachment One) is not an exhaustive list of Council assets but includes those that are considered to be significant in ensuring Council's capacity to achieve or promote any important outcome.

The strategic assets also include, pursuant to Section 90(2)(c)(ii) of the LGA 2002 the Hamilton City Council shareholding in the Hamilton Airport Company Ltd.

Note: The Hamilton City Council owns a number of assets and assets managed "as a whole" that it considers to be strategic, however not all trading decisions made regarding these assets are regarded as significant nor do they affect the assets' strategic nature. For example the roading network is strategic, but the individual parcels of land that make it up may not be, and the purchase or sale of such parcels of land are unlikely to amount to a significant decision.

Attachment One

Register of Hamilton City Council's Strategic Assets

ASSET	NOTES
Hamilton City Libraries as a whole	Includes books and heritage collections
Waterworld, & Gallagher Pool	Includes all land, buildings and structures
Founders Memorial Theatre, & Westpac Trust Theatre	
Waikato Museum of Art and History	Includes buildings and collections
Pensioner Housing as a whole	
Hamilton Transport Centre	
Hamilton Zoo	Includes all buildings, structures, land, animals and animal enclosures
Hamilton Gardens	Includes all land, buildings and structures
Amenity Parks, Sports Parks and Facilities under the Reserves Act 1977	
Stadiums	Includes Waikato Stadium, Seddon Park, Waikato Events Centre, and Porritt Stadium
Cemeteries	
Horotiu Landfill	
Refuse Transfer Station	
Wastewater reticulation system as a whole	Includes pipes, pump stations, and sewer bridge
Stormwater reticulation system as a whole	
Roading system as a whole	Footpaths Off-street Parking Bridges
Reservoirs and water reticulation system as a whole	Includes the land and structures
Waste Water Treatment Plant	Includes all land, buildings and plant
Water Treatment Station	Includes all land, buildings, treatment plant and tanks

9.0 Partnerships with the Private Sector Policy

9.1 Objective

To enable Council to enter into partnerships with the private sector, where there is a potential benefit for the well-being of the community in Hamilton City.

9.2 Policy Outline

This policy outlines the circumstances in which Council will consider entering into public-private sector partnerships (PPPs), when consultation would be undertaken prior to such a partnership, what conditions might be imposed on such partnerships, their risk management, and reporting on the funding and outcomes of any such partnerships. For statutory requirements, refer to section 107 of the Local Government Act 2002 (LGA 2002).

9.3 Definition

A Public-Private Sector Partnership (PPP) includes any agreement or arrangement that is entered into between one or more councils and one or more persons engaged in business but does not include:

- A contract for the supply of goods or services to or on behalf of a council; or
- Arrangements where the only parties are local authorities, or local authority and local authority controlled organisations.

A partnership as defined in the LGA 2002 is any arrangement involving grants, loans, investments, commitments of resources or guarantees given to 1 or more persons engaged in business¹ by 1 or more local authorities. The nature of the entity's activities, rather than its legal form, is the relevant consideration, and can include charitable trusts.

Partnerships should have an identified shared interest, clear roles and responsibilities for both parties, and aim to build long-term relationships based on respect and trust.

This policy on PPPs sets out the processes that Council will adopt with respect to engaging in any PPPs. Once adopted, this Policy may only be amended as an amendment to Councils Long Term Council Community Plan (section 102, LGA 2002).

9.4 Circumstances

Hamilton City Council (Council) may consider entering into a partnership with a private sector partner, where an activity has been identified in Council's Long-Term Council Community Plan (LTCCP) or Annual Plan (henceforth referred to generically in this section as LTCCP) as a community priority or desirable community outcome.

¹ The term "engaged in business" is defined as "engaging in an activity for profit". The nature of the entity's activities, rather than its legal form, is the relevant consideration. (Opinion from Ann Webster, OAG) The focus is on commercial relationships with entities engaged in trading activities undertaken for the purpose of making a profit. (Opinion from Mike Reid, LGNZ)

The circumstances where a PPP may be entered into shall be limited to one or more of the following:

- Where Council may be unwilling or unable to bear all of the risk (usually, though not always defined in terms of financial risks) of a particular project itself;
- Where Council may believe a particular project is of significant community benefit, but Council may have legal restrictions on its power to participate fully in that project;
- Where neither Council nor a private provider would otherwise provide the services or activity without the partnership;
- Where there are identifiable advantages in the project or activity being undertaken as a public private sector partnership rather than by either of the parties separately;
- Where the benefits to the community are greater than the costs of the PPP.

9.5 Conditions

Council will enter into a partnership only where it expects that the partnership will help achieve the community outcomes or objectives in the LTCCP, but nothing in this policy commits Council to entering into such a partnership even if it will help achieve community outcomes or objectives.

Before entering into a PPP, Council must be satisfied that:

- The partnership will help achieve the community outcomes or objectives identified in the Strategic Plan or LTCCP;
- The benefit from the partnership is greater than the costs and risks;
- Council is satisfied that the partner has demonstrated an ability to meet the terms of any agreement between Council and the private partner;
- All necessary consents, licenses, or other approvals have been obtained prior to any financial commitment by the Council;
- The partnership and its proposed business are lawful;
- A clear exit/termination strategy is agreed;
- Roles, responsibilities and liabilities of each partner are clearly defined.

Council will **not** enter into a Public Private Partnership where:

- The activity is primarily speculative in nature;
- Insurance cover cannot be obtained that is considered adequate to meet foreseeable risks;
- The cost or risk of the PPP is judged to be greater to the community than the benefits that would accrue from the PPP.

Where appropriate, Council reserves the right to apply competitive tendering processes, in accordance with Council policy.

Other conditions may be imposed as considered appropriate by Council.

9.6 Types of PPP Involvement

Council will consider the following methods of implementing a PPP:

- **Grants**, where the assessed benefit to the community justifies, where the PPP is accorded priority by Council, and funds are available for the activity.
- **Loans**, where the benefit to the community is significant, but it is assessed that income or other funding can in time be accessed, and / or there will also be significant benefits to the private partner and/or it is otherwise unsuitable to provide other funding.
- **Investments**, where there are deemed to be significant public benefits, and the community has been consulted, either during an LTCCP or Annual Plan consultation or separately using the special consultative procedure ².
- Acting as a guarantor for assets being constructed on Council-owned land.
- **Acting as a guarantor in extraordinary circumstances** may be considered by Council following community consultation, and where there are appropriate safeguards in place to ensure budgets are not exceeded and where limitations are specified as to the total amount Council is guarantor for.

9.7 Consultation

Council will undertake consultation on any revision of this "Policy on Public-private sector partnerships" as part of a Long-Term Council Community Plan.

Where Council decides to undertake a PPP in accordance with the policy, further consultation will not be required to be undertaken except in specific circumstances (below).

Council will consult on individual PPPs where:

- A PPP is assessed as being greatly beneficial, but falls outside the conditions or circumstances identified in the policy;
- An investment is proposed;
- It is proposed to act as guarantor in extraordinary circumstances;
- The partnership would result in significant positive or negative changes in service levels, as defined in Council's Significance Policy;
- The proposal would have a material impact on Council's projected budgets, performance measures, outcomes or other objectives;
- Ownership or control of a significant asset (as defined in Council's Significance Policy), is to be transferred to or from Council;
- There is expected to be considerable public interest in whether or not the PPP should proceed and/or it meets the test of significance as set out in Council's Significance Policy.

Where practicable, consultation on PPPs under the above criteria will take place under the Annual Plan or Long Term Council Community Plan process. Alternatively, a separate special consultative procedure may be undertaken.

² The Policy on Partnership with the Private Sector should be developed to be robust enough to cover most 'run of the mill' potential opportunities for public-private sector partnerships (PPPs) without the need for further public consultation. PPPs that are unusual, controversial, or of considerable public interest would be expected to be consulted on separately (either using the special consultative procedure, or in a form otherwise specified in the policy).

9.8 Formation of a PPP

Formation of a public private partnership that meets the conditions of this policy will be by ordinary council resolution, unless authority to form a partnership is delegated to a committee, subcommittee, or the Principal Administrative Officer, in which case the partnership must also meet the conditions of this policy.

Formation of a partnership that does not meet the conditions of this policy will be by ordinary council resolution only after appropriate and required consultation, and due consideration of any issues raised by that consultation.

9.9 Risk Management

When considering a public private partnership, the potential risks to Council will be outlined and where the risks are considered significant, in terms of probability and potential effect, Council will assess the level of the risks against their benefits and management strategies.

Risk will be assessed by calculating the probability of an adverse outcome multiplied by the cost/impact of that adverse outcome, while taking into account mitigating strategies and associated costs. Risks which may be considered are:

- Design and construction risk;
- Commissioning and operating risk;
- Service and under-performance risk;
- Maintenance risk;
- Risk of change to the legal or regulatory environment;
- Risk of legal challenge;
- Technology obsolescence risk;
- Planning risk;
- Price risk;
- Taxation risk;
- Residual value risk;
- Demand or valuation risk;
- Occupation safety and health risk;
- The relative investment of the private sector partner;
- The level of experience / track record of the partner, particularly in that activity;
- Risk to the reputation of Hamilton City Council and Hamilton city generally;
- Insurance coverage and limitations;
- Risk to the capacity of the council to carry out its activities, now and in the future;
- Risk to property;
- Protection of any intellectual property; and
- Any other risks identified.

Where risks exist and a partnership is to be agreed, a risk management strategy will be put in place to appropriately minimise or provide cover for that risk to the satisfaction of Council. Risk management in any or all of the above areas may be specified as being the responsibility of Council or the partner.

9.10 Monitoring and Reporting

A private sector partner will be expected to report using GAAP (generally accepted accounting principles) appropriate to their type of financial entity, and to allow auditing of financial and non-financial records as and when reasonably requested by Council or a representative appointed by Council.

Monitoring and reporting requirements will vary, depending on the level of resources Council is expending/investing/protecting, and the nature of the partnership.

The following points may be considered:

- Proposals for PPPs should state how they might contribute to outcomes or objectives in the LTCCP;
- Measurable and auditable performance standards should be included where appropriate in partnership documents;
- Progress on agreed outcomes and objectives should be reported on to Council's Finance and Audit Committee as required;
- Quarterly or annual financial reports may be required;
- Transparency in the conduct and reporting of PPP activities should be emphasised, acknowledging the need to protect commercial confidentiality where appropriate;
- The performance of PPPs will be reported on in Council's Annual Report.

10.0 Development and Financial Contributions Policy

10.1 Objective

- 10.1.1 To enable financial and development contributions to be taken that ensure that developers make a fair contribution to the development of infrastructure and services to maintain accepted levels of service for infrastructure in response to increasing demand generated by ongoing city growth.

10.2 Policy Outline

- 10.2.1 This policy outlines the circumstances in which Council intends to require development or financial contributions. For statutory requirements affecting this Policy, refer to Section 106 of the Local Government Act 2002 (LGA).

10.3 Requirement

- 10.3.1 The LGA requires Council to adopt a policy on development contributions or financial contributions. Once adopted, the policy can only be amended as an amendment to Council's Long-Term Plan (LTCCP), which requires the Special Consultative Procedure. This is the first update of the Policy adopted by Council and operative from 1st July 2005.

10.4 Policy

- 10.4.1 From 1st July 2006 the costs associated with new or upgraded infrastructure and reserves required to meet city growth will be funded by development contributions collected under the LGA. The development contributions policy relates only to the growth related cost component of Council's capital expenditure that would otherwise have had to be funded by ratepayers. Developer contributions will not be taken to address service enhancements, historical capacity shortfalls, or remedial action.
- 10.4.2 The adoption of this policy will reduce the level of contributions that are taken under the provisions of the RMA. A variation to the Proposed District Plan will be prepared to remove those provisions that are now included in this development contribution policy.

10.5 Adoption, Implementation and Review

- 10.5.1 Following the consideration of submissions this policy will be adopted as part of Council's first full Long-Term Council Community Plan covering the period 2006-16. It will come into force on 1st July 2006 and will affect resource consents, building consents and service connections that are issued (granted) on, or after that date.
- 10.5.2 The policy will be reviewed on an annual basis and any changes will be progressed through the Special Consultative Procedures of the LGA.

10.6 The Benefits of the Policy

- 10.6.1 Council's approach recognises the clear distinction between the separate purposes of financial contributions under the RMA and development contributions under the LGA and the direct link of the latter to projects that will provide capacity for growth. This relationship provides certainty that capacity will be provided to support continued development. This clarity will assist the market in pursuing development opportunities.
- 10.6.2 The collection of development contributions, being triggered by a subdivision, land use or building consent, or by a request for service connection, is highly responsive to development trends and will assist Council in its project planning and financial planning for growth. This will remove the cost burden from existing ratepayers, who have already paid for existing service capacity, and will ensure that Council is able to maintain existing and accepted levels of service consistently across the community as the growth of the City continues. As such it provides a more equitable basis for sharing the costs of growth. It eases the compliance costs on developers by enabling Council to provide network infrastructure in an efficient manner thereby reducing the need for developers to provide for their own needs or to rely on Advance Funding agreements to accelerate planned infrastructure. It therefore provides a reliable income stream to support sustained growth.
- 10.6.3 In the absence of the policy, infrastructure provision would continue to be constrained by the availability of funding from rates and could become a disincentive to urban growth, or could result in an ad hoc approach to growth, undermining the Council's identified Community Outcomes and lowering service standards.
- 10.6.4 The costs of providing additional capacity for growth will be met by the development community. Development contributions replace financial contributions that were previously taken under the Resource Management Act. For areas where financial contributions were not previously taken, development contributions will be an additional cost item but, by distinguishing the growth related items between greenfield development and previously developed land, and by sharing the costs over the entire development community, these costs are not expected to be a significant burden on developers. Moreover, as the development contributions relate to projects that develop the infrastructure networks in a holistic and co-ordinated way, and improve responsiveness to development pressure, they are able to facilitate development on a wider scale than previously, thereby providing more opportunity for the development industry.
- 10.6.5 The collection of development contributions at the subdivision stage, and at each subsequent stage of development will ensure that the cost of development is shared by all parties involved in the development process rather than just by the eventual occupiers who will themselves be funding infrastructure as ratepayers.
- 10.6.6 The benefits of the Policy commence immediately from the date of its introduction. They provide predictability and certainty regarding urban growth throughout the LTCCP period and are capable of being reviewed and amended on an annual basis to ensure that they achieve the community's desired outcomes. For most infrastructure assets, the benefits will extend well beyond the period of the LTCCP but will be funded over a maximum period of 25 years. Projects funded over a 25 year period will

have their costs shared across all development occurring within this period. Projects with a more limited capacity life will be funded by development occurring within the period that capacity is available. New infrastructure can be expected to have an asset life of up to 80 years. Both the costs and the benefits of the policy will therefore be intergenerational.

10.7 The 2006-16 LTCCP Capital Expenditure Programme

10.7.1 Table 1 summarises projected capital expenditure relating to growth and identifies their funding sources.

Table 1 – Funding Sources for Growth Related Capital Expenditure incurred after 1 July 2006

Proposed Funding 2006/07 - 2015/16						
Table 1 (000's)***	LTCCP Capital Programme 06/07 - 15/16 * (inc Financing)	Funded by				Dev. Contr. as a % of the LTCCP Programme
		Dev. Contr. ** (LGA 2002)	Fin. Contr. (RMA Levies)	Subsidy	Other Funding (reserve, loans, rates, & other)	
Community Infrastructure	90,784	45,227	0	0	45,557	49.82%
Reserves Contributions	123,722	106,348	0	0	17,374	85.96%
Stormwater	63,829	63,829	0	0	0	100.00%
Transport	581,943	366,094	0	80,586	135,263	62.91%
Wastewater	60,296	53,507	0	0	6,789	88.74%
Water	87,287	84,729	0	0	2,558	97.07%
	1,007,861	719,734	0	80,586	207,541	
Capital Programme	601,587	313,460	0	80,586	207,541	52.11%
Financing Charges	406,274	406,274	0	0	0	100.00%
	1,007,861	719,734	0	80,586	207,541	

Notes:

1. Water, stormwater, wastewater and transport projects are network infrastructure as defined in LGA 2002.
2. All figures are exclusive of GST.

* This is the cost of the growth related capital programme from 2006/07 to 2015/16 including the cost of financing this expenditure over the period that the programme provides capacity for growth. The total cost is further split to show the capital project cost and the financing charges applicable to the growth projects.

- ** These are the development contributions expected to be received relating to * over the period that the programme provides capacity for growth (which extends beyond 2015/16)-Paragraph 10.12.20 provides further explanation.
- *** Adjusted for inflation.

- 10.7.2 Council has identified a number of projects that have been implemented in anticipation of development occurring after 1st July 2006 and for which capital expenditure funded by way of loans is still outstanding. Table 2 summarises the costs that will be recovered through development contributions for these growth related projects.

Table 2 - Summary of Costs Incurred on Projects Provided in Anticipation of Development

Table 2 (000's)	Outstanding Costs of Projects Implemented in Anticipation of Development (Project Cost & Interest)
Community Infrastructure	902
Reserves Contributions	6900
Stormwater	430
Transport	40,067
Wastewater	43,750
Water	39,059
	131,108

10.8 Schedule of Development Contributions Payable

- 10.8.1 As required by Sections 201 and 202 of the LGA 2002, Tables 3 and 3a set out the schedule of development contributions that will be required towards Council's expenditure programme. The contributions relate directly to the projected costs arising from the particular service area within the period of the LTCCP, and also to the level of demand on the service arising from the type of development being undertaken and the level of service received from improved infrastructure provision.
- 10.8.2 Council has adopted the principle of using a Unit of Demand (UD) to compare and cost the relative demands that different activities place on infrastructure. The UD equals the demand of an average household. All other activities are expressed as a rate per 100m² floor space. In relation to stormwater this is expressed as a rate per 100m² site area. Cost identification and its attribution is explained in more detail in Section 10.12 of this Policy.
- 10.8.3 The need for additional infrastructure to provide capacity for growth differs between greenfield areas, where no infrastructure currently exists, and infill areas, where capacity can be provided through augmentation of the existing network. Development contribution rates will therefore apply differently between these areas. Map 1 indicates the boundary between greenfield and infill areas.

Table 3a – Schedule of Development Contributions Payable**Greenfields**

Table 3a (000's)	Residential Rate per Dwelling	Industrial Rate per 100m2	Commercial Rate per 100m2
Community Infrastructure	977.93	173.72	337.50
Reserves Contributions	5,581.83	0.00	0.00
Stormwater	2,114.52	477.88	477.88
Transport	1,701.94	3,063.50	3,403.88
Wastewater	7,153.94	643.85	1,287.71
Water	4,293.68	300.56	515.24
	21,823.84	4,659.51	6,022.21

Table 3b – Schedule of Development Contributions Payable**Infill**

Table 3b (000's)	Residential Rate per Dwelling	Industrial Rate per 100m2	Commercial Rate per 100m2
Community Infrastructure	620.69	110.26	214.21
Reserves Contributions	149.38	0.00	0.00
Stormwater	135.01	30.51	30.51
Transport	1,701.94	3,063.50	3,403.88
Wastewater	3,440.11	309.61	619.22
Water	2,085.47	145.98	250.26
	8,132.60	3,659.86	4,518.08

Notes:

1. All figures are exclusive of GST. GST will be added at the time of payment.
2. All figures include the recovery of costs incurred on Projects in anticipation of development occurring after 1st July 2005 (as described in Table 2).
3. Industrial and commercial developments are charged at \$0 for reserves acquisition.
4. Development contributions for industrial and commercial development will be calculated on a pro-rata basis for each m² of floorspace/site area.

- 10.8.4 Development contributions will affect all resource and building consents (including approval of amendments to existing consents), and authorisations for a service connection issued (granted) on or after 1st July 2006. They will be taken at the first opportunity, usually on a subdivision resource consent. Development Contributions will be estimated and advised to applicants at the time of issuing (granting) a resource consent. The underlying zone shown in the Proposed District Plan will be used as an indicator of future use where specific details are not known. To assist the calculation of a development contribution at the subdivision stage, the assessment will be based on the assumption that industrial development GFA will be 35% of site area and commercial development will be 20% of site area.
- 10.8.5 Subdivision resource consents will include an advisory note that a 224(C) certificate will not be issued prior to receipt of payment.

- 10.8.6 Land use resource consents will include an advisory note that the development must not commence prior to receipt of payment. Applicants will need to advise Council of their intention to commence development at which time the required development contribution will be calculated and invoiced on the basis of the policy and rates applicable at the time the consent was granted.
- 10.8.7 Building consents will not be issued until all costs, including development contributions, have been paid in full.
- 10.8.8 Service connections, other than service connections associated with a subdivision consent application, will not be authorised until all costs, including development contributions, have been paid in full.
- 10.8.9 Development contributions can be paid anytime but will be adjusted, using the Producer's Price Index – Construction, on 1st July each year. Where contributions are paid, the units of demand that they provide for will be recorded and will be credited against any subsequent consent applications. Accordingly, whilst subsequent applications will enable a reassessment and recalculation to be made, additional contributions will only be required where there will be an increase in Units of Demand arising from the development.
- 10.8.10 Often the detailed nature of a proposal will not be known until the development stage when land use resource consents or building consents will be applied for. It is expected that the averaging approach taken to estimating Units of Demand will provide for most forms of development but there may be occasions where a more rigorous assessment of demand will be needed to ensure that proper provision is made for the demand which the new development will generate. Special assessment will be made by Council in the following circumstances:
- Where a development activity is not adequately covered by the standard categories of residential, industrial or commercial. (This could include for example schools or hospitals.)
 - Where Council anticipates the level of demand to be more than twice the levels for any or all of the services set out in Tables 4 and 5. (Such activities could include for example service stations, drive through restaurants or abattoir.)
 - Where, in relation to stormwater only, a proposal provides for on-site infrastructure provision to the extent that there is no demand for off-site capacity.
- 10.8.11 Special assessment will estimate the level of demand for services arising from the development as specified in the consent application and allocate a number of units of demand to the development accordingly. Following this assessment, the development contribution payable in relation to any service component will be adjusted in proportion to the estimated change in units of demand for the development.
- 10.8.12 Any project by the Council that has been funded in whole or part by development contributions will not itself be liable to pay any development contributions. The Crown is exempt from the provisions of this policy by virtue of Section 8 LGA 2002.

- 10.8.13 Development contributions are not imposed as a condition of a resource consent and are not subject to the objection or appeal processes set out in the RMA.

10.9 Credits

- 10.9.1 Development Contributions are payable for increased units of demand. In calculating and invoicing development contributions, Council will recognise and provide a credit in the form of Units of Demand for any pre-existing units of demand arising from:
- an existing building or activity on the site (whether or not this will be retained in the development), or
 - a resource or building consent for a building or activity on the site, granted prior to 1 July 2006 which has not lapsed.
 - a resource or building consent for a building or activity on the site granted between 1 July 2005 and 30 July 2006 for which a development contribution has been calculated and paid in full prior to 1 July 2006.
- 10.9.2 Calculation of the units of demand to determine a credit will follow the method set out in section 10.12. Development contributions will only be payable for increased units of demand. No refund will be given for any decrease in units of demand arising from new development as infrastructure provision and expenditure will be planned and committed on the basis of the higher level of demand.
- 10.9.3 Credits for units of demand will attach to the parent lot and are not transferable between sites.
- 10.9.4 Exemption from development contributions will also be given for any previous financial contributions paid under the RMA 1991 in respect of development of the site. These contributions will have related to trunk services, arterial roading and reserves provision. Accordingly a development contribution will still be payable in respect of community infrastructure. Applicants will be expected to provide evidence of previous financial contributions having been paid.

10.10 Enforcement

- 10.10.1 Where payment is not received, Council will, as relevant
- withhold a certificate under Section 224(c) of RMA 1991;
 - prevent commencement of a resource consent under RMA 1991;
 - withhold a code of compliance certificate under Section 95 Building Act 2004;
 - withhold a service connection to the development;
 - register the development contribution under the Statutory Land Charges Registration Act 1928, as a charge on the title of the affected land.
- 10.10.2 Advisory notes to this effect will be attached to any consent and details of any outstanding development contributions will be recorded on Land Information Memoranda.

10.11 Remissions, Reductions, Refunds and Postponement

10.11.1 The development contributions policy provides the funding stream for the growth component of projects that the community has identified as being needed as the city develops.

10.11.2 Remissions or reductions in the scheduled charges may be justified in exceptional circumstances, for instance a developer may be able to demonstrate that the development contribution would or be excessive in relation to the scale and nature of the development. Any requests for remissions or reductions will need to be made to Council in writing within 15 working days of a contribution requirement being imposed and before any contributions are paid setting out full details of the reasons why the development contributions should be reduced or not apply.

10.11.3 As soon as reasonably practicable, Council's Statutory Management Committee will decide whether to determine the matter on the basis of the remission request papers or hold a hearing for the purposes of reviewing the request for contribution. If a hearing is to be held, Council will give at least 10 working days notice to the applicant of the date, time and place of that hearing. In making its decision Council will consider:

- the Funding and Financial Policies;
- the extent to which any works proposed by the applicant reduce or obviate the need for works proposed by Council in its LTCCP or significantly reduce the level of demand arising from the development;
- contributions previously paid or works undertaken as a result of agreements with Council;
- the impact on accepted Levels of Service as adopted in Council's Activity/Asset Management Plans;
- any other matters Council considers relevant.

10.11.4 The Statutory Management Committee may, at its discretion, uphold, reduce or cancel the original amount of development contribution required on the development and a formal decision will be notified to the applicant within 10 working days of the close of the hearing.

10.11.5 Decisions on individual requests will not alter the basis of the policy itself.

10.11.6 Refunds

In accordance with Sections 209 and 210 of the LGA, development contributions (including any interest accrued) will be refunded to the consent holder in the following circumstances:

- If subdivision, resource or building consent lapses or is surrendered and development or building does not proceed;
- If Council does not provide the infrastructure for which the contribution was collected within 10 years of that contribution being received.

10.11.7 As the LTCCP is subject to periodic review, specific projects may be subject to alteration or deletion. For the avoidance of doubt a refund will only be made where the Level of Service that a project was intended to provide for is not provided.

10.11.8 Postponement

This policy does not provide an opportunity for postponements of payment of development contributions.

10.12 Significant Assumptions

10.12.1 This development contributions policy responds to the anticipated cumulative effects of forecast growth on the city's network and community infrastructure. To meet community expectations the LTCCP identifies a range of projects of which a number make provision for growth. The development contributions policy aims to recover the costs of providing that capacity on a fair, efficient and effective basis.

10.12.2 Key inputs to the policy are:

- growth projections;
- catchment areas and their relationship to Activity/Asset Management Plans;
- Units of Demand;
- Cost identification and attribution methodology and financial assumptions.

10.12.3 Growth Projections

The LTCCP identifies the capital expenditure required to provide for growth up to 2016, consistent with the Community Outcomes. The Plan reflects a long-term urban growth strategy established in the early 1990's. This strategy promotes the continuation of development through the successive release of urban growth areas with development of these areas being facilitated through the District Plan and co-ordinated through the preparation of Structure Plans. The rezoning of land for development is staged to coincide with the availability of infrastructure through projects identified in the LTCCP. Through agreement with the neighbouring Waikato District Council additional land areas have been identified to provide a long-term land bank to sustain urban growth. The Urban Growth Strategy was reaffirmed by Council in March 2005.

10.12.4 The identification of land and the co-ordination of its release through rezoning and the provision of infrastructure provides the basis for the development of growth projections for the longer term. These projections, which also take account of past development rates and fluctuations in the development cycle, indicate that the City's population will continue to grow at a rate of around 2% per annum to 175,000 by 2021, with a population of 159,613 at the end of the 2006-16 LTCCP period. This equates to a need for an average annual requirement of 1,175 additional dwellings throughout the LTCCP period. Around 45% of the dwelling growth that will accommodate this population increase is expected to be within the existing built-up area of the City.

10.12.5 Population growth will bring with it the capacity to support additional commercial and industrial development both in terms of providing a labour supply and an increased market for goods and services. Analysis of past trends suggests a likely annual requirement for 25,567m² commercial floorspace on 19.5 ha of land and 43,241m² industrial floorspace on 28.79

ha of land is likely to be needed through the LTCCP period. Around 62% of this development will be within the existing city. Through the preparation of Structure Plans, provision is being made for a significant proportion of this development to be accommodated within the Rototuna and Rotokauri growth areas where the co-ordination of the necessary infrastructure can secure its accessibility to all parts of the city.

10.12.6 Catchment Areas and their Relationship to Activity/Asset Management Plans

The Community Outcomes set out in the LTCCP describe the concept of a single city, reflecting the social and physical characteristics of the existing urban area.

The geographical characteristics of the City reinforce this concept and have a major influence on the shape and nature of the infrastructure that supports City activity. The City is a single urban entity dissected only by the river and gully system. The general absence of physical relief highlights the significance of the river and gully system and has a major bearing on the engineering solutions (and costs) needed to service development.

- 10.12.7 Each of the City's infrastructure networks of roading, water supply, wastewater and stormwater are planned, managed and delivered as a single integrated network servicing the entire city at a uniform level of service at any time. The roading network provides connectivity and accessibility throughout the City and is available to all users without restriction. The network therefore supports development throughout the city and is designed and developed as a single entity. The City has one supply source and water treatment station with an integrated network of bulk mains, pumping stations and reservoirs ensuring that capacity can be provided to all areas of the City. Similarly the City has one wastewater treatment station and an integrated network of trunk sewers collecting waste from all parts of the City. The City's stormwater network is designed to provide flood protection for all parts of the City, specifically the road and reserve network.
- 10.12.8 Councils' Activity/ Asset Management Plans explain that each network is characterised by a combination of interdependent components. The City's networks provide an adopted Level of Service throughout the City.
- 10.12.9 Community infrastructure projects including reserves enhance the capacity and utility of the City's resource network. The network is citywide and provides opportunities for recreation for the City's residential and working community, provides connectivity between residential, commercial and industrial areas and provides a high standard of visual amenity to enhance the environmental quality of the City and help to secure continued investment. As the City grows, these projects are extended into newly developed areas.
- 10.12.10 The City's network and community infrastructure is a significant asset that is critical to the community's well-being as well as important to the City's urban form. Growth of the network places a considerable and inequitable financial burden on existing ratepayers but could not be achieved through the actions of individual developers without impacting on the form of the City or on the levels of service provided. The development contributions policy provides an appropriate way of facilitating urban growth consistent with Community Outcomes, without imposing an unreasonable financial burden on the development sector.

This single network philosophy is reflected in Council's capital expenditure programme. All areas of the city will therefore receive the same level of service although there are often significant differences between the costs of providing a service to the existing built up area and greenfield site development. These differences are reflected in a catchment-based approach that distinguishes greenfield site development from infill development within the existing city.

- 10.12.11 Some network and community infrastructure projects are of citywide benefit and the growth related cost component has been identified and shared equally amongst all development occurring across the city. Others, however, such as wastewater pipes, are required solely to service growth in a particular area. Development contributions associated with infill developments relate solely to the augmentation of the network to maintain capacity, and to those citywide facilities that will also service the infill areas. Development contributions from greenfield development relate to their share of capacity provided by citywide facilities and the cost of new infrastructure needing to be provided in the growth areas. Map 1 illustrates the extent of the greenfield and infill areas.

10.12.12 Units of Demand

Units of Demand (UD) provide the basis for distributing the costs of growth. They illustrate the rates at which different activities utilise capacity and are expressed in relation to a base unit. Council has adopted the single average dwelling unit of 2.7 people as the base unit and describes the demand for capacity from other activities as a multiplier. Determination of demand from different activities is drawn from Council's Activity/Asset Management Plans, Development Manual and Transfund New Zealand Research Reports 209 and 210.

- 10.12.13 Table 4 describes the demand characteristics of one UD for each infrastructure service. In relation to community infrastructure, these projects are characteristically qualitative rather than quantitative. The demand for community infrastructure is driven by people; therefore calculation of a unit of demand for community infrastructure has been done on the basis of population. As the majority of the demand will be from city residents this is where the majority of costs should lie but the City also has a significant working population of non residents (16.7%) that also places a demand on community infrastructure. 15.9% of the working population is in the industrial and commercial sector, the remainder being in Crown Agencies or other activities not liable for development contributions. As the City grows as a regional centre it is likely that this trend will continue. Accordingly the costs of the community infrastructure capital works programme have been apportioned 84.1% to residential development, with the remainder split 7.4% to industrial development and 8.5% to commercial development based on their share of the non resident working population. Land acquisition in relation to reserves is necessitated by and accordingly will be funded entirely by residential development

Table 4 – Units of Demand (1 Dwelling Unit)

Unit of Demand (For 1 dwelling unit)	
Community infrastructure (infill)	\$620.69
(greenfield)	\$977.93
Reserves Contributions (infill)	\$149.38
(greenfield)	\$5,581.83
Stormwater	55% run off coefficient of a 600m ² section
Transport	10 vehicle trips/day
Wastewater	70% of 702 litres/household/day
Water supply	702 litres/household/day

Note:

The Unit of Demand for community infrastructure is a percentage of the growth related costs determined by resident population increase relative to total daily population comprising both the resident and non resident working population (84.1%).

- 10.12.14 Table 5 describes the UD multipliers for non-residential development. In assessing units of demand arising from a mixed-use development such as a retirement village, separate assessment will be made of each component part based on the principle activities of residential dwellings, industrial activities and commercial development. Definitions for all forms of development are provided in Appendix 1.

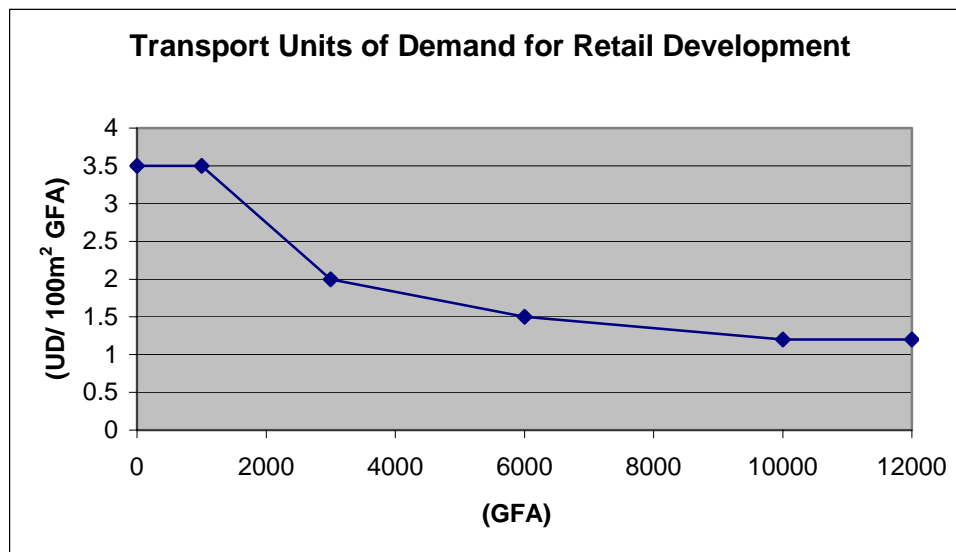
Table 5 – Units of Demand for Industrial and Commercial Development

	Industrial Development	Commercial Development
Community Infrastructure (infill)	\$110.26/100m ²	\$214.21/100m ²
(greenfield)	\$173.72/100m ²	\$337.50/100m ²
Reserves Contributions (infill)	nil	nil
(greenfield)	nil	nil
Stormwater	0.23/100m ²	0.23/100m ²
Transport	1.8/100m ²	2.0/100m ²
Water Supply	0.07/100m ²	0.12/100m ²
Wastewater	0.09/100m ²	0.18/100m ²

Notes:

- Units of Demand for community infrastructure, are a percentage of the growth related costs determined by the non resident working population in each sector; industrial (7.4%), commercial activity (8.5%).
- Assessment of the stormwater contribution will be based on site area. All other services relate to Gross Floor Area.

- 10.12.15 The roading Unit of Demand for commercial development set out in Table 5 averages out the very wide variations arising from different retail formats. For the assessment of Units of Demand at the development stage, i.e. for land use resource consents, building consents and service connections, Table 6 will be used.

Table 6 - Transport Units of Demand for Retail Development

10.12.16 Cost Identification and Attribution Methodology and Financial Assumptions

Development contributions relate solely to the growth component of capital expenditure on projects providing additional capacity and infrastructure for growth. Determining the growth component requires identification and assessment of the "drivers" of the expenditure which may include works necessary to maintain levels of service for the existing population, renewals or enhancements. A step-by-step approach has been taken to identify the costs related to these non-growth drivers. To identify the extent of works required by these drivers, use is made of Council's Activity Management Plans and network modelling. The resulting growth related cost is then further discounted to remove any external subsidies or other funding sources such as financial contributions received under the RMA. The residual figure is that which is to be recovered through development contributions.

- 10.12.17 Costs are prepared on the basis of best available knowledge, acknowledging that they will be revisited at the time of each review of the LTCCP (3 yearly), and the preparation of the Annual Plan (yearly). All costs are expressed as 2006 dollar values. They include inflationary movement on the basis of a weighted average per year.
- 10.12.18 All costs take account of loan charges at the annual rate used for budgeting in the Annual Plan and LTCCP.
- 10.12.19 Development Contributions are exclusive of Goods and Services Tax (GST). GST will be added after the calculation of any contributions required under this policy.
- 10.12.20 The development contribution payments recover the growth related capital expenditure that has already been made or will be made within the period 2006-16. For some projects this will be the entirety of the costs. For projects that are loan funded the 25 year loan period will extend the period for recovery beyond the timeframe of the LTCCP. Development Contributions for these projects will relate solely to the proportion of growth related capacity consumed within this timeframe.

- 10.12.21 Development Contributions will be required from all development occurring throughout the LTCCP period towards all projects that will be provided within this period, notwithstanding that some projects will occur after development has taken place. In relation to reserves, Council's preference will be to take land rather than a cash sum. Rule 6.5 of the Hamilton City Proposed District Plan provides a Resource Management context for requiring land for reserve purposes to mitigate the effects of development. This Rule will continue to operate to the extent that it will determine the need for land in preference to cash. Where land is needed, the extent will be determined through the resource consent process but the developer's financial liability will be determined through this development and financial contributions policy. Any shortfall between the development contribution paid and the current market value of the land will be met by Council. The requirement to provide Esplanade Reserves under Rule 6.6 of the Proposed District Plan is unaffected by this Policy.
- 10.12.22 Development Contribution rates are the maximum amounts that will be required and are calculated on the basis of a Unit of Demand (or multiplier thereof). In exceptional circumstances where specific developments are subject to Special Assessment of their likely demand, the methodology will be used to assess a Unit of Demand relating to the particular development and calculate a development contribution based on those circumstances.
- 10.12.23 Contributions raised for projects implemented in anticipation of development represent the recovery of financing costs, and as such will be applied to the funding of interest and the repayment of debt in the year they are received.
- 10.12.24 The balance of infrastructure levies collected up to 30th June 2005 (30th June 2006 in respect of reserves) has been applied against the water supply, wastewater, stormwater and roading and reserve. This adjustment to the levies assessed recognises the contributions already paid to Council that contribute to the provision of growth in the future. Whilst the balance of infrastructure levies is positive for water supply and wastewater, (and hence a credit adjustment is made to the levy assessed), the levies for stormwater and roading are in a deficit and need to be recovered.
- 10.12.25 For the purposes of calculating the development contribution levy for each project, the period over which the project provides growth capacity (and hence costs are allocated) is determined as the lesser of when capacity is actually reached or 25 years, reflecting the term over which Council loans are raised.

Appendix 1

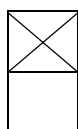
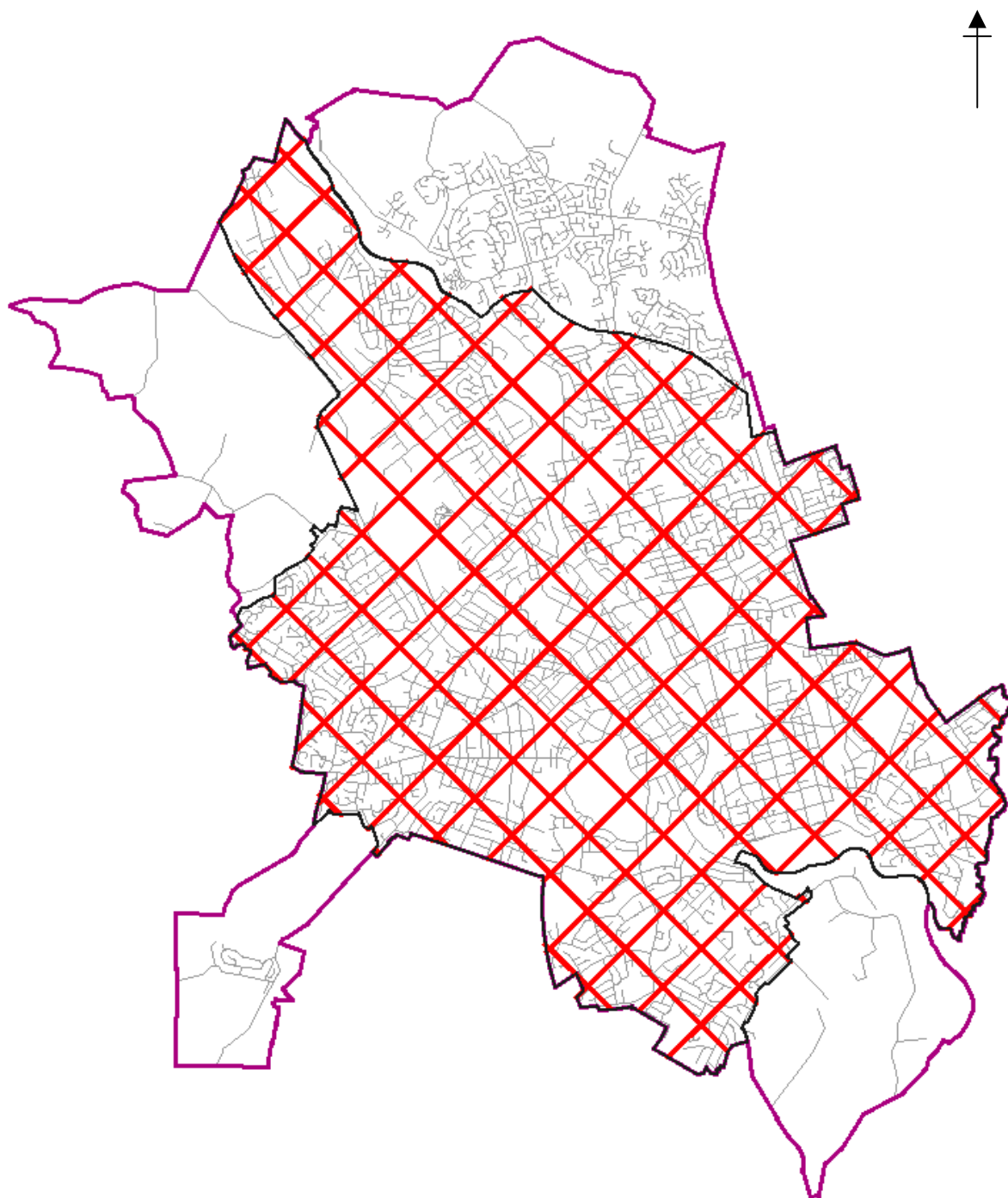
Definitions

- Residential Dwellings are buildings or parts of buildings designed to be used by persons living alone, or as a family or as a non-family group, and include apartments, semi-detached and detached houses, ancillary flats, units, town houses, units within retirement villages and all self-contained accommodation, but exclude:
 - premises where accommodation is provided on a commercial basis at a daily tariff;
 - homes for the aged or infirm;
 - residential centres or hostels;
 - caravans or other mobile forms of accommodation unless used as a sole residence for periods of more than six months in any one calendar year.

These exclusions will be assessed as commercial developments.

- Industrial development means the use of premises (land and buildings) for manufacturing, processing, bulk storage, warehousing, servicing and repair activities.
- Commercial development means the use of premises (land and buildings) for the display and retail of goods and services, administration or professional activities, leisure and recreation activities for which an entry fee is paid, restaurants, bars and those residential activities excluded from the definition of a residential dwelling.
- Gross Floor Area (gfa) – means the sum of the overall increase in the gross floor area of all floors of all buildings on a site measured from the exterior faces of the exterior walls or from the centrelines of walls separating two buildings. Gross floor area shall:
 - a) include car parking provided on a commercial basis, elevator shafts, stairwells and lobbies at each floor and mezzanine floors and balconies;
 - b) exclude any car-parking provided to meet the operational needs of the principal activity, loading and servicing areas and access thereto and building service rooms containing equipment such as lift machinery, tanks, air conditioning and heating plants.
- Community infrastructure is defined in the LGA (2002) as:
 - a) land, or development assets on land, owned or controlled by the territorial authority to provide public amenities; and
 - b) includes land that the territorial authority will acquire for that purpose.
- Producers Price Index – Construction, is an index of capital goods prices produced by Statistics New Zealand.

Boundaries of Infill/Greenfield Areas



Infill Area

Greenfield Area

May 2006

Appendix 2

Schedule of Financial Contribution Payments required by the District Plan that will not apply after 1st July 2006

Hamilton City Proposed District Plan (References Version November 2001)

- Rule 6.4.2b) – Trunk Stormwater Levy
- Rule 6.4.3b) – Trunk Wastewater System Levies
- Rule 6.4.4b) – Trunk Water Supply Levies
- Rule 6.4.5c) – Arterial Roading Network Levy
- Rule 6.5 – Reserves Contributions (insofar as the Rule specifies a cash sum or monetary value)

Waipa District Plan

- Rule 10.8.5 – Financial Contributions (insofar as they relate to roading and sewerage in the Temple View area)
- Rule 10.9 – Reserves Contributions (insofar as the Rule specifies a cash sum or monetary value)

Note – A variation to incorporate Temple View into the Hamilton City Proposed District Plan is expected to be notified in July/August 2006. This will replace the Waipa District Plan provisions relating to Temple View. In due course a further variation to the Hamilton Proposed District Plan will be notified to remove reference to Rules 6.4.2b, 6.4.3b, 6.4.4b, and 6.4.5c and to amend Rule 6.5.

Appendix 3

STEP-BY-STEP GUIDE TO THE DEVELOPMENT CONTRIBUTION PROCESS

Step 1 – Request an Estimate

An estimate of the required development contribution can be requested at any time from Council by providing information regarding existing development on the site, the proposed development, and any related consents.

Step 2 – Making an Application

Applications for a resource or building consent or a request for a service connection will be processed in the normal way. Details of the application will be used to calculate the development contribution and Council's property records will be used to assess whether any credits are applicable. If necessary, additional information will be requested to enable the calculation to be made.

Step 3 – Issuing a Decision

Once a decision is made to grant a consent or authorise a service connection, applicants will be notified of the decision, the development contribution required, payment options and relevant payment dates. All decisions will include an advisory note as follows:

for subdivision resource consents

Payment must be received before a Section 224(c) Certificate is issued.

for landuse resource consents

Payment must be received before the development is commenced.

for building consents

Payment must be received before a Building Consent is issued (granted).

for service connections

Payment must be received before a service connection is authorised.

Step 4 – Making a Payment

Invoices relating to subdivision applications will be sent on request at any time or otherwise at the time of request for a 224c certificate. The commencement of a land use consent will be regarded as the point at which an application is made for the requisite Building Consent. Invoices related to Building Consents and service connections will be at the time of approval of a Project Information Memorandum and consent will not be issued (granted) until payment has been received.

All invoices will be raised at the rates applicable at that time of consent as adjusted annually (at 1st July) using the PPI – construction.

Appendix 4

Worked Examples

Example 1 – Greenfield Residential Subdivision

Proposal Subdivision of one allotment with an existing house to create 4 lots. No previous RMA contributions have been paid.

Assessment

Credit given for the one existing dwelling. Development contributions are calculated for the 3 additional allotments.

$$3 \times \$21,823.84 = \$65,471.52 + \text{GST}$$

At the time of any subsequent consent or service connection application, the development contribution will be recalculated on the basis of more specific proposals. Any additional development contributions will be invoiced at that time.

Example 2 – Residential Development

Proposal Erection of a 7 unit apartment block on undeveloped land in infill areas. No previous RMA contributions have been paid and there are no existing unimplemented consents for buildings.

Assessment

No existing credits. Development contributions are calculated for each of the 7 additional units.

$$7 \times \$8,132.60 = \$56,928.20 + \text{GST}$$

Example 3 – Industrial Development Building Consent

Proposal Alterations to existing building in the infill area to provide additional 480m² floor space.

Assessment

Credit is given for all the existing floor space. Development contributions are calculated for each square metre of additional floor space. i.e. 480

$$4.8 \times \$3,659.86 = \$17,567.32 + \text{GST}$$

Example 4 – Commercial Subdivision

Proposal Subdivision of 6,000m² bare greenfield land to create 2 commercial lots of 4,000m² (Lot 1) and 2,000m² (Lot 2). No previous RMA contributions have been paid.

Assessment

No details of the final form of development are known at this stage so assessment is based on a notional 'average' development with floor space being 20% of site area and contributions being required for square metre of floor space. Stormwater calculations based on site area.

Lot 1 $4,000 \times 20\% = 800$

Water rate	$\$515.24 \times 8.00$	=	\$4,121.92
Wastewater	$\$1,287.71 \times 8.00$	=	\$10,301.68
Transport	$\$3,403.88 \times 8.00$	=	\$27,231.04
Community Infrastructure	$\$337.50 \times 8.00$	=	\$2,700.00
Stormwater	$\$477.88 \times 40$	=	\$19,115.20

Lot 2 $2,000 \times 20\% = 400$

Water rate	$\$515.24 \times 4.00$	=	\$2,060.96
Wastewater	$\$1,237.71 \times 4.00$	=	\$5,150.84
Transport	$\$3,403.88 \times 4.00$	=	\$13,615.52
Community Infrastructure	$\$337.50 \times 4.00$	=	\$1,350.00
Stormwater	$\$477.88 \times 20$	=	\$9,557.60
Total Development Contribution Required for Lots 1 & 2		=	\$95,204.76

At the time of any subsequent consent or service applications, the development contribution will be recalculated on the basis of more specific proposals. Any additional development contributions will be invoiced at that time or any overpayment refunded.

11.0 Appointment and Remuneration of Directors of Council Organisations Policy

This policy should be read in conjunction with the Council - Controlled Organisations (CCOs) and Council Organisations (COs) pages in the Financial Section of the 2006-16 Long-Term Plan (Volume I).

11.1 Introduction

Council is required by Section 57 of the Local Government Act 2002 to adopt a policy that sets out an objective and transparent process for:

- the identification and consideration of the skills, knowledge and experience required of directors of a council organisation;
- the appointment of directors to a council organisation;
- the remuneration of directors of a council organisation.

11.2 Definitions

The term "council organisation" ("CO") is used in the context of the definitions provided in Section 6 of the Act.

The Act also creates two sub-categories of COs - "council-controlled organisations" ("CCOs") and "council-controlled trading organisations" ("CCTOs").

The Council has interests that fall in each of these categories. Attached is an appendix which provides a list of such organisations.

The following definitions are provided for guidance purposes only. Fuller definitions are provided in Section 6 of the Act.

Meaning of "Council Organisation"

In broad terms, a CO is an organisation in which the Council has a voting interest or the right to appoint a director, trustee or manager (however described). This is a wide-ranging definition, covering a large number of bodies.

Meaning of Council-Controlled Organisation

A CCO is a CO in which one or more local authorities control, directly or indirectly, 50% or more of the votes or have the right, directly or indirectly, to appoint 50% or more of the directors, trustees or managers (however described).

Meaning of Council-Controlled Trading Organisation

A CCTO is a CCO that operates a trading undertaking for the purpose of making a profit.

11.3 Council Controlled Organisations

Council owns a shareholding in the following organisations that are defined as CCOs by the Local Government Act 2002. These are:

- Waikato Regional Airport Ltd (Council owns 50% of the shareholding). This company manages and operates the Hamilton International Airport. Other shareholders of this company are:

- Waikato District Council	15.625%
- Matamata-Piako District Council	15.625%
- Waipa District Council	15.625%
- Otorohanga District Council	3.125%

Council must co-operate with the other shareholders for the appointment of directors. The Finance & Audit Committee of Council monitors the performance of Waikato Regional Airport Limited. The Council's shareholder representative is His Worship the Mayor or in his absence, the Deputy Mayor.

- Hamilton Properties Ltd (Council owns 100% of the shareholding). This company is retained as a dormant company to protect the tax losses that the company holds.
- Local Authority Shared Services Limited (Council owns 7.69% of the shareholding). This Company provides local authorities within the Waikato Region with shared services, particularly in respect of information collection and management with the purpose of reducing the cost of these services.

11.3.1 Skills Required

Council considers that persons to be considered for directorship must have the skills, knowledge and experience to:

- guide the organisation given the nature and scope of its activities;
- contribute to the achievement of the objectives of the organisation.

The Council considers that any person that it appoints to be a director of a CCO should, as a minimum, have the following skills:

- intellectual ability;
- an understanding of governance issues;
- either business experience or other experience that is relevant to the activities of the organisation (or both);
- sound judgement;
- a high standard of personal integrity;
- the ability to work as a member of a team.

11.3.2 Appointment of Directors

When vacancies arise in the CCO the Council will undertake the following process:

Waikato Regional Airport Ltd

The appointment of directors will be undertaken jointly with the other four shareholding councils. Nominations will be received from elected representatives from all current shareholders. The shareholders representatives will shortlist the nominations taking into account the skills required for the positions. The shareholder representatives will interview short listed nominations and a joint decision made for recommendation to the company AGM. The mix of skills and experience on the board will be taken into

account, and consideration given to complementing and reinforcing existing skills and reducing known weaknesses where necessary.

Hamilton Properties Ltd (HPL)

Whilst HPL remains a dormant company, the directors will be His Worship the Mayor, the Chief Executive Officer and Messrs Walters and Lang from Swarbrick Dixon (City Solicitors).

Local Authority Shared Services Limited

The constitution of the Company provides that six directors will be appointed from the shareholding local authorities with each director being the Chief Executive of Officer of that local authority. Hamilton City Council is entitled to appoint one director being the Chief Executive Officer. In addition, the Company may appoint up to three independent professional directors. The Chief Executive Officer or, in his absence, the Acting Chief Executive Officer is appointed proxy to vote on behalf of Hamilton City Council at the meetings of the Local Authority Shared Services Limited.

11.3.3 Final Appointment

The final appointment for directors for any CCO will be made in committee thus protecting the privacy and protecting the privacy of natural persons. Public announcements of the appointments will be made as soon as practicable after the Council and/or shareholding councils have made a decision.

11.3.4 Conflicts of Interest

The Council expects that directors of any CCO will avoid situations where their actions could give rise to a conflict of interest. To minimise these situations the Council requires directors to follow the provisions of the New Zealand Institute of Directors' Code of Ethics. All directors are appointed "at the pleasure of the Council" and may be dismissed for breaches of this code.

11.3.5 Remuneration

Remuneration of directors of CCOs is a matter of public interest. The Council, in conjunction with other shareholders, will set the director's remuneration by resolution at the Annual General Meeting. On reaching a view on the appropriate level of remuneration for directors the shareholders representative will consider the following factors:

- the need to attract and retain appropriately qualified people to be directors;
- the level and movement of salaries in comparable organisations;
- the past performance of the organisation;
- the financial position of the organisation.

11.4 Council Organisations

11.4.1 Hamilton Riverview Hotel Limited (HRHL)

Council owns 42% of Hamilton Riverview Hotel Limited and in accordance with the joint venture agreement with the other owners, is entitled to appoint up to two of the directors. The Council's shareholder representative is His Worship the Mayor or in his absence, the Deputy Mayor.

11.4.1.1 Skills Required

The Council considers that any person that it appoints to be a director of HRHL should, as a minimum, have the following skills:

- intellectual ability;
- an understanding of governance issues;
- either business experience or other experience that is relevant to the activities of the organisation (or both);
- sound judgement;
- a high standard of personal integrity;
- the ability to work as a member of a team.

11.4.1.2 Appointment of Directors

Council considers that persons to be considered for directorship must have the skills, knowledge and experience to:

- guide the organisation given the nature and scope of its activities;
- contribute to the achievement of the objectives of the organisation.

The directors will be Anthony John Marryatt, whilst he is employed as Chief Executive Officer of Hamilton City Council, and one other appointed by Council at the triennial Council appointment meeting (or by notice of motion). Council will make the decision taking into account the skills required for the position at the triennial meeting or at a meeting following receipt of a notice of motion.

11.4.1.3 Conflicts of Interest

The Council expects that directors of HRHL will avoid situations where their actions could give rise to a conflict of interest. To minimise these situations the Council requires directors to follow the provisions of the New Zealand Institute of Directors' Code of Ethics. All directors are appointed "at the pleasure of the Council" subject to the terms of the Chief Executive Officer's Individual Employment Contract and may be dismissed for breaches of this code.

11.4.1.4 Remuneration

The Council, in conjunction with other shareholders, will set the director's remuneration by resolution at the Annual General Meeting. On reaching a view on the appropriate

level of remuneration for directors the shareholders representative will consider the following factors:

- the need to attract and retain appropriately qualified people to be directors;
- the level and movement of salaries in comparable organisations;
- the past performance of the organisation;
- the financial position of the organisation.

Effective from the 3 November 2004, the elected representative who is appointed by Council as a director of HRHL shall receive 50% of the directors fee payable, with the other 50% retained by Council.

11.4.2 Other Council Organisations

11.4.2.1 Introduction

The Council has non-controlling interests in numerous COs. These are not-for-profit bodies.

Appointments to COs are made for a number of reasons. These include:

- to provide a means of monitoring where the Council has made a grant to that body;
- to enable Council involvement where the CO's activity is relevant to the Council;
- to satisfy a request from the CO that the Council appoint a representative;
- statutory requirements.

Appointments to a CO are generally for a three year term, and are made after the triennial Council elections at the triennial Council appointments meeting or at a meeting following receipt of a notice of motion.

Appointments will not extend beyond the Council's triennial term.

The Council will endeavour to minimise the number of appointments where the benefit to the Council of such an appointment is minimal.

All appointments will be at the pleasure of Council.

11.4.2.2 Identification of required skills, knowledge and experience of CO Directors, and Appointment

The range of reasons for the appointment of Council representatives to COs results in a wider range of desired attributes for appointees to these bodies.

Council will determine the required skills, knowledge and experience for each appointment. Candidates are not restricted to Councillors – in some cases, it may be more appropriate to appoint Council staff or external people with affiliations to the Council.

11.4.2.3 Remuneration of CO Directors

CO directors appointed by the Council will receive the remuneration (if any) offered by that body.

12.0 Freeholding of Council Domain and Municipal Endowment Leases Policy

12.1 Objective

To freehold Council Domain and Municipal Endowment Perpetual Leases.

Hamilton City Council owns land originally acquired by endowment from the Crown to be held by Council on the terms of the original endowment.

The land is held for the purposes of endowment funds:

- a) Domain Endowment
- b) Municipal Endowment

The Domain land (as listed in Attachment One) is held by Council for the purposes of the Domain Endowment Fund which include the maintenance or improvement of reserves, purchase of land in the name of the Crown as Recreation Reserve, or purchase of land in the name of Council for the purposes of the Hamilton Domain Endowment Act 1979.

The Municipal land (as listed in Attachment Two) is held by Council for purposes of the Municipal Endowment Fund, which include the purchase of land to provide revenue to Council.

12.2 Policy

Upon application from the lessee, Council will freehold Council Domain and Municipal Endowment Leases as follows:

12.2.1 Domain Endowment Leases

Freeholding of Domain Endowment Leases shall proceed at 100% of the Current Market Value of the land based on independent valuation. The value may be contestable by arbitration.

The applicant lessee will pay all Councils reasonable costs in the matter, including arbitration costs.

12.2.2 Municipal Endowment Leases

Freeholding of Municipal Endowment Leases shall proceed at not less than 85% of the Current Market Value of the land OR the Lessors interest value based on independent valuation, whichever is the greatest. The value shall NOT be contestable.

The applicant lessee will pay all Councils reasonable costs in the matter.

The proceeds shall be immediately credited to the relevant Domain Endowment Fund or the Municipal Endowment Fund, and those proceeds shall be used for (in the case of Domain Endowment Land) the maintenance or improvement of reserves, purchase of land in name of Crown as Recreation Reserve, or purchase of land in name of Council for purposes of the Act; and (in the case of Municipal Endowment Land) for the purchase of other land to be held for the purposes of the Fund.

Attachment One

Domain Endowment Leasehold Land

Property Reference	Property Address	Legal Description	Land Area
10002	297 Ulster Street	Lot 1 DPS 12212	2157.5m ²
10005	92 Bryce Street	Lot 1 DPS 28891	1.2228 ha
10010	225 Dey Street	Lot 10 DP 35144	812m ²
10014	219 Fox Street	Lot 3 DPS 1525	812m ²
10017	189 Fox Street	Lot 7 DPS 1200	675m ²
10020	5 Henry Street	Lot 8 DPS 2099	759m ²
10026	5 Cotter Place	Lot 8 DPS 4051	679m ²
10027	126 Fox Street	Lot 4 DPS 5647	718m ²
10028	122 Fox Street	Lot 1 DPS 3597	895m ²
10029	103 Dey Street	merged Lots 7 & 8 DP 34426 and Lot 1 DPS 82950	1457m ²
10030	101 Naylor & Dey Streets		
10031	101 Brookfield Street	Lot 4 DPS 176	556m ²
10032	67 Dey Street	Lot 3 DPS 1095	1012m ²
10033	13 Graham Street	Lot 2 DPS 9966	3407m ²
10036	37 Sillary Street	Lot 1 DP 33843	2023m ²

Attachment Two

Municipal Endowment Leasehold Land

Property Reference	Property Address	Legal Description	Land Area
20017.001	145-149 Ward Street	Lots 14 & 15 DP 17135	791m ²
20017.002	145-149 Ward Street		
20018	151-155 Ward Street	Lots 16 & 17 DP 17135	971m ²
20019	179 Ward Street	Lots 23 & 24 DP 17135	592m ²
20021.001	109 Ward Street	Lots 1 & 2 DP 17135	590m ²
20021.002	109 Ward Street	Lots 3 & 4 DP 17135	788m ²
20021.003	109 Ward Street	Lots 5 & 6 DP 17135	788m ²
20001	13A Edgecumbe Street	Lot 2 DPS 10245	490m ²
20003	58 Willoughby Street	Lot 11 DP 33796	586m ²
20007	92 Clyde Street	Lot 6 DP 35296	559m ²
20009	100 Clyde Street	Lot 4 DP 35296	736m ²
20011	16 Cassidy Street	Lot 2 DPS 6250	660m ²
20012	205 Clyde Street	Lot 13 DPS 6250	696m ²
20015	258 Fox Street	Lot 13 DP 35611	558m ²
20016	12 Wiremu Street	Lot 9 DPS 5418	830m ²
20022	5 Lake Road	Lot 2 DPS 8955	690m ²
20023.001	77 Norton Road	Lots 3, 4 & 6 DPS 8955	1668m ²
20023.002	79 Norton Road	Lot 5 DPS 8955	614m ²

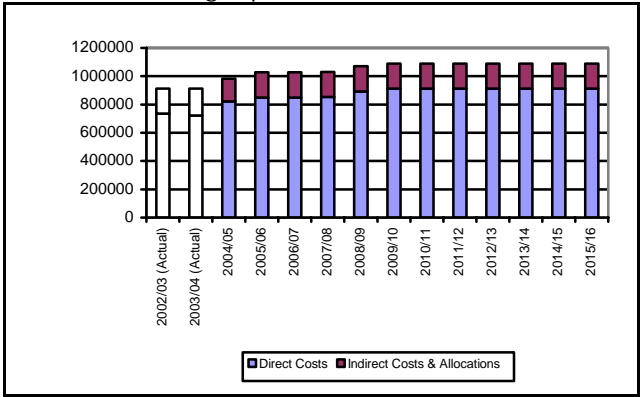
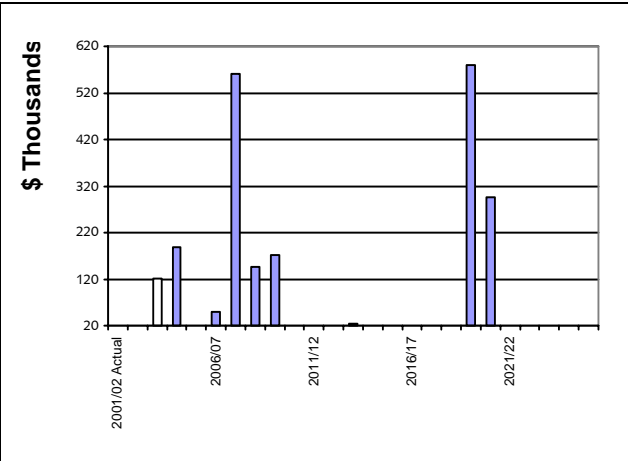
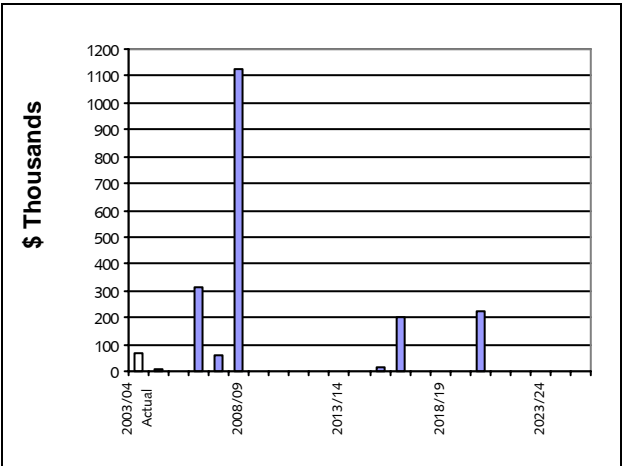
13.0 Activity Management Plan Summary

13.1 Introduction To Asset Management Plans

This section sets out summary information concerning Council's major assets and activities based on activity management plans prepared in 2005. Activity management plans describe the infrastructure assets and key activities of Hamilton City Council and outline the financial, engineering and technical practices as well as strategies adopted to ensure that the assets and activities are maintained and developed to meet the requirements of the community over the long-term.

13.2 Executive Summary

13.2.1 The Cemetery & Crematorium Activity

<div>Overview</div> <div><ul style="list-style-type: none">Population served – 130,000 for cemetery services.Population served – 380,000 for crematorium services.Facilities provided: 2 public heritage cemeteries, one public operating cemetery (Hamilton Park), crematorium, and chapel facilities.Total land available for cemetery purposes: 32 haTotal land area utilised for cemetery purposes: 14 haTotal land area leased out: 18 haTotal burials at Hamilton Park Cemetery: 18,319Total burial and cremation records: 64,000Number of casket burials 2004/5: 255Number of ash burials 2004/5: 272Number of chapel services 2004/5: 357Number of cremations 2004/5: 1169Services delivered “in-house”.</div>	<div>Assets Age</div> <div><ul style="list-style-type: none">Most assets are leased from and managed by the plant and property group eg vehicles and buildings.Cemetery specific plant or equipment items are few and knowledge of their useful life is understood and integrated into maintenance and capital planning cycles.</div>																																																																																								
<div>Assets Condition</div> <div><p>Most assets are either new or recently renovated and their condition varies from very good to excellent. The new cremator operational in July 2000 has been consistently operating beyond its recommended capacity for 3 years.</p></div>	<div>Operating Financial Requirements</div> <div><p>(Excluding depreciation and loan interest)</p><table border="1"><caption>Operating Financial Requirements (Estimated Data)</caption><thead><tr><th>Year</th><th>Direct Costs</th><th>Indirect Costs & Allocations</th></tr></thead><tbody><tr><td>2002/03 (Actual)</td><td>900,000</td><td>800,000</td></tr><tr><td>2003/04 (Actual)</td><td>950,000</td><td>850,000</td></tr><tr><td>2004/05</td><td>1,000,000</td><td>900,000</td></tr><tr><td>2005/06</td><td>1,050,000</td><td>950,000</td></tr><tr><td>2006/07</td><td>1,100,000</td><td>1,000,000</td></tr><tr><td>2007/08</td><td>1,150,000</td><td>1,050,000</td></tr><tr><td>2008/09</td><td>1,200,000</td><td>1,100,000</td></tr><tr><td>2009/10</td><td>1,250,000</td><td>1,150,000</td></tr><tr><td>2010/11</td><td>1,300,000</td><td>1,200,000</td></tr><tr><td>2011/12</td><td>1,350,000</td><td>1,250,000</td></tr><tr><td>2012/13</td><td>1,400,000</td><td>1,300,000</td></tr><tr><td>2013/14</td><td>1,450,000</td><td>1,350,000</td></tr><tr><td>2014/15</td><td>1,500,000</td><td>1,400,000</td></tr><tr><td>2015/16</td><td>1,550,000</td><td>1,450,000</td></tr></tbody></table></div>	Year	Direct Costs	Indirect Costs & Allocations	2002/03 (Actual)	900,000	800,000	2003/04 (Actual)	950,000	850,000	2004/05	1,000,000	900,000	2005/06	1,050,000	950,000	2006/07	1,100,000	1,000,000	2007/08	1,150,000	1,050,000	2008/09	1,200,000	1,100,000	2009/10	1,250,000	1,150,000	2010/11	1,300,000	1,200,000	2011/12	1,350,000	1,250,000	2012/13	1,400,000	1,300,000	2013/14	1,450,000	1,350,000	2014/15	1,500,000	1,400,000	2015/16	1,550,000	1,450,000																																											
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Key Issues:

- Land leased out but available for cemetery purposes will have a burial plot capacity in excess of 100 years based on current usage.
- Cemetery casket burial lawns developed have a plot capacity expected to last 17 years based on current usage.
- Cemetery ash burial plots developed have a plot capacity expected to last 5 years based on current usage.

13.3 Executive Summary

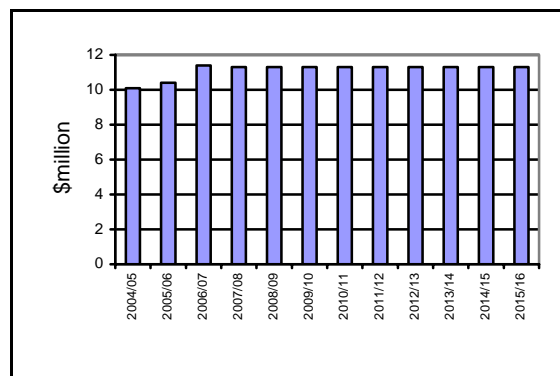
13.3.1 The Parks and Gardens Activity

Network Description

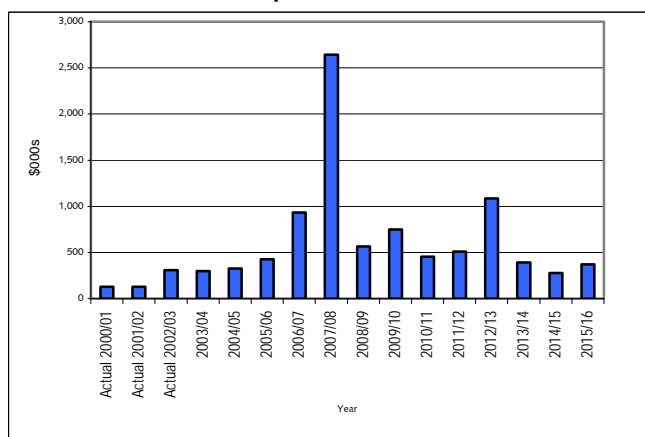
Open Space Category	Area (Ha)	No.	Play-grounds (No.)	Public Toilets (No.)
Parks, Reserves and Gardens				16
Hamilton Gardens	48.3		2	
Other Parks and Reserves	514.4	134	44	
Sports Areas	414.8	54	37	29
Beautification				
Planted Streets		962		
Planted Traffic Islands		1,321		
Street Trees		27,913		
Halls and Leased Buildings		16		
Nursery	1.7			
Public Toilets in Other Locations				6
Totals	979.2		83	51

Operating Financial Requirements

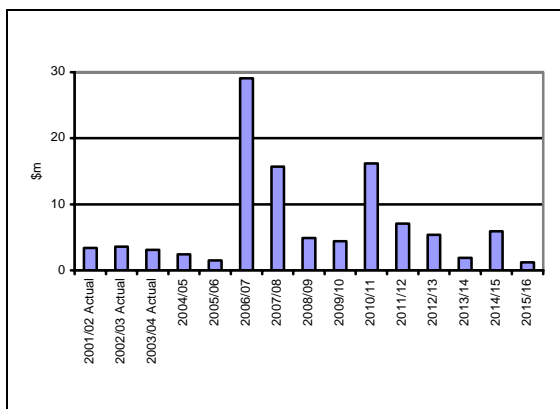
Excluding – Depreciation
– Loan Interest



Renewals' Financial Requirements



New Capital Financial Requirements



Key Issues:

- Hamilton's population is projected to increase by a quarter (or by about 35,000) more people during the next ten years. Ensuring that the additional parks, sports fields, gardens, street trees and beautification, and public toilets that this additional population will require, are provided in the most appropriate manner for the long-term, will be a significant challenge.

13.4 Executive Summary

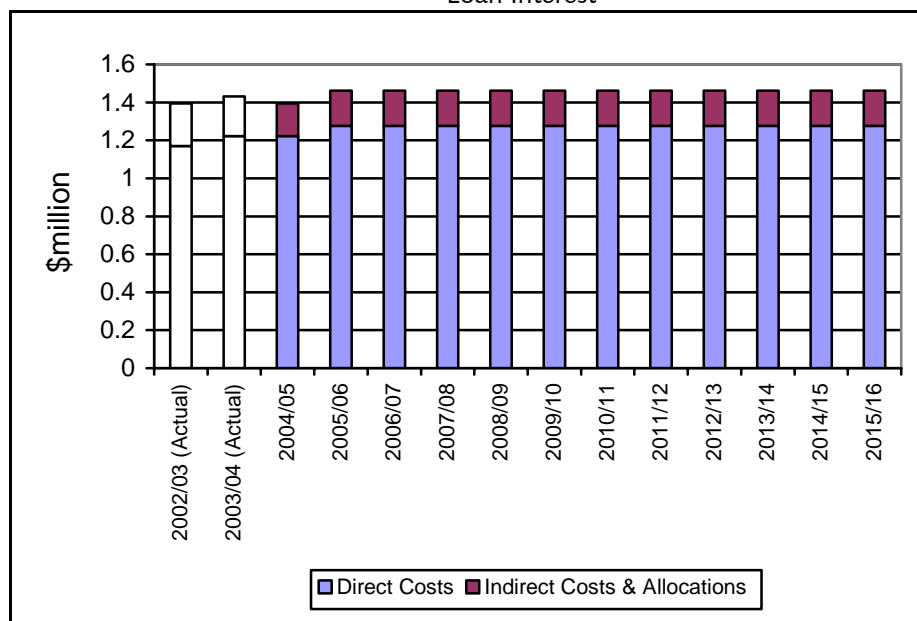
13.4.1 The Planning Guidance Unit Activity

Scope:

Year	Type of Consent / Activity									
	Land Use Consents	Subdivision Consents	Certificates	Written Enquiry	LIMs & PIMs	Sections Created	Objections / Appeals	Complaints	Consents Monitored	Total
2001/02	350	167	183	242	3213	1410	27	241	708	6541
2002/03	338	199	216	200	3857	1622	25	156	752	7365
2003/04	412	246	174	174	4862	1380	19	193	1032	8484

Operating Financial Requirements

Excluding – Depreciation
– Loan Interest

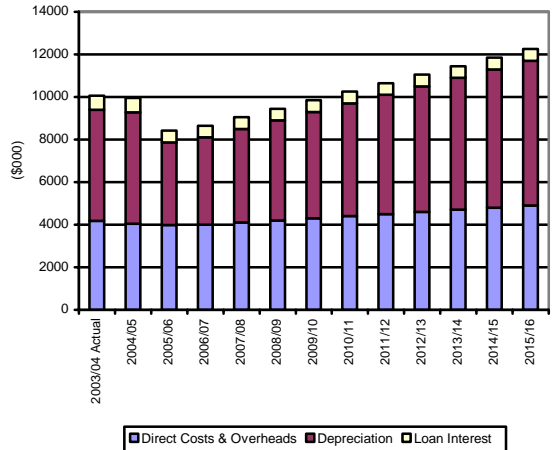
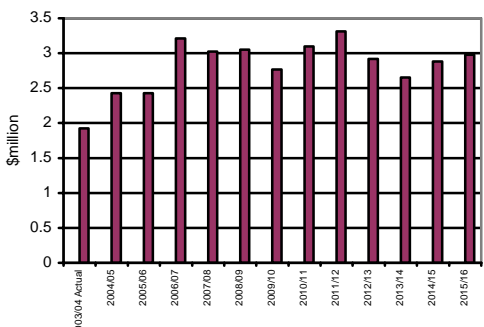
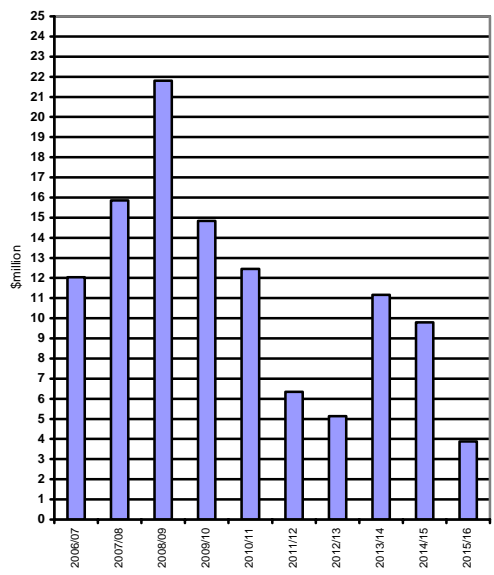


Key Issues:

- The Council is well advanced in the management of this activity. The Unit functions efficiently, with performance targets consistently met or exceeded. The community outcomes to which the activity primarily contributes are consistently met. Strong linkages are documented between why the activity is undertaken, and how it links to community outcomes, performance measures and targets.

13.5 Executive Summary

13.5.1 The Property and Risk Management Services Activity

<p>Overview Management of all of the Council's properties.</p> <table> <tr><td>a) Administrative & Public Service Buildings</td><td>5</td></tr> <tr><td>b) Commercial Buildings</td><td>49</td></tr> <tr><td>c) Pensioner Houses (27 blocks)</td><td>452</td></tr> <tr><td>d) Community Buildings</td><td>12</td></tr> <tr><td>e) Halls and Leased Buildings</td><td>6</td></tr> <tr><td>f) Museum and Libraries</td><td>10</td></tr> <tr><td>g) Parks and Gardens Buildings</td><td>7</td></tr> <tr><td>h) Public Toilets, Sports Area Facilities and Changing Rooms</td><td>47</td></tr> <tr><td>i) Theatre Buildings</td><td>4</td></tr> <tr><td>j) Water and Wastewater Treatment Plants</td><td>2</td></tr> <tr><td>k) Stadiums</td><td>2</td></tr> <tr><td>l) Corporate Investments</td><td>24</td></tr> <tr><td>m) Domain Investments</td><td>1</td></tr> <tr><td>n) Pool and Leisure Facilities</td><td>6</td></tr> </table> <p>Value of Assets (ODRC) (\$m) \$18m</p>	a) Administrative & Public Service Buildings	5	b) Commercial Buildings	49	c) Pensioner Houses (27 blocks)	452	d) Community Buildings	12	e) Halls and Leased Buildings	6	f) Museum and Libraries	10	g) Parks and Gardens Buildings	7	h) Public Toilets, Sports Area Facilities and Changing Rooms	47	i) Theatre Buildings	4	j) Water and Wastewater Treatment Plants	2	k) Stadiums	2	l) Corporate Investments	24	m) Domain Investments	1	n) Pool and Leisure Facilities	6	<p>Operating Financial Requirements</p>  <p>(\$'000)</p> <p>2003/04 Actual 2004/05 2005/06 2006/07 2007/08 2008/09 2009/10 2010/11 2011/12 2012/13 2013/14 2014/15 2015/16</p> <p>■ Direct Costs & Overheads ■ Depreciation ■ Loan Interest</p>
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<p>Renewals' Financial Requirements</p>  <p>\$million</p> <p>2003/04 Actual 2004/05 2005/06 2006/07 2007/08 2008/09 2009/10 2010/11 2011/12 2012/13 2013/14 2014/15 2015/16</p>	<p>New Capital Financial Requirements</p>  <p>\$million</p> <p>2006/07 2007/08 2008/09 2009/10 2010/11 2011/12 2012/13 2013/14 2014/15 2015/16</p>																												
<p>Key Issues:</p>																													

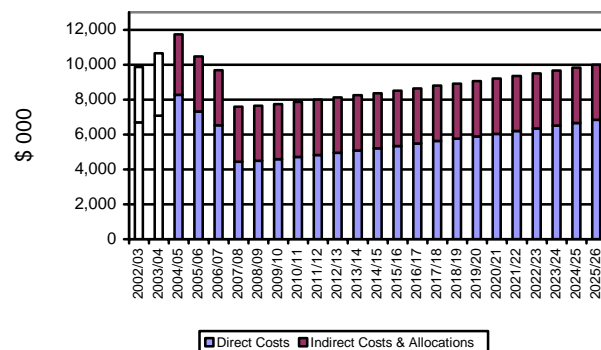
13.6 Executive Summary

13.6.1 The Recycling & Refuse Activity

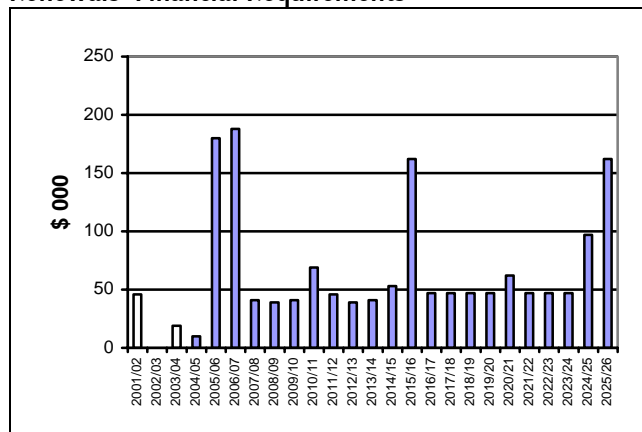
Overview

- Residential and rural properties serviced 47,000
- Kerbside domestic recyclables collection service (weekly)
- Kerbside domestic refuse collection service (weekly)
- Refuse Transfer Station and Recycling Centre (RTS) which includes tipping and compaction areas, fee kiosk, weigh-bridge, recycling area and hazardous goods store
- Landfill site (Horotiu) (for disposal of bulk or special wastes for licence holders only)
- Closed landfill sites (Rototuna, Cobham and Willoughby)
- Greenwaste composting at the Hamilton Organic Centre

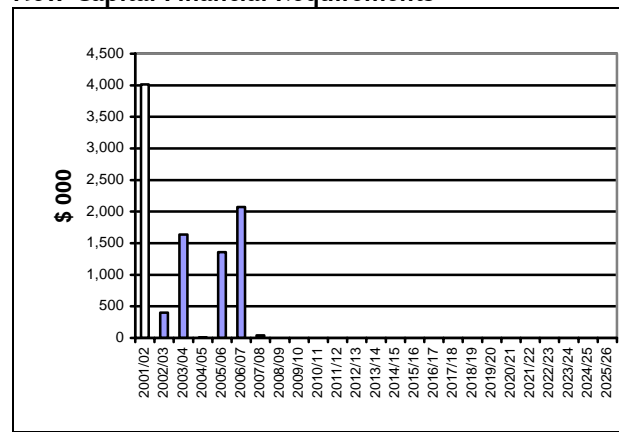
Operating Financial Requirements



Renewals' Financial Requirements



New Capital Financial Requirements



Key Issues:

- Horotiu landfill will be closed by December 2006.
- After closure of Horotiu, the waste will be collected and disposed by Council's contractor at an alternate consented landfill outside the city.

13.7 Executive Summary

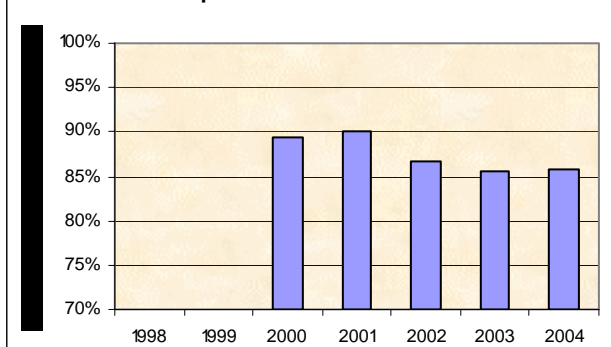
13.7.1 The Transport: Road Network Management Activity

Overview

Population Served	130,000
Length of:-	
a) Roads – Sealed (km)	567.522
– Unsealed (km)	2.336
Total (km)	569.858
b) Kerb and Channel (km)	1016.782
c) Cycleways and Paths (km)	12.6
d) Footpaths (km)	863.482
e) Bridges and Large Culverts (no)	55
f) Street Lights (no.)	14223
g) Traffic signal installations (no.)	37
h) The Hamilton Transport Centre	
Estimated Distance Travelled on the Network Each Year (million km)	549.043
Depreciated Replacement Value (\$000)	\$ 848,591
Replacement Value (\$000)	\$ 875,580

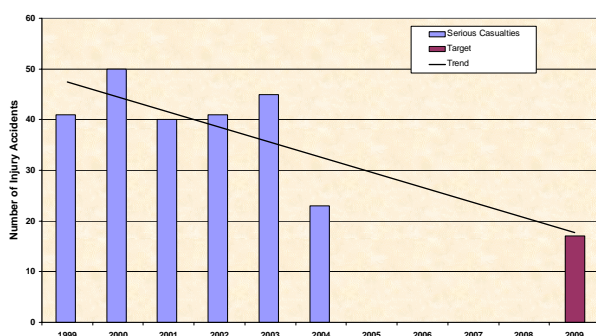
Sealed– Smooth Travel Exposure

Smooth Travel Exposure

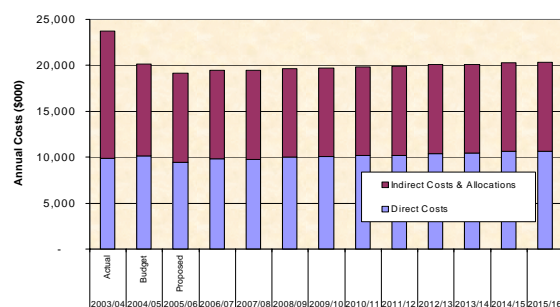


% of vehicle km travelled on roads classed as "smooth".
Higher is better.

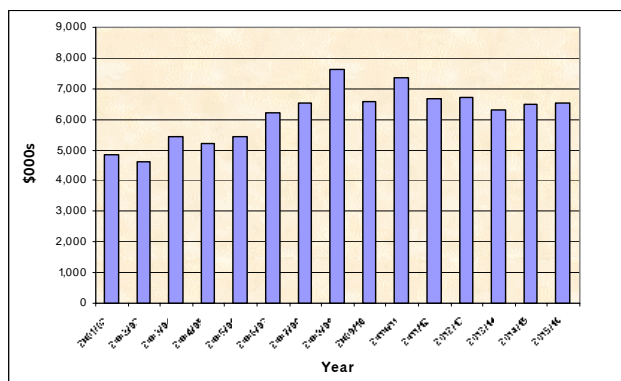
Road Safety – No. of Serious Injury Accidents



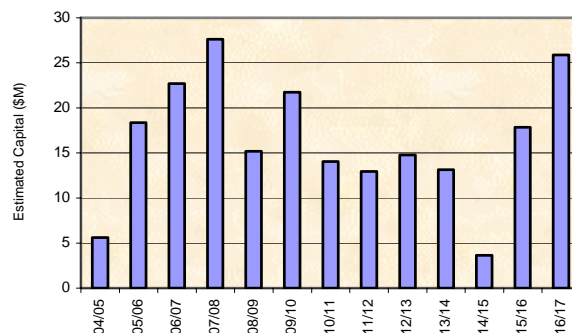
Operating Financial Requirements



Renewals' Financial Requirements



New Capital Financial Requirements



Key Issues:

- Growth in the city population and the consequent increase in the network requires careful planning and implementation. There will need to be flow on increases in operation and renewal budgets.
- Growth in traffic volume at twice the rate of population increase and consequent congestion at key intersections.
- Renewals expenditure will need to increase over the next 10 years as older parts of the assets require renewal.
- Travel Demand Management and alternatives to the motor car need to be promoted to reduce congestion.
- The focus on Road Safety will need to continue in order to achieve National and Regional targets.
- Environmental issues will assume a higher profile and may require expensive mitigation works.
- Management of risk will become more essential.

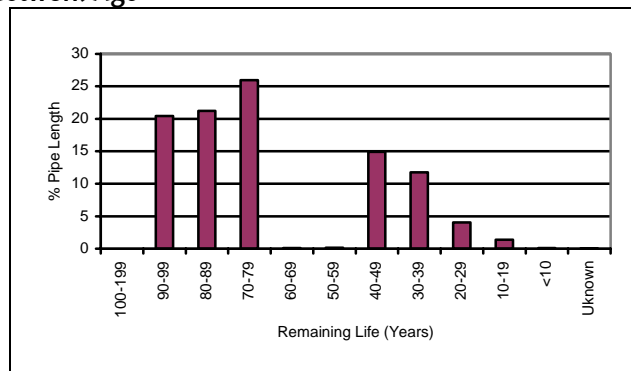
13.8 Executive Summary

13.8.1 The Stormwater Activity

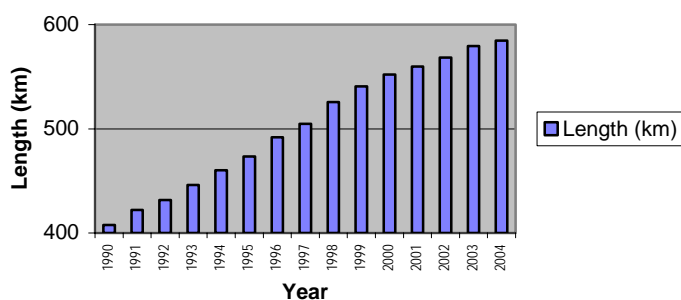
Overview

Population Served: 133,100
 Number of Properties : 40,759
 Length of Network (km): 577
 Length of Open Waterways and Drains (km): 90
 Number of Manholes: 11,166
 Number of Flood Detention Dams: 12
 Value (Optimised Depreciated Replacement): \$143.9 M
 Service Delivered By: Council Staff & Network Mtce & Capital Works Contractors

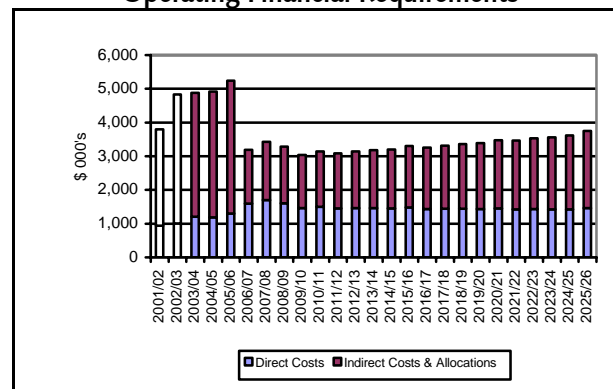
Network Age



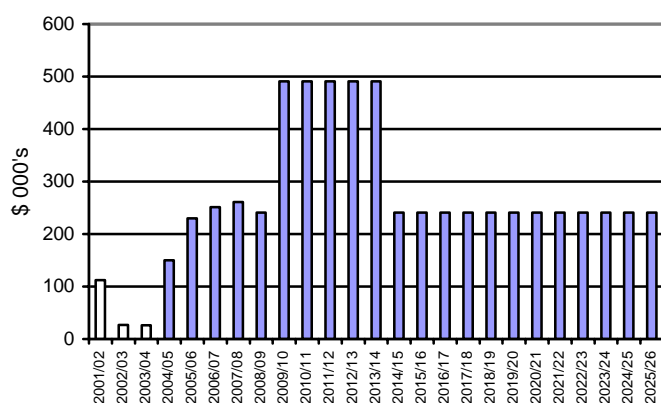
Stormwater Network Change Since 1990



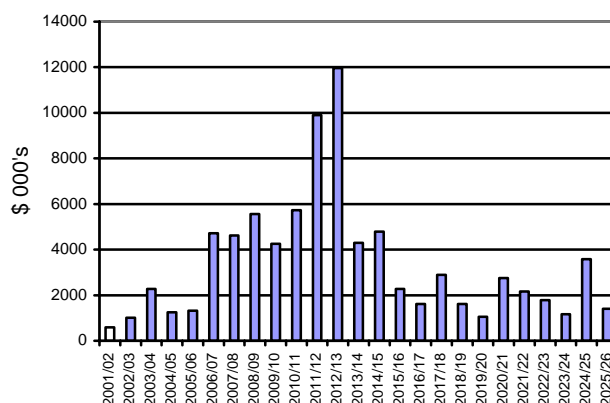
Operating Financial Requirements



Renewals' Financial Requirements



New Capital Financial Requirements

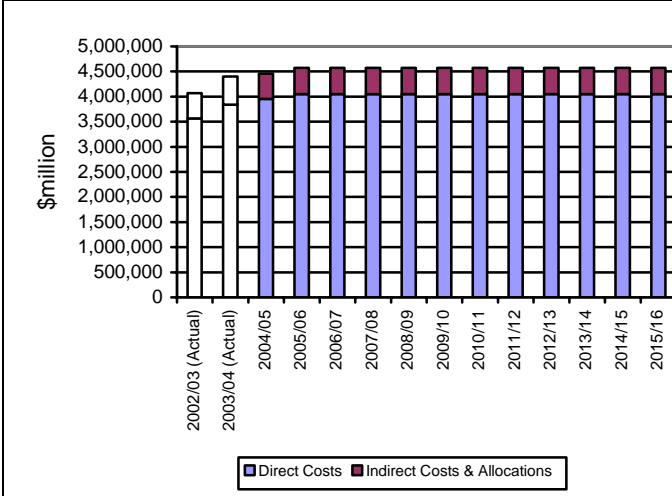
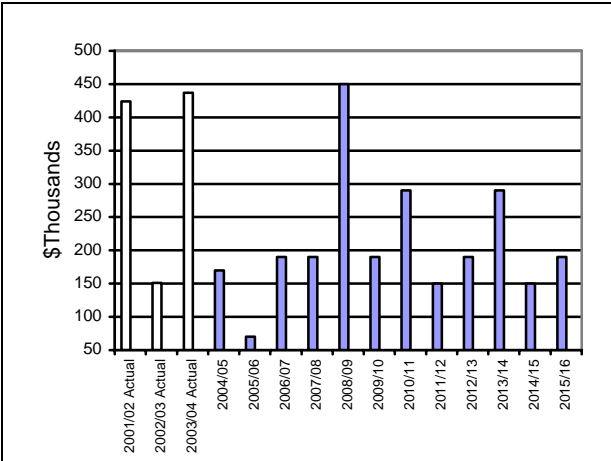
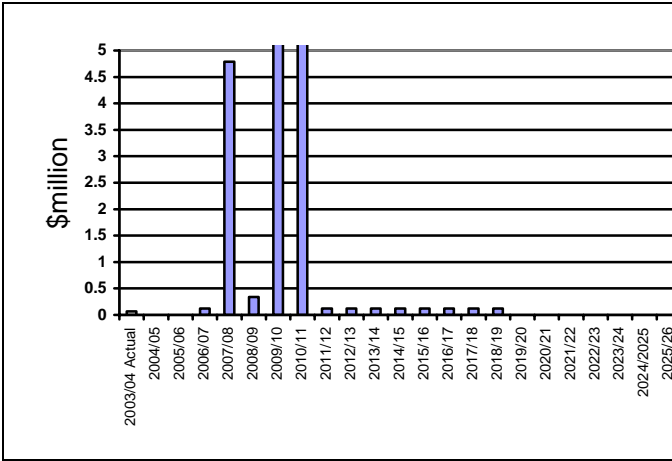


Key Issues:

- To obtain a comprehensive stormwater consent from Environment Waikato.
- Identifying and managing appropriate methods of stormwater impact minimisation.
- Resolving the response to spills process with Environment Waikato.

13.9 Executive Summary

13.9.1 The Swimming Facilities Activity

<div>Overview</div> <div>Population served: 130,000 for Aquatics Patronage Figures for 04/05: 658,000 Patrons Facilities Provided: Waterworld, Gallagher Aquatic Centre, Municipal Pools. 50 Mtr x 8 lane Pool 3 x 25mtr Pools Lido (outdoor pool) Dive pool, Hydro slide tower Diving Tower. Current Staff Numbers: 180 Positions</div>	<div>Assets Age</div> <div>Property and Risk Management Unit maintain all Facilities major Plant and Building Assets. These Assets complete with Age and Conditions will be listed within the PRMU Activity Management Plan.</div>																																																																																
<div>Assets Condition</div> <div>Property and Risk Management Unit have outlined all plant and Building Assets within their Activity Management Plan. Most assets are either old or have recently been revamped, so condition varies greatly depending on Asset criticality.</div>	<div>Estimated Operating and Maintenance Costs</div> <div>Excluding – Depreciation – Loan Interest</div> <div><table><caption>Estimated Operating and Maintenance Costs (\$million)</caption><thead><tr><th>Fiscal Year</th><th>Direct Costs</th><th>Indirect Costs & Allocations</th><th>Total</th></tr></thead><tbody><tr><td>2002/03 (Actual)</td><td>3,800,000</td><td>200,000</td><td>4,000,000</td></tr><tr><td>2003/04 (Actual)</td><td>3,800,000</td><td>200,000</td><td>4,000,000</td></tr><tr><td>2004/05</td><td>4,000,000</td><td>200,000</td><td>4,200,000</td></tr><tr><td>2005/06</td><td>4,000,000</td><td>200,000</td><td>4,200,000</td></tr><tr><td>2006/07</td><td>4,000,000</td><td>200,000</td><td>4,200,000</td></tr><tr><td>2007/08</td><td>4,000,000</td><td>200,000</td><td>4,200,000</td></tr><tr><td>2008/09</td><td>4,000,000</td><td>200,000</td><td>4,200,000</td></tr><tr><td>2009/10</td><td>4,000,000</td><td>200,000</td><td>4,200,000</td></tr><tr><td>2010/11</td><td>4,000,000</td><td>200,000</td><td>4,200,000</td></tr><tr><td>2011/12</td><td>4,000,000</td><td>200,000</td><td>4,200,000</td></tr><tr><td>2012/13</td><td>4,000,000</td><td>200,000</td><td>4,200,000</td></tr><tr><td>2013/14</td><td>4,000,000</td><td>200,000</td><td>4,200,000</td></tr><tr><td>2014/15</td><td>4,000,000</td><td>200,000</td><td>4,200,000</td></tr><tr><td>2015/16</td><td>4,000,000</td><td>200,000</td><td>4,200,000</td></tr></tbody></table></div>	Fiscal Year	Direct Costs	Indirect Costs & Allocations	Total	2002/03 (Actual)	3,800,000	200,000	4,000,000	2003/04 (Actual)	3,800,000	200,000	4,000,000	2004/05	4,000,000	200,000	4,200,000	2005/06	4,000,000	200,000	4,200,000	2006/07	4,000,000	200,000	4,200,000	2007/08	4,000,000	200,000	4,200,000	2008/09	4,000,000	200,000	4,200,000	2009/10	4,000,000	200,000	4,200,000	2010/11	4,000,000	200,000	4,200,000	2011/12	4,000,000	200,000	4,200,000	2012/13	4,000,000	200,000	4,200,000	2013/14	4,000,000	200,000	4,200,000	2014/15	4,000,000	200,000	4,200,000	2015/16	4,000,000	200,000	4,200,000																				
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Key Issues:

- Public Swimming Pools Bylaw is in need of Review
- Council Aquatic Facilities are in need of major revamps to compete in an ever-changing market and to ensure we are catering for all user groups.
- This Activity has no business continuity plan.
- There is an urgent need for a new Facility to be built, to help spread the load as far as Lane space issues go within Aquatic Facilities.
- It is unsure as to the life of useful life of certain assets due to the lack of solid information in this area.
- Currently there is a major deferred maintenance schedule between the PRM Unit and Aquatic Facilities.
- Fulltime staffing numbers need to be increased to help maintain or exceed current levels of service to rate payers and user groups.

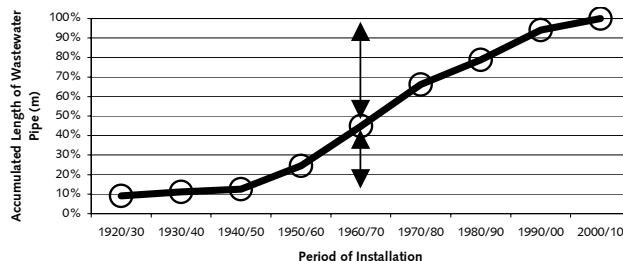
13.10 Executive Summary

13.10.1 The Wastewater Activity

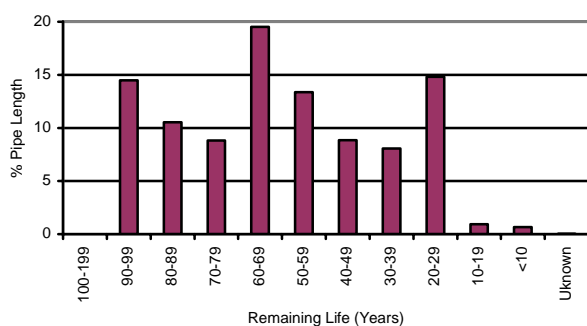
Overview

Number of Properties Connected: 46,908
 Length of Network: 742 km
 Number of Manholes: 13,785
 Number of Pumping Stations: 121
 Value (Optimised Depreciated Replacement): \$117,6 M
 Annual Discharge Volumes (ML/year): 15,069
 Service Delivered By: The Hamilton City Council Utilities Works Unit and Water & Wastewater Plants Unit

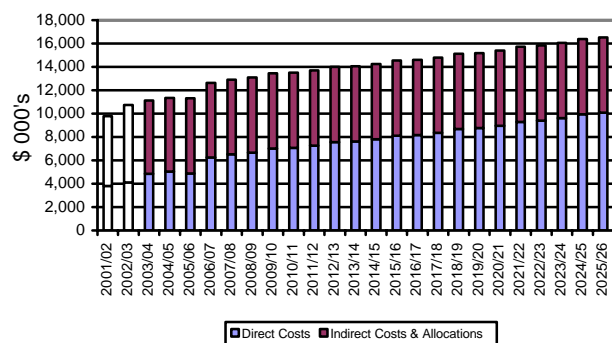
Wastewater Pipe Network Installation



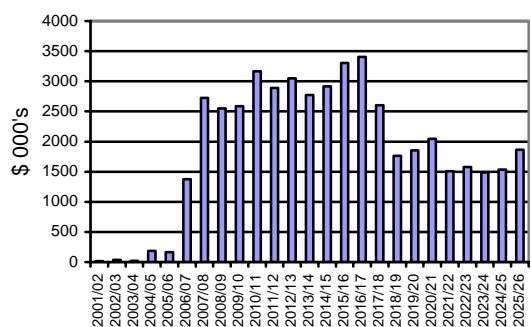
Network Age



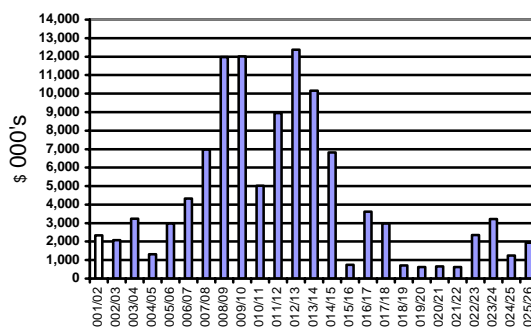
Operating Financial Requirements



Renewals' Financial Requirements



New Capital Financial Requirements



Key Issues:

- TERRA21 land disposal.
- Managing wastewater overflows.
- Revising design flows.
- Pipe condition and performance assessment.

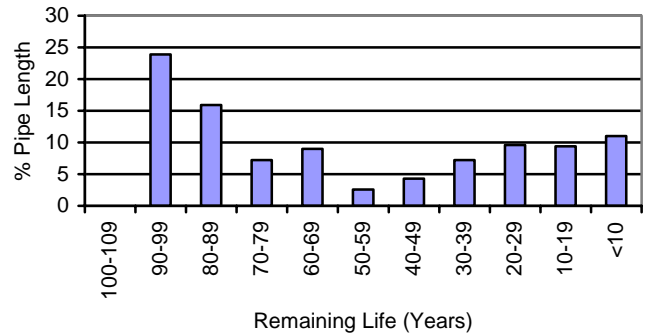
13.11 Executive Summary

13.11.1 The Water Supply Activity

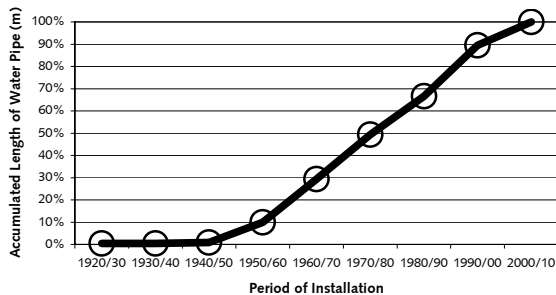
Overview

Number of Properties Connected: 48,000
 Length of Reticulation (kms): 975
 Number of Reservoirs & Pumping Stations: 7
 Value (Optimised Depreciated Replacement): \$ 111,5 M
 Annual Total Volume of Water Produced (ML): 16,947
 Service Delivered By: HCC Water & Waste Services Unit and Water & Waste Plants Unit

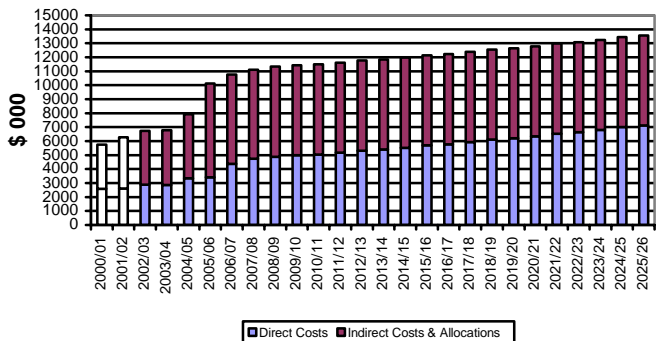
Reticulation Age



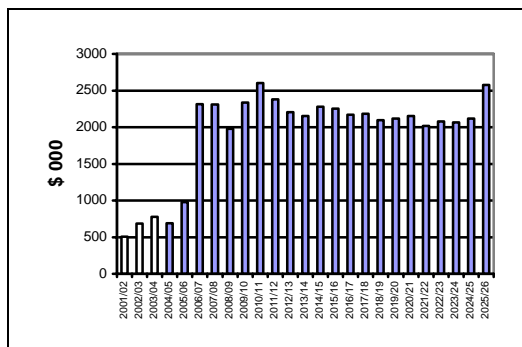
Water Supply Pipe Network Installation



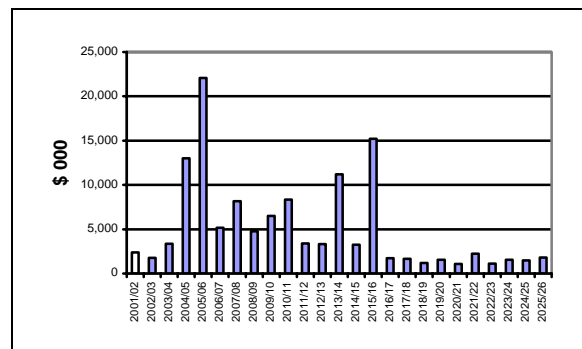
Operating Financial Requirements



Renewals' Financial Requirements



New Capital Financial Requirements



Key Issues:

- Future ability to meet the demand from the North-Eastern area.
- Managing the peak water demand.
- Backlog in AC mains replacements.
- Disposal of waste from water treatment station.
- Vulnerability to major power outage.

14.0 Summary Assessment of Water and Other Sanitary Services

14.1 Introduction

The assessments of water and sanitary services have been completed, as required by the Local Government Act 2002. Council adopted the Water and Sanitary Services Assessments Report on 27 June 2005 as part of the adoption of the 2005/06 Annual Plan. Water and sanitary services comprise water supply, wastewater services, stormwater services, cemeteries, crematoria, public toilets and waste disposal. These services are considered important to maintaining public health within a local government district.

14.2 Assessments

The assessments describe the level of services provided to the current population within Hamilton City, the demands on infrastructure and identify potential health risks. The assessments also summarise likely future situations, estimated population growth and demand and Council's proposed methods to meet these demands.

The adopted Water and Sanitary Services Assessments Report is available upon request from the Finance and Administration Unit (phone 8386742, email FinanceAndAdministration@hcc.govt.nz).

14.3 Linkages to other Council Plans and Reports

The water and sanitary services assessments summarises information in other relevant Council plans and reports or makes references to them. These Council plans and reports provide significant information on the nature and provision of these services. The main references being:

- 2004-14 Hamilton's Community Plan (LTCCP)
- 2003 Asset Management Plans. These being: Cemeteries and Crematorium, Public Toilets, Stormwater, Refuse, Wastewater and Water Supply
- Cemeteries Management Plan 1999-2008
- Hamilton City Structure Plans
- Hamilton City Wastewater Treatment Plan Process Capacity Review 2003
- Hamilton City Council Water Treatment Station 2003 Milestone Development Plan
- 2020 Water Supply Network Strategic Planning.

14.4 Consultation

Consultation on the water and sanitary services assessments was completed as part of the process to adopt the 2005/06 Annual Plan. No submissions were received from the public in relation to these assessments.

Consultation has been held with the Medical Officer of Health for the Waikato District Health Board as required under Part 128 of the Local Government Act 2002 when making these assessments. Comments and suggestions from the Medical Officer of Health have been considered and incorporated into the adopted report.

Consultation has also been held with Environment Waikato, Tainui and Nga Mana Topu o Kirikiriroa.

15.0 Summary of Hamilton City Council's Waste Management Plan

15.1 Summary

Hamilton City Council's Waste Management Plan, which was first adopted by Council on 18 August 2004, is based on some key targets adapted from the New Zealand Waste Strategy 2002. The New Zealand Waste Strategy covers waste in all its forms – solid, liquid and gaseous. The Hamilton City Council Waste Management Plan likewise intends to address all three areas. Given this wide scope, the plan be produced in phases over a 5 year period.

The first phase addressed the management of solid waste generated within Hamilton and was developed in partnership with an industry-working group. This group consisted of representatives from the waste management industry, recycling operators, Council contractors, staff from Environment Waikato, Hamilton City Councillors and staff, an iwi representative, and representatives from relevant community stakeholder groups, e.g., the Waikato Chamber of Commerce. This group worked through the targets relevant to Hamilton City Council and prioritised five as follows:

- i) By July 2004 Hamilton City Council will have instituted a measurement programme to identify existing organic waste quantities, and set local targets for diversion from disposal. By December 2005, 60 per cent of garden wastes will be diverted from landfill and beneficially used, and by December 2010, the diversion of garden wastes from landfill to beneficial use will have exceeded 95 per cent.
- ii) By December 2004, Hamilton City Council will have instituted a measurement programme to identify existing construction and demolition waste quantities and set local targets for diversion from landfills. By December 2008, there will have been a reduction of construction and demolition to landfill of 50 per cent of December 2004 levels measured by weight.
- iii) By December 2004, Hamilton City Council will ensure that procedures for waste minimisation have been addressed for all facilities and assets they manage and will have set target reductions based on public health, environmental and economic factors.
- iv) By December 2005, over 500 Hamilton businesses will be receiving support from the Waikato Advisory Service and other groups supporting this service, and 100 of these businesses will be able to report on the quantity of waste they are diverting from landfill.
- v) By December 2006, Hamilton City Council will ensure that building consents incorporate references to space allocation for appropriate recycling facilities in new multi-unit residential and commercial buildings.

A range of initiatives and projects has been developed to enable these targets to be met.

The second phase, which addresses liquid waste, is currently underway. An industry-working group is working through issues of trade wastes, wastewater (bio-solids), water conservation and stormwater management. Targets will be established and an action plan developed.

The plan will be reviewed again in 2007/08 to consider gaseous waste e.g., emissions to air.

For further information about Hamilton City Council's Waste Management Plan, contact the Strategic Group (phone 838 6810, email Sustain@hcc.govt.nz, fax 838 6464).

16.0 Appendices

Appendix 16.1 – Introduction.

The financial estimates for the 10 year period 2006/07 – 2015/16 contain cost, revenue and rate estimates based on projected levels of service. These estimates are contained in the Appendices.

Appendix 16.2 – Strategic Framework.

In this Long-Term Plan, Council's significant services have been grouped using the new Strategic Framework for Hamilton. The Strategic Framework comprises three key strands. These being:

- Strategic Framework A: Investing in our People
- Strategic Framework B: Creating Identity and Prosperity
- Strategic Framework C: Protecting our Future

For further information concerning Council's new Strategic Framework for Hamilton, refer to section 6 of Volume 1 of this Long-Term Plan.

STRATEGIC FRAMEWORK STRANDS (SIGNIFICANT SERVICE GROUPS)

SIGNIFICANT SERVICES (PUBLISHED SERVICES)	SERVICES (COUNCIL COST CENTRES)
Strategic Framework: A - Investing in our People	
Community support	Community Assistance Social Development - Administration (22410) Employment Development Neighbourhood Development (22430) Youth Programme
Community facilities	Community Facilities - Enderley Centre (22432), Celebrating Age (22434), Te Rapa Sportsdrome (22436) Cemeteries & Crematorium Community Halls Leased Buildings Housing Services Toilets
Emergency management	Emergency Management
Partnership with Maori	Partnership With Maori
Representation and civic affairs	Councillor Services Elections Mayoral
Environmental health	Environmental Health Central City Safety
Parks and gardens	City Beautification Hamilton Gardens Parks & Gardens
Sports areas	Sports Areas
Swimming facilities	Swimming Facilities
Strategic Framework: B - Creating Identity and Prosperity	
Environmental services	Animal Care & Control Building Control (including Waikato Bldg Consent) Building Support Parking Enforcement Planning Guidance
Economic development	Economic Development less Events Fund to City Promotion
City promotion	Events Fund from Eco Development I-Site Sister Cities
Performing Arts	Performing Arts
Hamilton City Libraries	Libraries
Waikato Museum of Art and History	Museum Arts Post
Event facilities	Leisure Centre Claudelands Events Centre Waikato Stadium Seddon Park
Hamilton Zoo	Zoo
Strategic Framework: C - Protecting our Future	
Wastewater management	Wastewater Reticulation Wastewater Treatment Plant
Stormwater management	Stormwater Reticulation
Recycling/refuse collection	Refuse collection/recycling Refuse old sites Refuse transfer station Refuse Horotiu
Water supply	Water Reticulation Water Treatment Plant
Sustainable environment	Sustainable Environment
Transport: Road network management	Carriageways Central Area Parking Footpaths, Cycleways and Verges Network Management Road Safety Traffic Transport Centre
Transport: Access Hamilton	Access Hamilton
Endowment and investment property portfolio management	Property Management (Service)

Strategic Framework: Corporate Contribution

Appendix 16.3 – Total Operating Expenditure, Revenue, and Net Cost by Strategic Framework Strands and Significant Service. Total operating costs include all costs related to significant services including depreciation, interest charge, allocation of support costs and direct costs of operation. Revenue includes all income received by significant services (this does not include general rates). Net cost is total operating costs less revenue.

Appendix 16.4 – Special and Capital Projects. Capital projects are deemed to be capital rather than operating when accounting convention determines that a Council owned asset will be created or added to. All capital projects for the next 10 years are included in this appendix as well as the additional operating costs resulting from the completion of the capital project. Special projects are those operating (not capital) projects deemed by Council to be of a one off nature, including grants, rather than a normal cost of ongoing operation. All projects of an operating nature listed in this appendix (identified as Type M) are included in the total operating costs for the relevant service as shown in Appendix 16.3.

The total cost of projects is shown and also the depreciation (rates) funding required after deduction of funding from other sources such as loans by reserves, loans by DCL, loans by rates, reserves, subsidies, other revenue.

The Special and Capital Projects – Funded section of Appendix 16.4 represents projects that are funded and included in this Long-Term Plan. The Special and Capital Projects – Unfunded section of Appendix 16.4 refers to projects that have merit but Council's financial resources do not allow these projects to proceed. Some unfunded projects will be considered for funding in subsequent years whilst for others, Council will endeavour to find alternative sources of funding.

Projects are referenced to the Community Outcome or Corporate Outcome they primarily contribute to. For the full list of Hamilton's Community Outcomes refer to Section 7.0 in Volume I of the 2006-16 Long-Term Plan.

Appendix 16.5 – Recovery Ratios. Recovery ratios for each strategic framework strand and significant service are calculated as revenue as a percentage of total operating costs. Total operating costs and revenue are as detailed above in the comments on Appendix 16.3.

Rating System

Appendix 16.6 – Rate Allocation by Property Sector (Schedules A & B). These appendices show how much each property sector contributes to the amount of rates required to fund each service and significant service of Council. The tables show both the differential factor (expressed in dollars and the total overall differential factor ratio) and the differential yield (expressed in percentages). The rates required to fund each service is calculated as the total net costs of that service and significant service after adjustment for the allocation of those costs in accordance with Section 101(3) of the Local Government Act 2002 and outlined in detail in the Revenue and Financing Policy.

Appendix 16.7 – Impact of 2006/07 Rating System (to existing ratepayers).

Appendix 16.8 – 2006/07 Selected Sample of Indicative Rates.

APPENDIX 16.3
TOTAL OPERATING EXPENDITURE

ALL FIGURES IN \$000s	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	1	2	3	4	5	6	7	8	9	10
INVESTING IN OUR PEOPLE										
Community support	3,441	3,197	3,267	3,330	3,395	3,450	3,512	3,577	3,617	3,677
Community facilities	5,464	5,717	5,809	6,016	6,259	6,435	6,623	6,788	6,974	7,185
Emergency management	785	812	828	846	860	871	890	910	925	945
Partnership with maori	265	273	282	290	297	304	311	317	323	328
Representation and civic affairs	5,156	5,653	5,407	5,501	6,094	5,779	5,880	6,445	6,132	6,245
Environmental health	1,585	1,585	1,619	1,645	1,681	1,704	1,740	1,775	1,806	1,841
Parks and gardens	10,723	12,651	14,043	14,590	15,178	15,782	16,309	16,955	17,536	18,073
Sports areas	2,924	3,074	3,250	3,180	3,461	3,567	3,821	4,209	4,297	4,609
Swimming facilities	5,454	5,893	6,492	6,614	6,880	8,718	9,433	9,664	9,951	10,219
Subtotal Operating Expenditure	35,797	38,855	40,997	42,012	44,105	46,610	48,519	50,640	51,561	53,122
CREATING IDENTITY AND PROSPERITY										
Environmental services	9164	9,321	9,554	9,747	9,921	10,081	10,325	10,592	10,790	11,029
Economic development	1015	1,069	1,141	1,219	1,059	1,174	1,195	1,247	1,227	1,243
City promotion	1280	1827	2633	2735	3105	2901	3052	3113	3197	3222
Performing arts	2727	3,075	3,159	3,289	3,500	3,616	3,760	3,841	3,929	4,035
Hamilton city libraries	7142	7,518	7,944	8,255	8,626	8,691	8,922	10,133	11,498	12,564
Waikato museum of art and history	4533	4,768	4,910	5,093	5,281	5,428	5,585	5,715	5,875	6,022
Event facilities	8213	8,409	9,264	10,301	12,958	13,157	13,231	13,439	13,631	13,823
Hamilton zoo	2540	2,701	2,797	2,906	2,972	2,908	2,964	3,034	3,078	3,148
Subtotal Operating Expenditure	36,614	38,688	41,402	43,545	47,422	47,956	49,034	51,114	53,225	55,086
PROTECTING OUR FUTURE										
Wastewater management	12,806	13,452	14,416	15,805	16,644	17,123	17,706	17,984	18,439	19,128
Stormwater management	6,149	6,865	7,321	7,491	7,862	8,023	8,291	8,636	8,837	9,168
Recycling/refuse collection	9,761	6,788	5,861	6,078	6,317	6,533	6,761	6,986	7,200	7,409
Water supply	11,908	12,896	13,869	15,377	15,108	15,637	16,046	16,371	17,752	17,296
Sustainable environment	696	695	713	724	736	716	733	743	771	775
Transport: Road network management	23,269	26,552	29,748	34,006	36,968	39,305	41,311	42,588	43,821	45,218
Transport: Access Hamilton	3,223	4,109	4,333	4,525	5,445	6,068	6,490	6,511	6,523	6,567
Endowment and investment property portfolio	2,151	2,189	2,078	2,130	2,180	2,144	2,191	2,225	2,249	2,280
Subtotal Operating Expenditure	69,963	73,546	78,339	86,136	91,260	95,549	99,529	102,044	105,592	107,841
Total Operating Expenditure	142,374	151,089	160,738	171,693	182,787	190,115	197,082	203,798	210,378	216,049

TOTAL OPERATING REVENUE

ALL FIGURES IN \$000s	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	1	2	3	4	5	6	7	8	9	10
INVESTING IN OUR PEOPLE										
Community support	384	396	408	420	432	441	450	460	467	476
Community facilities	2,592	2,671	2,834	2,968	3,029	3,126	3,194	3,257	3,313	3,359
Emergency management	319	329	339	349	357	366	374	381	388	395
Representation and civic affairs	25	198	27	28	215	29	30	229	31	32
Environmental health	566	528	544	559	573	587	600	612	622	633
Parks and gardens	779	803	828	852	873	895	914	932	948	964
Sports areas	128	132	136	140	144	147	150	153	156	159
Swimming facilities	1,965	2,034	2,167	2,247	2,359	2,735	2,828	2,918	2,990	3,066
Subtotal Operating Revenue	6,758	7,091	7,283	7,563	7,982	8,326	8,540	8,942	8,915	9,084
CREATING IDENTITY AND PROSPERITY										
Environmental services	8,984	9,358	9,745	10,058	10,362	10,611	10,843	11,057	11,251	11,446
Performing arts	895	1,057	1,154	1,219	1,251	1,282	1,309	1,334	1,358	1,382
Hamilton city libraries	758	782	806	829	850	870	889	907	923	939
Waikato museum of art and history	441	455	469	482	495	507	518	528	537	546
Event facilities	3,206	3,297	3,415	3,524	4,125	4,343	4,499	4,650	4,735	4,822
Hamilton zoo	694	716	738	764	784	803	814	830	845	859
Subtotal Operating Revenue	14,978	15,665	16,327	16,876	17,867	18,416	18,872	19,306	19,649	19,994
PROTECTING OUR FUTURE										
Wastewater management	2,048	2,114	2,179	2,241	2,298	2,354	2,404	2,451	2,495	2,538
Stormwater management	10	11	11	12	13	13	14	14	15	16
Recycling/refuse collection	4,958	1,031	1,102	1,134	1,162	1,191	1,217	1,240	1,262	1,283
Water supply	4,258	4,455	4,596	4,729	4,854	4,974	5,087	5,191	5,286	5,382
Transport: Road network management	3,718	3,948	4,225	4,434	4,767	5,138	5,558	5,739	6,249	6,435
Transport: Access Hamilton	149	411	275	132	261	152	142	145	147	164
Endowment and investment property portfolio	4,925	5,083	5,268	5,417	5,555	5,689	5,813	5,927	6,031	6,134
Subtotal Operating Revenue	20,066	17,053	17,656	18,099	18,910	19,511	20,235	20,707	21,485	21,952
Total Operating Revenue	41,802	39,809	41,266	42,538	44,759	46,253	47,647	48,955	50,049	51,030

NET COST

ALL FIGURES IN \$000s	2006/07 1	2007/08 2	2008/09 3	2009/10 4	2010/11 5	2011/12 6	2012/13 7	2013/14 8	2014/15 9	2015/16 10
INVESTING IN OUR PEOPLE										
Community support	3057	2,801	2,859	2,910	2,963	3,009	3,062	3,117	3,150	3,201
Community facilities	2872	3,046	2,975	3,048	3,230	3,309	3,429	3,531	3,661	3,826
Emergency management	466	483	489	497	503	505	516	529	537	550
Partnership with maori	265	273	282	290	297	304	311	317	323	328
Representation and civic affairs	5131	5,455	5,380	5,473	5,879	5,750	5,850	6,216	6,101	6,213
Environmental health	1019	1,057	1,075	1,086	1,108	1,117	1,140	1,163	1,184	1,208
Parks and gardens	9944	11,848	13,215	13,738	14,305	14,887	15,395	16,023	16,588	17,109
Sports areas	2796	2,942	3,114	3,040	3,317	3,420	3,671	4,056	4,141	4,450
Swimming facilities	3489	3,859	4,325	4,367	4,521	5,983	6,605	6,746	6,961	7,153
Subtotal Net Cost of Service	29039	31,764	33,714	34,449	36,123	38,284	39,979	41,698	42,646	44,038
CREATING IDENTITY AND PROSPERITY										
Environmental services	180	-37	-191	-311	-441	-530	-518	-465	-461	-417
Economic development	1015	1,069	1,141	1,219	1,059	1,174	1,195	1,247	1,227	1,243
City promotion	1280	1,827	2,633	2,735	3,105	2,901	3,052	3,113	3,197	3,222
Performing arts	1832	2,018	2,005	2,070	2,249	2,334	2,451	2,507	2,571	2,653
Hamilton city libraries	6384	6,736	7,138	7,426	7,776	7,821	8,033	9,226	10,575	11,625
Waikato museum of art and history	4092	4,313	4,441	4,611	4,786	4,921	5,067	5,187	5,338	5,476
Event facilities	5007	5,112	5,849	6,777	8,833	8,814	8,732	8,789	8,896	9,001
Hamilton zoo	1846	1,985	2,059	2,142	2,188	2,105	2,150	2,204	2,233	2,289
Subtotal Net Cost of Service	21636	23,023	25,075	26,669	29,555	29,540	30,162	31,808	33,576	35,092
PROTECTING OUR FUTURE										
Wastewater management	10758	11,338	12,237	13,564	14,346	14,769	15,302	15,533	15,944	16,590
Stormwater management	6139	6,854	7,310	7,479	7,849	8,010	8,277	8,622	8,822	9,152
Recycling/refuse collection	4803	5,757	4,759	4,944	5,155	5,342	5,544	5,746	5,938	6,126
Water supply	7650	8,441	9,273	10,648	10,254	10,663	10,959	11,180	12,466	11,914
Sustainable environment	696	695	713	724	736	716	733	743	771	775
Transport: Road network management	19551	22,604	25,523	29,572	32,201	34,167	35,753	36,849	37,572	38,783
Transport: Access Hamilton	3074	3,698	4,058	4,393	5,184	5,916	6,348	6,366	6,376	6,403
Endowment and investment property portfolio	-2774	-2,894	-3,190	-3,287	-3,375	-3,545	-3,622	-3,702	-3,782	-3,854
Subtotal Net Cost of Service	49,897	56,493	60,683	68,037	72,350	76,038	79,294	81,337	84,107	85,889
Total Net Cost of Service	100,572	111,280	119,472	129,155	138,028	143,862	149,435	154,843	160,329	165,019

APPENDIX 16.4
SPECIAL AND CAPITAL PROJECTS - FUNDED

ALL FIGURES IN \$'000's																
	SAP No	Community Outcome 1	Community Outcome 2	Corporate Outcome	Expenditure Type	Total Cost										10 Yr Total
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
						1	2	3	4	5	6	7	8	9	10	
Strategic Framework: A - Investing in our People																
Cemeteries and crematorium																
Hamilton West cemetery restoration	51.0	5	5.4		M		10.3		10.9		11.5		12.0		12.4	57.1
Hamilton Park road maintenance	53.0	5	5.4		R		109.4									109.4
Hamilton Park cemetery irrigation system	55.0	5	5.4		C						236.7					236.7
Hamilton Park cemetery irrigation system o&m impact	55.1				M							2.3	2.4		2.5	9.7
Hamilton Park cemetery gully development	317.0	5	5.4		C	8.0	31.0									39.0
Hamilton Park cemetery gully development O&M impact	317.1				M			4.3	4.4	4.5	4.6	4.7	4.8	4.9	5.0	37.0
Cremator and maintenance	513.0	5	5.4		C	10.0	304.4					-17.6	-59.9			237.0
Cremator and maintenance O&M impact	513.1				M		10.3		5.5		11.5	5.9	6.0		6.2	45.3
Hamilton Park cemetery cremator maintenance programme	613.0	5	5.4		R	15.0	51.6					17.6	59.9			144.1
Hamilton Park cemetery cremator maintenance programme O&M impact	613.1				M	5.0		5.3		5.6		5.9		6.1		27.9
Hamilton Park Cemetery administration building upgrade	659.0	5	5.4		C			56.4	74.4							130.8
Hamilton Park Cemetery ash burial extensions	660.0	5	5.4		C			63.8								82.4
Hamilton Park Cemetery ash burial extensions O&M impact	660.1				M				1.1	1.1	1.1	1.2	1.2	1.2	1.2	8.2
Hamilton Park Cemetery chapel furniture replacement	661.0	5	5.4		R							29.4				29.4
Hamilton Park Cemetery chapel audio & visual upgrade	662.0	5	5.4		C			16.0								16.0
Hamilton Park Cemetery demolition of toilet block	663.0	5	5.4		M	10.0										10.0
Hamilton Park Cemetery Utilities compound	664.0	5	5.4		C										377.9	377.9
Cemeteries and crematorium Subtotal						48.0	517.0	146.8	96.3	11.2	265.4	49.3	26.3	14.6	423.7	1697.7
City beautification																
Preservation of notable trees	62.0	1	1.4		M	11.0	13.4	11.7	12.0	11.2	13.8	14.1	14.4	13.4	14.9	129.9
Asset renewal (city beautification)	65.0	1	1.4		R	10.0	10.3	10.6	10.9	11.2	11.5	11.7	12.0	12.2	12.4	112.9
City beautification Subtotal						21.0	23.7	22.3	23.0	22.4	25.3	25.8	26.3	25.6	27.3	242.8
Community assistance																
Northern Lifeguard service grant	67.0	4	4.5		M	20.0	20.6	21.3	21.9	22.4	23.0	23.5	23.9	24.4	24.8	225.8
Bay of Plenty lifeguard service grant	68.0	4	4.5		M	15.0	15.5	16.0	16.4	16.8	17.2	17.6	18.0	18.3	18.6	169.3
Recurring grants	71.0	4	4.5		M	304.0	313.7	323.5	332.6	341.1	349.3	356.9	363.9	370.3	376.7	3431.9
Non-recurring grants	72.0	4	4.5		M	209.0	215.7	222.4	228.6	234.5	240.1	245.4	250.2	254.6	259.0	2359.4
Community houses operating grants	76.0	5	5.4		M	407.0	420.0	433.0	445.3	456.7	467.6	477.8	487.2	495.7	504.3	4594.6
Waikato Abbeyfield Housing	406.0	4	4.5		M	4.0	4.1	4.3	4.4	4.5						21.2
Lugton Combined Sports Association contribution	804.0	4	4.5		M	320.0										320.0
Community assistance Subtotal						1279.0	989.7	1020.4	1049.1	1076.0	1097.3	1121.2	1143.1	1163.2	1183.2	11122.2
Hamilton Gardens																
Hamilton Gardens development	99.0	1	1.4		C	125.0	156.9	133.0	164.1	72.7	74.5	153.6	77.6	86.5	100.4	1144.1
Hamilton Gardens development O&M impact	99.1				M		5.2	21.3	21.9	53.9	72.4	91.6	122.1	124.2	126.4	638.8
Hamilton Gardens vehicle barriers	478.0	1	1.4		C	34.0		36.2								70.2
Hamilton Gardens vehicle barriers O&M impact	478.1				M		6.2	6.4	13.1	13.5	13.8	14.1	14.4	14.6	14.9	110.9
Hamilton Gardens information centre and staff facilities project	558.0	1	1.4		C	440.0										440.0
Hamilton Gardens information centre and staff facilities project O&M impact	558.1				M		5.2	5.3	5.5	5.6	5.7	5.9	6.0	6.1	6.2	51.4
Hamilton Gardens infrastructure development programme	559.0	1	1.4		C			241.5	76.6							318.1
Hamilton Gardens infrastructure development programme O&M impact	559.1				M				67.8	71.8	73.5	75.1	76.6	78.0	79.3	522.2
Permaculture garden	806.0	1	1.4		M	17.9	18.5	19.0	19.6	20.1	20.6	21.0	21.4	21.8	22.2	202.1
Hamilton Gardens Subtotal						616.9	191.8	462.7	368.6	237.5	260.5	361.2	318.0	331.2	349.3	3497.8
Housing services																
Housing upgrade programme	654.0	13	13.2		C	1080.0	3552.1	2154.6	334.8	1444.0	62.0	744.3	1702.1			11074.0
Housing upgrade programme O&M impact	654.1				M		-20.6	-95.8	-132.4	-135.8	-139.0	-142.1	-144.8	-147.4	-149.9	-1107.8
Housing services Subtotal						1080.0	3531.5	2058.8	202.4	1308.3	-77.0	602.3	1557.3	-147.4	-149.9	9966.3
Parks and gardens																
Community environmental tree planting programme	61.0	1	1.4		M	60.0	61.9	63.8	65.6	67.3	68.9	70.4	71.8	73.1	74.3	677.3
Land purchase for reserves	118.0	1	1.4		C	17756.0	13202.4	1424.7	629.1	12211.8	660.7	675.1	688.3	700.4	712.4	48660.7
Land purchase for reserves O&M impact	118.1				M		14.4	28.7	30.6	37.0	46.0	52.8	58.7	60.9	62.0	391.1
Reserves Act management planning programme	119.0	1	1.4		M	40.0	31.0	31.9	27.4	11.2	17.2	29.4	23.9	36.5	18.6	267.1
Land acquisition & development of esplanade programme	120.0	1	1.4		C	20.0	20.6	21.3	21.9	22.4	23.0	23.5	23.9	24.4	24.8	225.8
Land acquisition & development of esplanade programme O&M impact	120.1				M		1.0	2.1	3.3	4.5	5.7	7.0	8.4	9.7	11.2	53.0

ALL FIGURES IN \$000's	SAP No	Community Outcome 1	Community Outcome 2	Corporate Outcome	Expenditure Type	Total Cost										10 Yr Total
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
						1	2	3	4	5	6	7	8	9	10	
Cultural Sites (including Waahi Tapu) Recognition Programme	121.0	1	1.4		C	96.0	17.5	1.1	20.8	13.5	95.4	24.7	12.0	14.6	12.4	307.9
Cultural Sites (including Waahi Tapu) Recognition Programme O&M impact	121.1				M		1.0	2.1	3.3	4.5	5.7	7.0	8.4	9.7	11.2	53.0
Gully park development programme	122.0	1	1.4		C	20.0	20.6	21.3					354.3	526.2	24.8	967.2
Gully park development programme O&M impact	122.1				M		2.1	4.3	6.6	6.7	6.9	7.0	7.2	19.5	32.2	92.4
Passive park programme development	124.0	1	1.4		C			95.8		121.2	195.3	328.7				741.0
Passive park programme development O&M impact	124.1				M			1.1	2.2	5.6	27.6	50.5	67.0	84.0	88.0	326.0
Hamilton Lake Domain redevelopment	125.0	1	1.4		R	32.0	61.9	9.6		122.3						225.8
Pest management strategy	126.0	1	1.4		M	40.0	61.9	63.8	65.6	67.3	68.9	70.4	71.8	73.1	74.3	657.3
Lake Rotorua ecological management programme	128.0	1	1.4		M	34.0	35.1	36.2	37.2	38.1	39.1	39.9	40.7	41.4	42.1	383.8
Asset Renewals (Structures) - Parks and Gardens	129.0	1	1.4		R	37.0	38.2	39.4	40.5	41.5	42.5	43.4	44.3	45.1	45.8	417.7
Riverbank stability programme	130.0	1	1.4		R	115.0	103.2	138.3	164.1	123.4	137.9	176.1	149.6	152.3	154.9	1414.8
Claudlands Park development	131.0	1	1.4		C	250.0	258.0									508.0
Claudlands Park development O&M impact	131.1				M		3.1	6.4	6.6	6.7	6.9	7.0	7.2	7.3	7.4	58.6
Taitua Arboretum development	134.0	1	1.4		C		44.4			123.4	66.6		74.2		64.4	373.1
Taitua Arboretum development O&M impact	134.1				M			5.3	5.5	5.6	14.9	20.0	20.3	28.0	28.5	128.2
Carpark development programme	135.0	1	1.4		C	56.0	100.1					336.9				493.0
Carpark development programme O&M impact	135.1				M		1.0	2.1	4.4	4.5	4.6	4.7	4.8	4.9	5.0	35.9
Pedestrian linkage on parks	136.0	1	1.4		C	51.0	179.6	127.7	76.6	118.9	70.1	92.7	102.9	47.5	76.8	943.9
Pedestrian linkage on parks O&M impact	136.1				M		2.1	5.3	7.7	9.0	10.3	11.7	14.4	17.1	18.6	96.1
Recreation equipment programme	137.0	1	1.4		C	435.0	201.2	136.2	164.1	179.5	143.6	176.1	179.6	182.7	185.9	1983.9
Recreation equipment programme O&M impact	137.1				M		8.3	21.3	30.6	40.4	50.6	61.0	71.8	82.8	94.2	461.0
Nursery upgrade	138.0	1	1.4		R	30.0	47.5	16.0		7.9			8.4			109.7
Carpark maintenance programme	139.0	1	1.4		R	56.0	153.8	206.4	308.5	156.0	208.0	143.2	198.7	93.8	187.1	1711.4
Lake Rotokaeo ecological rehabilitation programme	142.0	1	1.4		M	54.0	67.1									121.1
Parks & Gardens asset renewals	143.0	1	1.4		R	80.0	82.6	85.1	87.5	89.8	91.9	93.9	95.8	97.4	99.1	903.1
Recreation & leisure plan review	144.0	1	1.4		M			13.8		22.4	20.7			15.8		72.8
Riverside walkways signposting	146.0	1	1.4		C	36.0	42.3			5.6						83.9
Riverside walkways signposting O&M impact	146.1				M		2.1	5.3	5.5	5.6	6.9	7.0	7.2	7.3	7.4	54.3
Hammond Bush restoration programme	147.0	1	1.4		M	8.0		8.5		9.0						25.5
Windows on the river	148.0	1	1.4		M		20.6		21.9		23.0		23.9		24.8	114.2
Replacement of Lake Domain tearooms	341.0	1	1.4		R	150.0	2425.2									2575.2
Riverside walkway upgrades	482.0	1	1.4		C					101.0						101.0
Park seats	483.0	1	1.4		C	10.0	10.3	10.6	10.9	11.2	11.5	11.7	12.0	12.2	12.4	112.9
Park seats O&M impact	483.1				M		1.0	2.1	3.3	4.5	5.7	7.0	8.4	9.7	11.2	53.0
Upper level riverside walkway	557.0	1	1.4		C	1000.0										1000.0
Upper level riverside walkway O&M impact	557.1				M		2.1	2.1	2.2	2.2	2.3	2.3	2.4	2.4	2.5	20.6
Rotokauri passive parks development programme	603.0	1	1.4		C						81.6					81.6
Rotokauri passive parks development programme O&M impact	603.1				M							7.0	7.2	7.3	7.4	29.0
Rototuna passive parks development programme	605.0	1	1.4		C	91.0				102.1				110.8		303.9
Rototuna passive parks development programme O&M impact	605.1				M		6.2	6.4	6.6	6.7	13.8	14.1	14.4	14.6	22.3	105.0
Tills Lookout to Taitua Arboretum walkway project	608.0	1	1.4		C	279.0										279.0
Tills Lookout to Taitua Arboretum walkway project O&M impact	608.1				M		15.5	16.0	16.4	16.8	17.2	17.6	18.0	18.3	18.6	154.3
Waiwhakareke Natural Heritage Park funding	609.0	1	1.4		C	160.0	152.7	177.7	159.7	204.2	186.1	427.3	575.8	623.6	522.9	3190.1
Waiwhakareke Natural Heritage Park funding O&M impact	609.1				M	45.0	46.4	47.9	49.2	101.0	103.4	122.1	184.3	244.8	249.0	1193.2
Asset renewals (structures) - Hamilton Gardens	754.0	1	1.4		R	18.0	17.5	44.7	32.8	25.8	35.6	11.7	51.5	26.8	53.3	317.8
Kowhai planting programme	758.0	1	1.4		M		15.5	16.0	16.4	16.8	17.2	17.6	18.0	18.3	18.6	154.3
Kowhai planting programme O&M impact	758.1				M	5.0	10.3	16.0	21.9	28.1	28.7	29.4	29.9	30.5	31.0	230.6
Memorial Park cenotaph ramp project	759.0	1	1.4		C	24.0										24.0
Porritt Stadium - surface drainage and irrigation	760.0	1	1.4		R		96.0									96.0
Porritt Stadium caretakers shed	761.0	1	1.4		C		94.9									94.9
Tauhara Park bridge replacement project	762.0	1	1.4		C						68.9					68.9
Rotokauri central green corridor	770.0	1	1.4		C				539.3			915.7		495.7		1950.8
Rotokauri central green corridor O&M impact	770.1				M				35.2	36.1	37.0	97.5	99.4	133.5	135.8	574.3
Labelling of registered trees project	771.0	1	1.4		M	4.0										4.0
Lake Rotokauri Lake Mgmt Committee grant	791.0	1	1.4		M	25.0										25.0
Land acquisition infill	800.0	1	1.4		C	80.0	82.6	85.1	87.5	89.8	91.9	93.9	95.8	97.4	99.1	903.1
Land acquisition infill O&M impact	800.1				M		2.1	4.3	6.6	9.0	11.5	14.1	16.8	19.5	22.3	106.0
Parks and gardens Subtotal						21197.0	17865.0	3053.7	2824.9	14438.1	2871.6	4349.7	3573.1	4320.9	3394.3	77888.2
Partnership with Maori																
Partnership with Maori grants	108.0	7	7.2		M	185.0	190.9	196.8	202.4	207.6	212.6	217.2	221.4	225.3	229.2	2088.5
Maori project fund	109.0	7	7.2		M	80.0	82.6	85.1	87.5	89.8	91.9	93.9	95.8	97.4	99.1	903.1

ALL FIGURES IN \$000's

	SAP No	Community Outcome 1	Community Outcome 2	Corporate Outcome	Expenditure Type	Total Cost										10 Yr Total
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
						1	2	3	4	5	6	7	8	9	10	
Partnership with Maori Subtotal						265.0	273.5	282.0	289.9	297.3	304.5	311.1	317.2	322.8	328.3	2991.6
Sports areas																
Sports area development programme	157.0	5	5.1		C	40.0				662.0				48.7		750.7
Sports area dev prog O&M impact	157.1				M						28.7	29.4	29.9	30.5	31.0	149.4
Minogue Park netball courts resurfacing	158.0	5	5.1		R	366.0	188.9									554.9
New skateboard facilities	161.0	5	5.1		C					139.1		145.6				284.7
New skateboard facilities O&M impact	161.1				M						1.1	1.2	2.4	2.4	2.5	9.6
Provision of changing rooms on parks	162.0	5	5.1		C		629.5					880.5				1510.0
Provision of changing rooms on parks O&M impact	162.1				M			23.4	24.1	24.7	25.3	25.8	52.7	53.6	54.5	284.0
Asset renewals-Sports Areas	163.0	5	5.1		R	50.0	51.6	53.2	54.7	56.1	57.5	58.7	59.9	60.9	62.0	564.5
Porritt Stadium athletic track resurfacing	485.0	5	5.1		R									761.3		761.3
Rotokauri sports parks development programme	604.0	5	5.1		C									2289.8		2289.8
Rotokauri sports parks development programme O&M impact	604.1				M										49.6	49.6
Rototuna sports parks development programme	606.0	5	5.1		C				2004.2		2355.5	3234.4			2329.3	9923.3
Rototuna Sports parks development programme O&M impact	606.1				M					47.1	48.3	110.4	178.4	181.5	184.6	750.2
Sports areas Subtotal						456.0	870.0	76.6	2083.0	929.0	2516.3	4485.9	323.2	3428.7	2713.4	17882.0
Swimming facilities																
Asset renewal Waterworld	212.0	5	5.1		R	110.0	154.8	117.0	120.3	280.5	126.4	129.1	299.3	134.0	136.3	1607.7
Asset renewal Gallagher Aquatic Centre	213.0	5	5.1		R	80.0	41.3	42.6	87.5	44.9	46.0	93.9	47.9	48.7	99.1	631.8
Partner pool grants	214.0	5	5.1		M	151.0	155.8	160.7	165.2	169.4	173.5	177.3	180.7	183.9	187.1	1704.6
Lido and Hydroslide Leisure Pool	216.0	5	5.1		C		3271.4									3271.4
Lido and Hydroslide Leisure Pool O&M impact	216.1				M			63.8	65.6	89.8	91.9	93.9	95.8	97.4	99.1	697.4
North east sector new pool	351.0	5	5.1		C			1064.0		11220.0	3332.1					15516.1
North east sector new pool O&M impact	351.1				M						787.1	962.7	981.5	998.8	1016.0	4746.0
Car park extension - Gallagher Aquatic Centre	712.0	5	5.1		C			111.7								111.7
Changing room refurbishment - Gallagher	713.0	5	5.1		C		175.4									175.4
Hydrotherapy pool	714.0	5	5.1		C	180.0					677.9					857.9
Plant replacement Gallagher	715.0	5	5.1		R					56.1	57.5	58.7				172.3
Plant replacement Waterworld	716.0	5	5.1		R								239.4	243.6	247.8	730.8
Waterworld staff facilities	723.0	5	5.1		C				54.7							456.9
University of Waikato campus pool contribution	805.0	5	5.1		M		218.0	194.3			402.2					412.2
Swimming facilities Subtotal						521.0	4016.8	1754.1	493.4	11860.7	5694.4	1515.6	1844.6	1706.4	1785.4	31192.4
Toilets																
Public toilets	221.0	5	5.4		C	144.0	287.9	137.3	146.6	145.9	152.8	158.5	161.6	164.4	174.7	1673.7
Public toilets O&M impact	221.1				M		8.3	25.5	35.0	44.9	55.2	65.7	76.6	87.7	99.1	498.0
Toilets Subtotal						144.0	296.2	162.8	181.6	190.7	208.0	224.2	238.2	252.1	273.8	2171.7
Strategic Framework: B - Creating Identity and Prosperity																
Animal care and control																
Additional kennel blocks for the Animal Centre	615.0	4			C							234.8				234.8
Wire mesh cover be applied to the exercise yards at the Animal Centre	616.0	4			C		41.3									41.3
Animal care and control Subtotal							41.3					234.8				276.1
Building control																
Policy on dangerous earthquake prone and unsanitary buildings	769.0	1			M	30.0	20.6	21.3								71.9
Engineering assessments for earthquake prone buildings	798.0	1			M	50.0	31.0	31.9	21.9	22.4						157.2
Building control Subtotal						80.0	51.6	53.2	21.9	22.4						229.1
City Promotion																
Event sponsorship fund	614.0	6	6.2		M	1130.0	1671.8	2447.2	2570.9	2636.7	2700.2	2876.3	2932.7	2984.1	3035.6	24985.4
City Promotion Subtotal						1130.0	1671.8	2447.2	2570.9	2636.7	2700.2	2876.3	2932.7	2984.1	3035.6	24985.4
Economic development																
Promotional DVD & book	79.0	6	6.2		M		31.0			33.7			35.9			100.5
Christmas decorations	85.0	6	6.2		C	50.0	51.6	53.2	21.9	22.4	23.0	23.5	23.9	24.4	24.8	318.7
Economic development promotion	398.0	6	6.2		M	50.0	51.6	53.2	54.7	56.1	57.5	58.7	59.9	60.9	62.0	564.5
Event leverage fund	629.0	6	6.2		M	100.0	103.2	106.4	109.4	112.2	114.9	117.4	119.7	121.8	123.9	1128.9

ALL FIGURES IN \$000's																
	SAP No	Community Outcome 1	Community Outcome 2	Corporate Outcome	Expenditure Type	Total Cost										10 Yr Total
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
						1	2	3	4	5	6	7	8	9	10	
Katolyst funding	630.0	6	6.2		M	517.0	533.5	550.1	565.6	580.1	594.0	607.0	618.8	629.7	640.6	5836.4
CBD entertainment fund	788.0	6	6.2		M				54.7	56.1	57.5	58.7	59.9	60.9	62.0	409.7
World rowing championships event funding	799.0	6	6.2		M			79.8	82.1	168.3						330.2
Katolyst project fund	808.0	6	6.2		M	124.0	128.0	131.9	135.7	139.1	142.5	145.6	148.4	151.0	153.6	1399.8
Conventions promotion	809.0	6	6.2		M	80.0	82.6	85.1	87.5	89.8	91.9	93.9	95.8	97.4	99.1	903.1
Economic development Subtotal						921.0	981.4	1059.7	1111.5	1257.8	1081.2	1104.7	1162.3	1146.1	1165.9	10991.7
Hamilton City Leisure Centre																
YMCA grant	98.0	2	2.1		M	90.0	92.9	95.8	98.5	101.0	103.4	105.7	107.7	109.6	111.5	1016.0
Hamilton City Leisure Centre Subtotal						90.0	92.9	95.8	98.5	101.0	103.4	105.7	107.7	109.6	111.5	1016.0
Libraries																
Library collection purchases	106.0	3	3.6		R	1039.0	1094.8	1151.3	1207.4	1265.6	1324.5	1381.8	1438.4	1492.9	1549.1	12944.8
North East Sector Library Land purchase	107.0	3	3.6		C		1245.6									1245.6
Libraries asset renewal	698.0	3	3.6		R	49.0	59.9	74.5	58.0	49.4	49.4	64.6	53.9	84.0	52.0	594.6
Libraries improvement programme	699.0	3	3.6		C	84.0	60.9	60.6	68.9	31.4	66.6	68.1	67.0	42.6	62.0	612.2
Libraries information & communication technology	700.0	3	3.6		C	50.0	17.5	18.1	18.6	19.1	19.5	20.0	20.3	20.7	21.1	224.9
North east sector library construction	783.0	3	3.6		C							1096.5	7798.5	7616.2		16511.1
North east sector library construction O&M impact	783.1				M							790.0	1205.8		1226.6	3222.5
Libraries Subtotal						1222.0	2478.7	1304.5	1352.9	1365.4	1460.1	2630.9	10168.2	10462.3	2910.7	35355.7
Parking enforcement																
Parking meter replacement	117.0	1	1.1		R	20.0	20.6	21.3	21.9	22.4	23.0	23.5	23.9	24.4	24.8	225.8
Replacement of electronic handheld ticket machines	620.0	1	1.1		R							129.1				129.1
Replacement of RTs	621.0	1	1.1		R	13.0									16.1	29.1
Parking meter upgrade for coin changes	774.0	1	1.1		M	60.0										60.0
Parking enforcement Subtotal						93.0	20.6	21.3	21.9	22.4	23.0	152.6	23.9	24.4	40.9	444.0
Performing arts																
Academy of Performing Arts operating grant	217.0	2	2.2		M	183.0	188.9	194.7	200.2	205.3	210.3	214.8	219.1	222.9	226.7	2065.9
Theatre improvements programme	219.0	2	2.2		C	96.2	68.3	85.3	92.2	54.3	68.0	68.8	48.7	59.9	65.2	707.0
Theatres equipment renewals	220.0	2	2.2		R	209.0	221.3	248.8	234.3	229.9	234.2	236.3	254.6	272.0	266.0	2406.3
Founders Theatre air conditioning	695.0	2	2.2		C	55.0	510.8									565.8
Meteor Theatre development	702.0	2	2.2		R	1600.0			1508.6	677.7	1513.2					5299.5
Performing arts Subtotal						2143.2	989.3	528.8	2035.4	1167.2	2025.7	520.0	522.4	554.8	557.9	11044.6
Claudlands Events Centre																
Claudlands indoor stadium	524.0	2	2.1		C		2322.0	11890.2	12225.5							26437.7
Claudlands indoor stadium O&M impact	524.1				M					1122.0	1149.0	1174.0	1197.0	1218.0	1239.0	7099.0
Claudlands Event Centre upgrade	666.0	2	2.1		C	500.0	7598.6	3251.6	5974.3							17324.5
Claudlands Event Centre upgrade O&M impact	666.1				M		20.6	21.3	21.9	112.2	114.9	117.4	119.7	121.8	123.9	773.7
Equipment hire pool	667.0	2	2.1		C	16.0	15.5	13.8	13.7	14.6	17.2	17.6	15.0	18.3	14.9	156.5
Equipment hire pool O&M impact	667.1				M	1.0	2.1	3.2	4.4	5.6	5.7	5.9	6.0	6.1	6.2	46.1
Exhibition hall drapes	668.0	2	2.1		C	49.0										49.0
Health & safety signage	669.0	2	2.1		C				23.0							23.0
Additional plant and fleet purchase for WEC O&M impact	670.1				M	8.5	16.0	16.5	17.0	17.4	17.8	18.2	18.6	18.9	19.2	168.0
Renewals	671.0	2	2.1		R	132.5	121.3	117.0	90.3	78.9	97.7	85.1	71.8	85.3	86.7	966.5
Renewals O&M impact	671.1				M	1.0	2.1	3.2	4.4	4.5	4.6	4.7	4.8	4.9	5.0	39.0
Tiered seating renewal	672.0	2	2.1		R			75.3								75.3
Telecommunications upgrade	684.0	2	2.1		C	50.0	103.2									153.2
Telecommunications upgrade O&M impact	684.1				M		10.3	10.6	10.9	11.2	11.5	11.7	12.0	12.2	12.4	102.9
Claudlands Events Centre Subtotal						758.0	10211.6	15402.8	18385.2	1366.4	1418.4	1434.6	1444.8	1485.4	1507.2	53414.5
Waikato Museum of Art and History																
Museum recurring grants	703.0	2	2.1		M	128.5	132.6	136.7	140.6	144.2	147.6	150.9	153.8	156.5	159.2	1450.6
Beale Cottage heritage Garden	705.0	2	2.1		C	19.0	19.6									38.6
Beale Cottage heritage Garden O&M impact	705.1				M	2.0	2.1	2.1	2.2	2.2	2.3	2.3	2.4	2.4	2.5	22.6
Museum development fund	708.0	2	2.1		C	40.0	41.3	42.6	43.8	44.9	46.0	47.0	47.9	48.7	49.6	451.6
Museum development fund O&M impact	708.1				M	5.4	5.6	5.7	5.9	6.1	6.2	6.3	6.5	6.6	6.7	61.0
Museum renewals	710.0	2	2.1		R	65.0	106.3	135.1	28.4	156.0	104.6	109.2	86.2	64.6	126.4	981.7

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						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
						1	2	3	4	5	6	7	8	9	10	
Rangiriri restoration stage 1	794.0	2	2.1		C	120.0										120.0
Waikato Museum of Art and History Subtotal						379.9	307.4	322.3	220.9	353.3	306.7	315.7	296.7	278.8	344.3	3126.0
Waikato Stadium																
Waikato Stadium no.2 ground redevelopment	372.0	2	2.1		C		116.6									116.6
Waikato Stadium no.2 ground redevelopment O&M impact	372.1				M		7.2			15.7	16.1	16.4	16.8	17.1	17.3	136.8
Waikato Stadium No.1 ground turf renewal	488.0	2	2.1		R			478.8	492.3							971.1
Waikato Stadium asset renewal	531.0	2	2.1		R	46.3	44.1	44.7	47.3	46.7	43.9	44.6	50.3	58.5	53.3	479.5
Waikato Stadium grounds renewals	649.0	2	2.1		R					25.8						25.8
Waikato Stadium wireless LAN	665.0	2	2.1		C		10.3									10.3
Waikato Stadium wireless LAN O&M impact	665.1				M		1.0	1.1	1.1	1.1	1.1	1.2	1.2	1.2	1.2	10.3
Embankment catering concession	675.0	2	2.1		C						17.2	193.7	10.4			221.4
Gate 5 security shelter	677.0	2	2.1		C	15.0										15.0
Rugby goal post replacement	680.0	2	2.1		C			59.5								59.5
Electronic scoreboard renewal	681.0	2	2.1		R					233.4						233.4
Waikato Stadium Subtotal						61.3	179.3	598.9	556.0	322.7	78.4	255.9	78.6	76.7	71.9	2279.7
Seddon Park																
Seddon Park asset renewals	532.0	2	2.1		R	25.0	31.0	10.6	16.4	39.3	34.5	17.6	18.0	12.2	11.2	215.6
Seddon Park grounds maintenance renewals	650.0	2	2.1		R			17.0	8.8	9.0	9.2	75.1	9.6	9.7	9.9	148.3
CCTV camera	686.0	2	2.1		C								23.9			23.9
Seddon Park fibre installation and voice data infrastructural upgrade	693.0	2	2.1		C		51.6									51.6
Seddon Park fibre installation and voice data infrastructural upgrade O&M	693.1				M		5.2	5.3	5.5	5.6	5.7	5.9	6.0	6.1	6.2	51.4
Seddon Park Subtotal						25.0	87.7	33.0	30.6	53.9	49.4	98.6	57.5	28.0	27.3	490.9
Zoo																
Zoo development programme no 1	310.0	5	5.1		C			353.2			396.4					749.7
Zoo staff facilities	426.0	5	5.1		C	480.0										480.0
Zoo electrical reticulation	493.0	5	5.1		C				87.5							87.5
Renewal animal enclosures	718.0	5	5.1		R	90.0	82.6	85.1	87.5	101.0	91.9	93.9	95.8	109.6	99.1	936.5
Renewal buildings structures etc	719.0	5	5.1		R	95.0	92.9	95.8	98.5	106.6	103.4	105.7	107.7	115.7	111.5	1032.7
Visitor toilets	722.0	5	5.1		C	120.0										120.0
Visitor toilets O&M impact	722.1				M		10.3	10.6	10.9	11.2	11.5	11.7	12.0	12.2	12.4	102.9
Zoo visitor shelters	725.0	5	5.1		C	60.0		63.8		67.3		70.4		73.1		334.7
Security perimeter fencing	768.0	5	5.1		C		275.5	284.1				312.3				871.9
Zoo Subtotal						845.0	461.3	892.7	284.4	286.1	603.2	594.0	215.5	310.6	223.0	4715.9
Strategic Framework: C - Protecting our Future																
Transport: Access Hamilton																
Norton Rd (investigation and design)	27.0	1	1.1		C	489.0	2906.1									3395.1
Traffic model update	50.0	1	1.1		M	25.0					28.7				31.0	84.7
E1 East Hamilton arterial design & construction	375.0	1	1.1		C	600.0	9700.8	12768.0	6181.1	5610.0	5745.0			365.4	3345.3	44315.6
E1 land purchase (Tainui and others)	447.0	1	1.1		C	3750.0										3750.0
Land purchase for park and ride	457.0	1	1.1		C			53.2	1094.0	1122.0						2269.2
Nth CBD commuter carpark subsidy	465.0	1	1.1		M	75.0	77.4	79.8	82.1	84.2	86.2	88.1	89.8	91.4	92.9	846.7
After midnight city bus service	475.0	1	1.1		M	40.0	41.3	42.6	43.8	44.9	46.0	47.0	47.9	48.7	49.6	451.6
Development of riverside walkways & cycleways	481.0	1	1.1		C										223.0	223.0
Massey-Hall minor works	526.0	1	1.1		C	30.0		159.6								189.6
Mill St Intersections (Tristram-Willoughby-Anglesea)	527.0	1	1.1		C	150.0	619.2									769.2
Peachgrove, Hukanui Intersection upgrades and minor improvements	528.0	1	1.1		C				1094.0	3029.4						4123.4
Peachgrove-East St, Te Aroha-Peachgrove intersections	529.0	1	1.1		C			1915.2	1859.8							3775.0
Ruakura Road (Peachgrove to E1)	530.0	1	1.1		C		103.2	1289.6	1094.0							2486.8
Ulster-Willoughby link	537.0	1	1.1		C	100.0	72.2									172.2
Wairere Drive (designation, land, intersections, 4 laning etc)	544.0	1	1.1		C	9359.0	9502.7	212.8	11104.1	14586.0	3676.8	5283.0	6583.5	6090.0	5575.5	71973.4
Cycleway construction (ACC Ham)	545.0	1	1.1		C	634.4	653.0	713.1	777.4	705.4	1236.3	578.2	1084.5	486.0	867.3	7735.6
Access Hamilton study review	727.0	1	1.1		M		206.4			224.4						430.8
Bus infrastructure	728.0	1	1.1		C	120.0	103.2	34.0	35.0	35.9	36.8	37.6	38.3	39.0	39.6	519.4
Bus priority routes roadmarking & signal pre-emption	729.0	1	1.1		M	50.0	51.6	21.3	21.9	22.4	23.0	23.5	23.9	24.4	24.8	286.7
Carpark Knox St stage 2	730.0	1	1.1		C			319.2	2953.8							3273.0
Carpark River Rd	731.0	1	1.1		C					280.5	11490.0					11770.5
Central city shuttle	732.0	1	1.1		M	180.0	185.8	191.5	196.9	202.0	206.8	211.3	215.5	219.2	223.0	2032.0

ALL FIGURES IN \$000's																
	SAP No	Community Outcome 1	Community Outcome 2	Corporate Outcome	Expenditure Type	Total Cost										
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	10 Yr Total
						1	2	3	4	5	6	7	8	9	10	
Environmental education programme for Access Hamilton	734.0	1	1.1		M	25.0	25.8	26.6	27.4	28.1	28.7	29.4	29.9	30.5	31.0	282.2
Grey Claudeland intersection upgrading	735.0	1	1.1		C			2128.0	2188.0							4316.0
HITS review	736.0	1	1.1		M		20.6									20.6
Lower east coast railway line	737.0	1	1.1		M		51.6									51.6
Marketing & promotion for awareness of Access Hamilton	738.0	1	1.1		M	100.0	103.2	106.4	109.4	112.2	114.9	117.4	119.7	121.8	123.9	1128.9
Road hierarchy review & user priority	739.0	1	1.1		M	20.0										20.0
Safe routes programme	740.0	1	1.1		M	66.0	68.1	70.2	72.2	74.1	75.8	77.5	79.0	80.4	81.8	745.1
School business travel plans	741.0	1	1.1		M	60.0	61.9	63.8	65.6	67.3	68.9	70.4	71.8	73.1	74.3	677.3
Walking school buses	742.0	1	1.1		M	50.0	51.6	53.2	54.7	56.1	57.5	58.7	59.9	60.9	62.0	564.5
Walking strategy & implementation	743.0	1	1.1		M	20.0	20.6	21.3	21.9	22.4	23.0	23.5	23.9	24.4	24.8	225.8
Walking cycleway Grandview to Minogue Park	744.0	1	1.1		C		72.2	851.2								923.4
Walkway & cycleway river crossing Deys Park	772.0	1	1.1		C	30.0		106.4	875.2							1011.6
Off road walkway cycleway programme (new)	778.0	1	1.1		C	573.0	574.8	462.8	98.5	746.1	1488.0	437.9	633.2	321.6		5335.9
Off road walkway cycleway programme (new) O&M impact	778.1				M		54.7	80.9	102.8	108.8	134.4	190.2	228.6	244.8	261.4	1406.7
Off road walkway cycleway programme (upgrade)	780.0	1	1.1		C			441.6	87.5					384.9		914.0
Passenger transport Initiatives	790.0	1	1.1		M	640.0	392.2	244.7								1276.9
Massey St cycleway - undergrounding powerline	793.0	1	1.1		M	200.0										200.0
Infrastructure commuter train to Auckland	796.0	1	1.1		M		258.0	266.0								524.0
Boundary Rd/Fifth Ave improvements design and land purchase	803.0	1	1.1		C	200.0	185.8	3192.0	2735.0	4488.0						10800.8
Transport: Access Hamilton Subtotal						17586.4	26164.0	25915.0	32976.0	31650.2	24566.8	7273.5	9329.4	8706.3	11131.2	195298.7
Carriageways management																
Subdivision associated works	17.0	1	1.1		C	115.0	118.7	122.4	125.8	129.0	132.1	135.0	137.7	140.1	142.5	1298.2
Miscellaneous land purchases	30.0	1	1.1		C	50.0	51.6	53.2	54.7	56.1	57.5	58.7	59.9	60.9	62.0	564.5
Tui Ave	36.0	1	1.1		C						57.5	469.6				527.1
Lake Domain Drive (Innes Common)	37.0	1	1.1		R	360.0										360.0
Kerb and channel replacement	40.0	1	1.1		R	1060.0	1093.9	1127.8	1214.3	1455.2	1390.3	1437.0	1627.9	1656.5	1685.0	13748.0
Area wide treatment	41.0	1	1.1		R	741.0	751.3	1161.9	881.8	729.3	1884.4	1925.4	1963.1	1997.5	2032.0	14067.5
Bridge resurfacing	42.0	1	1.1		R		51.6				68.9					120.5
Carriageways reseals	44.0	1	1.1		R	2152.0	1468.5	1514.1	2228.5	2900.4	3231.0	3522.0	3591.0	3654.0	3717.0	27978.4
Bridge refurbishment	45.0	1	1.1		R	1200.0			218.8		919.2					2338.0
Stormwater quality improvements	46.0	1	1.1		C		51.6	53.2	54.7	56.1	57.5	58.7	59.9	60.9	62.0	514.5
Routine bridge maintenance	47.0	1	1.1		M	100.0	103.2	106.4	109.4	112.2	114.9	117.4	119.7	121.8	123.9	1128.9
RAMM management	448.0	1	1.1		M	150.0	247.7	159.6	262.6	168.3	275.8	176.1	287.3	182.7	297.4	2207.3
Ruakura Rd (E1 to Silverdale)	552.0	1	1.1		C	600.0			382.9	2805.0						3787.9
Peacockes roading future growth	553.0	1	1.1		C	450.0		284.1	292.1	319.8	21.8	22.3				1390.1
Rotokauri roading future growth	554.0	5	5.1		C	4990.0	16229.2	16927.2	10063.7	12386.9	14315.4	14361.5	8934.4	1951.2	3378.8	103538.3
Rototuna roading growth	555.0	5	5.5		C	17423.0	8101.2	20436.2	11989.1	7619.5	7145.6	1374.8	3176.8	4019.4	1734.6	83020.3
Church Rd upgrade near Maui St	610.0	1	1.1		C	670.0										670.0
Implementation of disability strategy	765.0	1	1.1		C	25.0	25.8	10.6	10.9	11.2						83.6
Powerline undergrounding funded	787.0	1	1.1		C							398.6	405.6	412.6		1216.8
Carriageways management Subtotal						30086.0	28294.3	41956.7	27889.3	28749.0	29671.8	23658.4	20356.2	14250.6	13647.6	258560.0
Central area off-street parking																
Off Street carpark resurfacing	236.0	1	1.1		R	9.0	14.4					9.4				32.8
Central area off-street parking Subtotal						9.0	14.4					9.4				32.8
Footpaths, cycleways and verges																
Footpaths & verges shape correction	92.0	1	1.1		R	1200.0	1341.6	1324.7	1367.5	1688.6	1723.5	1761.0	3055.9	3231.4	3350.3	20044.4
Litter bins	94.0	1	1.1		C	20.0	20.6	21.3	21.9	22.4	23.0	23.5	23.9	24.4	24.8	225.8
Footpath construction	97.0	1	1.1		C	63.0	77.4	59.6	59.1	58.3	58.6	63.4	55.1	68.2	62.0	624.6
Footpaths, cycleways and verges Subtotal						1283.0	1439.6	1405.5	1448.5	1769.4	1805.1	1847.9	3134.9	3323.9	3437.0	20894.8
Property and risk management																
Waiwhakareke Lake subdivision land	802.0	1	1.5		C	4000.0										4000.0
Property and risk management Subtotal						4000.0										4000.0
Refuse (excl Horotiu)																
Refuse transfer station asset management upgrades	152.0	1	1.7		R	130.0										130.0
Review of closed landfill consent conditions & monitoring	562.0	1	1.7		M	34.0	35.1	19.2	19.7	20.2	20.7	21.1	21.5	21.9	22.3	235.7
Closed landfill consent requirements	563.0	1	1.7		C	110.0	41.3									151.3

ALL FIGURES IN \$000's	SAP No	Community Outcome 1	Community Outcome 2	Corporate Outcome	Expenditure Type	Total Cost										10 Yr Total
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
						1	2	3	4	5	6	7	8	9	10	
Renewals at closed landfills	564.0	1	1.7		R	24.0	27.9	26.6	29.5	28.1	36.8	29.4	32.3	47.5	40.9	322.9
Refuse (excl Horotiu) Subtotal						298.0	104.2	45.8	49.2	48.2	57.5	50.5	53.9	69.4	63.2	839.9
Refuse disposal (Horotiu)																
Landfill stages 4 & 6	151.0	1	1.7		C	1745.0										1745.0
Horotiu neighbour costs	592.0	1	1.7		C	28.0										28.0
Capital works associated with gas flare	745.0	1	1.7		C	165.0										165.0
Horotiu aftercare	746.0	1	1.7		R	34.0	14.4	14.9	15.3	49.4	16.1	16.4	16.8	17.1	159.8	354.2
Refuse disposal (Horotiu) Subtotal						1972.0	14.4	14.9	15.3	49.4	16.1	16.4	16.8	17.1	159.8	2292.2
Stormwater reticulation																
Customer connections to the network (SW)	165.0	1	1.6		C	250.0	258.0	266.0	273.5	280.5	287.3	293.5	299.3	304.5	309.8	2822.3
Stormwater consent review	166.0	1	1.6		M					33.7					37.2	70.8
Stormwater impact mitigation	167.0	1	1.6		C	115.0	118.7	122.4	125.8	56.1	57.5	58.7	59.9	60.9	62.0	836.8
Contributions for increasing pipe sizes in subdivisions (SW)	168.0	1	1.6		C	50.0		53.2		56.1		58.7		60.9		278.9
Rototuna/Flagstaff trunks	170.0	1	1.6		C	3137.0	2099.1	421.3			2038.3	1690.6			1194.4	10580.7
Network upgrades enabling infill development	172.0	1	1.6		C	500.0		532.0		561.0		587.0		609.0		2789.0
Waitawhiriri Stream channel lining	173.0	1	1.6		R				273.5	280.5	287.3	293.5	299.3			1434.0
Reticulation network renewals	175.0	1	1.6		R	211.0	217.8	224.5	230.8	236.7	242.4	247.7	252.6	257.0	261.4	2382.0
Upgrade network to prevent flooding	176.0	1	1.6		C	350.0	650.2	595.8	612.6	572.2	551.5	622.2	706.2	669.9	669.1	5999.8
River outfall improvements	178.0	1	1.6		C	55.0	56.8	58.5	60.2	140.3	143.6	146.8	149.6	152.3	154.9	1117.8
Renew stormwater outlets to kerbs	180.0	1	1.6		R	30.0	31.0	31.9	32.8	33.7	34.5	35.2	35.9	36.5	37.2	338.7
Network hydraulic modelling	181.0	1	1.6		M	52.0	35.1	36.2	39.4	33.7	34.5	37.6	35.9	36.5	39.6	380.4
Structure plan review	182.0	1	1.6		M		10.3			11.2						21.5
Maintenance of wetland facilities	184.0	1	1.6		M	20.0	20.6	21.3	21.9	22.4	23.0	23.5	23.9	24.4	24.8	225.8
Project Watershed emergency works	388.0	1	1.6		C	85.0	87.7	90.4	93.0	95.4	97.7	99.8	101.7	103.5	105.3	959.6
Stormwater network upgrade investigations	451.0	1	1.6		M	40.0	41.3	42.6	43.8	44.9	46.0	47.0	47.9	48.7	49.6	451.6
Rotokauri stormwater management plan	502.0	1	1.6		M		10.3			11.2			12.0			33.5
Rotokauri pipe network	548.0	1	1.6		C	2351.0	2626.4	997.0	2112.5	710.2	1042.1	3559.6	1243.7	2995.1	1263.8	18901.4
Renewals associated with Avalon Drive bypass SW	567.0	1	1.6		R	10.0	20.6									30.6
Education fish icon programme	569.0	1	1.6		M	10.0	10.3	10.6	10.9	11.2	11.5	11.7	12.0	12.2		100.5
Secondary flowpath citywide assessment	570.0	1	1.6		M		129.0	133.0								262.0
Network condition assessment	572.0	1	1.6		M	20.0	20.6	21.3	5.5	5.6	5.7	5.9	6.0	6.1	6.2	102.9
Peacocke pipe network (SW)	573.0	1	1.6		C		23.7	290.5								314.2
Peacocke mitigation wetlands (SW)	574.0	1	1.6		C		46.4	573.5								619.9
Project Watershed bank stability investigations	748.0	1	1.6		M		72.2									142.2
Alderton dam upgrade	801.0	1	1.6		C	120.0										120.0
Stormwater reticulation Subtotal						7476.0	6586.2	4522.0	3936.2	3196.6	4902.8	7818.8	3285.8	5377.5	4215.1	51317.0
Sustainable environment																
Environmental education programme	203.0	1			M	83.0	85.7	88.3	90.8	93.1	95.4	97.4	99.4	101.1	102.8	937.0
Sustainable subdivision	205.0	1			M	15.0	5.2									20.2
Waste management plan review	206.0	1			M	5.0	10.3	5.3	10.9					12.2		43.8
Gully restoration programme	208.0	1			M	15.0	10.3	10.6	7.7							51.5
Waste management plan initiatives	501.0	1			M	20.0	20.6	31.9	21.9	22.4						116.9
Consultation programme	622.0	1			M	10.0	5.2	5.3	5.5	11.2	5.7	5.9				48.8
Waikato biodiversity forum	807.0	1			M	3.5	3.6	3.7	3.8	3.9	4.0	4.1	4.2	4.3	4.3	39.5
Sustainable environment Subtotal						151.5	140.9	145.2	140.6	138.6	105.1	107.4	103.5	117.5	107.2	1257.6
Traffic services/street lighting																
Minor safety improvements	222.0	1	1.1		C	300.0	309.6	319.2	328.2	336.6	344.7	352.2	359.1	365.4	371.7	3386.7
Traffic improvements	223.0	1	1.1		C	150.0	154.8	159.6	164.1	168.3	172.4	176.1	179.6	182.7	185.9	1693.4
Traffic calming	224.0	1	1.1		C	200.0	258.0	159.6	218.8	280.5	287.3	98.6	100.5	102.3	104.1	1809.7
Road safety audit/AIS/traffic signal	225.0	1	1.1		M	25.0	25.8	26.6	27.4	28.1	28.7	29.4	29.9	30.5	31.0	282.2
Amenity lighting	226.0	1	1.1		C	35.0	36.1	37.2	38.3	39.3	11.5	29.4	12.0	30.5	12.4	281.6
Installation of new street lights	227.0	1	1.1		C	200.0	206.4	212.8	218.8	224.4	229.8	234.8	239.4	243.6	247.8	2257.8
CBD improvements	228.0	1	1.1		C	3400.0	5676.0	9310.0	2188.0	561.0	4710.9					25845.9
Bus shelters	229.0	1	1.1		R	20.0	20.6	21.3	21.9	22.4	23.0	23.5	23.9	24.4	24.8	225.8
Street furniture	230.0	1	1.1		R	20.0	20.6	21.3	21.9	33.7	34.5	35.2	35.9	36.5	37.2	296.8
Replacement of existing street lights	231.0	1	1.1		R	333.0	343.7	354.3	364.3	373.6	382.6	390.9	398.6	405.6	412.6	3759.2
Traffic signal renewal	232.0	1	1.1		R	120.0	123.8	95.8	98.5	101.0	103.4	105.7	107.7	109.6	111.5	1077.0

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	SAP No	Community Outcome 1	Community Outcome 2	Corporate Outcome	Expenditure Type	Total Cost										10 Yr Total
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
						1	2	3	4	5	6	7	8	9	10	
Street sign renewal	233.0	1	1.1		R	176.0	181.6	187.3	192.5	197.5	202.2	206.6	210.7	214.4	218.1	1986.9
Traffic signal controller replacement	234.0	1	1.1		R	50.0	51.6	53.2	54.7	56.1	57.5	58.7	59.9	60.9	62.0	564.5
Safety barriers renewal	235.0	1	1.1		R	25.0	25.8	26.6	27.4	28.1	28.7	29.4	29.9	30.5	31.0	282.2
CBD traffic trials	785.0	1	1.1		M	100.0										100.0
Traffic services/street lighting Subtotal						5154.0	7434.5	10984.7	3964.7	2450.4	6617.1	1770.4	1787.1	1836.7	1849.8	43849.5
Wastewater reticulation																
Customer connections to the network (WW)	239.0	1	1.6		C	200.0	206.4	212.8	218.8	224.4	229.8	234.8	239.4	243.6	247.8	2257.8
Far eastern interceptor	240.0	1	1.6		C	1339.0										1339.0
Contributions for increasing pipe sizes in subdivisions (WW)	241.0	1	1.6		C		51.6		54.7		57.5		59.9		62.0	285.6
Rototuna wastewater trunk mains	242.0	1	1.6		C	426.0	500.5	920.4		1538.3		25.8	99.4	360.8	273.8	4134.9
Network upgrades for infill development (WW)	244.0	1	1.6		C	100.0		106.4		112.2		117.4		121.8		557.8
Network upgrade to subdivisional standards (WW)	245.0	1	1.6		R	450.0	464.4	478.8	492.3	628.3	643.4	892.2	1244.9	1144.9	1164.7	7604.0
Condition assessment of the wastewater pipe network	246.0	1	1.6		M	45.0	129.0	138.3	136.8	129.0	143.6	158.5	173.6	164.4	179.7	1397.9
Refurbishment of interceptors & trunk services	247.0	1	1.6		R	350.0	825.6	851.2	820.5	897.6	1436.3	1526.2	2055.2	2091.3	2126.1	12980.0
Replacement of pumping station SCADA system	249.0	1	1.6		R	20.0	258.0	266.0	273.5	280.5	287.3	293.5	299.3			1978.0
Replacement asbestos cement rising mains	250.0	1	1.6		R	75.0	87.7	133.0	109.4	89.8	91.9	82.2	197.5	79.2	241.6	1187.3
Pump station asset management upgrades	251.0	1	1.6		R	180.0	185.8	191.5	120.3	123.4	126.4	129.1	131.7	134.0	136.3	1458.5
Pump station storage	253.0	1	1.6		C	120.0	123.8	127.7	218.8	224.4	229.8	234.8	359.1	365.4	371.7	2375.5
Wastewater flow modelling	254.0	1	1.6		M	58.0	35.1	36.2	39.4	33.7	34.5	37.6	35.9	36.5	39.6	386.4
Corrosion venting of interceptors	255.0	1	1.6		C	15.0	15.5	74.5	76.6	78.5	80.4					340.5
Wastewater bridge maintenance	257.0	1	1.6		M						25.3					49.6
Wastewater structure plan reviews	258.0	1	1.6		M		20.6							24.4		20.6
Septic tank cleaning	259.0	1	1.6		M	110.0			120.3			129.1			136.3	495.8
Wastewater upgrade investigations	453.0	1	1.6		M	50.0	51.6	53.2	54.7	56.1	57.5	58.7	59.9	60.9	62.0	564.5
Rotokauri wastewater trunkmains	547.0	1	1.6		C	1044.0	516.0	521.4	466.0	2392.1	1746.5				629.4	7315.4
Pipe & manhole layout study	576.0	1	1.6		M	10.0										10.0
Pump station electrical components	577.0	1	1.6		R	140.0	144.5	149.0	153.2	157.1	160.9	164.4	167.6	170.5	173.5	1580.5
Pump station standby generator	578.0	1	1.6		C			31.9			34.5		263.3		198.2	528.0
Peacocke wastewater trunkmains	581.0	1	1.6		C		103.2	1016.1								1119.3
Pump station structure & pipework review	594.0	1	1.6		M	20.0										20.0
WW renewals associated with Avalon Drive bypass	749.0	1	1.6		R	20.0	190.9									210.9
Peacocke stage 1	797.0	1	1.6		C		361.2	6118.0								6479.2
Peacocke stage 1 O&M impact	797.1				M			53.2	109.4	112.2	114.9	117.4	119.7	121.8	123.9	872.5
Wastewater reticulation Subtotal						4772.0	4271.4	11479.5	3464.7	7077.6	5500.3	4201.7	5506.2	5109.5	6166.5	57549.4
Wastewater treatment plant																
Wastewater Treatment Plant upgrade	238.0	1	1.6		C	710.0	4011.4	223.4	6345.2	364.7	3447.0					15101.7
WWTP upgrade o&m impact	238.1				M		72.2	74.5	382.9	594.7	609.0	622.2	634.4	645.5	743.4	4378.8
WWTP capital improvements	305.0	1	1.6		C	110.0	418.0	74.5	87.5				47.9			737.8
WWTP sludge lagoon	306.0	1	1.6		C	60.0	361.2									421.2
WWTP asset renewals	307.0	1	1.6		R	45.0	194.0	171.3	321.6	678.8	710.1	698.5	678.7	946.4	1303.4	5747.9
Wastewater treatment plant Subtotal						925.0	5056.8	543.7	7137.3	1638.1	4766.1	1320.8	1361.0	1591.9	2046.8	26387.4
Water reticulation																
Customer connections to the water network	261.0	1	1.6		C	170.0	175.4	180.9	186.0	190.7	195.3	199.6	203.5	207.1	210.6	1919.1
Rototuna water supply trunkmains	262.0	1	1.6		C	191.0	391.1	317.1		160.4	444.7	765.4	207.1	244.8	610.8	3332.5
Contribution for increasing pipe sizes in subdivisions	264.0	1	1.6		C		20.6		21.9		23.0		23.9		24.8	114.2
Rototuna reservoir and associated bulkmains	265.0	1	1.6		C				2009.7	3289.7						5299.4
Water network new mains	267.0	1	1.6		C	550.0	567.6	585.2	547.0	617.1	517.1	587.0	584.1	594.4	603.4	5752.9
Water network mains renewal	269.0	1	1.6		R	900.0	1032.0	1170.4	1203.4	1495.6	1637.3	1691.7	2672.9	2719.8	2767.9	17291.1
Water network fitting renewals	270.0	1	1.6		R	271.0	279.7	288.3	296.5	304.1	482.6	493.1	502.7	511.6	459.7	3889.2
Bulkmain valve automation	272.0	1	1.6		C	100.0	82.6	85.1	87.5							355.2
Restricted supply to rural properties	274.0	1	1.6		C		13.0	13.8		14.6		15.3		15.8		72.5
Fire hydrant painting in the berms	275.0	1	1.6		M	35.0			38.3			41.1			43.4	157.7
Rotokauri reservoir & associated bulkmains	276.0	1	1.6		C			532.0	943.0	2923.9						4399.0
Bulkmain augmentation & extension	277.0	1	1.6		C		1820.4	2383.4								4203.8
Water supply emergency plan	280.0	1	1.6		C			5.3	32.8	33.7	34.5	35.2	6.0			147.5
Trunkmains duplication (Temple View)	477.0	1	1.6		C			1138.5								1138.5
Rotokauri water supply trunkmains	549.0	1	1.6		C	115.0	337.5	244.7	168.5	282.7	188.4	223.1	383.0	194.9	517.9	2655.7
Installation of new water meters	551.0	1	1.6		C	10.0	10.3									20.3
Citywide backflow device installation	565.0	1	1.6		C		258.0	266.0	273.5	280.5	287.3	293.5	299.3	304.5	309.8	2572.3

ALL FIGURES IN \$000's															
	SAP No	Community Outcome 1	Community Outcome 2	Corporate Outcome	Expenditure Type	Total Cost									
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
						1	2	3	4	5	6	7	8	9	10
Ruakura water supply pipeline	584.0	1	1.6		C	382.0									
Network hydraulic modelling (W)	585.0	1	1.6		M		118.7	58.5	35.0	16.8	23.0	24.7	23.9	25.6	18.6
Water supply network upgrade investigations	586.0	1	1.6		M	50.0	51.6	53.2	54.7	56.1	57.5	58.7	59.9	60.9	62.0
Water cost recovery methodology review	588.0	1	1.6		M		25.8								
Condition assessment of the pipe network & fittings	589.0	1	1.6		M	50.0	51.6	53.2	10.9	11.2	11.5	11.7	12.0	12.2	12.4
Inspection of restricted supplies	590.0	1	1.6		M	10.0			10.9			11.7			
Unaccounted for water study	591.0	1	1.6		M	45.0	46.4	26.6	27.4	28.1	28.7	29.4	29.9	30.5	31.0
Peacocke water supply trunkmains	593.0	1	1.6		C		12.4	153.2							
Network upgrades for infill development	595.0	1	1.6		C		619.2		656.4		689.4		718.2		743.4
Renewals associated with Te Rapa 4-laning	750.0	1	1.6		R	150.0									
Backflow device testing for industrial & restricted rural supplies	751.0	1	1.6		M	5.0	5.2	16.0	16.4	16.8	17.2	17.6	18.0	18.3	18.6
Bulkmain flushing and cleaning	752.0	1	1.6		M		15.5		32.8	33.7	34.5	11.7	12.0	12.2	12.4
Renewals associated with Avalon Drive bypass	753.0	1	1.6		R	135.0	77.4								
Water reticulation Subtotal						3182.0	5999.0	7571.4	6652.6	9755.8	4671.8	4510.5	5756.4	4952.4	6458.9
Water treatment station															
Reservoir asset renewals	278.0	1	1.6		R	130.0	37.2	58.5	23.0	107.7	41.4	52.8	43.1	152.3	158.6
WTS asset renewal	294.0	1	1.6		R	105.0	413.8	134.1	404.8	460.0	514.8	547.1	262.1	316.7	282.5
WTS filter improvements	298.0	1	1.6		R	150.0	154.8	239.4	246.2	252.5	258.5	264.2	269.3	182.7	185.9
Reservoir capital improvements	304.0	1	1.6		C		51.6	90.4	58.0	49.4	40.2	334.6			
Feasibility study for a second water treatment station	454.0	1	1.6		M		77.4								
Treatment station upgrade	455.0	1	1.6		C										62.0
WTS Capital improvements (resource)	519.0	1	1.6		C	138.0	536.6	37.2	1176.1	89.8	137.9	23.5	23.9	24.4	24.8
WTS Capital improvements (resource) O&M impact	519.1				M			409.6	421.2	432.0	442.4	452.0	460.8	468.9	477.0
WTS Emergency electricity supply	520.0	1	1.6		C	1200.0									
WTS Emergency electricity supply O&M impact	520.1				M		61.9	63.8	65.6	67.3	68.9	70.4	71.8	73.1	74.3
WTS capital improvements (growth)	556.0	1	1.6		C						4.6	14.1	107.7	1461.6	14868.0
Capital improvements	764.0	1	1.6		C	21.0	31.0	2.1	54.7	16.8	46.0	434.4	53.9	54.8	55.8
Water treatment station Subtotal						1744.0	1364.3	1035.3	2449.5	1475.4	1554.6	2193.0	1292.8	2734.4	16188.8
Strategic Framework: Corporate Contribution															
City parks															
Northern City Parks works depot	400.0	1	1.4		C	40.0		291.5							
City parks Subtotal						40.0		291.5							
Communication and marketing															
Upgrade what's on website	645.0	2	2.1		M	20.0									
Communication and marketing Subtotal						20.0									
Design services															
Survey equipment renewal	546.0			S1	R		9.8	8.5	11.5	2.6	62.0	86.9	12.0	9.7	12.4
Design services Subtotal							9.8	8.5	11.5	2.6	62.0	86.9	12.0	9.7	12.4
Finance and administration															
Asset revaluation	90.0			S1	M	100.0	61.9	63.8	65.6	67.3	68.9	70.4	71.8	73.1	74.3
Finance and administration Subtotal						100.0	61.9	63.8	65.6	67.3	68.9	70.4	71.8	73.1	74.3
Human resources															
Business excellence programme	403.0			O4	M	100.0	82.6	85.1	109.4	89.8	91.9	117.4	95.8	97.4	123.9
Human resources Subtotal						100.0	82.6	85.1	109.4	89.8	91.9	117.4	95.8	97.4	123.9
Information management															
Data capture	102.0			O3	C	175.0	180.6	186.2	191.5	196.4	201.1	205.5	209.5	213.2	216.8
IT system upgrades	444.0			O3	C		120.7	170.2	235.2	161.6	208.0	236.0	209.5	220.5	309.8
IT system enhancements	639.0			O3	C	258.0	503.6	667.1	710.0	950.3	999.6	886.4	726.6	632.1	489.4
Information management Subtotal						433.0	805.0	1023.6	1136.7	1308.3	1408.7	1327.8	1145.5	1065.8	1016.0
Property and risk management (support)															
Vehicles and plant replacement	149.0			S1	R	1065.0	1099.1	1126.8	1039.3	1065.9	1091.6	1115.3	1137.2	1157.1	1177.1

ALL FIGURES IN \$000's

	SAP No	Community Outcome 1	Community Outcome 2	Corporate Outcome	Expenditure Type	Total Cost										10 Yr Total
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
						1	2	3	4	5	6	7	8	9	10	
Property management capital asset renewal	150.0			S1	R	2700.0	2928.8	2360.0	2437.4	3311.0	3325.2	3112.3	2738.7	3096.2	3444.4	29454.0
Emergency management radio telephone repeater replacement	618.0	7	7.1		R	1.0	10.3									11.3
Waterworld Pool concourse re-tiling	646.0	5	5.1		R			577.8								577.8
Pensioner housing renewals	647.0	5	5.4		R	510.4	419.0	545.6	481.4	249.1	564.2	369.8	435.2	415.3	247.8	4237.8
Waterworld Pool ceiling replacement	648.0	5	5.1		R	1413.0										1413.0
Waterworld Pool ceiling replacement O&M impact	648.1				M	100.0										100.0
Additional plant and fleet purchase for WEC	670.0	2	2.1		C	41.0	29.9									70.9
Additional fleet	726.0			S1	C	296.0	169.2	175.6	175.0	235.6	57.5	133.8	155.6	45.1	105.3	1548.7
Public toilet upgrades	773.0	5	5.4		C	92.0	94.9	97.9	100.6	103.2	105.7	108.0	110.1	112.1	114.0	1038.6
Property and risk management (support) Subtotal						6218.4	4751.3	4883.5	4233.8	4964.9	5144.1	4839.2	4576.8	4825.7	5088.6	49526.3
Strategic																
District plan appeals, variations & reprinting provisions	185.0	1			M	40.0	10.3	10.6	10.9	11.2	11.5	11.7	12.0	12.2	12.4	142.9
Strategic plan LTCCP financial management policy review	186.0	7	7.1		M	219.0	172.3	206.4	239.6	187.4	222.9	257.1	199.9	236.3	271.3	2212.3
Hamilton urban growth strategy	189.0	1			M	75.0	25.8									155.9
District plan implementation monitoring of the district plan	190.0			S1	M	50.0	51.6	53.2	54.7	56.1	57.5	58.7	59.9	60.9	62.0	564.5
Hamilton district alternative methods programme	191.0			S1	M	60.0	41.3	42.6	43.8	11.2	11.5	11.7	12.0	12.2	12.4	258.6
Open space review & reserves strategy	193.0	1	1.4		M		31.0	63.8								94.8
Rolling review programme district plan	195.0			S1	M	210.0	103.2	85.1	76.6	89.8	68.9	70.4	71.8	73.1	74.3	923.3
Hamilton City Council's governance statement	441.0	7	7.1		M		15.5			16.8			18.0			50.3
Quality of life	523.0	7	7.1		M	22.0	10.3	23.4	5.5	24.7	5.7	31.7	6.0	26.8	6.2	162.3
Hamilton community outcomes	624.0	7	7.1		M	100.0	82.6	85.1	153.2	175.0	162.0	93.9	95.8	97.4	173.5	1218.5
Customer satisfaction survey	627.0			S1	M	65.0	67.1	69.2	71.1	72.9	74.7	76.3	77.8	79.2	80.5	733.8
Development contributions	628.0			S1	M	30.0	31.0	31.9	32.8	33.7	34.5	35.2	35.9	36.5	37.2	338.7
City design strategy implementation	632.0	1			M	200.0	154.8	106.4	109.4	112.2	114.9	117.4	119.7	121.8	123.9	1280.5
Strategic Subtotal						1071.0	796.7	777.8	797.5	791.0	764.1	776.0	708.6	756.4	897.0	8136.2
Utilities																
Utilities covered storage Duke Street depot	634.0			S1	C	40.0										40.0
Tools of trade	642.0			S1	R	31.0	25.8	22.3	15.3	12.3	13.8	12.9	13.2	14.6	22.3	183.6
Utilities Subtotal						71.0	25.8	22.3	15.3	12.3	13.8	12.9	13.2	14.6	22.3	223.6
Works and Services Management																
Energy efficiency fund	263.0	1	1.6		M	30.0	31.0	31.9	32.8	33.7	34.5	35.2	35.9	36.5	37.2	338.7
Water and waste customer charter	792.0	1	1.6		M		25.8	42.6								68.4
Works and Services Management Subtotal						30.0	56.8	74.5	32.8	33.7	34.5	35.2	35.9	36.5	37.2	407.0
Total						120098.6	139624.3	144649.9	130828.7	134595.0	114838.8	85415.0	85021.1	83845.4	93068.6	1131985.5

Special & Capital Projects Funded By:

	120098.6	139624.3	144649.9	130828.7	134595.0	114838.8	85415.0	85021.1	83845.4	93068.6	1131985.5
Total Cost	120098.6	139624.3	144649.9	130828.7	134595.0	114838.8	85415.0	85021.1	83845.4	93068.6	1131985.5
Depreciation (Rates)	30024.0	31016.1	31596.5	31629.6	36316.4	36910.4	41603.0	44258.0	44632.1	46434.9	376420.8
Reserve Loans	10208.1	11256.4	8472.5	12622.2	9940.5	15197.2	1866.3	2519.3	2346.6	3056.6	77485.7
DCL Loans	41663.0	45891.0	40708.6	30994.1	39717.7	26400.6	19614.0	16584.4	22009.3	29877.2	313459.9
Rates Loans	23875.0	34065.3	43986.8	34027.8	20373.3	20144.3	10132.8	8102.5	2470.1	292.4	197470.2
Reserves	4207.0	1849.3	1250.2	1334.7	6696.1	1183.5	1414.7	1286.8	1004.9	1133.7	21360.8
Subsidies	7963.5	13344.3	16807.1	19435.2	20121.5	11043.2	8188.3	9850.5	8431.5	9589.8	124774.8
Other Revenue	2158.0	2201.9	1828.1	785.1	1429.6	1959.8	2595.8	2419.8	2951.1	2684.0	21013.2

Expenditure Type
C Capital
M Maintenance / operating
R Renewal (capital)

APPENDIX 16.4

SPECIAL AND CAPITAL PROJECTS - FUNDED

ALL FIGURES IN \$000's															
	SAP No	Community Outcome 1	Community Outcome 2	Corporate Outcome	Expenditure Type	Depreciation (Rates)									
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
						1	2	3	4	5	6	7	8	9	10
Strategic Framework: A - Investing in our People															
Cemeteries and crematorium															
Hamilton West cemetery restoration	51.0	5	5.4		M		10.3		10.9		11.5		12.0		12.4
Hamilton Park road maintenance	53.0	5	5.4		R		109.4								
Hamilton Park cemetery irrigation system	55.0	5	5.4		C						236.7				
Hamilton Park cemetery irrigation system o&m impact	55.1				M							2.3	2.4	2.4	2.5
Hamilton Park cemetery gully development	317.0	5	5.4		C	8.0	31.0								
Hamilton Park cemetery gully development O&M impact	317.1				M			4.3	4.4	4.5	4.6	4.7	4.8	4.9	5.0
Cremator and maintenance	513.0	5	5.4		C							-17.6	-59.9		
Cremator and maintenance O&M impact	513.1				M		2.1	-8.5	-3.3	-9.0	2.3	-3.5	-3.6	-9.7	-3.7
Hamilton Park cemetery cremator maintenance programme	613.0	5	5.4		R	15.0	51.6					17.6	59.9		
Hamilton Park cemetery cremator maintenance programme O&M impact	613.1				M	5.0		5.3		5.6				6.1	
Hamilton Park Cemetery administration building upgrade	659.0	5	5.4		C			56.4	74.4			5.9			
Hamilton Park Cemetery ash burial extensions	660.0	5	5.4		C			63.8							
Hamilton Park Cemetery ash burial extensions O&M impact	660.1				M				-9.8	-10.1	-10.3	-10.6	-10.8	-11.0	1.2
Hamilton Park Cemetery chapel furniture replacement	661.0	5	5.4		R							29.4			
Hamilton Park Cemetery chapel audio & visual upgrade	662.0	5	5.4		C			16.0							
Hamilton Park Cemetery demolition of toilet block	663.0	5	5.4		M	10.0									
Hamilton Park Cemetery Utilities compound	664.0	5	5.4		C										
Cemeteries and crematorium Subtotal						38.0	204.3	137.3	76.6	-9.0	244.7	28.2	4.8	-7.3	413.8
City beautification															
Preservation of notable trees	62.0	1	1.4		M	11.0	13.4	11.7	12.0	11.2	13.8	14.1	14.4	13.4	14.9
Asset renewal (city beautification)	65.0	1	1.4		R	10.0	10.3	10.6	10.9	11.2	11.5	11.7	12.0	12.2	12.4
City beautification Subtotal						21.0	23.7	22.3	23.0	22.4	25.3	25.8	26.3	25.6	27.3
Community assistance															
Northern Lifeguard service grant	67.0	4	4.5		M	20.0	20.6	21.3	21.9	22.4	23.0	23.5	23.9	24.4	24.8
Bay of Plenty lifeguard service grant	68.0	4	4.5		M	15.0	15.5	16.0	16.4	16.8	17.2	17.6	18.0	18.3	18.6
Recurring grants	71.0	4	4.5		M	304.0	313.7	323.5	332.6	341.1	349.3	356.9	363.9	370.3	376.7
Non-recurring grants	72.0	4	4.5		M	209.0	215.7	222.4	228.6	234.5	240.1	245.4	250.2	254.6	259.0
Community houses operating grants	76.0	5	5.4		M	407.0	420.0	433.0	445.3	456.7	467.6	477.8	487.2	495.7	504.3
Waikato Abbeyfield Housing	406.0	4	4.5		M	4.0	4.1	4.3	4.4	4.5					
Community assistance Subtotal						959.0	989.7	1020.4	1049.1	1076.0	1097.3	1121.2	1143.1	1163.2	1183.2
Hamilton Gardens															
Hamilton Gardens development	99.0	1	1.4		C	125.0	141.4	133.0	141.1	72.7	74.5	120.7	77.6	49.9	58.2
Hamilton Gardens development O&M impact	99.1				M		5.2	21.3	21.9	53.9	72.4	91.6	122.1	124.2	126.4
Hamilton Gardens vehicle barriers	478.0	1	1.4		C	34.0		36.2							
Hamilton Gardens vehicle barriers O&M impact	478.1				M		6.2	6.4	13.1	13.5	13.8	14.1	14.4	14.6	14.9
Hamilton Gardens information centre and staff facilities project	558.0	1	1.4		C	340.0									
Hamilton Gardens information centre and staff facilities project O&M impact	558.1				M		5.2	5.3	5.5	5.6	5.7	5.9	6.0	6.1	6.2
Hamilton Gardens infrastructure development programme	559.0	1	1.4		C			139.4	76.6						
Hamilton Gardens infrastructure development programme O&M impact	559.1				M				67.8	71.8	73.5	75.1	76.6	78.0	79.3
Permaculture garden	806.0	1	1.4		M	17.9	18.5	19.0	19.6	20.1	20.6	21.0	21.4	21.8	22.2
Hamilton Gardens Subtotal						516.9	176.4	360.6	345.6	237.5	260.5	328.4	318.0	294.6	307.1
Housing services															
Housing upgrade programme	654.0	13	13.2		C					277.1		234.8	851.1		
Housing upgrade programme O&M impact	654.1				M	38.0	132.1	57.5	-19.7	-6.7	-28.7	-29.4	-29.9	-30.5	-31.0
Housing services Subtotal						38.0	132.1	57.5	-19.7	270.4	-28.7	205.5	821.1	-30.5	-31.0
Parks and gardens															
Community environmental tree planting programme	61.0	1	1.4		M	30.0	31.0	31.9	32.8	33.7	34.5	35.2	35.9	36.5	37.2
Land purchase for reserves O&M impact	118.1				M		14.4	28.7	30.6	37.0	46.0	52.8	58.7	60.9	62.0
Reserves Act management planning programme	119.0	1	1.4		M	40.0	31.0	31.9	27.4	11.2	17.2	29.4	23.9	36.5	18.6
Land acquisition & development of esplanade programme	120.0	1	1.4		C		11.4	11.7	12.0	12.3	12.6	12.9	13.2	13.4	13.6
Land acquisition & development of esplanade programme O&M impact	120.1				M		1.0	2.1	3.3	4.5	5.7	7.0	8.4	9.7	11.2
Cultural Sites (including Waahi Tapu) Recognition Programme	121.0	1	1.4		C	96.0	17.5	1.1	20.8	13.5	95.4	24.7	12.0	14.6	12.4
Cultural Sites (including Waahi Tapu) Recognition Programme O&M impact	121.1				M		1.0	2.1	3.3	4.5	5.7	7.0	8.4	9.7	11.2

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						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
						1	2	3	4	5	6	7	8	9	10	
Gully park development programme	122.0	1	1.4		C								306.4	299.6		606.1
Gully park development programme O&M impact	122.1				M		2.1	4.3	6.6	6.7	6.9	7.0	7.2	19.5	32.2	92.4
Passive park programme development	124.0	1	1.4		C							328.7				328.7
Passive park programme development O&M impact	124.1				M			1.1	2.2	5.6	27.6	50.5	67.0	84.0	88.0	326.0
Hamilton Lake Domain redevelopment	125.0	1	1.4		R	32.0	61.9	9.6		122.3						225.8
Pest management strategy	126.0	1	1.4		M	40.0	61.9	63.8	65.6	67.3	68.9	70.4	71.8	73.1	74.3	657.3
Lake Rotorua ecological management programme	128.0	1	1.4		M	34.0	35.1	36.2	37.2	38.1	39.1	39.9	40.7	41.4	42.1	383.8
Asset Renewals (Structures) - Parks and Gardens	129.0	1	1.4		R	37.0	38.2	39.4	40.5	41.5	42.5	43.4	44.3	45.1	45.8	417.7
Claudlands Park development	131.0	1	1.4		C	145.0	149.6									294.6
Claudlands Park development O&M impact	131.1				M		3.1	6.4	6.6	6.7	6.9	7.0	7.2	7.3	7.4	58.6
Taitua Arboretum development	134.0	1	1.4		C		24.8			70.7	37.9		43.1		37.2	213.6
Taitua Arboretum development O&M impact	134.1				M			5.3	5.5	5.6	14.9	20.0	20.3	28.0	28.5	128.2
Carpark development programme	135.0	1	1.4		C	28.0	100.1					336.9				465.0
Carpark development programme O&M impact	135.1				M		1.0	2.1	4.4	4.5	4.6	4.7	4.8	4.9	5.0	35.9
Pedestrian linkage on parks	136.0	1	1.4		C		179.6	127.7	76.6	118.9	70.1	92.7	102.9	45.1	76.8	890.4
Pedestrian linkage on parks O&M impact	136.1				M		2.1	5.3	7.7	9.0	10.3	11.7	14.4	17.1	18.6	96.1
Recreation equipment programme	137.0	1	1.4		C	146.0	201.2	113.8	164.1	159.3	143.6	176.1	172.4	175.4	159.8	1611.8
Recreation equipment programme O&M impact	137.1				M		8.3	21.3	30.6	40.4	50.6	61.0	71.8	82.8	94.2	461.0
Nursery upgrade	138.0	1	1.4		R	30.0	47.5	16.0		7.9			8.4			109.7
Carpark maintenance programme	139.0	1	1.4		R	56.0	153.8	206.4	308.5	156.0	208.0	143.2	198.7	93.8	187.1	1711.4
Lake Rotokao ecological rehabilitation programme	142.0	1	1.4		M		67.1									67.1
Parks & Gardens asset renewals	143.0	1	1.4		R	80.0	82.6	85.1	87.5	89.8	91.9	93.9	95.8	97.4	99.1	903.1
Recreation & leisure plan review	144.0	1	1.4		M			13.8		22.4	20.7			15.8		72.8
Riverside walkways signposting	146.0	1	1.4		C	36.0	42.3			5.6						83.9
Riverside walkways signposting O&M impact	146.1				M		2.1	5.3	5.5	5.6	6.9	7.0	7.2	7.3	7.4	54.3
Hammond Bush restoration programme	147.0	1	1.4		M	8.0		8.5		9.0						25.5
Windows on the river	148.0	1	1.4		M		20.6		21.9		23.0		23.9		24.8	114.2
Replacement of Lake Domain tearooms O&M impact	341.1				M			-37.2	-38.3	-39.3	-40.2	-41.1	-41.9	-42.6	-43.4	-324.0
Riverside walkway upgrades	482.0	1	1.4		C					101.0						101.0
Park seats	483.0	1	1.4		C	10.0	10.3	10.6	10.9	11.2	11.5	11.7	12.0	12.2	12.4	112.9
Park seats O&M impact	483.1				M		1.0	2.1	3.3	4.5	5.7	7.0	8.4	9.7	11.2	53.0
Upper level riverside walkway	557.0	1	1.4		C	380.0										380.0
Upper level riverside walkway O&M impact	557.1				M		2.1	2.1	2.2	2.2	2.3	2.3	2.4	2.4	2.5	20.6
Rotokauri passive parks development programme O&M impact	603.1				M							7.0	7.2	7.3	7.4	29.0
Rototuna passive parks development programme O&M impact	605.1				M		6.2	6.4	6.6	6.7	13.8	14.1	14.4	14.6	22.3	105.0
Tills Lookout to Taitua Arboretum walkway project O&M impact	608.1				M		15.5	16.0	16.4	16.8	17.2	17.6	18.0	18.3	18.6	154.3
Waiwhakareke Natural Heritage Park funding	609.0	1	1.4		C		52.6	66.0	38.3	78.5	67.8	36.4	296.9	144.9	263.9	1045.3
Waiwhakareke Natural Heritage Park funding O&M impact	609.1				M	45.0	46.4	47.9	49.2	101.0	103.4	122.1	184.3	244.8	249.0	1193.2
Asset renewals (structures) - Hamilton Gardens	754.0	1	1.4		R	18.0	17.5	44.7	32.8	25.8	35.6	11.7	51.5	26.8	53.3	317.8
Kowhai planting programme	758.0	1	1.4		M		15.5	16.0	16.4	16.8	17.2	17.6	18.0	18.3	18.6	154.3
Kowhai planting programme O&M impact	758.1				M	5.0	10.3	16.0	21.9	28.1	28.7	29.4	29.9	30.5	31.0	230.6
Memorial Park cenotaph ramp project	759.0	1	1.4		C	24.0										24.0
Porritt Stadium - surface drainage and irrigation	760.0	1	1.4		R		96.0									96.0
Porritt Stadium caretakers shed	761.0	1	1.4		C		94.9									94.9
Tauhara Park bridge replacement project	762.0	1	1.4		C						68.9					68.9
Rotokauri central green corridor O&M impact	770.1				M				35.2	36.1	37.0	97.5	99.4	133.5	135.8	574.3
Labelling of registered trees project	771.0	1	1.4		M	4.0										4.0
Lake Rotokauri Lake Mgmt Committee grant	791.0	1	1.4		M	25.0										25.0
Land acquisition infill O&M impact	800.1				M		2.1	4.3	6.6	9.0	11.5	14.1	16.8	19.5	22.3	106.0
Parks and gardens Subtotal						1349.0	1762.7	1075.7	1202.5	1508.2	1472.1	2011.1	2185.8	1959.2	1999.2	16525.4
Partnership with Maori																
Partnership with Maori grants	108.0	7	7.2		M	185.0	190.9	196.8	202.4	207.6	212.6	217.2	221.4	225.3	229.2	2088.5
Maori project fund	109.0	7	7.2		M	80.0	82.6	85.1	87.5	89.8	91.9	93.9	95.8	97.4	99.1	903.1
Partnership with Maori Subtotal						265.0	273.5	282.0	289.9	297.3	304.5	311.1	317.2	322.8	328.3	2991.6
Sports areas																
Sports area development programme	157.0	5	5.1		C	40.0				522.9				48.7		611.6
Sports area dev prog O&M impact	157.1				M						28.7	29.4	29.9	30.5	31.0	149.4
Minogue Park netball courts resurfacing	158.0	5	5.1		R	366.0	188.9									554.9
New skateboard facilities	161.0	5	5.1		C					139.1		83.4				222.5
New skateboard facilities O&M impact	161.1				M						1.1	1.2	2.4	2.4	2.5	9.6

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						1	2	3	4	5	6	7	8	9	10	
Provision of changing rooms on parks	162.0	5	5.1		C		629.5					510.7				1140.2
Provision of changing rooms on parks O&M impact	162.1				M			23.4	24.1	24.7	25.3	25.8	52.7	53.6	54.5	284.0
Asset renewals-Sports Areas	163.0	5	5.1		R	50.0	51.6	53.2	54.7	56.1	57.5	58.7	59.9	60.9	62.0	564.5
Porritt Stadium athletic track resurfacing	485.0	5	5.1		R									761.3		761.3
Rotokauri sports parks development programme	604.0	5	5.1		C									229.0		229.0
Rotokauri sports parks development programme O&M impact	604.1				M										49.6	49.6
Rototuna sports parks development programme	606.0	5	5.1		C				200.2		235.5	322.9			232.9	991.5
Rototuna Sports parks development programme O&M impact	606.1				M					47.1	48.3	110.4	178.4	181.5	184.6	750.2
Sports areas Subtotal						456.0	870.0	76.6	279.0	789.9	396.4	1142.3	323.2	1367.8	617.0	6318.2
Swimming facilities																
Asset renewal Waterworld	212.0	5	5.1		R	110.0	154.8	117.0	120.3	280.5	126.4	129.1	299.3	134.0	136.3	1607.7
Asset renewal Gallagher Aquatic Centre	213.0	5	5.1		R	80.0	41.3	42.6	87.5	44.9	46.0	93.9	47.9	48.7	99.1	631.8
Partner pool grants	214.0	5	5.1		M	151.0	155.8	160.7	165.2	169.4	173.5	177.3	180.7	183.9	187.1	1704.6
Lido and Hydroslide Leisure Pool O&M impact	216.1				M			10.6	10.9			-11.7	-23.9	-24.4	-24.8	-63.2
North east sector new pool O&M impact	351.1				M						488.3	657.4	670.3	682.1	693.8	3192.0
Car park extension - Gallagher Aquatic Centre	712.0	5	5.1		C			111.7								111.7
Changing room refurbishment - Gallagher	713.0	5	5.1		C		175.4									175.4
Plant replacement Gallagher	715.0	5	5.1		R					56.1	57.5	58.7				172.3
Plant replacement Waterworld	716.0	5	5.1		R								239.4	243.6	247.8	730.8
Waterworld staff facilities	723.0	5	5.1		C				54.7		402.2					456.9
University of Waikato campus pool contribution	805.0	5	5.1		M		218.0	194.3								412.2
Swimming facilities Subtotal						341.0	745.3	636.9	438.7	550.9	1293.8	1104.7	1413.7	1267.9	1339.4	9132.3
Toilets																
Public toilets	221.0	5	5.4		C	83.0	223.9	137.3	146.6	145.9	152.8	158.5	161.6	164.4	174.7	1548.7
Public toilets O&M impact	221.1				M		8.3	25.5	35.0	44.9	55.2	65.7	76.6	87.7	99.1	498.0
Toilets Subtotal						83.0	232.2	162.8	181.6	190.7	208.0	224.2	238.2	252.1	273.8	2046.7
Strategic Framework: B - Creating Identity and Prosperity																
Animal care and control																
Additional kennel blocks for the Animal Centre	615.0	4			C							234.8				234.8
Wire mesh cover be applied to the exercise yards at the Animal Centre	616.0	4			C		41.3									41.3
Animal care and control Subtotal							41.3					234.8				276.1
Building control																
Policy on dangerous earthquake prone and unsanitary buildings	769.0	1			M	30.0	20.6	21.3								71.9
Engineering assessments for earthquake prone buildings	798.0	1			M	50.0	31.0	31.9	21.9	22.4						157.2
Building control Subtotal						80.0	51.6	53.2	21.9	22.4						229.1
City Promotion																
Event sponsorship fund	614.0	6	6.2		M	1130.0	1671.8	2447.2	2570.9	2636.7	2700.2	2876.3	2932.7	2984.1	3035.6	24985.4
City Promotion Subtotal						1130.0	1671.8	2447.2	2570.9	2636.7	2700.2	2876.3	2932.7	2984.1	3035.6	24985.4
Economic development																
Promotional DVD & book	79.0	6	6.2		M		31.0			33.7			35.9			100.5
Christmas decorations	85.0	6	6.2		C	50.0	51.6	53.2	21.9	22.4	23.0	23.5	23.9	24.4	24.8	318.7
Economic development promotion	398.0	6	6.2		M	50.0	51.6	53.2	54.7	56.1	57.5	58.7	59.9	60.9	62.0	564.5
Event leverage fund	629.0	6	6.2		M	100.0	103.2	106.4	109.4	112.2	114.9	117.4	119.7	121.8	123.9	1128.9
Katolyst funding	630.0	6	6.2		M	517.0	533.5	550.1	565.6	580.1	594.0	607.0	618.8	629.7	640.6	5836.4
CBD entertainment fund	788.0	6	6.2		M				54.7	56.1	57.5	58.7	59.9	60.9	62.0	409.7
World rowing championships event funding	799.0	6	6.2		M			79.8	82.1	168.3						330.2
Katolyst project fund	808.0	6	6.2		M	124.0	128.0	131.9	135.7	139.1	142.5	145.6	148.4	151.0	153.6	1399.8
Conventions promotion	809.0	6	6.2		M	80.0	82.6	85.1	87.5	89.8	91.9	93.9	95.8	97.4	99.1	903.1
Economic development Subtotal						921.0	981.4	1059.7	1111.5	1257.8	1081.2	1104.7	1162.3	1146.1	1165.9	10991.7
Hamilton City Leisure Centre																
YMCA grant	98.0	2	2.1		M	90.0	92.9	95.8	98.5	101.0	103.4	105.7	107.7	109.6	111.5	1016.0
Hamilton City Leisure Centre Subtotal						90.0	92.9	95.8	98.5	101.0	103.4	105.7	107.7	109.6	111.5	1016.0

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						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
						1	2	3	4	5	6	7	8	9	10	
Libraries																
Library collection purchases	106.0	3	3.6		R	1039.0	1094.8	1151.3	1207.4	1265.6	1324.5	1381.8	1438.4	1492.9	1549.1	12944.8
Libraries asset renewal	698.0	3	3.6		R	49.0	59.9	74.5	58.0	49.4	49.4	64.6	53.9	84.0	52.0	594.6
Libraries improvement programme	699.0	3	3.6		C	84.0	60.9	60.6	68.9	31.4	66.6	68.1	67.0	42.6	62.0	612.2
Libraries information & communication technology	700.0	3	3.6		C	50.0	17.5	18.1	18.6	19.1	19.5	20.0	20.3	20.7	21.1	224.9
North east sector library construction O&M impact	783.1				M							790.0	1205.8	1226.6		3222.5
Libraries Subtotal						1222.0	1233.1	1304.5	1352.9	1365.4	1460.1	1534.4	2369.7	2846.1	2910.7	17599.0
Parking enforcement																
Parking meter replacement	117.0	1	1.1		R	20.0	20.6	21.3	21.9	22.4	23.0	23.5	23.9	24.4	24.8	225.8
Replacement of electronic handheld ticket machines	620.0	1	1.1		R							129.1				129.1
Replacement of RTs	621.0	1	1.1		R	13.0									16.1	29.1
Parking meter upgrade for coin changes	774.0	1	1.1		M	60.0										60.0
Parking enforcement Subtotal						93.0	20.6	21.3	21.9	22.4	23.0	152.6	23.9	24.4	40.9	444.0
Performing arts																
Academy of Performing Arts operating grant	217.0	2	2.2		M	183.0	188.9	194.7	200.2	205.3	210.3	214.8	219.1	222.9	226.7	2065.9
Theatre improvements programme	219.0	2	2.2		C	96.2	68.3	85.3	92.2	54.3	68.0	68.8	48.7	59.9	65.2	707.0
Theatres equipment renewals	220.0	2	2.2		R	209.0	221.3	248.8	234.3	229.9	234.2	236.3	254.6	272.0	266.0	2406.3
Performing arts Subtotal						488.2	478.4	528.8	526.8	489.5	512.5	520.0	522.4	554.8	557.9	5179.2
Claudlands Events Centre																
Claudlands indoor stadium O&M impact	524.1				M					897.6	804.3	763.1	718.2	730.8	743.4	4657.4
Claudlands Event Centre upgrade O&M impact	666.1				M		72.2	74.5	76.6	-112.2	-114.9	-117.4	-119.7	-121.8	-123.9	-486.6
Equipment hire pool	667.0	2	2.1		C	16.0	15.5	13.8	13.7	14.6	17.2	17.6	15.0	18.3	14.9	156.5
Equipment hire pool O&M impact	667.1				M	-4.0	-8.3	-12.8	-17.5	-22.4	-26.4	-29.4	-32.3	-36.5	-43.4	-233.0
Exhibition hall drapes	668.0	2	2.1		C	49.0										49.0
Exhibition hall drapes O&M impact	668.1				M		-8.3	-8.5	-8.8	-9.0	-9.2	-9.4	-9.6	-9.7	-9.9	-82.3
Health & safety signage	669.0	2	2.1		C				23.0							23.0
Additional plant and fleet purchase for WEC O&M impact	670.1				M	1.5	7.7	8.0	7.1	7.3	6.3	6.5	6.6	6.7	6.8	64.5
Renewals	671.0	2	2.1		R	132.5	121.3	117.0	90.3	78.9	97.7	85.1	71.8	85.3	86.7	966.5
Renewals O&M impact	671.1				M	-29.0	-28.9	-28.7	-28.4	-29.9	-29.9	-30.5	-31.1	-31.7	-32.2	-299.6
Tiered seating renewal	672.0	2	2.1		R			75.3								75.3
Tiered seating renewal O&M impact	672.1				M			-10.6	-10.9	-11.2	-11.5	-11.7	-12.0	-12.2	-12.4	-92.6
Telecommunications upgrade	684.0	2	2.1		C	50.0	103.2									153.2
Telecommunications upgrade O&M impact	684.1				M		10.3	10.6	10.9	11.2	11.5	11.7	12.0	12.2	12.4	102.9
Claudlands Events Centre Subtotal						216.0	284.8	238.7	155.9	825.6	745.1	686.6	618.8	641.3	642.4	5054.2
Waikato Museum of Art and History																
Museum recurring grants	703.0	2	2.1		M	128.5	132.6	136.7	140.6	144.2	147.6	150.9	153.8	156.5	159.2	1450.6
Beale Cottage heritage Garden	705.0	2	2.1		C	19.0	19.6									38.6
Beale Cottage heritage Garden O&M impact	705.1				M	2.0	2.1	2.1	2.2	2.2	2.3	2.3	2.4	2.4	2.5	22.6
Museum development fund	708.0	2	2.1		C	40.0	41.3	42.6	43.8	44.9	46.0	47.0	47.9	48.7	49.6	451.6
Museum development fund O&M impact	708.1				M	5.4	5.6	5.7	5.9	6.1	6.2	6.3	6.5	6.6	6.7	61.0
Museum renewals	710.0	2	2.1		R	65.0	106.3	135.1	28.4	156.0	104.6	109.2	86.2	64.6	126.4	981.7
Rangiriri restoration stage 1	794.0	2	2.1		C	120.0										120.0
Waikato Museum of Art and History Subtotal						379.9	307.4	322.3	220.9	353.3	306.7	315.7	296.7	278.8	344.3	3126.0
Waikato Stadium																
Waikato Stadium no.2 ground redevelopment	372.0	2	2.1		C		116.6									116.6
Waikato Stadium no.2 ground redevelopment O&M impact	372.1				M		7.2	14.9	15.3	15.7	16.1	16.4	16.8	17.1	17.3	136.8
Waikato Stadium No.1 ground turf renewal	488.0	2	2.1		R			478.8	492.3							971.1
Waikato Stadium asset renewal	531.0	2	2.1		R	46.3	44.1	44.7	47.3	46.7	43.9	44.6	50.3	58.5	53.3	479.5
Waikato Stadium grounds renewals	649.0	2	2.1		R				25.8							25.8
Waikato Stadium wireless LAN	665.0	2	2.1		C		10.3									10.3
Waikato Stadium wireless LAN O&M impact	665.1				M		1.0	1.1	1.1	1.1	1.1	1.2	1.2	1.2	1.2	10.3
Embankment catering concession	675.0	2	2.1		C						17.2	193.7	10.4			221.4
Gate 5 security shelter	677.0	2	2.1		C	15.0										15.0
Rugby goal post replacement	680.0	2	2.1		C			59.5								59.5
Rugby goal post replacement O&M impact	680.1				M				-5.5	-5.6	-5.7	-5.9	-6.0	-6.1	-6.2	-41.0

ALL FIGURES IN \$000's

	SAP No	Community Outcome 1	Community Outcome 2	Corporate Outcome	Expenditure Type	Depreciation (Rates)										10 Yr Total
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
						1	2	3	4	5	6	7	8	9	10	
Waikato Stadium Subtotal						61.3	179.3	598.9	550.5	83.7	72.6	250.1	72.7	70.6	65.7	2005.3
Seddon Park																
Seddon Park asset renewals	532.0	2	2.1		R	25.0	31.0	10.6	16.4	39.3	34.5	17.6	18.0	12.2	11.2	215.6
Seddon Park grounds maintenance renewals	650.0	2	2.1		R			17.0	8.8	9.0	9.2	75.1	9.6	9.7	9.9	148.3
CCTV camera	686.0	2	2.1		C								23.9			23.9
Seddon Park fibre installation and voice data infrastructural upgrade	693.0	2	2.1		C		51.6									51.6
Seddon Park fibre installation and voice data infrastructural upgrade O&M	693.1				M		5.2	5.3	5.5	5.6	5.7	5.9	6.0	6.1	6.2	51.4
Seddon Park Subtotal						25.0	87.7	33.0	30.6	53.9	49.4	98.6	57.5	28.0	27.3	490.9
Zoo																
Zoo development programme no 1	310.0	5	5.1		C			353.2			396.4					749.7
Zoo development programme O&M impact no 1	310.1				M				-5.5	-5.6	-5.7					-16.8
Zoo staff facilities	426.0	5	5.1		C	480.0										480.0
Zoo electrical reticulation	493.0	5	5.1		C				87.5							87.5
Renewal animal enclosures	718.0	5	5.1		R	90.0	82.6	85.1	87.5	101.0	91.9	93.9	95.8	109.6	99.1	936.5
Renewal buildings structures etc	719.0	5	5.1		R	95.0	92.9	95.8	98.5	106.6	103.4	105.7	107.7	115.7	111.5	1032.7
Visitor toilets	722.0	5	5.1		C	120.0										120.0
Visitor toilets O&M impact	722.1				M		10.3	10.6	10.9	11.2	11.5	11.7	12.0	12.2	12.4	102.9
Zoo visitor shelters	725.0	5	5.1		C	60.0		63.8		67.3		70.4		73.1		334.7
Security perimeter fencing	768.0	5	5.1		C		275.5	284.1				312.3				871.9
Zoo Subtotal						845.0	461.3	892.7	279.0	280.5	597.5	594.0	215.5	310.6	223.0	4699.1
Strategic Framework: C - Protecting our Future																
Transport: Access Hamilton																
Traffic model update O&M impact	50.1				M	-0.4					-0.5				-0.5	-1.4
E1 East Hamilton arterial design & construction O&M impact	375.1				M	6.0	6.2	6.4	6.6	6.7	6.9			7.3	7.4	53.5
Massey-Hall minor works O&M impact	526.1				M	0.5		0.5								1.0
Mill St Intersections (Tristram-Willoughby-Anglesea) O&M impact	527.1				M	1.5	1.5									3.0
Wairere Drive (designation, land, intersections, 4 laning etc) O&M impact	544.1				M	40.4	64.9	69.0	60.0	80.0	70.4	91.5	95.1	94.5	69.8	735.6
Cycleway construction (ACC Ham)	545.0	1	1.1		C		0.0	-0.0	0.0	-0.0	0.0					0.0
Cycleway construction (ACC Ham) O&M impact	545.1				M	6.4	6.6	6.8	7.0	7.2	7.4	7.5	7.7	7.8	7.9	72.2
Carpark Knox St stage 2 O&M impact	730.1				M					-123.4	-183.8	-187.8	-191.5	-255.8	-260.2	-1202.6
Carpark River Rd O&M impact	731.1				M							-234.8	-239.4	-365.4	-371.7	-1211.3
Safe routes programme O&M impact	740.1				M	0.7	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.9	0.9	7.9
School business travel plans O&M impact	741.1				M	1.0	1.0	1.1	1.1	1.1	1.1	1.2	1.2	1.2	1.2	11.3
Walking school buses O&M impact	742.1				M	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	5.6
Walkway & cycleway river crossing Deys Park O&M impact	772.1				M	0.5		0.5	0.5							1.6
Off road walkway cycleway programme (new) O&M impact	778.1				M	-23.3	30.7	56.1	77.3	82.7	107.7	162.8	200.7	216.4	261.4	1172.6
Transport: Access Hamilton Subtotal						33.8	112.2	141.7	153.9	55.7	10.5	-168.3	-124.8	-292.5	-283.1	-360.8
Carriageways management																
Miscellaneous land purchases	30.0	1	1.1		C	50.0	51.6	53.2	54.7	56.1	57.5	58.7	59.9	60.9	62.0	564.5
Tui Ave	36.0	1	1.1		C						57.5	469.6				527.1
Lake Domain Drive (Innes Common)	37.0	1	1.1		R	114.0										114.0
Lake Domain Drive (Innes Common) O&M impact	37.1				M	4.0										4.0
Kerb and channel replacement	40.0	1	1.1		R	837.0	863.8	890.6	970.4	1205.0	1134.1	1175.2	1361.0	1384.9	1408.7	11230.6
Kerb and channel replacement O&M impact	40.1				M	4.8	5.0	5.1	5.3	5.4	5.5	5.6	5.7	5.8	5.9	54.2
Area wide treatment	41.0	1	1.1		R	400.1	405.7	627.4	476.2	393.8	1017.6	1039.7	1060.1	1078.7	1097.3	7596.5
Area wide treatment O&M impact	41.1				M	7.5	7.7	8.0	8.2	8.4	8.6	8.8	9.0	9.1	9.3	84.7
Bridge resurfacing	42.0	1	1.1		R		27.9				37.2					65.1
Carriageways reseals	44.0	1	1.1		R	1162.0	793.6	818.2	1203.4	1566.3	1745.3	1901.9	1939.1	1973.2	2007.2	15110.2
Carriageways reseals O&M impact	44.1				M	21.6	22.3	23.0	23.6	24.2	24.8	25.4	25.9	26.3	26.8	243.8
Bridge refurbishment	45.0	1	1.1		R	648.0			118.2		496.4					1262.5
Bridge refurbishment O&M impact	45.1				M	12.0			13.1		13.8					38.9
Stormwater quality improvements	46.0	1	1.1		C		27.9	28.7	29.5	30.3	31.0	31.7	32.3	32.9	33.5	277.8
Routine bridge maintenance	47.0	1	1.1		M	54.0	55.7	57.5	59.1	60.6	62.0	63.4	64.6	65.8	66.9	609.6
Routine bridge maintenance O&M impact	47.1				M	1.0	1.0	1.1	1.1	1.1	1.1	1.2	1.2	1.2	1.2	11.3
RAMM management	448.0	1	1.1		M	150.0	247.7	159.6	262.6	168.3	275.8	176.1	287.3	182.7	297.4	2207.3
Ruakura Rd (E1 to Silverdale)	552.0	1	1.1		C	90.0			56.9	420.8						567.6
Peacocks roading future growth O&M impact	553.1				M	4.5										4.5

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						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
						1	2	3	4	5	6	7	8	9	10	
Rotokauri roading future growth O&M impact	554.1				M	2.5	2.6	2.7	2.7			2.9	3.0			16.4
Church Rd upgrade near Maui St	610.0	1	1.1		C	100.0										100.0
Implementation of disability strategy	765.0	1	1.1		C	25.0	25.8	10.6	10.9	11.2						83.6
Powerline undergrounding funded	787.0	1	1.1		C								398.6	405.6	412.6	1216.8
Carriageways management Subtotal						3688.0	2538.2	2685.6	3295.8	3951.6	4968.2	4960.2	5247.6	5227.0	5428.7	41991.0
Central area off-street parking																
Off Street carpark resurfacing	236.0	1	1.1		R	9.0	14.4					9.4				32.8
Central area off-street parking Subtotal						9.0	14.4					9.4				32.8
Footpaths, cycleways and verges																
Footpaths & verges shape correction	92.0	1	1.1		R	1200.0	1341.6	1324.7	1367.5	1688.6	1723.5	1761.0	3055.9	3231.4	3350.3	20044.4
Litter bins	94.0	1	1.1		C	20.0	20.6	21.3	21.9	22.4	23.0	23.5	23.9	24.4	24.8	225.8
Footpath construction	97.0	1	1.1		C	63.0	77.4	59.6	59.1	58.3	58.6	63.4	55.1	68.2	62.0	624.6
Footpaths, cycleways and verges Subtotal						1283.0	1439.6	1405.5	1448.5	1769.4	1805.1	1847.9	3134.9	3323.9	3437.0	20894.8
Refuse (excl Horotiu)																
Refuse transfer station asset management upgrades	152.0	1	1.7		R	130.0										130.0
Review of closed landfill consent conditions & monitoring	562.0	1	1.7		M	34.0	35.1	19.2	19.7	20.2	20.7	21.1	21.5	21.9	22.3	235.7
Closed landfill consent requirements	563.0	1	1.7		C	110.0	41.3									151.3
Renewals at closed landfills	564.0	1	1.7		R	24.0	27.9	26.6	29.5	28.1	36.8	29.4	32.3	47.5	40.9	322.9
Refuse (excl Horotiu) Subtotal						298.0	104.2	45.8	49.2	48.2	57.5	50.5	53.9	69.4	63.2	839.9
Refuse disposal (Horotiu)																
Capital works associated with gas flare	745.0	1	1.7		C	165.0										165.0
Horotiu aftercare	746.0	1	1.7		R	34.0	14.4	14.9	15.3	49.4	16.1	16.4	16.8	17.1	159.8	354.2
Refuse disposal (Horotiu) Subtotal						199.0	14.4	14.9	15.3	49.4	16.1	16.4	16.8	17.1	159.8	519.2
Stormwater reticulation																
Stormwater consent review	166.0	1	1.6		M					33.7					37.2	70.8
Stormwater impact mitigation	167.0	1	1.6		C	115.0	118.7	122.4	125.8	56.1	57.5	58.7	59.9	60.9	62.0	836.8
Reticulation network renewals	175.0	1	1.6		R	211.0	217.8	224.5	230.8	236.7	242.4	247.7	252.6	257.0	261.4	2362.0
Upgrade network to prevent flooding	176.0	1	1.6		C	350.0	650.2	595.8	612.6	572.2	551.5	622.2	706.2	669.9	669.1	5999.8
River outfall improvements	178.0	1	1.6		C	55.0	56.8	58.5	60.2	140.3	143.6	146.8	149.6	152.3	154.9	1117.8
Renew stormwater outlets to kerbs	180.0	1	1.6		R	30.0	31.0	31.9	32.8	33.7	34.5	35.2	35.9	36.5	37.2	338.7
Network hydraulic modelling	181.0	1	1.6		M	52.0	35.1	36.2	39.4	33.7	34.5	37.6	35.9	36.5	39.6	380.4
Structure plan review	182.0	1	1.6		M		10.3			11.2						21.5
Maintenance of wetland facilities	184.0	1	1.6		M	20.0	20.6	21.3	21.9	22.4	23.0	23.5	23.9	24.4	24.8	225.8
Stormwater network upgrade investigations	451.0	1	1.6		M	40.0	41.3	42.6	43.8	44.9	46.0	47.0	47.9	48.7	49.6	451.6
Rotokauri stormwater management plan	502.0	1	1.6		M		10.3			11.2			12.0			33.5
Renewals associated with Avalon Drive bypass SW	567.0	1	1.6		R	10.0	20.6									30.6
Education fish icon programme	569.0	1	1.6		M	10.0	10.3	10.6	10.9	11.2	11.5	11.7	12.0	12.2		100.5
Secondary flowpath citywide assessment	570.0	1	1.6		M		129.0	133.0								262.0
Network condition assessment	572.0	1	1.6		M	20.0	20.6	21.3	5.5	5.6	5.7	5.9	6.0	6.1	6.2	102.9
Alderton dam upgrade	801.0	1	1.6		C	60.0										60.0
Stormwater reticulation Subtotal						973.0	1372.6	1298.1	1183.7	1212.9	1150.1	1236.2	1341.8	1304.5	1341.8	12414.8
Sustainable environment																
Environmental education programme	203.0	1			M	73.0	75.3	77.7	79.9	81.9	83.9	85.7	87.4	88.9	90.4	824.1
Sustainable subdivision	205.0	1			M	15.0	5.2									20.2
Waste management plan review	206.0	1			M	5.0	10.3	5.3	10.9					12.2		43.8
Gully restoration programme	208.0	1			M	15.0	10.3	10.6	7.7	7.9						51.5
Waste management plan initiatives	501.0	1			M	20.0	20.6	31.9	21.9	22.4						116.9
Consultation programme	622.0	1			M	10.0	5.2	5.3	5.5	11.2	5.7	5.9				48.8
Waikato biodiversity forum	807.0	1			M	3.5	3.6	3.7	3.8	3.9	4.0	4.1	4.2	4.3	4.3	39.5
Sustainable environment Subtotal						141.5	130.5	134.6	129.6	127.3	93.6	95.7	91.6	105.4	94.8	1144.7
Traffic services/street lighting																
Minor safety improvements	222.0	1	1.1		C	162.0	167.2	172.4	177.2	181.8	186.1	190.2	193.9	197.3	200.7	1828.8
Minor safety improvements O&M impact	222.1				M	-27.2	-28.1	-28.9	-29.8	-30.5	-31.3	-31.9	-32.6	-33.1	-33.7	-307.1

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						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
						1	2	3	4	5	6	7	8	9	10	
Traffic improvements	223.0	1	1.1		C	66.0	68.1	70.2	72.2	74.1	75.8	77.5	79.0	80.4	81.8	745.1
Traffic improvements O&M impact	223.1				M	1.5	1.5	1.6	1.6	1.7	1.7	1.8	1.8	1.8	1.9	16.9
Traffic calming	224.0	1	1.1		C	116.0	171.3	70.2	126.9	186.3	190.7					861.4
Traffic calming O&M impact	224.1				M	1.5	1.5	1.6	1.6	1.7	1.7	1.8	1.8	1.8	1.9	16.9
Road safety audit/AIS/traffic signal	225.0	1	1.1		M	13.5	13.9	14.4	14.8	15.1	15.5	15.8	16.2	16.4	16.7	152.4
Road safety audit/AIS/traffic signal O&M impact	225.1				M	0.3	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.4	3.4
Amenity lighting	226.0	1	1.1		C	35.0	36.1	37.2	38.3	39.3	11.5	29.4	12.0	30.5	12.4	281.6
Installation of new street lights	227.0	1	1.1		C	88.0	90.8	93.6	96.3	98.7	101.1	103.3	105.3	107.2	109.0	993.4
Installation of new street lights O&M impact	227.1				M	2.0	2.1	2.1	2.2	2.2	2.3	2.3	2.4	2.4	2.5	22.6
Street furniture	230.0	1	1.1		R	20.0	20.6	21.3	21.9	33.7	34.5	35.2	35.9	36.5	37.2	296.8
Replacement of existing street lights	231.0	1	1.1		R	179.8	185.6	191.3	196.7	201.8	206.6	211.1	215.2	219.0	222.8	2030.0
Replacement of existing street lights O&M impact	231.1				M	3.4	3.5	3.6	3.7	3.8	3.9	4.0	4.1	4.1	4.2	38.4
Traffic signal renewal	232.0	1	1.1		R	64.8	66.9	51.7	53.2	54.5	55.8	57.1	58.2	59.2	60.2	581.6
Traffic signal renewal O&M impact	232.1				M	1.2	1.2	1.3	1.3	1.3	1.4	1.4	1.4	1.5	1.5	13.5
Street sign renewal	233.0	1	1.1		R	95.0	98.1	101.1	104.0	106.6	109.2	111.6	113.8	115.8	117.8	1072.9
Street sign renewal O&M impact	233.1				M	1.8	1.9	1.9	2.0	2.0	2.1	2.1	2.2	2.2	2.2	20.3
Traffic signal controller replacement	234.0	1	1.1		R	27.0	27.9	28.7	29.5	30.3	31.0	31.7	32.3	32.9	33.5	304.8
Traffic signal controller replacement O&M impact	234.1				M	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	5.6
Safety barriers renewal	235.0	1	1.1		R	13.5	13.9	14.4	14.8	15.1	15.5	15.8	16.2	16.4	16.7	152.4
Safety barriers renewal O&M impact	235.1				M	0.3	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.4	3.4
CBD traffic trials	785.0	1	1.1		M	100.0										100.0
Traffic services/street lighting Subtotal						966.0	945.3	850.9	929.6	1020.8	1016.6	861.4	860.4	893.7	890.5	9235.2
Wastewater reticulation																
Network upgrade to subdivisional standards (WW)	245.0	1	1.6		R	450.0	464.4	478.8	492.3	628.3	643.4	892.2	1244.9	1144.9	1164.7	7604.0
Condition assessment of the wastewater pipe network	246.0	1	1.6		M	45.0	129.0	138.3	136.8	129.0	143.6	158.5	173.6	164.4	179.7	1397.9
Refurbishment of interceptors & trunk services	247.0	1	1.6		R	350.0	825.6	851.2	820.5	897.6	1436.3	1526.2	2055.2	2091.3	2126.1	12980.0
Replacement of pumping station SCADA system	249.0	1	1.6		R	20.0	258.0	266.0	273.5	280.5	287.3	293.5	299.3			1978.0
Replacement asbestos cement rising mains	250.0	1	1.6		R	75.0	87.7	133.0	109.4	89.8	91.9	82.2	197.5	79.2	241.6	1187.3
Pump station asset management upgrades	251.0	1	1.6		R	180.0	185.8	191.5	120.3	123.4	126.4	129.1	131.7	134.0	136.3	1458.5
Pump station storage	253.0	1	1.6		C	120.0	123.8	127.7	218.8	224.4	229.8	234.8	359.1	365.4	371.7	2375.5
Wastewater flow modelling	254.0	1	1.6		M	58.0	35.1	36.2	39.4	33.7	34.5	37.6	35.9	36.5	39.6	386.4
Corrosion venting of interceptors	255.0	1	1.6		C	15.0	15.5	74.5	76.6	78.5	80.4					340.5
Wastewater bridge maintenance	257.0	1	1.6		M						25.3			24.4		49.6
Wastewater structure plan reviews	258.0	1	1.6		M		20.6									20.6
Wastewater upgrade investigations	453.0	1	1.6		M	50.0	51.6	53.2	54.7	56.1	57.5	58.7	59.9	60.9	62.0	564.5
Pipe & manhole layout study	576.0	1	1.6		M	10.0										10.0
Pump station electrical components	577.0	1	1.6		R	140.0	144.5	149.0	153.2	157.1	160.9	164.4	167.6	170.5	173.5	1580.5
Pump station standby generator	578.0	1	1.6		C			31.9			34.5		263.3		198.2	528.0
Pump station structure & pipework review	594.0	1	1.6		M	20.0										20.0
WW renewals associated with Avalon Drive bypass	749.0	1	1.6		R	20.0	190.9									210.9
Peacock stage 1 O&M impact	797.1				M			53.2	109.4	112.2	114.9	117.4	119.7	121.8	123.9	872.5
Wastewater reticulation Subtotal						1553.0	2532.5	2584.5	2604.8	2810.6	3466.5	3694.6	5107.6	4393.3	4817.2	33564.7
Wastewater treatment plant																
WWTP upgrade o&m impact	238.1				M		72.2	74.5	382.9	594.7	609.0	622.2	634.4	645.5	743.4	4378.8
WWTP capital improvements	305.0	1	1.6		C	110.0	418.0	74.5	87.5				47.9			737.8
WWTP asset renewals	307.0	1	1.6		R	45.0	194.0	171.3	321.6	678.8	710.1	698.5	678.7	946.4	1303.4	5747.9
Wastewater treatment plant Subtotal						155.0	684.2	320.3	792.1	1273.5	1319.1	1320.8	1361.0	1591.9	2046.8	10864.6
Water reticulation																
Water network new mains	267.0	1	1.6		C	550.0	567.6	585.2	547.0	617.1	517.1	587.0	584.1	594.4	603.4	5752.9
Water network mains renewal	269.0	1	1.6		R	900.0	1032.0	1170.4	1203.4	1495.6	1637.3	1691.7	2672.9	2719.8	2767.9	17291.1
Water network fitting renewals	270.0	1	1.6		R	271.0	279.7	288.3	296.5	304.1	482.6	493.1	502.7	511.6	459.7	3889.2
Bulkmain valve automation	272.0	1	1.6		C	100.0	82.6	85.1	87.5							355.2
Restricted supply to rural properties	274.0	1	1.6		C	13.0		13.8		14.6		15.3		15.8		72.5
Fire hydrant painting in the berms	275.0	1	1.6		M	35.0			38.3			41.1			43.4	157.7
Water supply emergency plan	280.0	1	1.6		C			4.3	26.3	26.9	27.6	28.2	4.8			118.0
Installation of new water meters	561.0	1	1.6		C	10.0	10.3									20.3
Citywide backflow device installation	565.0	1	1.6		C		258.0	266.0	273.5	280.5	287.3	293.5	299.3	304.5	309.8	2572.3
Ruakura water supply pipeline	584.0	1	1.6		C	382.0										382.0
Network hydraulic modelling (W)	585.0	1	1.6		M		118.7	58.5	35.0	16.8	23.0	24.7	23.9	25.6	18.6	344.8

ALL FIGURES IN \$000's

	SAP No	Community Outcome 1	Community Outcome 2	Corporate Outcome	Expenditure Type	Depreciation (Rates)										10 Yr Total
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
						1	2	3	4	5	6	7	8	9	10	
Water supply network upgrade investigations	586.0	1	1.6		M	50.0	51.6	53.2	54.7	56.1	57.5	58.7	59.9	60.9	62.0	564.5
Water cost recovery methodology review	588.0	1	1.6		M		25.8									25.8
Condition assessment of the pipe network & fittings	589.0	1	1.6		M	50.0	51.6	53.2	10.9	11.2	11.5	11.7	12.0	12.2	12.4	236.7
Inspection of restricted supplies	590.0	1	1.6		M	10.0			10.9			11.7			12.4	45.1
Unaccounted for water study	591.0	1	1.6		M	45.0	46.4	26.6	27.4	28.1	28.7	29.4	29.9	30.5	31.0	322.9
Renewals associated with Te Rapa 4-laning	750.0	1	1.6		R	150.0										150.0
Backflow device testing for industrial & restricted rural supplies	751.0	1	1.6		M	5.0	5.2	16.0	16.4	16.8	17.2	17.6	18.0	18.3	18.6	149.0
Bulkmain flushing and cleaning	752.0	1	1.6		M		15.5		32.8	33.7	34.5	11.7	12.0	12.2	12.4	164.7
Renewals associated with Avalon Drive bypass	753.0	1	1.6		R	135.0	77.4									212.4
Water reticulation Subtotal						2706.0	2622.3	2620.6	2660.6	2901.5	3124.1	3316.4	4219.4	4306.6	4361.4	32827.0
Water treatment station																
Reservoir asset renewals	278.0	1	1.6		R	130.0	37.2	58.5	23.0	107.7	41.4	52.8	43.1	152.3	158.6	804.5
WTS asset renewal	294.0	1	1.6		R	105.0	413.8	134.1	404.8	460.0	514.8	547.1	262.1	316.7	282.5	3440.8
WTS filter improvements	298.0	1	1.6		R	150.0	154.8	239.4	246.2	252.5	258.5	264.2	269.3	182.7	185.9	2203.4
Reservoir capital improvements	304.0	1	1.6		C		51.6	90.4	58.0	49.4	40.2	334.6				624.2
Feasibility study for a second water treatment station	454.0	1	1.6		M		77.4									77.4
Treatment station upgrade	455.0	1	1.6		C										43.4	43.4
WTS Capital improvements (resource)	519.0	1	1.6		C	104.0		4.3		77.4	23.0	23.5	23.9	24.4	24.8	305.2
WTS Capital improvements (resource) O&M impact	519.1				M			409.6	421.2	432.0	442.4	452.0	460.8	468.9	477.0	3563.9
WTS Emergency electricity supply O&M impact	520.1				M		5.2	5.3	5.5	5.6	5.7	5.9	6.0	6.1	6.2	51.4
Capital improvements	764.0	1	1.6		C	21.0	31.0	2.1	54.7	16.8	46.0	434.4	53.9	54.8	55.8	770.4
Water treatment station Subtotal						510.0	770.9	943.8	1213.2	1401.4	1371.9	2114.4	1119.2	1205.8	1234.0	11884.6
Strategic Framework: Corporate Contribution																
City parks																
Northern City Parks works depot	400.0	1	1.4		C	40.0		291.5								331.5
City parks Subtotal						40.0		291.5								331.5
Communication and marketing																
Upgrade what's on website	645.0	2	2.1		M	20.0										20.0
Communication and marketing Subtotal						20.0										20.0
Design services																
Survey equipment renewal	546.0			S1	R		9.8	8.5	11.5	2.6	62.0	86.9	12.0	9.7	12.4	215.4
Design services Subtotal							9.8	8.5	11.5	2.6	62.0	86.9	12.0	9.7	12.4	215.4
Finance and administration																
Asset revaluation	90.0			S1	M	100.0	61.9	63.8	65.6	67.3	68.9	70.4	71.8	73.1	74.3	717.3
Finance and administration Subtotal						100.0	61.9	63.8	65.6	67.3	68.9	70.4	71.8	73.1	74.3	717.3
Human resources																
Business excellence programme	403.0			O4	M	100.0	82.6	85.1	109.4	89.8	91.9	117.4	95.8	97.4	123.9	993.3
Human resources Subtotal						100.0	82.6	85.1	109.4	89.8	91.9	117.4	95.8	97.4	123.9	993.3
Information management																
Data capture	102.0			O3	C	175.0	180.6	186.2	191.5	196.4	201.1	205.5	209.5	213.2	216.8	1975.6
IT system upgrades	444.0			O3	C		120.7	170.2	235.2	161.6	208.0	236.0	209.5	220.5	309.8	1871.4
IT system enhancements	639.0			O3	C	258.0	503.6	667.1	710.0	950.3	999.6	886.4	726.6	632.1	489.4	6823.2
Information management Subtotal						433.0	805.0	1023.6	1136.7	1308.3	1408.7	1327.8	1145.5	1065.8	1016.0	10670.2
Property and risk management (support)																
Vehicles and plant replacement	149.0			S1	R	880.0	944.3	1020.4	984.6	1065.9	1091.6	1115.3	1137.2	1157.1	1177.1	10573.3
Property management capital asset renewal	150.0			S1	R	2700.0	2928.8	2360.0	2437.4	3311.0	3325.2	3112.3	2738.7	3096.2	3444.4	29454.0
Emergency management radio telephone repeater replacement	618.0	7	7.1		R	1.0	10.3									11.3
Waterworld Pool concourse re-tiling	646.0	5	5.1		R			577.8								577.8
Pensioner Housing renewals	647.0	5	5.4		R	510.4	419.0	545.6	481.4	249.1	564.2	369.8	435.2	415.3	247.8	4237.8
Waterworld Pool ceiling replacement	648.0	5	5.1		R	1413.0										1413.0
Waterworld Pool ceiling replacement O&M impact	648.1				M	100.0										100.0

ALL FIGURES IN \$000's

	SAP No	Community Outcome 1	Community Outcome 2	Corporate Outcome	Expenditure Type	Depreciation (Rates)										10 Yr Total
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
						1	2	3	4	5	6	7	8	9	10	
Additional plant and fleet purchase for WEC	670.0	2	2.1		C	41.0	29.9									70.9
Additional fleet	726.0			S1	C	296.0	169.2	175.6	175.0	235.6	57.5	133.8	155.6	45.1	105.3	1548.7
Public toilet upgrades	773.0	5	5.4		C	92.0	94.9	97.9	100.6	103.2	105.7	105.0	110.1	112.1	114.0	1038.6
Property and risk management (support) Subtotal						6033.4	4596.5	4777.1	4179.1	4964.9	5144.1	4839.2	4576.8	4825.7	5088.6	49025.4
Strategic																
District plan appeals, variations & reprinting provisions	185.0	1			M	32.0	8.3	8.5	8.8	9.0	9.2	9.4	9.6	9.7	9.9	114.3
Strategic plan LTCCP financial management policy review	186.0	7	7.1		M	219.0	172.3	206.4	239.6	187.4	222.9	257.1	199.9	236.3	271.3	2212.3
Hamilton urban growth strategy	189.0	1			M	75.0	25.8					11.7			43.4	155.9
District plan implementation monitoring of the district plan	190.0			S1	M	50.0	51.6	53.2	54.7	56.1	57.5	58.7	59.9	60.9	62.0	564.5
Hamilton district alternative methods programme	191.0			S1	M	60.0	41.3	42.6	43.8	11.2	11.5	11.7	12.0	12.2	12.4	258.6
Open space review & reserves strategy	193.0	1	1.4		M		31.0	63.8								94.8
Rolling review programme district plan	195.0			S1	M	210.0	103.2	85.1	76.6	89.8	68.9	70.4	71.8	73.1	74.3	923.3
Hamilton City Council's governance statement	441.0	7	7.1		M		15.5			16.8			18.0			50.3
Quality of life	523.0	7	7.1		M	22.0	10.3	23.4	5.5	24.7	5.7	31.7	6.0	26.8	6.2	162.3
Hamilton community outcomes	624.0	7	7.1		M	100.0	82.6	85.1	153.2	175.0	162.0	93.9	95.8	97.4	173.5	1218.5
Customer satisfaction survey	627.0			S1	M	65.0	67.1	69.2	71.1	72.9	74.7	76.3	77.8	79.2	80.5	733.8
Development contributions	628.0			S1	M	30.0	31.0	31.9	32.8	33.7	34.5	35.2	35.9	36.5	37.2	338.7
City design strategy implementation	632.0	1			M	200.0	154.8	106.4	109.4	112.2	114.9	117.4	119.7	121.8	123.9	1280.5
Strategic Subtotal						1063.0	794.6	775.7	795.3	788.8	761.8	773.7	706.2	753.9	894.6	8107.6
Utilities																
Utilities covered storage Duke Street depot	634.0			S1	C	40.0										40.0
Tools of trade	642.0			S1	R	31.0	25.8	22.3	15.3	12.3	13.8	12.9	13.2	14.6	22.3	183.6
Utilities Subtotal						71.0	25.8	22.3	15.3	12.3	13.8	12.9	13.2	14.6	22.3	223.6
Works and Services Management																
Energy efficiency fund	283.0	1	1.6		M	30.0	31.0	31.9	32.8	33.7	34.5	35.2	35.9	36.5	37.2	338.7
Water and waste customer charter	792.0	1	1.6		M		25.8	42.6								68.4
Works and Services Management Subtotal						30.0	56.8	74.5	32.8	33.7	34.5	35.2	35.9	36.5	37.2	407.0
Total						30024.0	31016.1	31596.5	31629.6	36316.4	38910.4	41603.0	44258.0	44632.1	46434.9	376420.8

Expenditure Type
C Capital
M Maintenance / operating
R Renewal (capital)

APPENDIX 16.4

SPECIAL AND CAPITAL PROJECTS - UNFUNDED

ALL FIGURES IN \$000's	SAP No	Community Outcome 1	Community Outcome 2	Corporate Outcome	Expenditure Type	Total Cost										10 Yr Total
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
						1	2	3	4	5	6	7	8	9	10	
Strategic Framework: A - Investing in our People																
Cemeteries and crematorium																
Cemetery road maintenance Hamilton East	56.0	5	5.4		C		392.2	155.3	181.6							729.1
Hamilton Park cemetery reception facility	318.0	5	5.4		C						68.9		526.7	60.9		656.5
Hamilton Park reception facility O&M impact	318.1				M									48.7	49.6	98.3
Cemeteries and crematorium Subtotal							392.2	155.3	181.6		68.9		526.7	109.6	49.6	1483.9
Community assistance																
Indoor tennis stadium grant	784.0	4	4.5		M	320.0										320.0
Community assistance Subtotal						320.0										320.0
Hamilton Gardens																
Hamilton Gardens infrastructure unfunded portion	779.0	1	1.4		C				180.5					164.4		344.9
Hamilton Gardens infrastructure unfunded portion O&m impact	779.1				M					7.9	8.0	8.2	8.4	8.5	8.7	49.7
Hamilton Gardens Subtotal									180.5	7.9	8.0	8.2	8.4	173.0	8.7	394.6
Parks and gardens																
Central city archaeological and cultural recognition programme	755.0	1	1.4		C				126.9							126.9
Central city archaeological and cultural recognition programme O&M impact	755.1				M					2.2	2.3	2.3	2.4	2.4	2.5	14.2
Donny Park development programme	756.0	1	1.4		C			90.4								90.4
Carpark development unfunded portion	777.0	1	1.4		C			138.3	411.3							549.7
Carpark development unfunded portion O&M portion	777.1				M				1.1	3.4	3.4	3.5	3.6	3.7	3.7	22.4
Parks and gardens Subtotal								228.8	539.3	5.6	5.7	5.9	6.0	6.1	6.2	803.6
Social development																
Enderley Park community arts studio	511.0	4	4.5		C				36.1							36.1
North east sector new community centre	611.0	4	4.5		C		154.8				1430.5					1585.3
North east sector new community centre O&M impact	611.1				M							223.1	227.4	231.4	235.4	917.3
Celebrating Age Centre airconditioning	655.0	4	4.5		C			16.0								16.0
Celebrating Age Centre airconditioning O&M impact	655.1				M			1.1	1.1	1.1	1.1	1.2	1.2	1.2	1.2	9.3
Celebrating Age Centre room soundproofing	656.0	4	4.5		C					24.7						24.7
Enderly Park Centre airconditioning	657.0	4	4.5		C				10.9							10.9
Enderly Park Centre airconditioning O&M impact	657.1				M				1.1	1.1	1.1	1.2	1.2	1.2	1.2	8.2
Social development Subtotal							154.8	17.0	49.2	26.9	1432.8	225.4	229.8	233.9	237.9	2607.8
Swimming facilities																
Refurbishment of entrance Gallagher	717.0	5	5.1		C				21.9			182.0				203.9
UV treatment system Gallagher	720.0	5	5.1		C						57.5					57.5
UV treatment system Waterworld	721.0	5	5.1		C					224.4						224.4
Swimming facilities Subtotal									21.9	224.4	57.5	182.0				485.7
Strategic Framework: B - Creating Identity and Prosperity																
Economic development																
CBD entertainment fund 1	763.0	6	6.2		M	50.0	51.6	53.2								154.8
Strategic thinking programme	795.0	6	6.2		M		103.2	106.4	109.4							319.0
Economic development Subtotal						50.0	154.8	159.6	109.4							473.8
Performing arts																
Community theatre development	694.0	2	2.2		C						183.8	1345.4	335.2			1864.4
Founders Theatre stage enlargement	696.0	2	2.2		C	700.0	5160.0	2447.2								8307.2
Founders west foyer development	697.0	2	2.2		C	200.0	1032.0	532.0								1764.0
Meteor Innovation Centre development	701.0	2	2.2		C				305.2							305.2
Performing arts Subtotal						900.0	6192.0	2979.2	305.2		183.8	1345.4	335.2			12240.8
Claudlands Events Centre																
Claudlands Event Centre upgrade unfunded portion	781.0	2	2.1		C							3540.8	4129.7	3042.6		10713.0
Claudlands Events Centre Subtotal												3540.8	4129.7	3042.6		10713.0
Waikato Museum of Art and History																
Museum Access	704.0	2	2.1		C	500.0	1754.4									2254.4

ALL FIGURES IN \$000's

	SAP No	Community Outcome 1	Community Outcome 2	Corporate Outcome	Expenditure Type	Total Cost										10 Yr Total
						2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
						1	2	3	4	5	6	7	8	9	10	
Museum Access O&M impact	704.1				M			-5.3	-5.5	-5.6	-5.7	-5.9	-6.0	-6.1	-6.2	-46.3
Cultural entrance	707.0	2	2.1		C		825.6									825.6
Rangiriri restoration stage 2	709.0	2	2.1		C		154.8									154.8
Rangiriri restoration O&M impact	709.1				M		8.3	8.5	8.8	9.0	9.2	9.4	9.6	9.7	9.9	82.3
Beale Cottage building restoration	775.0	2	2.1		C			29.8	30.6	31.4	32.2		39.5	53.6		217.1
Waikato Museum of Art and History Subtotal						500.0	2743.1	33.0	33.9	34.8	35.6	3.5	43.1	57.2	3.7	3487.9
Waikato Stadium																
Catering chiller store rooms, info and merchandising booths	679.0	2	2.1		C									73.1	65.7	138.7
Waikato Stadium Subtotal														73.1	65.7	138.7
Seddon Park																
Catering concession and public toilet block	685.0	2	2.1		C		84.6	707.6	38.3							830.5
Kitchen chiller	687.0	2	2.1		C					11.2	87.3					98.5
Pavilion air conditioning	688.0	2	2.1		C	65.0										65.0
Pavilion air conditioning O&M impact	688.1				M	5.0	5.2	5.3	5.5	5.6	5.7	5.9	6.0	6.1	6.2	56.4
Renewal of the player amenities	689.0	2	2.1		R				10.9	95.4						106.3
Public sound and pa system	690.0	2	2.1		C		51.6									51.6
Replay screen placement position	691.0	2	2.1		C									31.7		31.7
Renewal & upgrade of the path surrounding the perimeter of the Oval	692.0	2	2.1		R	141.0										141.0
Seddon Park Subtotal						211.0	141.4	712.9	54.7	112.2	93.1	5.9	6.0	37.8	6.2	1381.0
Zoo																
All weather canopy next to café	711.0	5	5.1		C	175.0										175.0
Zoo education facility	724.0	5	5.1		C						57.5				433.7	491.1
Zoo development programme no 2	776.0	5	5.1		C					1094.0	1120.3	1144.7		389.8		3748.6
Zoo Subtotal						175.0				1094.0	1177.7	1144.7		389.8	433.7	4414.7
Strategic Framework: C - Protecting our Future																
Carriageways management																
Powerline undergrounding programme unfunded	395.0	1	1.1		C		316.8	322.4	328.2	336.6	344.7	352.2				2000.9
Carriageways management Subtotal							316.8	322.4	328.2	336.6	344.7	352.2				2000.9
Traffic services/street lighting																
CBD improvements unfunded	789.0	1	1.1		C						172.4	939.2	5147.1	1948.8	1858.5	10066.0
Traffic services/street lighting Subtotal											172.4	939.2	5147.1	1948.8	1858.5	10066.0
Strategic Framework: Corporate Contribution																
Communication and marketing																
City christmas tree	625.0	2	2.1		C	170.0	46.4	47.9	49.2	50.5	114.9	52.8	53.9	54.8	55.8	696.2
Communication and marketing Subtotal						170.0	46.4	47.9	49.2	50.5	114.9	52.8	53.9	54.8	55.8	696.2
Property and risk management (support)																
Municipal building - new glass canopy	631.0	2	2.6		C			106.4	1157.5	3366.0						4629.9
Property and risk management (support) Subtotal								106.4	1157.5	3366.0						4629.9
Works and Services Management																
Home energy efficiency measures programme (HEEM)	619.0	1	1.6		M	30.0	31.0	31.9	32.8	33.7	34.5	35.2	35.9	36.5	37.2	338.7
Works and Services Management Subtotal						30.0	31.0	31.9	32.8	33.7	34.5	35.2	35.9	36.5	37.2	338.7
Total						2356.0	10172.4	4794.4	3043.5	5292.5	3729.7	7841.1	10521.6	6163.1	2763.0	56677.3

Expenditure Type
C Capital
M Maintenance / operating
R Renewal (capital)

APPENDIX 16.5 RECOVERY RATIOS

	2006/07 1	2007/08 2	2008/09 3	2009/10 4	2010/11 5	2011/12 6	2012/13 7	2013/14 8	2014/15 9	2015/16 10
INVESTING IN OUR PEOPLE										
Community support	11%	12%	12%	13%	13%	13%	13%	13%	13%	13%
Community facilities	47%	47%	49%	49%	48%	49%	48%	48%	48%	47%
Emergency management	41%	41%	41%	41%	42%	42%	42%	42%	42%	42%
Partnership with maori	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Representation and civic affairs	0.5%	3.5%	0.5%	0.5%	3.5%	0.5%	0.5%	3.6%	0.5%	0.5%
Environmental health	36%	33%	34%	34%	34%	34%	34%	34%	34%	34%
Parks and gardens	7%	6%	6%	6%	6%	6%	6%	5%	5%	5%
Sports areas	4%	4%	4%	4%	4%	4%	4%	4%	4%	3%
Swimming facilities	36%	35%	33%	34%	34%	31%	30%	30%	30%	30%
Subtotal Recovery Ratio	19%	18%	18%	18%	18%	18%	18%	18%	17%	17%
CREATING IDENTITY AND PROSPERITY										
Environmental services	98%	100%	102%	103%	104%	105%	105%	104%	104%	104%
Economic development	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
City promotion	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Performing arts	33%	34%	37%	37%	36%	35%	35%	35%	35%	34%
Hamilton city libraries	11%	10%	10%	10%	10%	10%	10%	9%	8%	7%
Waikato museum of art and history	10%	10%	10%	9%	9%	9%	9%	9%	9%	9%
Event facilities	39%	39%	37%	34%	32%	33%	34%	35%	35%	35%
Hamilton zoo	27%	27%	26%	26%	26%	28%	27%	27%	27%	27%
Subtotal Recovery Ratio	41%	40%	39%	39%	38%	38%	38%	38%	37%	36%
PROTECTING OUR FUTURE										
Wastewater management	16%	16%	15%	14%	14%	14%	14%	14%	14%	13%
Stormwater management	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Recycling/refuse collection	51%	15%	19%	19%	18%	18%	18%	18%	18%	17%
Water supply	36%	35%	33%	31%	32%	32%	32%	32%	30%	31%
Sustainable environment	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Transport: Road network management	16%	15%	14%	13%	13%	13%	13%	13%	14%	14%
Transport: Access Hamilton	5%	10%	6%	3%	5%	3%	2%	2%	2%	2%
Endowment and investment property portfolio	229%	232%	254%	254%	255%	265%	265%	266%	268%	269%
Subtotal Recovery Ratio	29%	23%	23%	21%	21%	20%	20%	20%	20%	20%
Recovery Ratio	29%	26%	26%	25%	24%	24%	24%	24%	24%	24%

APPENDIX 16.6a
GENERAL RATE ALLOCATION BY PROPERTY SECTOR

All figures in \$000s	Residential	Inner City	Commercial	Multi Unit	Rural Residential	Rural Large	Rural Small	Total Rates Required
Strategic Framework A: - Investing in our People	0	0	0	0	0	0	0	0
Community Assistance	993.0	2.6	218.0	19.5	0.9	3.6	10.9	1,248.5
Social Development	597.3	1.6	131.1	11.7	0.5	2.2	6.6	751.0
Employment Development	556.9	1.5	122.2	10.9	0.5	2.0	6.1	700.1
Neighbourhood Development	523.3	1.4	114.9	10.3	0.5	1.9	5.8	657.9
Youth Programme	24.0	0.1	5.3	0.5	0.0	0.1	0.3	30.2
Elderly Center	137.8	0.4	30.3	2.7	0.1	0.5	1.5	173.3
Celebrating Age	124.8	0.3	27.4	2.4	0.1	0.5	1.4	156.9
Te Rapa Sportsdrome	62.4	0.2	13.7	1.2	0.1	0.2	0.7	78.5
Cemeteries and Crematorium	222.2	0.6	48.8	4.4	0.2	0.8	2.4	279.4
Community Halls	154.3	0.4	33.9	3.0	0.1	0.6	1.7	194.0
Leased Buildings	192.0	0.5	42.1	3.8	0.2	0.7	2.1	241.4
Housing Services	29.5	0.1	6.5	0.6	0.0	0.1	0.3	37.1
Toilets	448.5	1.2	98.4	8.8	0.4	1.6	4.9	563.9
Emergency Management	319.6	0.8	70.1	6.3	0.3	1.2	3.5	401.8
Partnership With Maori	181.7	0.5	39.9	3.6	0.2	0.7	2.0	228.5
Councillor Services	2,345.4	6.2	514.8	46.0	2.0	8.6	25.8	2,948.8
Elections	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
Mayoral Services	1,173.4	3.1	257.5	23.0	1.0	4.3	12.9	1,475.3
Environmental Health	220.4	0.6	312.4	4.1	0.2	4.4	4.6	546.7
Central City Safety	133.8	0.3	189.7	2.5	0.1	2.7	2.8	332.0
City Beautification	1,283.8	3.4	281.8	25.2	1.1	4.7	14.1	1,614.1
Hamilton Gardens	1,449.8	3.8	318.2	28.4	1.3	5.3	15.9	1,822.7
Parks and Gardens	4,086.0	10.8	896.8	80.1	3.5	15.0	44.9	5,137.1
Sports Areas	1,917.5	5.0	420.9	37.6	1.7	7.0	21.1	2,410.8
Swimming Facilities	2,392.7	6.3	525.2	46.9	2.1	8.8	26.3	3,008.3
Strategic Framework B: - Creating Identity and Prosperity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Animal Care and Control	367.1	1.0	80.1	7.2	0.3	7.9	9.8	473.4
Building Control	161.8	0.4	35.3	3.2	0.1	3.5	4.3	208.7
Building Support	260.1	0.7	56.7	5.1	0.2	5.6	6.9	335.4
Parking Enforcement	-1,574.2	-4.1	-343.4	-30.8	-1.4	-33.9	-42.0	-2,029.8
Planning Guidance	524.2	1.4	114.4	10.3	0.5	11.3	14.0	676.0
Economic Development (excl Events Promo Fund)	357.0	0.9	500.1	6.6	0.3	2.6	7.6	875.2
Events Promotion Fund	397.5	1.0	556.7	7.4	0.3	2.8	8.5	974.3
I-site	44.0	0.1	61.6	0.8	0.0	0.3	0.9	107.8
Sister Cities Programme	8.8	0.0	12.3	0.2	0.0	0.1	0.2	21.6
Performing Arts	1,256.4	3.3	275.8	24.6	1.1	4.6	13.8	1,579.6
Libraries	4,378.1	11.5	961.0	85.9	3.8	16.1	48.1	5,504.4
Museum	2,781.6	7.3	610.5	54.6	2.4	10.2	30.6	3,497.2
ArtsPost	24.7	0.1	5.4	0.5	0.0	0.1	0.3	31.0
Leisure Centre	156.4	0.4	34.3	3.1	0.1	0.6	1.7	196.6
Claudlands Events Centre	517.8	1.4	113.6	10.2	0.4	1.9	5.7	651.0
Waikato Stadium	2,353.7	6.2	516.6	46.2	2.0	8.6	25.9	2,959.2
Seddon Park	406.0	1.1	89.1	8.0	0.4	1.5	4.5	510.4
Zoo	1,266.0	3.3	277.9	24.8	1.1	4.6	13.9	1,591.7
Strategic Framework C: - Protecting our Future	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Wastewater Reticulation	954.6	2.4	1,461.3	97.5	0.8	24.2	16.5	2,557.4
Wastewater Treatment Plant	2,602.9	6.7	3,852.7	254.1	2.1	0.0	0.0	6,718.5
Stormwater Reticulation	4,121.6	10.8	895.5	201.8	1.8	15.4	46.3	5,293.2
Refuse Collection & Recycle	2,619.3	0.0	0.0	105.6	2.3	57.8	75.1	2,860.0
Refuse Old Sites	179.4	0.5	273.9	18.3	0.1	3.5	3.6	479.4
Refuse Transfer Station	124.9	0.3	190.7	12.7	0.1	2.5	2.5	333.7
Refuse Horotiu	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
Water Reticulation	387.3	1.0	0.0	14.8	0.3	0.0	0.0	403.5
Water Treatment Plant	5,943.7	15.7	0.0	227.8	5.2	0.0	0.0	6,192.5
Sustainable Environment	362.6	0.9	222.2	7.0	0.3	1.8	5.2	600.1
Carriageways Management	1,958.3	4.8	7,572.3	32.2	1.3	26.7	206.1	9,801.8
Central Area Parking	18.5	0.0	65.9	0.3	0.0	0.3	0.2	85.4
Footpaths, Cycleways and Verges	757.3	1.9	2,641.1	12.5	0.0	0.0	0.0	3,412.7
Network Management (Transport)	41.2	0.1	146.5	0.7	0.0	0.7	0.5	189.7
Road Safety	16.8	0.0	59.9	0.3	0.0	0.3	0.2	77.6
Traffic	544.1	1.3	1,988.3	9.1	0.9	7.5	22.5	2,573.7
Transport Centre	155.5	0.4	553.5	2.6	0.1	2.6	1.7	716.5
Transport: Access Hamilton	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
Property Management (Service)	-2,447.7	-6.4	-534.0	-47.9	-2.1	-52.7	-65.3	-3,156.2
Total General Rates	51,598	128	28,068	1,600	42	217	688	82,341
General Rate Differential Factor	1.00	0.92	2.00	1.50	0.88	0.18	0.41	0.00

APPENDIX 16.6b
GENERAL RATE ALLOCATION BY PROPERTY SECTOR

GENERAL RATE ALLOCATION BY PROPERTY SECTOR					Rural			Total Rates Required
All figures in %	Residential	Inner City	Commercial	Multi Unit	Residential	Rural Large	Rural Small	
Strategic Framework A: - Investing in our People								
Community Assistance	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Social Development	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Employment Development	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Neighbourhood Development	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Youth Programme	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Enderely Center	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Celebrating Age	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Te Rapa Sportsdrome	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Cemeteries and Crematorium	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Community Halls	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Leased Buildings	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Housing Services	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Toilets	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Emergency Management	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Partnership With Maori	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Councillor Services	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Elections	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
Mayoral Services	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Environmental Health	40.3209%	0.1038%	57.1425%	0.7490%	0.0326%	0.8028%	0.8484%	100.0000%
Central City Safety	40.3209%	0.1038%	57.1425%	0.7490%	0.0326%	0.8028%	0.8484%	100.0000%
City Beautification	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Hamilton Gardens	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Parks and Gardens	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Sports Areas	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Swimming Facilities	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Strategic Framework B: - Creating Identity and Prosperity								
Animal Care and Control	77.5534%	0.2040%	16.9180%	1.5189%	0.0670%	1.6707%	2.0680%	100.0000%
Building Control	77.5534%	0.2040%	16.9180%	1.5189%	0.0670%	1.6707%	2.0680%	100.0000%
Building Support	77.5534%	0.2040%	16.9180%	1.5189%	0.0670%	1.6707%	2.0680%	100.0000%
Parking Enforcement	77.5534%	0.2040%	16.9180%	1.5189%	0.0670%	1.6707%	2.0680%	100.0000%
Planning Guidance	77.5534%	0.2040%	16.9180%	1.5189%	0.0670%	1.6707%	2.0680%	100.0000%
Economic Development (excl Events Promo Fund)	40.7947%	0.1051%	57.1425%	0.7588%	0.0330%	0.2917%	0.8741%	100.0000%
Events Promotion Fund	40.7947%	0.1051%	57.1425%	0.7588%	0.0330%	0.2917%	0.8741%	100.0000%
I-site	40.7947%	0.1051%	57.1425%	0.7588%	0.0330%	0.2917%	0.8741%	100.0000%
Sister Cities Programme	40.7947%	0.1051%	57.1425%	0.7588%	0.0330%	0.2917%	0.8741%	100.0000%
Performing Arts	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Libraries	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Museum	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
ArtsPost	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Leisure Centre	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Claudlands Events Centre	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Waikato Stadium	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Seddon Park	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Zoo	79.5382%	0.2093%	17.4578%	1.5600%	0.0689%	0.2917%	0.8741%	100.0000%
Strategic Framework C: - Protecting our Future								
Wastewater Reticulation	37.3268%	0.0957%	57.1425%	3.8125%	0.0298%	0.9470%	0.6457%	100.0000%
Wastewater Treatment Plant	38.7428%	0.0997%	57.3443%	3.7819%	0.0313%	0.0000%	0.0000%	100.0000%
Stormwater Reticulation	77.8656%	0.2048%	16.9180%	3.8125%	0.0333%	0.2917%	0.8741%	100.0000%
Refuse Collection & Recycle	91.5836%	0.0000%	0.0000%	3.6909%	0.0803%	2.0205%	2.6248%	100.0000%
Refuse Old Sites	37.4301%	0.0960%	57.1425%	3.8125%	0.0299%	0.7354%	0.7537%	100.0000%
Refuse Transfer Station	37.4301%	0.0960%	57.1425%	3.8125%	0.0299%	0.7354%	0.7537%	100.0000%
Refuse Horotiu								0.0000%
Water Reticulation	95.9827%	0.2539%	0.0000%	3.6790%	0.0844%	0.0000%	0.0000%	100.0000%
Water Treatment Plant	95.9827%	0.2539%	0.0000%	3.6790%	0.0844%	0.0000%	0.0000%	100.0000%
Sustainable Environment	60.4300%	0.1579%	37.0302%	1.1649%	0.0512%	0.2917%	0.8741%	100.0000%
Carriageways Management	19.9788%	0.0491%	77.2548%	0.3284%	0.0138%	0.2728%	2.1025%	100.0000%
Central Area Parking	21.7047%	0.0537%	77.2548%	0.3641%	0.0154%	0.3688%	0.2385%	100.0000%
Footpaths, Cycleways and Verges	22.1894%	0.0552%	77.3899%	0.3655%	0.0000%	0.0000%	0.0000%	100.0000%
Network Management (Transport)	21.7047%	0.0537%	77.2548%	0.3641%	0.0154%	0.3688%	0.2385%	100.0000%
Road Safety	21.7047%	0.0537%	77.2548%	0.3641%	0.0154%	0.3688%	0.2385%	100.0000%
Traffic	21.1411%	0.0522%	77.2548%	0.3528%	0.0333%	0.2917%	0.8741%	100.0000%
Transport Centre	21.7047%	0.0537%	77.2548%	0.3641%	0.0154%	0.3688%	0.2385%	100.0000%
Transport: Access Hamilton								0.0000%
Property Management (Service)	77.5534%	0.2040%	16.9180%	1.5189%	0.0670%	1.6707%	2.0680%	100.0000%
General Rate Differential Yield	62.6633%	0.1556%	34.0874%	1.9436%	0.0510%	0.2629%	0.8361%	100.0000%

APPENDIX 16.7
IMPACT OF 2006/07 RATING SYSTEM TO EXISTING RATEPAYERS

Property Sector	No. of properties	Average % increase
Residential	44170	6.11%
Inner City Residential	180	5.98%
Commercial/Industrial	3852	6.26%
Multi-Unit Residential	515	6.10%
Rural Residential	16	6.14%
Rural Large	61	5.72%
Rural Small	460	5.91%
TOTAL	49254	5.91%

APPENDIX 16.8**2006/07 SELECTED SAMPLE OF INDICATIVE RATES (EXCLUDING TARGETED RATE FOR NON DOMESTIC WATER)**

Basket of Properties Category	Land Value	Capital Value	Current Rates	General Rates	Targeted Rate	Proposed Total Rates 2006/07	Difference	% Change
			2005/06	Calculated	Access Hamilton			
RESIDENTIAL								
Arcus St	250,000	540,000	4,581	4,733	131	4,864	282	6.16%
Storey Ave	61,000	228,000	1,142	1,155	55	1,210	68	5.97%
Lake Domain Dr	213,000	570,000	3,931	4,032	138	4,170	240	6.10%
Hamilton Parade	325,000	800,000	5,980	6,153	194	6,346	366	6.13%
Crowden Plce	124,000	440,000	2,315	2,347	107	2,454	139	5.99%
Munro St	390,000	1,325,000	7,268	7,383	321	7,704	437	6.01%
Wellington St	84,000	370,000	1,586	1,590	90	1,680	93	5.89%
Waimaire St	80,000	250,000	1,485	1,514	61	1,575	90	6.04%
Longwood Plce	124,000	378,000	2,294	2,347	92	2,439	145	6.32%
Pascal Plce	92,000	380,000	1,731	1,742	92	1,834	102	5.92%
Fow St	50,000	105,000	915	947	25	972	57	6.17%
River Rd	700,000	1,300,000	12,774	13,252	315	13,567	792	6.20%
Balfour Cres	221,000	460,000	4,045	4,184	111	4,295	250	6.17%
Victoria St	61,000	190,000	1,132	1,155	46	1,201	68	6.04%
Kilmuir Place	79,000	390,000	1,503	1,496	95	1,590	87	5.82%
Anson Ave	144,000	465,000	2,664	2,726	113	2,839	175	6.58%
Ngaio Place	70,000	221,000	1,300	1,325	54	1,379	79	6.04%
Lake Domain Dr	320,000	510,000	5,819	6,058	124	6,182	363	6.24%
Jellicoe Dr	105,000	195,000	1,916	1,988	47	2,035	119	6.20%
Casey Ave	99,000	280,000	1,831	1,874	68	1,942	111	6.08%
Chesterman Rd	88,000	325,000	1,646	1,666	79	1,745	98	5.97%
Temple View Property A	94,000	485,000	2,864	1,780	118	1,897	(967)	(33.77%)
Temple View Property B	33,000	160,000	980	625	39	663	(317)	(32.32%)
Temple View Property C	61,000	281,000	1,776	1,155	68	1,223	(553)	(31.14%)
INNER CITY RESIDENTIAL APARTMENTS								
Collingwood Street	50,000	160,000	860	873	39	912	52	6.01%
Garden Place	100,000	350,000	1,728	1,747	85	1,831	103	5.97%
INDUSTRIAL								
Te Rapa Industrial	1,950,000	6,000,000	70,858	73,831	1,454	75,285	4,427	6.25%
Te Rapa Industrial	1,125,000	2,800,000	40,714	42,595	678	43,273	2,559	6.29%
Te Rapa Industrial	1,210,000	3,300,000	43,862	45,813	800	46,613	2,750	6.27%
Te Rapa Industrial	111,000	550,000	4,086	4,203	133	4,336	250	6.13%
Te Rapa Industrial	179,000	1,075,000	6,636	6,777	260	7,038	402	6.06%
Te Rapa Industrial	855,000	2,100,000	30,936	32,372	509	32,881	1,945	6.29%
Frankton Industrial	580,000	1,500,000	21,004	21,960	363	22,323	1,319	6.28%
Frankton Industrial	70,000	360,000	2,580	2,650	87	2,738	158	6.11%

COMMERCIAL

Ward St	882,000	1,620,000	31,776	33,394	393	33,787	2,011	6.33%
Victoria St	810,000	2,000,000	29,310	30,668	485	31,153	1,843	6.29%
Garden Place Retail	50,000	165,000	1,820	1,893	40	1,933	113	6.23%
Cr Ellis/Killarney Rd	122,000	150,000	4,377	4,619	36	4,656	279	6.37%
Ellis St	180,000	650,000	6,565	6,815	158	6,973	408	6.21%
Grey St	300,000	1,700,000	10,903	11,359	412	11,771	868	7.96%
Te Rapa Rd	1,950,000	6,000,000	70,858	73,831	1,454	75,285	4,427	6.25%
Suburban Commercial	4,400,000	60,000,000	171,517	166,593	14,539	181,132	9,615	5.61%
Ward St	1,150,000	5,200,000	42,204	43,541	1,260	44,801	2,597	6.15%
Victoria St	620,000	1,030,000	22,309	23,474	250	23,724	1,415	6.34%
CBD Car Park	500,000	4,750,000	18,973	18,931	1,151	20,082	1,109	5.85%
CBD Shopping Mall & Carpark	5,850,000	41,300,000	218,407	221,493	10,008	231,501	13,093	5.99%
London St	280,000	900,000	10,184	10,601	218	10,819	635	6.24%
Te Rapa Hotel	980,000	9,600,000	37,259	37,105	2,326	39,431	2,172	5.83%
CBD Medical	1,800,000	7,000,000	65,773	68,152	1,696	69,848	4,075	6.20%
Te Rapa Commercial	580,000	670,000	20,797	21,960	162	22,122	1,326	6.37%
CBD Retail	2,865,000	12,500,000	105,029	108,475	3,029	111,504	6,475	6.16%
Government CBD Premises	1,800,000	17,050,000	68,289	68,152	4,131	72,283	3,994	5.85%
Ulster Street Motel	500,000	1,450,000	18,147	18,931	351	19,282	1,136	6.26%
Ulster Street Motel	650,000	2,350,000	23,707	24,610	569	25,180	1,473	6.21%
Ulster Street Motel	325,000	1,175,000	11,853	12,305	285	12,590	736	6.21%
CBD Retail	575,000	6,100,000	21,978	21,771	1,478	23,249	1,271	5.78%
Te Rapa Commercial	1,075,000	2,550,000	38,873	40,702	618	41,320	2,447	6.29%

MULTI UNITS

Charlemont St - 4 Units	108,000	370,000	2,974	3,067	90	3,157	183	6.15%
Firth St - 10 Units	102,000	580,000	2,866	2,896	141	3,037	171	5.96%

RURAL RESIDENTIAL

Baverstock Rd	165,000	470,000	2,700	2,749	114	2,863	163	6.04%
Baverstock Rd	210,000	490,000	3,409	3,498	119	3,617	208	6.11%

RURAL SMALL (> 0.2 AND < 10 HECTARES)

Rotokauri Rd - 9.120Ha	340,000	394,000	2,551	2,622	95	2,717	167	6.53%
Tramway Rd - 2.77Ha	690,000	700,000	5,174	5,321	170	5,490	316	6.11%
State Highway 3 - 3.54Ha	270,000	280,000	2,026	2,082	68	2,150	124	6.11%
Weston Lea Drive - 7540sqm	163,000	367,000	1,268	1,257	89	1,346	77	6.10%

RURAL LARGE (> 10 HECTARES)

Peacockes Rd - 167.89Ha	3,450,000	4,200,000	12,098	11,757	1,018	12,775	676	5.59%
Ohaupo Rd - 23.137Ha	700,000	1,300,000	2,567	2,385	315	2,700	134	5.20%
Te Kowhai	1,750,000	2,050,000	6,117	5,964	497	6,460	344	5.62%