

2025/26 Annual Plan

2025/26 Maahere-aa-Tau

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Introduction

Koorero whakataki



Welcome

Nau mai

This Annual Plan is our plan and budget for 1 July 2025 to 30 June 2026. The budget details what Council plans to spend money on and the services we will provide in the 2025/26 financial year.

The 2025/26 Annual Plan represents Year Two of the 2024-34 Long-Term Plan, adopted in July 2024. The LTP was consulted on with Hamiltonians between 19 March 2024 and 21 April 2024, and received almost 3000 submissions.



What is the Annual Plan?

He aha te Mahere aa-Tau?

What is the Annual Plan?

It all starts with an extensive community engagement process to understand the aspirations that Hamiltonians have for their city. These are captured in our five priorities for the city, which provide the focus for what Council will work on for the next decade. Then Council prepares a Long-Term Plan. This sets out the work programmes, budgets and rates needed to deliver to the vision and priorities. Each Long-Term Plan covers the next decade, with a focus on the first three years.

Our current plan is the 2024-34 Long-Term Plan.

In years in which we aren't producing a Long-Term Plan, we instead produce this document, the Annual Plan. The Annual Plan gives Council the chance to review the work programme set in the Long-Term Plan and consider where any changes are necessary. These changes could be new projects to respond to emerging issues, budget revisions, or new priorities that arise.

This Annual Plan, which is for Year Two of the 2024-34 Long-Term Plan, identifies any differences between what we said we would do in the Long-Term Plan, and what we are doing.

Did we mention the Annual Report? We produce this to review our performance and tell you, the community, how well we did on delivering to the Long-Term Plan and, where relevant, Annual Plan. You'll see this document available from November every year, covering the previous financial year.

Piecing it all together:

1 July 2024:

Council's 2024-34
Long-Term Plan is set

1 July 2025:

Council's 2025/26
Annual Plan is adopted (we are here)

By 31 October 2025:

Council's Annual Report (reporting on the
2024-25 financial year) is adopted

1 July 2026

Council's 2026-27
Annual Plan is adopted

By 31 October 2026:

Council's Annual Report (reporting on the
2025/26 financial year) is adopted

1 July 2027

Council's 2027-37 Long-Term Plan is set

By 31 October 2027:

Council's Annual Report (reporting on the
2026-27 financial year) is adopted



From the mayor and chief executive

In Year Two of our 2024-2034 Long-Term Plan, Hamilton City Council remains focused on business as usual, delivering the core basics our residents rely on – roads, water, waste, parks, while also laying the groundwork for what will be a fundamentally different local government landscape from Year Three onwards, when the new Council-Controlled Organisation (CCO) with Waikato District Council begins delivering water services.

Council's priorities this year include maintaining and investing in our infrastructure, managing growth responsibly, and continuing to deliver on our commitments under the Infrastructure Acceleration Fund – particularly with regard to waters infrastructure for the central city. We are also navigating changes in national legislation, including Resource Management Act reforms, and advocating strongly for Hamilton's interests in city and regional deal discussions.

Year Two is also about advancing planning work to ensure the Council of the future – shaped by reforms and legislative change – has the tools, policies, and financial levers it needs to succeed. That includes making deliberate, strategic decisions to ensure we stay on track with the Long-Term Plan that our community helped shape, and assuring the future of our city's water services.

A key focus this year will be preparing for the new waters CCO to begin delivering services from 1 July 2025. It will be a complex transition, but one that we must approach with clarity, capability, and commitment to service delivery. That's why a strong and

unified approach will be essential, to address any major issues and lay the groundwork so we are well-positioned for this unprecedented change.

In all of this we are committed to working in partnership with the public, iwi, central government, and our neighbouring councils to get the best outcomes for our city and region. We thank the public for their recent feedback on the Local Water Done Well consultation.

We are immensely proud of what we have achieved together, despite a tough financial environment. We've kept moving forward, we've laid strong foundations, and we've stayed focused on the outcomes that matter most for Hamilton's future. There is more work to be done, but we remain optimistic. We are the fastest growing city in New Zealand for a reason. We are a community of doers, thinkers, builders, and believers and quite simply, people love to live here.

Council's commitment remains firm: to help build a strong future for our city and region, and to ensure that the work we do now sets Hamilton up for long-term success.



Paula Southgate
Mayor of Hamilton



Lance Vervoort
Chief Executive

He kupu naa te Koromatua me te Tumu Whakarae

Kupu Whakataki: I te Tau Tuarua o taa Maatou Mahere Waa Roa 2024–2034, e aro tonu ana Te Kaunihera o Kirikiriroa ki aana mahi noa, te whakarato i ngaa kaupapa taketake ki aa maatou kainoho moo ngaa rori, te wai, ngaa para, ngaa paaka, me te whakatakoto i te tuuaapapa moo teetehi aahuatanga tino rerekee moo te kaunihera mai i te Tau Tuatoru, aa, haere ake, i te urunga mai o te Whakahaere a te Kaunihera (Council-Controlled Organisation (CCO)) me Te Kaunihera o Waikato.

Ko ngeetehi o ngaa kaupapa matua a Te Kaunihera i teenei tau ko te tautiaki me te haumi ki te tuuaahanga, te whakahaere tootika i te tipuranga, me te whakatutuki i oo maatou herenga i raro i te Tahua Whakaterenga Hanganga (Infrastructure Acceleration Fund) – otiraa e paa ana ki te tuuaahanga wai moo te puu o te taaone nui. Kei te wherawhera hoki maatou i ngaa huringa i raro i te ture aa-motu, tae atu ki ngaa whakahounga o te Resource Management Act, te tino taunaki moo te painga o Kirikiriroa i roto i ngaa whakariteritenga moo te taaone nui me te rohe.

Ko te Tau Tuarua moo te kauneke whakamua i ngaa mahi hanga mahere hei whakarite ka pakari te Kaunihera o anamata – naa runga i ngaa whakahounga me te huringa aa-ture – maa te whai utauta, kaupapahere me ngaa aaheinga aa-puutea kia angitu ai. Araa ko te whakatau tikanga tootika, rautaki hei whakarite kei te ara tika taatou me te Mahere Waa Roa i uru mai ai te hapori ki te hanga, me te whakarite i te anamata o ngaa ratonga wai o too taatou taaone nui.

Aa teeraa tau, i te Tau Tuatoru o te Mahere Waa Roa, ka riro te whakaratonga o aa taatou ratonga wai i te CCO. He whakawhitinga matatini teenei, engari me whai i runga i te maarama, te puumanawa, me te puumau moo te whakarato. Koiraa te take me maatua kaha, aa,

me kotahi te whakaaro i teenei tau, hei whakarite i ngaa raru nui me te whakatakoto i te tuuaapapa e pakari ai taatou moo teenei huringa whakaharahara.

I roto i ngeenei aahuatanga katoa e puumau ana maatou ki te mahi ngaatahi me te iwi whaanui, ngaa iwi, te kaawanatanga, me ngaa kaunihera e noho paatata ana moo te painga o too taatou taaone nui me te rohe. Ka mihi hoki ki te iwi whaanui moo ngaa whakaaro i tukuna mai i ngaa koororerero tahi moo te Local Water Done Well.

Ka nui te ngaakau whakahii moo ngaa mahi kua oti i a taatou, ahakoa te uaua o te taha puutea. E koke whakamua tonu ana taatou, i kaha ngaa tuuaapapa i whakatakotoria e taatou, aa, i noho puumau moo ngaa hua tino hira moo te anamata o Kirikiriroa. He nui tonu ngaa mahi hei whakatutuki, engari kei te rikarika. He take anoo ko taatou te taaone nui tino tere te tipu i Aotearoa. He hapori mahi, he whakaaroaro, he waihanga, he whakapono hoki taatou, otiraa he tino rawe ki a taatou te noho i konei.

E noho puumau ana te Kaunihera: ki te waihanga i teetehi anamata pakari moo too taatou rohe me too taatou rohe, me te whakarite ka whai hua te angitu waa roa o Kirikiriroa i ngaa mahi ka mahia e taatou i teenei waa.



Paula Southgate
Koromatua



Lance Vervoort
Tumu Whakarae

Your Council

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taatou
Kaunihera

Mayor and Councillors



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External Appointees



Bruce Robertson
Strategic Risk and Assurance
Committee



Carol Bellette
Strategic Risk and Assurance
Committee

Working for you

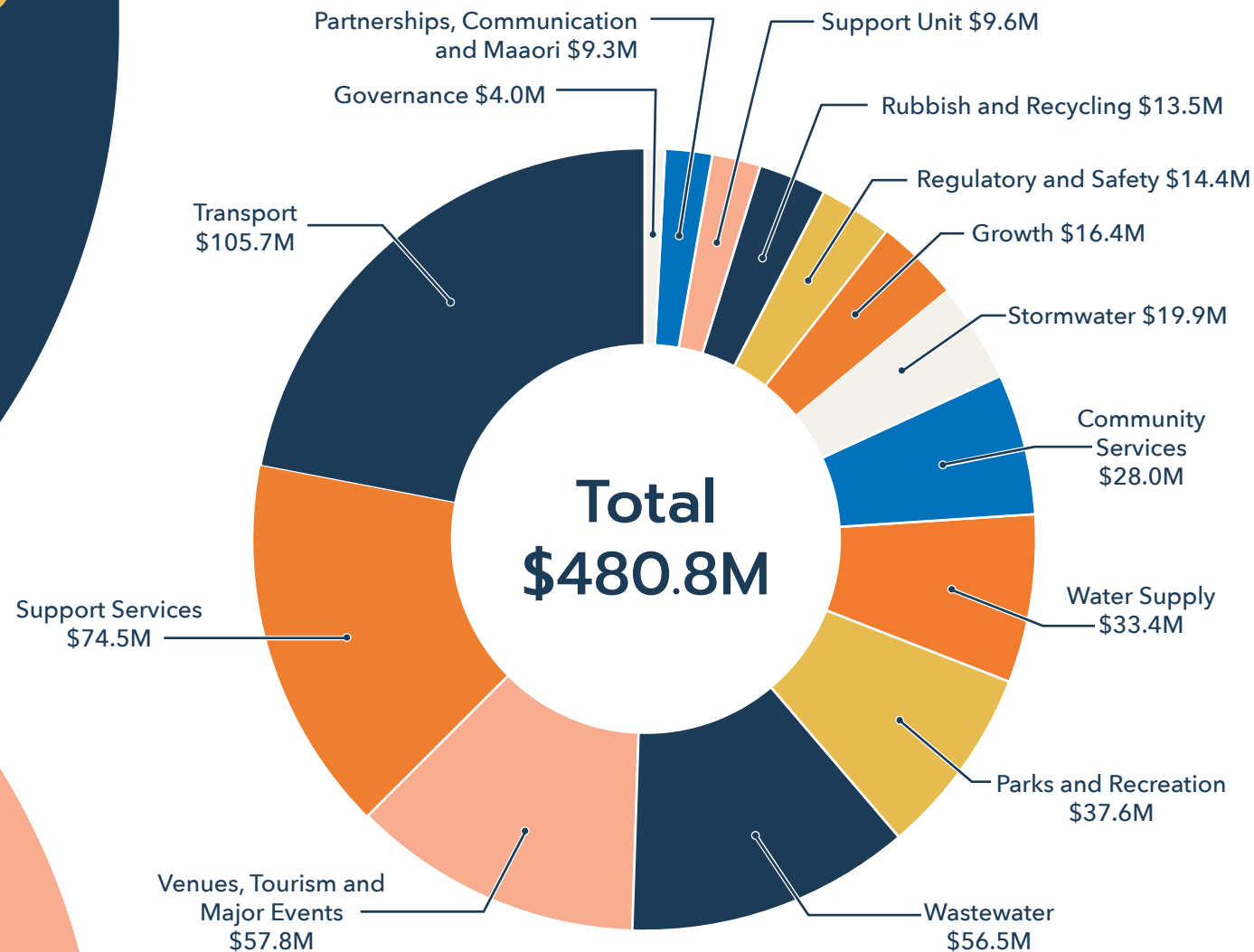
E mahi ana maau



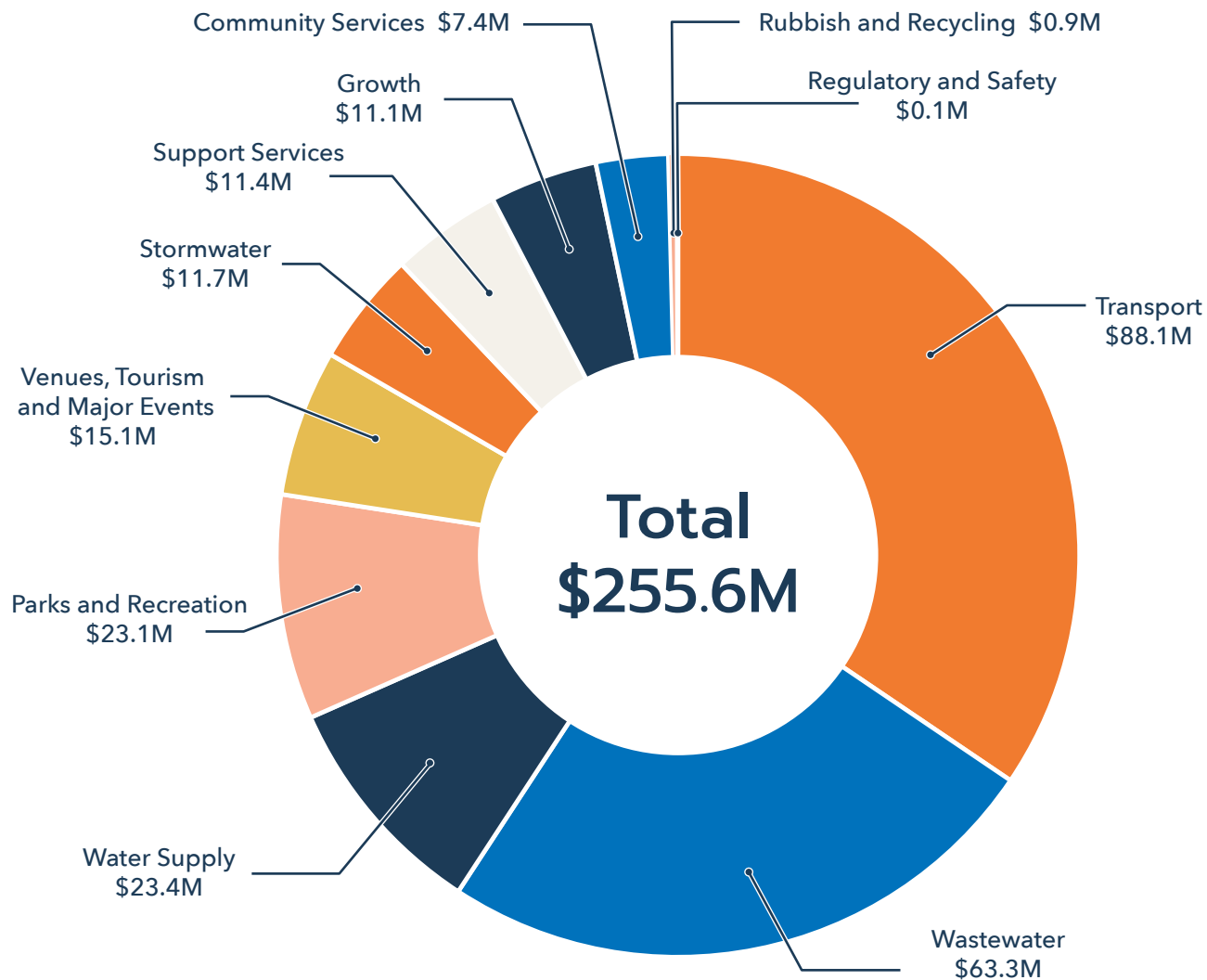
What we're planning to spend

Ngaa
whakapaunga kua
whakaritea

Operating
expenditure
for 2025/26



Capital expenditure for 2025/26



What do I get for my rates?

He aha ngaa hua ki ahau mai i aku reiti?

Some of the services and facilities that Hamiltonians receive from Council.



849km

of wastewater pipes
through the city



750 litres

of drinking water
processed every second



7.5 million kg

of recycling in yellow
kerbside bins each year



500,000m²

of beautiful scenery
across Hamilton Gardens



19,648

streetlights



677km

of roads



1974km

of footpaths



318,753 items

available at our seven
libraries



83 species

across 250,000m² of
habitats at Hamilton Zoo



3 million kg

of food scraps turned into
compost each year



60 million litres

of treated liquid
wastewater returned to
the river every day



554,000 people

attended events at
FMG Stadium Waikato,
Seddon Park, and
Claudelands



46,000+

natives planted in our gullies
and natural areas each year



200+ parks

and 80 playgrounds



100,000+

park trees and 40,000
street trees



120,000

native seedlings grown in
our nursery each year

Key projects and programmes over 2025/26

Ngaa kaupapa nui moo te tau 2025/26



Highlights for the 2025/26 year

2025/26 will be a huge year for Council, as we support the establishment of a new organisation that will deliver water services for both Hamilton City Council and Waikato District Council from 1 July 2026.

In addition, Council will continue, commence, and conclude programmes and projects across Hamilton Kirikiriroa over the coming year, from all activity areas. Here are just some of the highlights.

Continuing this year

Victoria on the River - Southern Edge Activation Project:

the comprehensive redevelopment of Council-owned land and building is progressing, with an expected resource consent application from the Templeton Group for a mixed-use building incorporating food and beverage establishments, apartments, and a 218-room hotel, for intended construction commencing in 2027.

Affordable housing: with a \$10.06 million loan approved in 2023 from Council's Municipal Endowment Fund, The Bridge

Housing Charitable Trust has commenced work on the 42-unit affordable Hinemoa housing complex, due for completion in 2027.

Water supply: community consultation on the proposed Ruakiwi site location for two new reservoirs to increase the supply the of drinking water and capacity for firefighting started in February 2025 and will conclude in April 2026. Construction of the first reservoir and pumphouse will commence in 2026.

Central City Transformation Plan (CCTP): to plan and prepare for higher levels of construction activity in the central city in the coming years, a major focus of the CCTP is making the most of what we have with low-cost/high-impact projects, such as streetscape and street furniture improvements, renewal of the library facade, and improvements to Garden Place such as adding a new garden, play elements, and lighting.

Celebrating Age Centre: planning and design will be completed, and construction will commence for the renewal of the centre to bring it up to a standard where it can be re-occupied and hired by community groups.

Illegal dumping and bin study: this study to determine the reasons for/frequency of illegal dumping commenced in March 2025 and will continue into the first half of 2025/26. This study will investigate the barriers to the current kerbside collection and how to further reduce litter/illegal dumping.

Civil Defence and Emergency Management: we will continue to improve the levels of preparedness in the community through the development of community resilience plans.

A successful community preparedness social media campaign, with a focus on flooding preparedness, gifting readiness, and creating an emergency plan, reached over 350,000 people last year. A citywide emergency preparedness survey in January 2025 had around 500 responses, with insights currently being drafted to guide future engagement.

Building on this work, we'll procure a software solution to help map and demonstrate the impacts of different physical risks. The tool will enable us to combine our own data and with the latest national and local climate and hazard modelling to present different scenarios, then communicate them visually. The public will have access to this information.

Hamilton Gardens: this internationally acclaimed attraction and key feature of the city's identity contributes to our economy while also serving Hamiltonians as a community park.

We will continue to support the success of Hamilton Gardens and seek to increase the economic contribution the Gardens makes to our city. We plan to leverage growing visitor numbers to the Gardens to support the wider Hamilton tourism industry.

Work is underway to scope and design the refurbishment of the Hamilton Gardens Cafe building, along with improved quality and number of toilets in the precinct and Enclosed Gardens.

Contamination Implementation Plan: this commenced in May 2025 and will continue into the first half of 2025/26, to determine what impact the tagging of bins has on rates of contamination in kerbside recycling. This includes targeted inspections of bins in high contamination areas and city-wide stickering of compliant bins (positive reinforcement).

Waterworld: renewals continue across Waterworld, with public use changing areas being refreshed to include inclusive and accessible change spaces, exchanging the current gas-powered system to an energy efficient electrical system for heating the building and pools, and renewing two bookable spaces to meet community demand.

2025 Local Elections: the three-yearly local elections are being held in 2025. Voting will be open from 9 September 2025 until midday on 11 October 2025. A binding poll on the Kirikiriroa Māori Ward will be held at the same time. This poll is mandatory for most councils in New Zealand.

Bulk wastewater storage - Collins Road: bulk wastewater storage tanks allow wastewater to be stored and later returned to the network. These are being installed across the city over the coming years, with the Collins Road site being the first with expected completion this year. The storage tanks add further resilience to our network across the city and help us protect public health and the environment, as well as meeting our regulatory responsibilities and supporting growth.

Plan Change 14 - Flooding: we're making some changes to our district plan, to help manage flood impacts in Hamilton and ensure new developments are resilient to flooding. Rules to protect us from flooding are not new – we have had rules in place about building in flood hazard areas for some time. Plan Change 14 strengthens the objectives, policies, and rules around development in areas affected by flooding information, and updates stormwater management rules.

Commencing this year

Central Library: the ageing and damaged facade of the Garden Place building in a six-month project starting in August 2025. The new façade was designed in collaboration with mana whenua and symbolises the library's role as a place of knowledge and discovery.

Rangatahi Action Plan: the Rangatahi Action Plan implementation will commence: a youth, community, and Council collaboration to make Hamilton Kirikiriroa an even better place for all young people.

Frankton Railway Hall: we'll be commencing planning and design for the renewal of this Hall to modern standards, while being sympathetic to and respecting the heritage features of the building.

Parana Park destination playground: we'll be starting on renewals at Parana Park, including the playground, installing shade, and improving drainage.

Disability Advisory Group: this will be set up as an action from the Disability Action Plan. The Group will provide feedback and

advice on strategies plans projects and Council matters requiring a pan-disability, accessibility, and inclusion lens. They will also monitor implementation of the Disability Policy Action Plan and provide voice and connection within the disability network.

Hamilton Park Cemetery: the construction of the Melia Ash Lawn extension at Hamilton Park Cemetery will commence this year, to enable the development of 900 ash interment sites, which is expected to cover up to seven years of future demand.

Claudlands, FMG Stadium Waikato and Seddon Park: we'll attract in the region of 530,000 people to our venues this year by delivering a comprehensive event programme, supported by promotion and marketing initiatives.

In addition, a range of improvements to maintain valuable venue assets will continue. We'll invest in key upgrades to ensure our venues remain market relevant such as HVAC renewals at Claudlands and boiler and sports seating renewals at FMG Stadium Waikato.

Te Kaaroro Nature Precinct | Hamilton Zoo and Waiwhakareke Natural Heritage Park: work will continue on the Waiwhakareke Natural Heritage Park conservation development programme, which includes the continued construction of predator proof fencing.

At Hamilton Zoo, works will continue on wider zoo property fencing upgrades to allow for increased grazing and habitation options, linked to the wider accommodation and savannah projects.

Te Whare Taonga o Waikato Museum & Gallery: the National Contemporary Art Award (NCAA) returns, bringing the cutting edge of Aotearoa contemporary art to the Waikato, from August to November 2025. The finalists on display are selected via a blind-judging process by the high-profile guest judge.

We'll also see the return of the Kiingi Tuheitia Portraiture Award, a competition that encourages young Maaori artists to create portraits of their tupuna (ancestors). Finalists will be on display in late 2025, with Kirikiriroa Hamilton the first stop in a nationwide tour managed by the New Zealand Portrait Gallery

Waikato Regional Transport Model (WRTM): alongside our partners, we'll be commencing an update of the WRTM: a multi-modal strategic tool that converts land use inputs (population, households, employment) and the transport network (road and public transport) to forecast travel patterns.

Emergency Operations Centre (EOC): we'll be establishing an EOC within Council's Municipal Building for Civil Defence and Emergency Management, for Council and other key agencies to support/lead emergency responses for the city

Concluding this year

Plan Change 9 - Historic Heritage Areas and Built

Heritage: this is about making sure our District Plan, and the rules in it, enable growth while protecting Hamilton's unique historic heritage and natural environment. It's building a city that reflects our identity where future generations of Hamiltonians can grow within the types of communities they want. The timing for completion of this plan change is subject to appeals regarding the inclusion of Significant Natural Areas, Built

Heritage and Historic Heritage Areas into the Operative District Plan.

Pukete Neighbourhood House / Te Whare Takiwa o

Pukete: the purpose-built community facility next to Te Rapa Sportsdrome will open, enabling Pukete Neighbourhood House to deliver a range of services for the community.

Hamilton Park Cemetery: the internal road network through the Cemetery will be completed this year, which will enable access to two new burial lawns, Liquid Amber and Pin Oak Lawn. These will enable the development of 2500 burial plots, expected to provide 10 years' supply.

Welcoming Plan: Council's Community and Social Development team will be reviewing the Welcoming Plan in consultation with community partners. The plan serves as a commitment to making sure Hamilton is open and accepting, and embraces cultural diversity.

Community building renewals: to support the provision of community, social and sport services, seven community buildings will see renewals completed over the coming year. These renewals focus on weathertightness (such as the roofs at Enderley Te Papanui Community Centre and Norris Ward) and modern equivalent standards (such as kitchens and social areas at Porritt Stadium, Glenview Park and Flagstaff Club, and toilets and changing rooms at Glenview and St Andrews).

Park renewals:

- **Gower Park:** we'll be renewing drainage and sand carpet of the premier football field.
- **Edgecumbe Park:** the carpark, signage and lighting will be renewed, and the paths renewed and realigned.
- **Ferrybank Band Rotunda:** renewals will see the rotunda brought up to modern standards.

Playgrounds refreshed: playground refreshes at Te ToeToe Reserve, Wiltshire Drive Reserve, Pukete Park, Mangaiti Park, Caernarvon Park, Ranfurly Park, and Swarbrick Park will be completed by end of June 2026.

Hamilton Zoo: the construction of a giraffe barn will take place to meet modern zoological standards, following design and consenting processes, by April 2026.

Hamilton Gardens: we'll continue working on our next Enclosed Garden, with the manufacture and supply and installation of specialist concrete items such as cloister arches, the bell tower and pavers for the Medieval Garden, due to open in summer 2025/26.

Business investment prospectus: Hamilton's first business investment prospectus, to showcase what Hamilton has to offer and to encourage investment, will be published this year.





Our priorities and activities

Aa Maatou Kaupapa Matua
me Ngaa Mahi

Our vision for Hamilton

Kirikiroa ka hua. Ka puaawai. Ka ora

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

Our vision for the future of Hamilton Kirikiroa is guided by five priorities that keep Council's decisionmaking focused on improving Hamilton's social, cultural, economic, and environmental wellbeing.

Our priorities

Our priorities¹ describe what we aim to achieve for our community and what you can expect us to work towards. These outcomes were used to shape the development of the 2021-31 Long-Term Plan and the 2024-34 Long-Term Plan. All our activities contribute to the overall achievement of our priorities and reflect our purpose and mission - to improve the wellbeing of Hamiltonians and to help build a more vibrant, attractive, and more prosperous city. During the development of the 2021-31 Long-Term Plan, we asked the community what they love about Hamilton Kirikiroa and what would make our city an even better place to live. This feedback was used to create our five long-term priorities for Hamilton Kirikiroa over the next decade.

- A city that's easy to live in | Ahuahungia teetahi taaone e tau ai te noho ki roto
- A city where our people thrive | Ahuahungia teetahi taaone e puaawai ai ngaa taangata katoa
- A central city where people love to be | Ahuahungia te pokapuu o teetahi taaone e arohaina ai e te taangata
- A fun city with lots to do | Ahuahungia teetahi taaone ngahau e tini ai ngaa kaupapa papai hei whai
- A green city | Ahuahungia teetahi taaone tiaki taiao

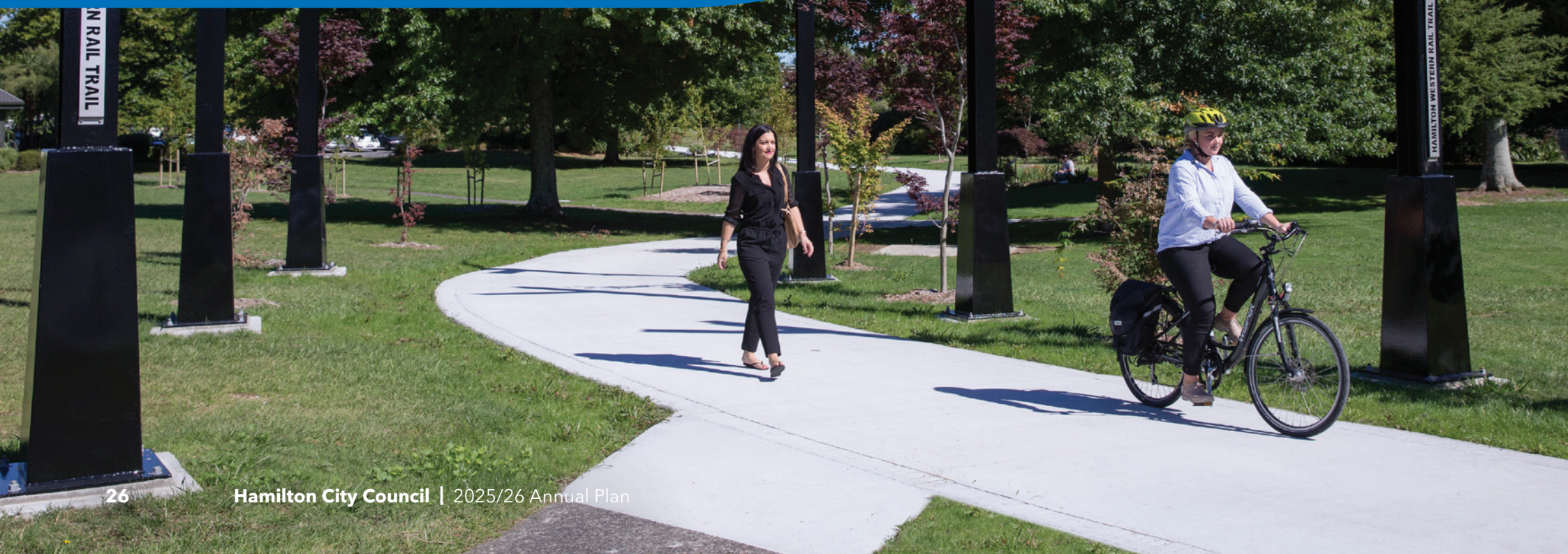
These five priorities guide our 2024-34 Long-Term Plan, and this Annual Plan. All the activities we carry out contribute to the achievement of our community outcomes. If we achieve all the expectations that we have set for our service delivery, we will be making progress on achieving all five priorities.

¹ These priorities are our Community Outcomes as defined under the Local Government Act 2002

Priority one

A city that's easy to live in

He taaone e ngaawari
noa iho ana te noho



We asked what kind of Hamilton Kirikiriroa you wanted to live in. You told us that you want a city that's easy to live in, explore and connect. To deliver this, we'll continue to invest in our libraries, aquatic facilities, and our transport network and parking management.

Hamilton Kirikiriroa is small enough to enjoy a strong sense of community, but big enough to be an interesting, vibrant city. As we continue to grow, we want to prioritise building a connected and safe city with quality roading, walkways, and cycleways that allow us to move around our city quickly and easily, by whatever travel mode is preferred.

We want our residents to be able to safely and easily access all the things that they need for ease of living, including places of work or education, essential services, public facilities, and spaces for recreation. That means that those who wish to, can live locally and still have access to the amenities our city has to offer. These connections between our homes and our communities are particularly important as our city grows.

This means providing a transport network that is efficient, reliable, and responsive, which effectively connects our communities. It is a priority to provide transport options that support a range of travel modes and make our city safe to explore, while remaining accessible. Working with Waikato

Regional Council on improved bus services is a key component of this.

People in our city want to live in lively, safe communities with shared identities and public facilities such as our libraries and aquatic facilities. Having local community amenities also contributes to making our city easy to live in. Our aquatic facilities and network of libraries provide community hubs and point of connection for our people through leisure activities.

We want to make sure we are creating a city that our people can easily live in, enjoy, and explore.

To deliver a city that's easy to live in we invest in the following:

- o **Community Services**
 - o Aquatic Facilities
 - o Libraries
 - o Customer Services
- o **Transport**
 - o Transport Network
 - o Parking Management
- o **Support Services**
 - o Business Services
 - o Chief Executive
 - o People, Performance and Culture
 - o Strategy, Growth and Planning

Community Services

Our city's libraries and aquatic facilities provide engaging community and leisure destinations for people to visit and enjoy. These facilities and services promote the social and cultural wellbeing of Hamiltonians and are inclusive, and accessible to all.

We want our customers and community to have ease of access to a point of contact, or the information they need through our dedicated customer services. This helps to ensure that Hamilton Kirikiriroa continues to be a city that's easy to live in.

Aquatic Facilities

We are a key provider of public aquatic facilities in Hamilton Kirikiriroa, catering for diverse community needs with affordable entry. Council's aquatic facilities at Waterworld and Gallagher Aquatic Centre are dedicated to promoting health, recreation, and rehabilitation through swimming and water-related activities.

These facilities offer many recreational programmes and activities, including lane and leisure swimming, water education, and a health and fitness centre.

We also partner with local educational institutions, which open their pools to the public during the summer to make aquatic facilities more accessible to all.

Libraries

Hamilton City Libraries provide our communities with access to information and knowledge. They offer welcoming spaces for all through a network of seven libraries and online offerings. Our libraries are continuously evolving and adapting to meet the changing needs of communities by finding innovative ways to support and encourage lifelong learning and inspire creativity. They strengthen our communities by providing dynamic community hubs where people come to connect, create, share, and learn in a social space.

Customer Services

Our Customer Services teams are the first point of contact for our community and ensure that people are able to connect with Council and its many services, whether in person in our service centre or over the phone through our 24/7 contact centre.

Our Customer Services oversee the management of queries, complaints, or compliments about any of Council's services, as well as compiling and delivering Replace with: Land Information Memorandum (LIM) reports and Property File information.

Transport

We want Hamilton Kirikiriroa to be a city that is easy to get around no matter how you choose to travel. We want to have a safe, reliable, and sustainable transport system that is accessible to everyone and caters to a variety of transport choices. It is essential we meet our legislative obligations relating to the way we manage the road corridor and transport network within our boundaries.

Transport Network

Our transport network integrates different modes of transport including freight, rail, private vehicles, buses, biking, micro-mobility (scooting and skating) and walking.

We manage and operate the city's transport network, and work to manage demand on the system. We ensure the maintenance and renewal of existing transport infrastructure, as well as planning for and investing in new transport infrastructure. We also work with the community and stakeholders to raise awareness of travel options and influence travel behaviour (for mode choice and safety).

The bus service in Hamilton is provided and managed by Waikato Regional Council in partnership with Hamilton City Council. Central Government, through NZ Transport Agency Waka Kotahi, partners with us in operating the state highways

running through Hamilton Kirikiriroa, as well as co-investing in our transport infrastructure and services.

Planning for future development, growth, trends in network use, and asset management needs is also a significant focus. Over the remaining years of the Long-Term Plan, we will continue to significantly invest in the transport network, focusing on safety, travel choice and the provision of new strategic infrastructure to support growth and economic development.

Improving road safety is an important focus and we have set a target of zero deaths (by 2028) on the transport network which is monitored quarterly throughout the year.

Parking Management

We are responsible for the management and supply of on-street and Council-controlled off-street parking in Hamilton Kirikiriroa, in line with the guiding principles in the Hamilton Parking Policy. We have a focus on encouraging efficient use of parking resources and managing demand through compliance and enforcement activities.

We approach this in a way that supports better transport outcomes (beyond parking) for our city, which includes improving urban form designs (our street landscape) to create more options for different modes of travel.

Support Services

- o **Business Services**
- o **Chief Executive**
- o **People, Performance and Culture**
- o **Strategy, Growth and Planning**

Support Services are the internal-facing functions of the organisation that underpin the delivery of the many different aspects of Council's services.

These include everyday activities such as Business Services, (finance, information services and risk and legal functions), and People, Performance & Culture, which includes safety & wellness.

The Chief Executive's main function is to implement the decisions of Council, provide advice to elected members, and ensure effective and efficient management of all activities of Council, including the employment of staff.

Strategy, Growth and Planning enables the delivery of activities that contribute to the wellbeing of our city. This includes owning Council's strategic framework and advocating for our city, embedding climate change and sustainability in everything we do, the preparation of our long-term and annual plans, and infrastructure strategy. These identify our community outcomes and long-term goals for our city and ensure we're following the laws and requirements for local government.

We work collaboratively with central government and other councils to make sure we secure the best outcomes that benefit our city. Our focus is to identify links across projects that give rise to opportunities for alignment. Our work covers many forums and projects and delivers boundaryless thinking to positively influence the long-term direction of the city and its surrounding areas.

To meet the demand of high growth on our city, Council also looks for opportunities to secure new and innovative funding options to pay for the infrastructure needed to support this growth. Some of this infrastructure is funded through the Council's Development Contributions Policy which collects revenue to fund growth infrastructure.

This activity also oversees the acquisition, management, and disposal of property assets that support the city's strategic plans. This includes administering the Municipal and Domain Endowment Funds which helps to fund development opportunities that attract business to Hamilton Kirikiriroa. This helps to grow our city's economy while enhancing the cultural identity of the city.

Community Services, Transport and Support Services Capital Projects

R - Renewals LOS - Levels of Service G - Growth

Community Services

Aquatic Facilities

CE10001 - Aquatic Facilities building renewals

CE21005 - Aquatic Facilities renewals

Libraries

CE10005 - Libraries collection purchases

CE10006 - Library operational renewals

CE10007 - Library building renewals

CE19017 - Rototuna community facilities

CE21044 - Libraries development

		2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
Type		\$000	\$000	\$000
R		417	4,496	3,081
R		3,455	1,206	2,681
		3,872	5,701	5,762
R		1,576	1,459	1,451
R		384	219	22
R		1,491	559	115
G		-	-	68
LOS		-	-	10
		3,451	2,237	1,665
Community Services total		7,323	7,939	7,427
Support Services				
Business Services				
R		3,913	3,338	3,319
R		5,710	4,984	4,499
R		2,408	5,255	1,790
LOS		1,600	3,562	1,775
Support Services total		13,631	17,138	11,382

R - Renewals LOS - Levels of Service G - Growth

Transport

Transport network

	Type	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
		\$000	\$000	\$000
CE10072 - Footpath and street furniture renewals	R	7,713	7,119	7,078
CE10074 - Drainage (kerb and channel) renewals	R	1,031	955	955
CE10075 - Road base renewals	R	9,655	13,884	13,884
CE10076 - Road resurfacing	R	5,863	7,260	7,260
CE10077 - Bridge and structures renewals	R	215	199	199
CE10078 - Retaining wall and structures renewals	R	158	373	373
CE10080 - Street lighting renewals	R	2,362	2,498	2,498
CE10081 - Traffic equipment renewals	R	795	734	733
CE15087 - Transportation upgrades to allow for development	G	1,189	1,237	1,000
CE15088 - Peacocke transport upgrades and development stage 1	G	49,553	20,370	8,671
CE15089 - Peacocke transport upgrades and development stage 2	G	16,440	19,031	7,524
CE15090 - Rotokauri transport upgrades and development	G	3,152	2,663	1,504
CE15092 - Rototuna transport upgrades and development	G	5,103	66	294
CE15093 - Ruakura transport upgrades and development	G	2,100	-	2,343
CE19036 - Ring Road	G	-	-	450
CE19037 - Hamilton transport model	G	806	367	1,870
CE19057 - Biking plan implementation	G	17,850	21,840	2,565
CE19058 - Public Transport Mode Shift	G	4,400	4,520	3,108
CE19064 - Transport Centre rejuvenation	LOS	-	-	667
CE21012 - Transport building renewals	R	37	1,103	1,096
CE21052 - Peacocke transportation land	G	-	-	994
CE21053 - Central city transportation improvements	LOS	945	-	2,281
CE21055 - Te Rapa transportation upgrades and development	G	314	-	249
CE21058 - Transportation safety improvements	LOS	14,825	10,298	14,339
CE21060 - Public transport improvement	LOS	788	819	5,599
CE23005 - Infrastructure Acceleration Fund Transport	G	607	607	607
Transport total		145,902	115,941	88,142



Priority two

A city where our people thrive

He taaone e tipu
matomato ai te tangata



We asked what kind of Hamilton Kirikiriroa you wanted to live in. You told us you want a city where there are opportunities to thrive in your jobs, careers and lives. To deliver this, we'll actively create those opportunities so you can leverage the wonderful lifestyle our city has to offer.

Increasingly, our city is a place where people and businesses want to come, stay, and grow. Our location, range of amenities, and the diverse business opportunities on offer, provide an attractive lifestyle which means that more and more people want to be here.

Hamilton Kirikiriroa is a youthful city, with many young people coming here (or even returning home) to find good jobs, buy homes, raise families, and become part of our community. More than 160 ethnic groups are now part of the make-up of our city too. This creates a valuable diversity in our city's identity, which brings opportunities and benefits for all Hamiltonians.

Our city is experiencing rapid population growth, and so it is important that we take a careful and considered approach to managing our urban growth, to make sure we grow well and deliver communities that improve the wellbeing of Hamiltonians.

We want to embrace the opportunities that growth brings, by investing in the right places at the right time. So, as the face of our city changes, it is important that we continue to empower and enable our diverse communities to share their voice and help shape our city.

To deliver a city where our people thrive, we invest in the following:

- o **Governance**
- o **Partnerships Communication & Maaori**
 - o Amorangi Maaori
 - o Communication and Engagement
 - o Community Partnerships and Funding
- o **Growth**
 - o City Planning
 - o Planning Guidance
- o **Regulatory and Safety**
 - o Animal Education and Control
 - o Public Safety
 - o Building Control
 - o Civil Defence and Emergency
 - o Environmental Health and Alcohol Licensing

Governance

Governance is about providing Hamiltonians with sound leadership that makes good decisions in the best interests of our city. We want to provide open and effective city governance, with opportunities for our people to be involved in shaping our city. We are also committed to honouring our Te Tiriti O Waitangi/Treaty of Waitangi and legislative obligations.

Our governance services enable, promote and support local democracy by providing advice and democratic services to Elected Members, Maangai Maaori, Appointed Members, the wider organisation, and the public.

This includes supporting public engagement with Elected Members through our democratic processes, as well as

facilitating local government elections (and by-elections), Council and committee meetings, petitions, referenda, polls, and representation reviews. These services also include providing induction, training, and administration support for the Elected Members.

We also undertake representation reviews in line with legislative requirements to ensure that our communities of interest within the city are effectively represented.

We will continue to work with other areas of the organisation and partners to schools, tertiary institutions, and community groups to understand and engage in local democratic processes that shape our city.

Partnerships, Communication and Maaori

Amorangi Maaori

Our specialist Amorangi Maaori function serves to deepen our connections with Iwi and Maaori and takes the lead in building the Maaori capability of everyone who works here.

Council is committed to honouring the principles of Te Tiriti o Waitangi/Treaty of Waitangi through its relationship with Kiingitanga, Waikato-Tainui, Mana Whenua and Maataawaka within Hamilton Kirikiriroa. The principles of partnership, participation, and protection underpin the relationship between Council and Maaori under Te Tiriti o Waitangi/the Treaty of Waitangi.

We seek to honour these principles in our decision-making by ensuring we are effectively engaging in partnership with Iwi, Mana Whenua and Maataawaka organisations. Our Amorangi Maaori team support this by providing Council with guidance and advice on issues related to Maaori, and support us in building stronger relationships with our Maaori partner organisations.

We want to make sure that Hamilton Kirikiriroa is a city where people from different cultures work together and respect each other's views, heritage and culture.

Communication and Engagement

It is important that it is easy for Hamiltonians to share their voice and help shape the future of their city. We want to provide our people with transparent, effective, and consistent opportunities to have their say on the issues that matter to them. This connects the community with Council to ensure that their views are represented, and that there is genuine opportunity to help inform Council's decision-making.

We recognise that our communities, and their views, are diverse and have differing preferences for the ways in which we engage with them. It is important that how we engage is responsive, accessible, and able to meet the varied needs of our community.

Community Partnerships and Funding

We seek to support the wellbeing of Hamiltonians by partnering with local organisations and private providers to deliver a variety of services and activities that meet the needs of our local communities. Our work includes advisory services and grants through a community assistance fund. Council's Community Advisors work with organisations and agencies throughout the city to increase the ability of the community to meet its own needs. Their work focuses on building greater social cohesion and inclusion, creating a better city for all people who live here.

Through city events and activations, we can acknowledge significant city occasions and milestones and ensure our Council engagement is well supported by targeted events and activities. These include civic citizenship ceremonies and welcoming events, Your Neighbourhood community events, ANZAC commemorations and Matariki celebrations. In addition, we work with groups holding their own community events, by providing advice directly to them and issuing event permits to ensure health and safety.

The City Investment Programme was established by Council in 2022 with the aim of unlocking Hamilton's potential as a connected, vibrant, attractive, and prosperous city. By building and brokering relationships and partnerships, the programme works to draw funding for Hamilton to support enhanced city outcomes and enable the development of key community infrastructure projects. This is achieved through collaboration, and a shared commitment with partners, city investors and philanthropic donors, to deliver community infrastructure and initiatives that improve the wellbeing of Hamiltonians.

Growth

Growth is about planning that supports the growth of the city and the wider region in a boundaryless way, while ensuring Hamilton's unique environment is protected. We want to meet our regulatory requirements to ensure building activity in the city supports safe, sustainable housing and commercial solutions in response to Hamilton's growing population. We want to ensure developers, large and small, have accurate advice and information to help them through the regulatory processes.

City Planning

Hamilton is currently the fastest growing city in New Zealand. We need to ensure that the growth our city is experiencing happens in a way that unlocks Hamilton's full potential and promotes the wellbeing of Hamiltonians. Good planning is necessary to support smart development and sustainable growth across the entire city. It protects Hamilton's natural and built environments, our heritage and quality of life for our residents.

This is carefully managed through the District Plan, which is the key document defining how and where the city grows. We continually monitor its effectiveness to ensure it delivers good urban design across our city, improves housing affordability and

diversity, and enables a city that grows up and out in all the right places.

We need to ensure that Hamilton is resilient and can adapt to the changing climate, so we can minimise the impact on our city and our community. We are preparing for the changes ahead by working towards being a cleaner, healthier, climate resilient city by integrating sustainability across all of Council's activities.

This is done by providing strategic information and direction on climate change, building capacity and capability for climate resilience, and through engagement with our community, external stakeholders, and partners.

Planning Guidance

We work closely with developers to ensure the city is well designed, safe and sustainable, and enables quality-built housing options that meet the needs of all our people.

We provide information and advice for those planning developments and issue, monitor, and enforce land-use and subdivision consents.

We also carry out duties and functions relating to the Resource Management Act 1991 to ensure the sustainable management of natural and physical resources.

Regulatory and Safety

Regulatory and safety is about ensuring Hamilton is a place where people feel safe and are protected from risks to their health and wellbeing. We want to make sure our public places are safe for the people that use them and legal standards are met. We want to meet our obligations to keep our residents safe by ensuring compliance with public health and safety regulations.

Animal Education and Control

To reduce the risk of danger and nuisance from dogs, we make sure they are registered and controlled and investigate offences under the Dog Control Act 1996. We also facilitate education to schools, businesses and community groups about safety around dogs.

Public Safety

We work with a range of other agencies to deter anti-social behaviour in the central city. We look for opportunities to prevent crime, and support the homeless or vulnerable to enhance perceptions of safety for users of the central city. Services we provide include 24/7 CCTV operations and City Safe patrols.

We will continue to look at ways we can improve our CCTV monitoring services in terms of the cameras operating,

our analytic capability, and links with different parts of our organisation. This will build the cohesiveness and efficiency of the CCTV operations that support safety services across the city. Our City Safe patrols will continue in the central city, and Suburban Response Team patrols will continue in our suburbs.

Building Control

Building Control fulfils an advisory, education, compliance and enforcement role to ensure that Hamilton's buildings are safe, healthy, and durable. As part of this we issue, inspect, and certify building consents, issue compliance schedules, audit building warrants of fitness, inspect residential pools, and respond to customer concerns.

Civil Defence and Emergency

We work with our communities to make people feel safe in their neighbourhoods through public education and awareness to be prepared for a disaster and to build community resilience.

We support the Waikato Region Civil Defence and Emergency Management Group to meet legal requirements, minimise potential effects of emergencies, prepare our people to respond to emergencies, and help communities recover as quickly as possible after an emergency.

Environmental Health and Alcohol Licensing

We monitor and enforce standards for businesses selling food and alcohol, respond to health nuisances, and deal with environmental pollution issues such as noise control and

contaminated sites. We ensure the sale, supply and consumption of food and alcohol from businesses is undertaken safely and responsibly to minimise the risk of harm to the community.

Growth, Regulatory and Safety Capital Projects

R - Renewals LOS - Levels of Service G - Growth

	Type	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
Growth				
City Planning				
CE24008 - Strategic Property renewals	R	1,226	1,242	249
CE24024 - Strategic Land Acquisition Fund	G	-	10,920	10,857
Growth total		1,226	12,162	11,106
Regulatory and Safety				
Animal Education And Control				
CE21013 - Animal Control building renewals	R	14	13	-
CE24029 - Animal Control development	G	410	284	-
CE24031 - Animal Control development	R	31	26	4
		455	323	4
Public Safety				
CE21015 - City Safe renewals	R	235	232	67
CE21016 - City Safe upgrades	LOS	14	43	42
		248	275	110
Regulatory and Safety total		703	598	114

Priority three

A central city where people love to be

He pokapuu taaone e
ngaakautia ana e te marea



We asked what kind of Hamilton Kirikiriroa you wanted to live in. You told us you want a central city that is the beating heart of Hamilton, which always has something going on for our diverse communities to come together and enjoy.

It is important that as we grow, we are creating a connected, welcoming and diverse central city. Somewhere that people can easily live, work or play, where businesses can thrive, and that Hamiltonians can be proud of. We are working hard, alongside our partners, to ensure our central city is positioned to take advantage of all the opportunities this growth brings so that our central city is somewhere people love to be.

Our central city not only supports the economy of Hamilton Kirikiriroa, but also plays a significant role in servicing the wider region. We want our central city to be somewhere that draws visitors in from across the region and beyond, and that always offers experiences that make people want to return. We also want businesses to choose to base themselves in our central city because it provides great options that meet their needs, making it an ideal location to establish, grow or relocate a business.

We want our city to provide something for everyone, both during the day and throughout the evening. Our central city offers a wide range of dining, retail and entertainment choices, as well as attractions and activities to suit all ages.

We'll continue to support the creation of inner-city living options that offer a desirable urban lifestyle in an exciting and vibrant centre. We'll support this by focusing on providing a truly liveable city centre for people to call home.

We want our city to be easy to get into, and easy to get around. This means making sure that our city caters to all accessibility needs and is designed well to provide options for all modes of transportation.

The central city enjoys a unique riverside setting so investment in our central city is focused on strengthening the connection and access between the city and the Waikato River to ensure we celebrate and treasure the city taonga (treasure) that it is.

Hamilton Kirikiriroa is home to a thriving visual arts and performance scene. Work is well underway on a new regional theatre that has leveraged existing central city spaces to undertake this initiative. When complete it will offer a truly unique creative experience for residents and visitors to our city.

* This priority does not have a separate capital programme or funding impact statement as the costs are already reflected in our other activity statements.

Priority four

A fun city with lots to do

He taaone hangareka, aa, he
nui ngaa mahi paarekareka



We asked what kind of Hamilton Kirikiriroa you wanted to live in. You told us that you want the city to be an even better place for everyone to play, with things to do or see around every corner.

It's important that our city provides opportunities for all our people to play and have fun – from enjoying the rich arts and culture of Waikato Museum, to a wide range of events at one of our H3 event venues, to enjoying the outdoors at any one of our parks, playgrounds, or natural areas.

We want to build on our city's growing reputation for hosting outstanding events, from small community-focused events to those on a national or international scale. We want to ensure we consistently offer experiences and entertainment that our locals love, and that draw people from all over New Zealand to Hamilton Kirikiriroa, bringing economic benefit to our city.

Recreational spaces are also important for our communities; they include indoor and outdoor facilities that host local community sport, and engaging playspaces for our city's tamariki, as well as opportunities to connect with nature along the Waikato River or at Lake Rotoroa.

Our city is home to a range of visitor destinations too, such as Hamilton Gardens, Waikato Museum, and Hamilton Zoo and Waiwhakareke Natural Heritage Park at Te Kaaroro Nature Precinct. These destinations offer opportunities to celebrate our city's rich heritage, arts and culture, and nature at its finest.

We want to continue to offer new, exciting, and unique experiences for our people and our city's visitors. Events, activities, and destinations, that people of all ages and abilities can enjoy and connect with. All of these things contribute to making Hamilton Kirikiriroa a fun place to live, with plenty to do.

To deliver a fun city with lots to do, we invest in the following:

o Venues, Tourism and Events

- o Claudelands, FMG Stadium Waikato, Seddon Park
- o Theatres, Tourism and Events Funding
- o Hamilton Gardens o Te Kaaroro Nature Precinct (Hamilton Zoo and Waiwhakareke Natural Heritage Park)
- o Waikato Museum

o Parks and Recreation

- o Parks
- o Indoor Recreation
- o Cemeteries and Crematorium
- o Community Facilities

Venues, Tourism and Events

Our city's venues, events and visitor destinations provide all kinds of opportunities for memorable experiences and entertainment. We want to continue to deliver events that support our local business, stimulate our economy, and promote our city.

We want Hamiltonians to have high-quality attractions they are proud of and want to visit again and again because they always offer something new and interesting. We want to attract more national and international visitors to our city by offering unique attractions and experiences that are worth coming for. This will in turn positively contribute to our economy.

By taking a strategic and aligned approach to our cultural and tourism assets, we will continue to strengthen their collective profile and maximise their potential and the benefits to the city. Continued investment will see increased visitation, through projects to enhance and improve our facilities, and initiatives that create new and diverse offerings for our people and visitors to Hamilton.

Claudelands, FMG Stadium Waikato, Seddon Park

We manage several venues offering space for live entertainment, business meetings, functions, large sports events and other major events.

We will aim to continue to attract a range of national and international standard events to Hamilton, most of which will be held at our stadia and Claudelands. Our venues are wellpositioned to cater for growth within their existing capacity levels and will be maintained to an appropriate standard.

Theatres, Tourism and Events Funding

We have invested, alongside a range of partners, to deliver the Waikato Regional Theatre - a new world-class multi purpose performing arts theatre to serve the Waikato region. The construction of the theatre is expected to be completed in November 2025, with opening during 2025/26. Once opened, we will provide an annual property asset maintenance grant to the Trust for the following ten years.

We also offer an annual event sponsorship contestable fund to provide financial support to hold events that bring economic and profile benefits to Hamilton Kirikiriroa. Our annual funding to the Regional Tourism Organisation (Hamilton and Waikato Tourism Limited) supports the development of a range of strategic tourism initiatives. These initiatives help strengthen the attraction of both Hamilton Kirikiriroa and the surrounding Waikato region to the visitor market.

Hamilton Gardens

Hamilton Gardens is an internationally acclaimed attraction and a key feature of the city's identity. As a major visitor destination, it contributes to our economy while also serving Hamiltonians as a community park.

We will continue to support the success of Hamilton Gardens and seek to increase the economic contribution the Gardens makes to our city. We plan to leverage growing visitor numbers to the Gardens to support the wider Hamilton tourism industry. In 2024, an entry fee was introduced for visitors to our city over the age of 16. This coincided with the completion of upgrades to the visitor arrival centre. Resulting revenue will contribute to improving and adding new services and facilities that make visiting Hamilton Gardens easier.

Te Kaaroro Nature Precinct: Hamilton Zoo and Waiwhakareke Natural Heritage Park

Hamilton Zoo and Waiwhakareke Natural Heritage Park create a tourism attraction that provides unique visitor and educational experiences that connect people with nature and wildlife and showcase conservation in action.

As well as being a tourism and recreation park, Hamilton Zoo is committed to the conservation of animals and the environment

by participating in conservation and research projects and contributing to breeding programmes for endangered species.

Connected to the Zoo, Waiwhakareke Natural Heritage Park complements the zoo experience. Developed in partnership with the community, the park aims to reconstruct the natural forest, wetland and lake ecosystems present in pre-European times.

In 2023 we completed upgrades to the visitor precinct which has modernised facilities and improved connections to Waiwhakareke Natural Heritage Park, creating a premier visitor experience.

Waikato Museum

Waikato Museum cares for, preserves and shares stories about the objects and taonga of the Waikato region and beyond. It does so through a wide variety of exhibitions, events and educational activities. The museum is a guardian of collections that have been acquired, gifted or loaned, and kaitiaki of culturally significant Tainui taonga.

Parks and Recreation

Parks and Recreation is about ensuring access to a wide range of recreational and leisure activities and attractive outdoor spaces for all Hamiltonians to enjoy. We want to provide activities and spaces that enhance the quality of life for our residents and visitors, and contribute to keeping Hamilton beautiful. We want to preserve indigenous flora and fauna, natural ecosystems and landscapes, protect our lakes and rivers, and meet our legal obligations for the preservation and management of reserve land.

Parks (including community parks, natural areas, sports parks, streetscapes and playgrounds)

One of the things that makes Hamilton a great place to live, work and play is the range of recreation facilities and open green spaces we have for the community to enjoy. We provide, operate and maintain more than 200 parks and reserves and associated

assets across 1196 hectares in the city. These assets include recreational facilities such as playgrounds and play spaces like skate parks, natural areas and open spaces, sports parks and community amenities such as public toilets.

Our focus is on making sure all Hamiltonians have access to well-maintained parks, open spaces and recreation facilities wherever they are in the city. We are invested in making sure that the quality and range of our parks and recreation options keeps up with our city's growth too. This includes the development of new natural areas, parks and play spaces, necessary upgrades to drainage and irrigation on sports parks, and essential upgrades to existing play areas. Where and how we undertake this investment will be informed by community consultation.

We are also fortunate to be home to some incredible natural features including indigenous bush areas, the riverbank reserve system, wetlands and lake areas, and an extensive system of gullies throughout the city. Keeping our city beautiful is important, and we add to its attractiveness with our street and park trees, gardens and street plantings.

Our Nature in the City Strategy has the vision “Nature thrives in Kirikiriroa/Hamilton and nurtures us wherever we are”. Our focus will be on investing in the implementation of this strategy, which will include the improved maintenance of our existing gullies. The next ten years will also see an increased investment in the restoration of our gully systems, including improvements to paths and boardwalks as well as the establishment of a biodiversity monitoring and reporting programme.

Indoor Recreation

We offer opportunities for indoor recreation through Te Rapa Sportsdrome, a community sporting venue that caters to a range of sports codes. It has recently been fitted out with a new sprung floor providing a much improved experience for users. We also partner with some external agencies to support the development and ongoing operations of facilities, such as the Rototuna Indoor Recreation Centre (“The Peak”).

Cemeteries and Crematorium

We provide, manage and maintain three cemeteries and one crematorium for burial and cremation services. As part of this management, we make burial records available to the public and protect our heritage cemeteries. The cemeteries serve as passive spaces of reflection and remembrance for the community.

The crematorium provides a critical service for the Waikato region in the event of a pandemic or civil emergency.

Community Facilities

We provide community facilities throughout the city that offer places and spaces for community organisations and private providers to deliver a variety of services and activities to meet the needs of local communities. The facilities are a collection of centres, halls and heritage buildings providing a mix of bookable spaces and leased facilities. Council also leases buildings to some community groups where there is capacity, including sheds/storage and changerooms.

Parks and Recreation and Venues, Tourism and Events Capital Projects

R - Renewals LOS - Levels of Service G - Growth

	Type	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
Parks and Recreation				
Cemeteries and Crematorium				
CE10021 - Cemetery and Crematorium building renewals	R	23	22	-
CE21004 - Cemeteries and Crematorium renewals	R	90	44	-
CE21007 - Cemeteries and Crematorium development	G	1,358	1,426	651
		1,471	1,492	651
Community Facilities				
CE19070 - Community Facilities building renewals	R	2,628	5,193	2,643
		2,628	5,193	2,643
Indoor Recreation				
CE21008 - Indoor Recreation development	LOS	3,182	-	3,609
		3,182	-	3,609
Parks				
CE10030 - Parks and Recreation building renewals	R	4,950	1,982	2,428
CE17004 - River Plan	LOS	4,988	-	4,983
CE19007 - Peacocke parks development	G	330	-	864
CE19009 - Rototuna parks development	G	-	-	-
CE21001 - Nursery renewals	R	673	229	6
CE21003 - Parks and Recreation renewals	R	6,794	8,455	4,464
CE21006 - Nature In The City gully restoration and development	LOS	-	-	99
CE21010 - Parks and Recreation development	LOS	3,465	2,840	3,309
		21,200	13,506	16,153
Parks and recreation total		28,481	20,191	23,056

R - Renewals LOS - Levels of Service G - Growth

	Type	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
Venues Tourism And Events				
Claudeland's FMG Stadium Waikato And Seddon Park				
CE24009 - VTME building renewals	R	\$000	\$000	\$000
CE24010 - VTME security and health and safety programmes	LOS	4,318	5,072	4,666
CE24011 - VTME operational renewals	R	542	546	706
		2,652	3,371	1,698
		7,511	8,989	7,071
Hamilton Gardens				
CE24012 - Hamilton Garden renewals	R	692	321	481
CE24013 - Hamilton Garden building renewals	R	947	255	569
CE24014 - Hamilton Gardens development	LOS	2,058	568	1,330
		3,697	1,143	2,380
Te Kaaroro Nature Precinct				
CE24016 - Hamilton Zoo building renewals	R	1,403	1,733	1,336
CE24017 - Hamilton Zoo operational renewals	R	1,128	1,669	1,327
CE24018 - Hamilton Zoo and Waiwhakareke development	LOS	3,068	79	2,275
		5,599	3,480	4,938
Waikato Museum				
CE24019 - Museum operational renewals	R	238	183	101
CE24020 - Museum building renewals	R	2,394	918	598
CE24021 - Collection acquisition fund	LOS	87	85	-
CE24022 - Museum development	LOS	4,043	-	-
		6,762	1,185	700
Venues Tourism and Events total		23,570	14,797	15,088

Priority five

A green city

He taaone tiaki taiao



We asked what kind of Hamilton Kirikiriroa you wanted to live in. We want to do it right together, so our city will get better by the day and we can leave a legacy we can all be proud of.

To protect Hamilton Kirikiriroa for future generations and to become a sustainable city, we'll continue to challenge how we live within our city and how it grows.

Shaping a green city involves investing in our city's natural areas, having a clear response to climate change, managing a safe and resilient water supply, managing stormwater and wastewater, and minimising the impact of waste. We want to do these things together in the right way, so our city will get better by the day, and we can leave a legacy we can all be proud of.

We embrace our individual and collective roles as kaitiaki (caretakers) of our land, water, and air. Together, we honour, enhance, and protect taonga (treasures) like the Waikato River, and our city's extensive and unique gully system.

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

We need to look after what we already have by embracing the sustainable use of natural resources such as our water. And it's important we continue to minimise our impact on the land by leading the country in waste minimisation practices.

To deliver a green city, we invest in the following:

o Water Supply

- o Water treatment and storage
- o Water distribution

o Wastewater

- o Wastewater collection
- o Wastewater treatment and disposal

o Stormwater

- o Stormwater network

o Rubbish and recycling

- o Refuse collection
- o Landfill and site management
- o Waste minimisation

Water Supply

Water Supply is about providing Hamilton residents and businesses with a reliable, high-quality and safe treated water supply. We want to continue to meet our legislative requirements to deliver water supply services that are safe, healthy and sustainable. We want to ensure we meet the current and future needs of communities with good-quality infrastructure.

Water treatment and storage; Water distribution

We treat, distribute and manage Hamilton's water supply. Raw water is drawn from the Waikato River into the water treatment plant, where it is treated to provide high-standard drinking water.

We operate, maintain and enhance the water treatment plant, water storage reservoirs, pump stations, hydrants and pipelines and commercial water meters. Our water supply network services more than 57,000 households and 5700 commercial and industrial and rural premises. Water from the city also supplies several thousand properties in Waikato and Waipaa Districts.

Monitoring and managing risks to the quality and safety of water is an important part of this service. We undertake planning to manage future capacity needs. Legally, we must ensure our water is used sustainably. We do this in many ways including encouraging residents to conserve our precious water resource,

water restrictions when demand is high, and investment in infrastructure to enhance monitoring and manage water usage better.

We will continue to work with Taumata Arowai, the water services regulator, to ensure all our communities continue to have access to safe and reliable drinking water.

In line with our Water Conservation and Demand Strategy, we will continue implementing water demand zones that help us identify areas where we are losing water. This helps us to target the replacement of pipeline infrastructure most likely to be leaking or at most risk of failure.

Over the next ten years, there are many key projects and initiatives to support the effective management of our water supply. These involve a range of network capacity and management reviews, renewals, upgrades and increases in capacity to cater for growth. To improve resilience and meet growth demands upgrades to our Wairoa Water Treatment Plant are needed and planning for a second treatment plant will commence.

A business case to reconsider ways we can reduce water demand, including the option of universal water metering, will be undertaken providing greater certainty of the timing of future water infrastructure investments

Wastewater

Wastewater is about providing our city with reliable and sustainable wastewater services to protect both the health of our people and our waterways. We want to continue to provide a service to collect, treat, and dispose of wastewater in a safe, healthy and sustainable way. This includes ensuring we meet the current and future infrastructure needs of our communities.

Wastewater collection; Wastewater treatment and disposal

Wastewater drains from showers, baths, sinks, washing machines, dishwashers and toilets, and is collected and transferred through a network of pipes and pump stations to the Pukete Wastewater Treatment Plant. Wastewater from commercial and industrial premises also feeds into this network.

At the wastewater treatment plant, wastewater is thoroughly treated before being discharged into the Waikato River. Solid waste (biosolids) removed as part of the treatment process is also treated on site and then composted for reuse. The wastewater network services approximately 57,000 households and 5700 commercial and industrial premises.

Over the next ten years strategic investment in wastewater infrastructure is required to ensure we can continue to meet increasing compliance and community expectations as the city grows.

Investment includes the staged upgrade and re-consenting of the Pukete Wastewater Treatment Plant. Wastewater Storage tanks will be installed to provide increased capacity in wet weather events and a second Wastewater Treatment Plant is planned in collaboration with subregional partners to provide increased resilience and capacity as the city grows.

We'll also be replacing and upgrading ageing wastewater infrastructure which will provide greater reliability and efficiency.

Stormwater

Stormwater is about providing our city with services that protect people and properties from flooding and manage the quality of our stormwater. We want to continue to maintain stormwater services that improve, promote and protect public health. This includes protecting and enhancing the Waikato River, and minimising the effects of stormwater on the environment.

Stormwater network (includes collection, conveyance, treatment and discharge services)

The stormwater system consists of pipes, ponds, wetlands and open watercourses, which collect and release rainwater into the city's streams and lakes, and the Waikato River.

We operate and maintain the stormwater infrastructure, replace aging infrastructure and build new infrastructure. To meet our legal obligations to minimise the effects of stormwater on the environment, we treat and discharge stormwater in various ways.

We are working to improve the resilience, sustainability, and compliance of the stormwater network over the next ten years.

We anticipate we will need to comply with increased legislative and regulatory requirements in terms of existing assets and for planned urbanisation as the city grows.

To meet these requirements, we'll be focusing on establishing strategic stormwater infrastructure in greenfield areas, improving the resilience of waterways through erosion control works, and improving Stormwater treatment in existing areas.

We are continuing to invest in understanding flood risks through catchment management planning and will invest in flood management in priority areas.

We'll also be replacing and upgrading ageing Stormwater assets which will provide greater reliability.

Rubbish and Recycling

Rubbish and Recycling is about protecting the health of Hamiltonians and the environment by providing a reliable kerbside rubbish and recycling collection service and promoting waste minimisation and resource recovery. We want to encourage and support waste reduction, reuse and recycling through education programmes, and the right infrastructure and services.

Refuse collection (refuse and recycling)

We are responsible for the kerbside collection and safe management of domestic rubbish, recycling and litter. We provide rubbish and recycling collections to residential properties in the city (excluding the city centre) on alternate weeks.

We own the Transfer Station, Lincoln Street Resource Recovery Centre and the green waste facilities at the Hamilton Organic Centre. The operation of these facilities is contracted to privately owned businesses. Planning for new or reconfigured infrastructure to support projected growth of the city will be important as this will enable us to increase the effectiveness of our resource recovery at solid waste sites.

Landfill site management

As we no longer operate a landfill, all rubbish is transported to Hampton Downs landfill. We continue to monitor and manage several landfill sites that are now closed.

Waste minimisation

We work hard to minimise waste and to encourage more recycling and reuse through education programmes and promoting waste minimisation. Effective and efficient waste minimisation is a requirement of all councils under a range of legislation. We will continue to implement our Waste Management and Minimisation Plan which includes waste minimisation education, new partnerships and accessing of relevant grants.

Water Supply, Wastewater, Stormwater, Rubbish and Recycling Capital Projects

R - Renewals LOS - Levels of Service G - Growth

	Type	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
Water Supply				
Water distribution				
CE10123 - Watermain renewals	R	\$000	\$000	\$000
CE10124 - Watermain valves and hydrants renewals	R	5,471	4,980	5,069
CE15127 - Water pipe upgrades	G	802	735	878
CE15128 - Rotokauri upgrade and new watermain stage 1	G	768	799	597
CE15132 - Water network upgrades to allow new development	G	-	1,190	-
CE15133 - Water network improvements	LOS	210	1,202	1,710
CE15141 - Water Demand Management Hillcrest Reservoir Zone	G	230	352	532
CE15146 - Water customer connections	G	263	1,092	1,098
CE15158 - Water model	R	53	55	54
CE15159 - Water master plan	G	159	147	200
CE19046 - Peacocke watermain stage 2	G	158	139	75
CE21035 - Strategic water demand management	G	712	1,013	25
CE23002 - Infrastructure Acceleration Fund Water Supply	G	-	-	597
CE24030 - Infrastructure Acceleration Fund Water Supply	LOS	7,634	5,196	7,300
		2,341	11,653	2,140
		18,799	28,552	20,274
Water treatment and storage				
CE10138 - Treatment plant and reservoir renewals	R	1,483	1,536	1,084
CE15139 - Water Treatment Plant Compliance Minor Upgrades	LOS	1,099	2,813	1,282
CE15144 - Upgrade water treatment plant	G	4,095	1,092	795
		6,677	5,441	3,161
Water supply total		25,476	33,992	23,435

R - Renewals LOS - Levels of Service G - Growth

Wastewater

Wastewater Collection

Type	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
	\$000	\$000	\$000
CE10100 - Wastewater pump station asset renewals	R	935	779
CE10101 - Wastewater asset renewals	R	5,770	7,986
CE15103 - Wastewater network improvements	LOS	9,469	10,767
CE15104 - Wastewater pipe upgrades	G	893	497
CE15106 - Wastewater network upgrades to allow development	G	-	56
CE15111 - Increase capacity of wastewater network	G	-	984
CE15121 - Wastewater customer connections to network	G	116	119
CE15160 - Wastewater model	R	252	211
CE15161 - Wastewater master plan	G	154	75
CE19040 - Peacocke wastewater infrastructure stage 2	G	1,478	1,604
CE19042 - Peacocke wastewater south network	G	15,450	66
CE19043 - Increase capacity wastewater west network	G	5,637	4,519
CE19044 - Increase capacity wastewater east network	G	1,050	4,352
CE23004 - Infrastructure Acceleration Fund Wastewater	G	864	720
	42,067	34,071	32,735

Wastewater Treatment and Disposal

CE10115 - Wastewater treatment plant asset renewals	R	5,374	3,823
CE15117 - Upgrade wastewater treatment plant	G	22,356	24,985
CE15120 - Wastewater treatment plant compliance	LOS	2,856	740
CE21073 - Subregional wastewater treatment plant	G	3,150	994

	33,736	38,441	30,543
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Wastewater total	75,803	72,512	63,278
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R - Renewals LOS - Levels of Service G - Growth

	Type	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
Stormwater				
Stormwater network				
CE10058 - Stormwater asset renewals	R	\$000	\$000	\$000
CE15059 - Rototuna stormwater infrastructure	G	2,616	2,646	885
CE15060 - Rotokauri stormwater infrastructure stage 1	G	526	3,046	842
CE15062 - Peacocke stormwater infrastructure stage 1	G	4,984	349	1,992
CE15063 - Peacocke stormwater infrastructure stage 2	G	2,088	-	-
CE15067 - Comprehensive stormwater consent implementation	G	3,918	1,299	260
CE15068 - Stormwater customer connections	LOS	175	162	42
CE15162 - Integrated Catchment Management Plan	G	26	27	27
CE19026 - Erosion control works	G	2,286	6,594	2,080
CE21031 - Flood management	LOS	2,319	2,874	3,008
CE21032 - Stormwater infrastructure upgrades	LOS	525	2,255	1,491
CE23003 - Infrastructure Acceleration Fund Stormwater	G	890	926	545
Stormwater total		599	535	500
Rubbish and Recycling				
Landfill Site Management				
CE10054 - Closed landfill assets renewals	R	1,318	1,070	872
Rubbish and Recycling total		1,318	1,070	872



Delivering Our Climate Future

Te tuku i too taatou Anamata Aahuarangi

Council is into the fourth year of implementing our climate change strategy, *Our Climate Future: Te Pae Tawhiti o Kirikiriroa*. To realise our vision of Hamilton Kirikiriroa being a thriving, low-carbon city that responds and adapts to climate change we are delivering the following priority programmes.

Achieving our emissions targets

Reducing our emissions requires collective action – by working together with our community, businesses, and partners we can make this happen.

We are taking responsibility by reducing our own emissions here in Council. We are making good progress towards our 2030 emissions reduction target of a minimum of 30%, having implemented many of the easy-to-do projects. This year we will identify the next phase of projects that will reduce emissions, and save energy and costs.

We are also continuing our collaboration with 18 other Councils across Aotearoa to calculate our citywide emissions and identify opportunities to reduce emissions in line with our citywide targets.

This year we will continue to roll out our climate change education and engagement programme, which includes online learning and community engagement activities.

Our city is ready for Hamilton's climate

We are already experiencing some of the effects of climate change and these will only intensify. We need to improve the ability of our community and natural and built environments to deal with these changes.

This year we will deliver a risk tool to understand the impacts of climate change, including a public facing portal. This tool will be the basis for the climate change risk assessment for our council, understanding the impacts on our assets and operations.

Building our climate change maturity

To improve the implementation of *Our Climate Future*, we are rolling out a climate change maturity programme within council. This includes climate change education for staff, improvements to the integration of climate change into decision making and an understanding of the financial impacts of climate change.

Financial matters

Ko ngaa take puutea



Key changes to the 2024-34 Long-Term Plan

Ngaa panonitanga matua ki te Mahere Ahu Whakamua 2024-34

Every three years we set our budget and work programme for the next decade, and the latest edition is our 2024-34 Long-Term Plan. Year Two of this plan is 2025/26 – the year of our Annual Plan. The budget for the Long-Term Plan was developed to give effect to the five priorities. We worked alongside our residents, so it reflects the aspirations they have for Hamilton Kirikiriroa. We're committed to largely the same approach that we signalled in the Long-Term Plan for Year Two, with some minor variations to account for changes in priority and circumstances.

When the Long-Term Plan was set, a deficit of \$22 million was forecast for 2025/26. A deficit of \$13 million is now forecast. This change is largely driven by changes to the three-year (2024-2027) capital programme.

The only change affecting the 2025/26 capital programme relates to water meter investigations. The proposed 2025/26 capital programme includes \$600,600 capital expenditure cost and \$517,500 operational expenditure costs for these

investigations. This project was included in 2026/27 (Year Three) of the Long-Term Plan and has been brought forward to enable work to proceed earlier.

We have also reviewed impacts on future years of the programme. In particular, we have deferred budgets within the three waters programme in 2026/27, where decisions on capital expenditure are best made by the CCO.

The Long-Term Plan Year Two capital programme of \$317.1 million has been revised to \$255 million.

We have also introduced some changes to our operating expenditure: a grant for small-scale community development of \$20,000 available to community groups to fund the costs of development contributions, additional funding of \$132,000 for the 2025 local body elections to encourage voter turnout, and two roles funded from the waste minimisation levy to address illegal dumping to the value of \$212,000.

Other budget changes approved by the Council that have impacted the budget are from increases in our electricity costs, a lower-than-expected New Zealand Transport Agency subsidy, new levies from the Water Services Authority and the Ministry of Business, Innovation and Employment, and various accounting change adjustments.

We have reviewed the budgets and workplans of the 2025/26 Annual Plan budget against the economic settings and considered where changes were necessary, including reviewing the significant assumptions underpinning the Financial Strategy.

We have also reviewed our assumptions about inflation. Personnel cost inflation remains unchanged from the Long-Term Plan. An inflation rate of 3.2% has been used for all other operating costs (a decrease of 0.3 percentage points from the Long-Term Plan assumption).

The interest rate for the 2025/26 Annual Plan year has been reduced to 3.72%. This is a decrease of 0.69% from what was projected for Year Two in the Long-Term Plan.

The combined impact of the adjustments mean that we are now forecasting an operating surplus in 2025/26 of \$56.8 million,

\$27.1 million less than the \$83.9 million forecast in Year Two of the Long-Term Plan. This is largely driven by the lower-than-expected New Zealand Transport Agency capital subsidy.

The operating surplus is calculated after subtracting expenses from total revenue. Our financial strategy aims to generate operating surpluses, so we pay down debt faster than we have been and place the city in a more sustainable financial position.

The measure we use to show whether we are 'balancing the books' (paying for everyday costs from everyday revenue) takes the operating surplus and subtracts revenue from developers and other capital project funders. That revenue is set aside for specific capital projects. We also excluded expenses that aren't everyday costs. As noted previously, we are now forecasting a 'balancing the books' deficit for 2025/26 of \$13 million, compared to the \$22 million deficit forecast in Year Two of the Long-Term Plan.

We have retained the average rates increase for 2025/26 of 15.5%, as signalled for Year Two of the Long-Term Plan.

Water assets revaluation

The challenge

Council's water networks (water, wastewater, and stormwater pipes and pumpstations) are due for revaluation.

Council's policy is to conduct revaluations every three to five years (the most recent revaluation of water network assets was in 2022), but there is also a requirement to revalue sooner should analysis demonstrate material changes in valuation – as is now the case. The value of the assets determines how much Council needs to budget for depreciation, to reflect the value provided to the community in using those assets and ultimately the cost to renew and maintain these assets in the future.

There have been considerable changes to industry guidelines on how revaluations are carried out since the last waters revaluation. The new guidelines clarify the need to value assets based on what we would replace them with now – i.e., a modern-day equivalent, rather than a like-for-like replacement. In addition, a greater number of considerations are now factored into renewal costs, including how renewals are undertaken in areas that have experienced intensification.

We've begun a revaluation taking into account these changes. This has led to complex results, with significant uncertainty about their validity. The initial results suggest an increase of around 120% in the cost of replacing assets across the waters network compared to 2022 – significantly above shifts in market-based indicators used by councils as a guide for asset values.

Our approach

Because of this discrepancy, staff recommended not including the draft findings as part of the Annual Plan. Reacting immediately to the draft results of the revaluation could result in either overrating or reducing service levels beyond what is ultimately required once the results are confirmed. It could also lead to building up large reserves to eventually replace assets (with increased levels of service to meet new industry standards) many decades into the future.

Instead, we'll take the time to investigate the issues uncovered during the revaluation to provide confidence in the result ahead of the transfer of assets to the new waters company. This will also allow us to align our approach with Waikato District Council, which will also be conducting revaluations over the next year, to enable an equitable valuation and transfer of assets.

Water Asset Class:	Increase in depreciation (%)									
	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34
Stormwater	11.28	3.39	3.45	3.52	3.59	3.66	3.74	3.81	3.89	3.96
Wastewater	19.73	3.39								
Wastewater Treatment Plant	7.68	3.39								
Water Supply	16.55	3.39								
Water Treatment Station	5.02	3.39								

In the meantime, the Annual Plan includes the above increases in depreciation. These are based on the assumptions included in the 2024-34 Long-Term Plan, with some subsequent changes to reflect updated information and to ensure consistent treatment with Waikato District Council. Figures related to drinking water and wastewater are excluded from 2026/27 onwards as these assets are being transferred to the new waters company from 1 July 2026.

If the draft results of the revaluation were included in the Annual Plan, the increases in depreciation would be an additional 105% for stormwater, 60% for wastewater, and 45% for water supply.

The timing of the completion of the revaluation will not have any effect on Council's water activities in 2025/26 as Council is able to deliver its intended capital programme as budgeted.

Audit and the 2024/25 Annual Report

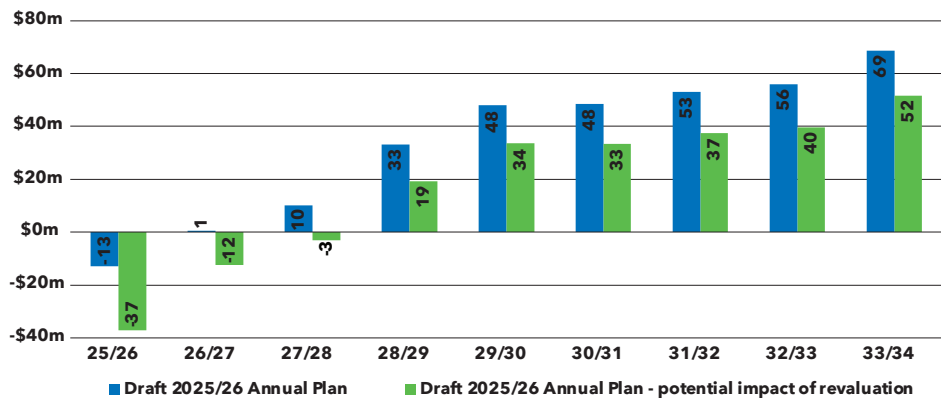
Deferring the revaluation means staff expect the 2024/25 Annual Report to receive a qualified opinion from Audit NZ. However, given the lack of confidence in the draft findings, accepting the current results could also have led to this outcome.

A qualified opinion is given when there are significant issue(s) in the Annual Report that prevent an unqualified opinion being given, but these issues are not considered pervasive. Staff do not anticipate any significant negative consequences of a qualified audit opinion.

Potential impact on our Financial Strategy

The revaluation has no effect on Council’s debt levels. However, because depreciation is an operating cost, the revaluation would potentially affect our ‘balancing the books’ outcome. As set out in the below graph, if the draft results had been included in the Annual Plan and no other changes were made, the deficit in 2025/26 would have increased from \$13 million to \$37 million, and reaching a surplus would have been delayed from 2026/27 until 2028/29.

Balancing the Books - potential impact of water assets revaluation



Notes

For 2025/26, all waters expenditure is included. From 2026/27, only stormwater is included, as responsibility for drinking water and wastewater will move to the new waters company from 1 July 2026.

All results are subject to change depending on the final results of the revaluation.

The projected results for 2026/27 and beyond are indicative forecasts and are subject to further changes due to a number of variables. Updated forecasts will be provided in future annual plans and Long-Term Plans.

The revaluation process has highlighted the risk of focusing exclusively on the balancing the books measure given the impact depreciation can have on that measure. Over the next year we’ll be looking at how our Financial Strategy can allow for the funding of multi-generational assets and associated debt to ensure we’re funding for renewals and growth in a fair and proportionate way across generations. This includes developing a wider suite of measures to provide a more holistic picture of financial sustainability. This could potentially lead to a consultation on changes to the Financial Strategy in the 2026/27 Annual Plan or 2027-37 Long-Term Plan. Considerations for this work would be:

- the length of time before we need to replace the assets;
- the implications of funding reserves and the benefits of compound interest;
- ensuring we are funding debt repayment on growth and levels of improvement investments; and
- Council’s strategic decisions on equity of intergenerational funding.



Guide to this section

Financial Strategy

As part of its 2024-34 Long-Term Plan, Council prepared and adopted a financial strategy for all of the consecutive financial years covered by the Long-Term Plan.

The financial strategy is a combination of the financial implications, constraints, and consequences of Council's policy and service delivery decisions.

The purpose of a financial strategy is to:

- facilitate prudent financial management by Council by providing a guide for Council to consider proposals for funding and expenditure against; and
- to provide a context for consultation on Council's proposal for funding and expenditure by making transparent the overall effects of those proposals on Council's services, rates, debt, and investments.

Council's financial strategy must include a statement of the factors that are expected to have a significant impact on the local authority during the consecutive financial years covered by the strategy, including:

- the expected changes in population and the use of land in

the city, and the capital and operating costs of providing for those changes; and

- the expected capital expenditure on network infrastructure that is required to maintain existing levels of service currently provided by Council; and
- other significant factors affecting Council's ability to maintain existing levels of service and to meet additional demands for services; and
- a statement of the Council's
 - o quantified limits on rate increases and borrowing; and
 - o assessment of its ability to provide and maintain existing levels of service and to meet additional demands for services within those limits; and
 - o policy on the giving of securities for its borrowing; and o specify Council's objectives for holding and managing financial investments and equity securities and its quantified targets for returns on those investments and equity securities.

Financial Strategy

Te Rautaki aa-Tahua

Our financial strategy outlines our overall approach to managing Council's finances and provides guidance when we make spending decisions. During the process of developing the 2024-34 Long-Term Plan, we revised the strategy and we will review it again when we prepare the 2027-37 Long-Term Plan.

The current strategy has been adapted to respond to challenges driven by increasing policy and legislation requirements. This includes new direction on growth, water, wastewater and stormwater standards, transport and climate change.

The guiding principles are:

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

The financial strategy can be read in full in the 2024-34 Long-Term Plan or on our website. It sets limits on the amount of debt we can take on compared to revenue (the Debt-to-Revenue ratio) and forecasts Net Debt (the money we owe lenders, less cash) and when we will balance the books. We track those three measures to make sure we are operating within the financial strategy.

The 2025/26 Annual Plan incorporates the forecast impact of a joint waters CCO from 2026-27 onwards.

Rates

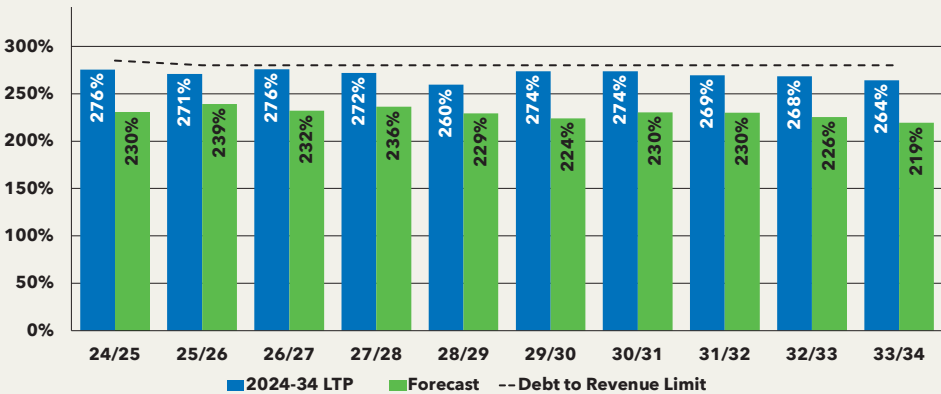
Council has set the average rate increase for 2025/26 at 15.5%. This is in line with what was proposed in the 2024-34 Long-Term Plan.

Debt

Debt to Revenue

To keep debt to manageable levels, the financial strategy caps Debt-to-Revenue at 280% from 2025/26 onward. Our lenders will let us borrow up to these maximum Debt-to-Revenue ratios. Remaining under these limits, over the 10 years, supports Council’s credit rating (A). In 2025/26 Debt-to-Revenue is forecast at 239%, compared to 271% in the 2024-34 Long-Term Plan. Debt capacity headroom (the gap between the limit and forecast) looks to remain stable through the remaining years of the 2024-34 Long-Term Plan.

Debt-to-Revenue limit

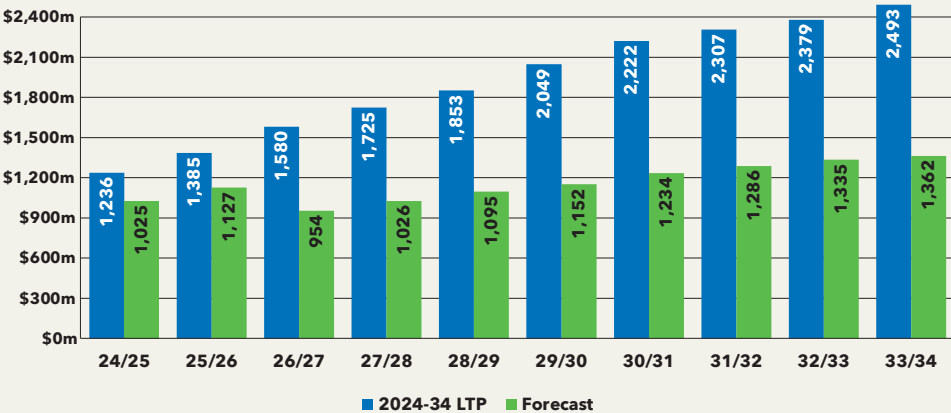


*Water Supply and Wastewater have been excluded from 26/27 onward.

Net Debt

In the 2024-34 Long-Term Plan, Net Debt in 2025/26 was expected to be \$1.385 billion. We are now forecasting it at \$1.127 billion. The Net Debt graph shows we are forecasting a decrease in Net Debt against the 2024-34 Long-Term Plan.

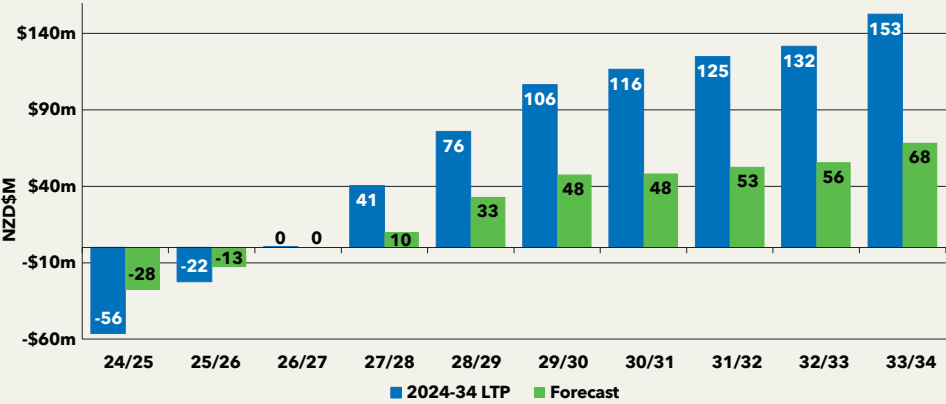
The Debt to Revenue, Net Debt and Balancing the Books graphs reflect Council’s adjusted position (the green bars) to what was originally forecast through the 2024-34 Long-Term Plan (the blue bars). The adjusted forecast position for the 2025/26 Annual Plan is a result of fluctuations in inflation, interest rates, operating and capital movements as highlighted throughout this report.



*Water Supply and Wastewater have been excluded from 26/27 onward.

Balancing the Books

Everyday costs of running the city should be paid for from everyday revenue (rates, fees and user charges). We describe this as Balancing the Books. The 2024-34 Long-Term Plan budgeted Balancing the Books deficits in 2024-25 and 2025/26 then surpluses from 2026-27 onwards. This position has been maintained through the 2025/26 Annual Plan.



*Water Supply and Wastewater have been excluded from 26/27 onward.

	What's in our Long-Term Plan for 2025/26	What's in our Annual Plan for 2025/26
Net Debt	\$1.385B	\$1.127B
Debt-to-Revenue Ratio	271%	239%
Balancing the Books	(\$22M)	(\$13M)

Financial statements

Ngaa Tauaakii aa-Tahua



Guide to this section

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

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

The prospective financial statements include four primary statements:

Prospective statement of comprehensive revenue and expense

This summarises Council's prospective financial performance for the year, listing all income and expenses. It also records other anticipated comprehensive income, such as changes in fair value of Council's infrastructure, property, plant, and equipment.

Prospective statement of changes in net assets/equity

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

Prospective statement of financial position

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

Prospective statement of cash flows

This statement indicates where Council's cash is intended to come from, and where it will be spent in the relevant financial year.

These four statements reflect Council's forecast position across the 10 years of the 2024-34 Long-Term Plan.

Notes to the prospective financial statements

These 'notes' are to provide greater detail and more information on the four primary prospective financial statements:

- Prospective statement of comprehensive revenue and expense;
- Prospective statement of changes in net assets/equity;
- Prospective statement of financial position;
- Prospective statement of cashflows.

The content of the four prospective financial statements and their notes are prepared using Public Benefit Entity accounting standards.

Prospective statement of comprehensive revenue and expenses

Forecast for the year ending 30 June 2026		2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
	Notes	\$000	\$000	\$000
Revenue				
Rates	2	302,672	353,981	353,949
Fees and user charges	3	50,107	54,402	54,051
Subsidies and grants	4	10,854	11,022	11,009
Interest revenue	5	12,163	12,378	11,148
Other revenue	6	8,173	8,554	9,083
Development contributions	7	21,174	28,485	28,485
Capital revenue	8	64,545	70,796	31,856
Vested assets	9	36,750	38,220	37,999
Total revenue (excluding gains)		506,438	577,837	537,580
Expenditure				
Personnel costs		132,753	137,336	139,863
Depreciation and amortisation expense	10	112,104	122,393	121,834
Finance costs	11	61,249	66,215	48,161
Operating and maintenance costs		98,884	105,251	109,369
Professional costs		17,020	16,227	14,777
Administration costs		25,876	28,044	28,118
Property costs		16,829	18,453	18,679
Total expenses (excluding losses)		464,715	493,918	480,800
Operating surplus/(deficit)		41,723	83,919	56,780
Gains		915	938	797
Losses		-	-	-
Total surplus/(deficit)		42,638	84,856	57,577
Other comprehensive revenue and expense				
Items that will not be reclassified to surplus/(deficit)				
Gain on property, plant and equipment revaluations		320,951	224,574	284,695
Total other comprehensive revenue and expense		320,951	224,574	284,695
Total comprehensive revenue and expense		363,589	309,431	342,272

The accompanying notes form part of these financial statements

Prospective statement of changes in equity

Forecast for the year ending 30 June 2026		2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
	Notes	\$000	\$000	\$000
Equity balance at 1 July		5,483,600	5,847,189	5,974,540
Total comprehensive revenue and expense for the period		363,589	309,431	342,272
Equity balance at 30 June		5,847,189	6,156,620	6,316,812
Accumulated comprehensive revenue and expense				
Balance at beginning of year		2,326,163	2,367,709	2,439,886
Total surplus/(deficit)		42,638	84,856	57,577
Transfers (to)/from restricted and council created reserves		(1,092)	(1,045)	(1,323)
Balance at end of year		2,367,709	2,451,521	2,496,141
Revaluation reserves				
Balance at beginning of year		3,110,627	3,431,578	3,482,805
Revaluation gains		320,951	224,574	284,695
Balance at end of year		3,431,578	3,656,152	3,767,499
Restricted and council created reserves				
Balance at beginning of year		46,809	47,901	51,849
Transfers (to)/from reserves		1,092	1,045	1,323
Balance at end of year		47,901	48,946	53,171
Equity balance at 30 June		5,847,189	6,156,620	6,316,812

The accompanying notes form part of these financial statements

Prospective balancing the books measure

Forecast for the year ending 30 June 2026		2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
	Notes	\$000	\$000	\$000
Surplus/(deficit)		42,638	84,856	57,577
Remove capital revenue				
Vested assets		(36,750)	(38,220)	(37,999)
Part of development and financial contributions ^A		(14,822)	(19,940)	(19,940)
Capital subsidy (excluding subsidy on transport renewals) ^B		(33,532)	(26,449)	(6,002)
Other capital contributions		(18,315)	(27,376)	(12,592)
Other items not considered everyday operating revenue ^C		(104)	(104)	(324)
Remove (gains)/losses				
All (gains)/losses		(915)	(938)	(797)
Remove other expenses				
Other items not considered everyday operating expenses ^D		5,503	5,731	7,227
Balancing the books surplus/ (deficit)		(56,298)	(22,440)	(12,849)

The accompanying notes form part of these financial statements

- A Development contributions contain an element of funding for interest costs that are part of every day expenses. An adjustment is made to match the revenue with the expense. The budget has assumed interest costs funded from development contributions represent 30% of development contributions revenue.
- B Subsidy on transport renewals is adjusted to recognise that this is funding a portion of the depreciation on these renewals.
- C Adjustment for fair value calculation on the Housing Infrastructure Fund loans, Dividends and Reserves.
- D Adjustment for grants to other parties to invest in significant assets for the benefit of the city, fair value discount unwinding on the Housing Infrastructure Fund loans and other extraordinary items.

Prospective statement of financial position

Forecast as at 30 June 2026		2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
	Notes	\$000	\$000	\$000
Assets				
Current assets				
Cash & cash equivalents		159,229	159,229	95,301
Receivables		41,928	44,159	38,965
Prepayments		3,839	3,973	4,109
Inventory		235	235	374
Other financial assets	12	35,620	36,378	125,811
Total current assets		240,853	243,976	264,560
Non-current assets				
Property, plant and equipment		7,008,100	7,454,636	7,365,594
Intangible assets		49,106	60,036	35,953
Investment property		37,516	38,454	32,691
Other financial assets				
- Investment in CCOs and other similar entities		9,399	9,399	9,832
- Other investments		24,159	25,706	21,373
Total other financial assets	12	33,558	35,105	31,205
Investment in associates	13	7,430	7,430	7,430
Derivative financial instruments		11,759	11,759	7,245
Total non-current assets		7,147,468	7,607,419	7,480,117
Total assets		7,388,321	7,851,395	7,744,678
Liabilities				
Current liabilities				
Payables and deferred revenue		84,325	87,276	65,798
Employee entitlements		15,037	15,510	14,730
Provisions		4,119	4,386	4,753
Borrowings	14	164,035	138,135	89,100
Derivative financial instruments		-	-	-
Total current liabilities		267,515	245,307	174,381
Non-current liabilities				
Employee entitlements		631	561	774
Provisions		15,829	14,507	18,178
Borrowings	14	1,256,931	1,434,175	1,234,159
Derivative financial instruments		225	225	375
Total non-current liabilities		1,273,617	1,449,468	1,253,485
Total liabilities		1,541,132	1,694,775	1,427,866
Net assets		5,847,189	6,156,620	6,316,812
Equity				
Accumulated funds		2,367,709	2,451,521	2,496,141
Other reserves		3,431,578	3,656,152	3,767,499
Restricted reserves	15	43,613	44,075	46,757
Council created reserves	15	4,288	4,872	6,414
Total equity		5,847,189	6,156,620	6,316,812

The accompanying notes form part of these financial statements

Prospective statement of cash flows

Forecast for year ending 30 June 2026		2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
	Notes	\$000	\$000	\$000
Cash flows from operating activities				
Cash will be provided from:				
Rates revenue		302,936	352,471	352,438
Fees and user charges		50,107	54,402	54,051
Government operating subsidies and grants		10,854	11,022	11,009
Government capital subsidies and grants		46,230	43,420	19,264
Other capital contributions		39,489	55,861	41,077
Interest received		12,163	12,378	10,656
Dividends received		104	104	104
Sundry revenue		5,822	7,729	8,960
Total		467,705	537,386	497,559
Cash will be applied to:				
Payments to employees		131,472	136,933	139,200
Payments for suppliers		155,930	166,964	170,702
Interest paid		54,938	59,733	41,513
Total		342,340	363,630	351,415
Net cash flows from operating activities		125,365	173,756	146,144
Cash flows from investing activities				
Cash will be provided from:				
Proceeds from reduction in other financial assets		448	455	463
Proceeds from maturity of NZLGFA borrower notes		1,630	880	-
Total		2,078	1,335	463
Cash will be applied to:				
Acquisition of other financial assets		-	-	11,306
NZLGFA borrower notes		5,306	3,640	3,041
Purchase of property, plant and equipment and intangible assets		334,384	317,064	253,915
Total		339,690	320,705	268,262
Net cash flows from investing activities		(337,612)	(319,369)	(267,799)
Cash flows from financing activities				
Cash will be provided from:				
Loans raised		297,247	260,613	236,655
Total		297,247	260,613	236,655
Cash will be applied to:				
Loan repayments		85,000	115,000	115,000
Total		85,000	115,000	115,000
Net cash flows from financing activities		212,247	145,613	121,655
Cash Balance				
Net increase/(decrease) in cash held		-	-	-
Opening cash and cash equivalents balance		159,229	159,229	95,301
Closing cash and cash equivalents balance		159,229	159,229	95,301

The accompanying notes form part of these financial statements

Notes to the prospective financial statements

Nga nooti ki ngaa tauaakii aa-tahua



Note 1: Statement of accounting policies

Reporting entity

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

Our primary objective is to provide goods or services for community or social benefit rather than making a financial return. As such, for the purposes of financial reporting, we are considered a public benefit entity.

These prospective financial statements are for Hamilton City Council as a separate legal entity. Consolidated prospective financial statements covering both us and our subsidiaries and associates have not been prepared as the income and expenditure is not material to our long-term planning.

Basis of preparation

We authorised the prospective financial statements on 30 June 2024. We believe the assumptions underlying these prospective financial statements are appropriate. We accept responsibility for the preparation of the prospective financial statements, including the appropriateness of the assumptions underlying these statements and all other required disclosures. No actual results have been included within the prospective financial statements. We do not intend to update the prospective financial statements after they are presented.

Statement of compliance

The prospective financial statements have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

The prospective financial statements have been prepared to comply with Public Benefit Entity Standards (PBE Standards) for a Tier 1 entity.

The reporting period for these prospective financial statements is for the year ending 30 June 2026. The prospective financial statements are presented in New Zealand dollars, rounded to the nearest thousand (\$000), unless otherwise stated.

The accounting policies set out below have been applied consistently to all periods presented in these prospective financial statements.

The purpose of the prospective financial information is to support our planning.

Measurement base

The basis for measurement applied is historical cost, modified by the revaluation of certain assets and liabilities as identified in this summary of significant accounting policies. The accrual basis of accounting has been used unless otherwise stated.

For the assets and liabilities recorded at fair value, fair value is defined as the amount for which an item could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's-length transaction. For investment property, non-current assets classified as held for sale and items of property, plant and equipment which are revalued, the fair value is determined by reference to market value. The market value of a property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction.

Amounts expected to be recovered or settled more than one year after the end of the reporting period are recognised at their present value. The present value of the estimated future cash flows is calculated using applicable inflation factors and a discount rate. The inflation rates used are from the latest relevant BERL forecasts and the discount rate is our forecast long-term cost of borrowing.

Judgements and estimations

The preparation of prospective financial statements using PBE standards requires the use of judgements, estimates and assumptions. Where material, information on the main assumptions is provided in the relevant accounting policy.

The estimates and assumptions are based on historical experience as well as other factors that are believed to be reasonable under the circumstances. Subsequent actual results

may differ from these estimates.

The estimates and assumptions are reviewed on an ongoing basis and adjustments are made where necessary.

Judgements that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the relevant notes. Significant judgements and estimations include landfill post-closure costs, asset revaluations, impairments, certain fair value calculations and provisions.

Significant accounting policies

Significant accounting policies are included in the notes to which they relate. Those that do not relate to a specific note are outlined below.

Revenue

Revenue comprises rates, revenue from operating activities, investment revenue, gains, finance and other revenue and is measured at the fair value of consideration received or receivable.

Revenue may be derived from either exchange or non-exchange transactions.

Exchange transactions

Exchange transactions are transactions where the Council receives assets (primarily cash) or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services, or use of assets) to another entity in exchange.

Non-exchange transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, the Council either receives value from or gives value to another entity without directly giving or receiving approximately equal value in exchange.

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

At times we satisfy a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset. Doing so reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Gains

Gains include additional earnings on the disposal of property, plant and equipment and movements in the fair value of financial assets and liabilities. Gains are classified as exchange revenue.

Goods and services tax (GST)

All items in the prospective financial statements are stated exclusive of GST except receivables and payables, which are stated as GST inclusive. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

Taxation

Income tax expense on the surplus or deficit for the year comprises current and deferred tax.

Current tax is the expected tax payable based on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, plus any adjustment to tax payable in respect of previous periods.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the assets and liabilities, and the unused tax losses using tax rates enacted or substantively enacted at the end of the reporting period. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which they can be utilised.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments.

The carrying value of cash at bank and short-term deposits with original maturities of less than three months approximates their fair value.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

Receivables

Short-term receivables are recorded at the amount due less any provision for collectability.

A receivable is considered to be uncollectable when there is evidence the amount due will not be fully collected. The amount that is uncollectable is the difference between the amount due and the present value of the amount expected to be collected.

Inventory

Inventories held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at cost (using the FIFO method), adjusted, when applicable for any loss of service potential.

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition. Inventories held for use in the provision of goods and services on a commercial basis are valued at the lower of cost (using the FIFO method) and net realisable value.

Property, plant and equipment

Property, plant and equipment consist of:

Operational assets

These include land, buildings (which includes cultural assets, community and leisure facilities), improvements, non-restricted parks and gardens, plant and equipment, vehicles, sports areas and library books.

Zoo animals

Zoo animals are held primarily for a social and recreational purpose. The capital cost consists of the actual expense incurred in acquiring the zoo animals.

Restricted assets

These are parks and reserves we own that provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

Heritage assets

These are museum collections and library collections (New Zealand Room).

Infrastructure assets

These are the fixed utility systems owned by Council. Each asset type includes all items that are required for the network to function.

Property, plant and equipment are shown at cost or valuation, less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported in the net surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant, and equipment are recognised in the surplus or deficit as they are incurred.

Revaluation

Land and buildings (operational and restricted), heritage assets, and infrastructural assets (except land under roads) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. All other asset classes are carried at depreciated historical cost.

The carrying values of revalued assets are assessed annually to make sure they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

Revaluations of property, plant, and equipment are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive income and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive income but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then in other comprehensive income.

The annual plan includes a preliminary estimate of the expected increase due to water, stormwater and wastewater reticulation revaluations. Draft calculations, currently under review, indicate significantly higher increases than those originally budgeted.

Refer to the waters assets revaluation on page 70 of this report.

Depreciation

The residual value and useful life of an asset is reviewed and adjusted if applicable at each financial year end.

Depreciation is not provided in these statements on the following assets:

- land
- formation costs associated with roading
- investment properties
- non-current asset held for resale
- work in progress and assets under construction.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Asset class	Years	Depreciation rate
Buildings - structure/fit out/services	2-200	0.5%-50%
Plant and vehicles	3-15	6.7%-33.3%
Furniture, fittings and equipment	5-50	2%-20%
Library books	3-14	7.1-33.3%
Zoo animal (acquisition costs)	10	10%
Improvements - Parks & Gardens	2 - 150	0.7% - 50%
Roads and traffic network:		
Top surface (seal)	5 - 20	5% - 20%
Pavement (basecourse)	50 - 140	0.7% - 2%
Concrete	60	1.7%

Asset class	Years	Depreciation rate
Roads and traffic network...cntd.		
Drainage	60-70	1.4-1.7%
Carparks	6 - 110	0.9% - 6.7%
Footpaths and cycleways	5 - 75	1.3% - 20%
Kerbs and traffic islands	20 - 60	1.7% - 5%
Signs	15	6.7%
Street lights	5 - 50	2% - 20%
Bridges and culverts	40 - 150	0.7% - 2.5%
Underpasses	80	1.3%
Traffic signals	15	6.7%
Guarding and railing	20 - 25	4% - 5%
Bus shelters and fences	20	5%
Verge, embankment and retaining walls	50 - 100	1% - 2%
Wastewater reticulation:		
Pipes	30 - 100	1% - 3.3%
Manholes	100	1%
Treatment plant	5 - 100	1% - 20%
Valves	40 - 75	1.3% - 2.5%
Pump stations	15 - 100	1% - 6.7%
Stormwater system:		
Pipes	30 - 100	1% - 3.3%
Manholes, inlets and outlets	100	1%
Soakage trench	50	2%
Fish Pass	50	2%
Channels	70-90	1.1%-1.4%

Asset class	Years	Depreciation rate
Water reticulation:		
Bulk main chambers	100	1%
Backflow devices	40	2.5%
Pipes	40 - 100	1% - 2.5%
Valves	40 - 75	1.3% - 2.5%
Treatment plant	5 - 100	1% - 20%
Meters	15	6.7%
Hydrants	50 - 75	1.3% - 2%
Cathodic Protection Device	15 - 100	1% - 6.7%
Reservoirs	15 - 100	1% - 6.7%
Refuse - Rubbish and Recycling	5 - 100	1% - 20%

Investment properties

Properties leased to third parties under operating leases are classified as investment property. This is unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

These assets consist of investment properties owned by us, funded either from Corporate Funds, the Domain Endowment Fund or the Municipal Endowment Fund.

Investment property is measured initially at its cost, including transaction costs.

After initial recognition, all investment property is measured at fair value as determined annually by an independent valuer.

Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

Non-current assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction and not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value, less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the surplus or deficit.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

Intangible assets

Intangible assets are defined as identifiable non-monetary assets without physical form. Amortisation is the systematic allocation of the depreciable amount of an intangible asset over its useful life.

Intangible assets include:

Software acquisition and development

- Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.
- Costs directly associated with the development of software that Council control is recognised as an intangible asset. Direct costs include the software development, employee costs and an appropriate portion of relevant overheads.
- Staff training costs are recognised in the surplus or deficit when incurred. Costs associated with maintaining computer software are recognised in the surplus or deficit when incurred. Costs associated with development and maintenance of Council’s website are recognised as an expense when incurred.

These are capitalised at historic cost and are amortised on a straight-line basis over their estimated useful lives (five years). Costs associated with maintaining computer software are recognised as an expense when incurred.

Consents and designations

- Consents and designations not attributed to a specific asset are capitalised at historic cost. These are amortised on a straight-line basis over their estimated useful lives.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life.

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

Computer software	2-20 years
Consents & designations	10-100 years
Licenses	3-14 years
Models	7-30 years

Impairment of property, plant and equipment

Property, plant and equipment that have a finite useful life are reviewed for impairment at each balance date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and its value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit. For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

Impairment in term deposits, local authority stock, government stock bonds, general and community loans are recognised directly against the instrument's carrying amounts.

Creditors and other payables

Short-term creditors and other payables are recorded at their face value.

Employee entitlements

Short-term employee entitlements

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and sick leave.

A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date; to the extent it will be used by staff to cover those future absences.

The provision for retirement gratuities has been calculated on an actuarial basis bringing to account what is likely to be payable in the future in respect of service that employees have accumulated up until twelve months after balance date.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

Presentation of employee entitlements

Sick leave, annual leave, and retirement gratuities expected to be settled within 12 months of balance date, are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Superannuation schemes

Defined contribution schemes

Employer contribution to KiwiSaver is accounted for as defined contribution superannuation scheme and is expensed in the surplus or deficit when incurred.

Derivative financial instruments

Derivative financial instruments are used to manage exposure to interest rate risks arising from our financing activities. Derivative financial instruments are recognised initially at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date. We have chosen not to hedge account for these derivative financial instruments.

Changes in the fair value of the derivative financial instruments are recognised in the surplus/deficit.

For the purpose of preparing prospective financial statements, Council has recognised the fair value of contracted derivatives in the prospective statement of financial position. Movements in the fair value of derivatives has not been recognised in the prospective statement of comprehensive revenue and expense.

Provisions

We recognise a provision for future expenditure of uncertain amount or timing when:

- There is a present obligation (either legal or constructive) as a result of a past event.
- It is probable that expenditures will be required to settle the obligation.
- A reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures

expected to be required to settle the obligation. This is done using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost and is included in "finance costs".

Contingencies

Financial guarantee contracts

At times we are requested to act as a guarantor to loans raised by community organisations and sports clubs to construct facilities on Council reserve land. These structures form part of the reserve but are not included in the fixed asset figures. No provision has been made because we do not consider it likely that these loans will require settlement.

Equity

Equity is the community's interest in Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- accumulated funds
- other reserves – revaluation reserves and fair value through other comprehensive revenue and expense reserve
- restricted reserves
- Council-created reserves.

Accumulated funds include accumulated surpluses over the years.

Prospective statement of cash flows

Cash and cash equivalents for the purposes of the cashflow statement comprises bank balances, cash on hand and short-term deposits with a maturity of three months or less.

Operating activities include cash received from all non-financial revenue sources of Council and record the cash payments made for the supply of goods and services. Investing activities relate to the acquisition and disposal of assets and investment revenue. Financing activities relate to activities that change the equity and debt capital structure of Council and financing cost.

Public benefit entity financial reporting standard 42 prospective financial statements (pbe frs 42)

Council has complied with PBE FRS 42 in the preparation of these draft prospective financial statements. In accordance with PBE FRS 42, the following information is provided:

- (i) Description of the nature of the entity's current operation and its principal activities

Council is a territorial local authority, as defined in the Local Government Act 2002. Council's principal activities are outlined within this Annual Plan.

- (ii) Purpose for which the prospective financial statements are prepared

It is a requirement of the Local Government Act 2002 to present prospective financial statements that span one year and include them within the Annual Plan. This provides an opportunity for

ratepayers and residents to review the projected financial results and position of Council. Prospective financial statements are revised annually to reflect updated assumptions and costs.

- (iii) Bases for assumptions, risks and uncertainties

The financial information has been prepared based on best estimate assumptions as to the future events which we expect to take place. We have considered factors that may lead to a material difference between information in the prospective financial statements and actual results. These factors, and the assumptions made in relation to the sources of uncertainty and potential effect, are outlined on pages 72 to 81 of the Long-Term Plan and remain current. As highlighted in the Long-Term Plan, we have assumed that transport operating and capital expenditure programmes that have in the past received Waka Kotahi NZ Transport Agency (NZTA) subsidies and/or satisfy the criteria that NZTA requires in order to provide a subsidy will continue to receive subsidy funding. There is currently some uncertainty as to whether all the capital projects we have planned for 2025/26 will be funded by NZTA under its National Land Transport Programme. We have prepared these prospective financial statements on the assumption that projects will continue to be funded as planned. Should NZTA funding not eventuate, we will assess the impact on our planned programme of works and may defer projects to a later period or resolve to continue the project and fund the shortfall through debt. There is a low risk of impact on our overall financial strategy.

(iv) Cautionary note

The financial information is prospective. Actual results are likely to vary from the information presented, and the variations may be material.

(iv) Other disclosures

These prospective financial statements were adopted as part of the 2025/26 Annual Plan for Hamilton City Council. Council is responsible for the prospective financial statements presented, including the assumptions underlying prospective financial statements and all other disclosures. This Annual Plan is prospective and as such contains no actual operating results.

Note 2: Rates

Accounting policy

Rates are set annually by a resolution and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised proportionately throughout the year. Rates revenue is classified as non-exchange except for metered water rates which are classed as exchange revenue.

Rates penalties

Revenue from rates penalties is recognised when the penalty is imposed.

Rates remissions

Rates remissions are recognised as a reduction of rates revenue when we receive an application that satisfies our rates remission policy.

Metered water rates

Revenue from metered water rates is recognised on an accrual basis based on usage. Unbilled usage as a result of unread meters at year-end is accrued on an average usage basis.

	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
	\$000	\$000	\$000
General rates			
General rates	288,590	338,199	248,961
Rates charges to Council properties	(811)	(937)	(11,118)
Targeted rates			
Government compliance rate	13,062	15,309	-
Stormwater	-	-	28,618
Wastewater	-	-	49,926
Water supply	-	-	25,929
Metered water supply	10,495	11,460	11,426
Metered water charges to Council properties	(486)	(504)	(502)
Business improvement district rate	362	385	385
Service category rates (water, refuse and sewerage)	1,914	2,182	39
Central city rates	145	145	145
Pool safety inspection rate	188	201	201
Penalties and remissions			
Rates penalties	1,462	1,689	1,689
Rates remissions			
- Hardship	(409)	(472)	(472)
- HCC utilities	(10,050)	(11,607)	-
- HCC other	(1,400)	(1,618)	(1,024)
- Community retail	(83)	(96)	(97)
- Wastewater, water and refuse	(307)	(354)	(156)
Total rates	302,672	353,981	353,949

Note 3: Fees and Charges

Accounting policy

Revenue from the rendering of services (e.g. building consent fees) is recognised by reference to the stage of completion of the transaction, based on the actual service provided as a percentage of the total services to be provided. Under this method, revenue is recognised in the accounting periods in which the services are provided. Within rendering of services most activities are at least partially funded by rates and therefore classified as non-exchange. The exceptions are: Parking (excluding fines), Planning and Guidance, Housing and Building Control which are 100% funded by users and classified as exchange revenue.

Sale of goods

The sale of goods is classified as exchange revenue. Sale of goods is recognised when a product is sold to the customer and all risks and rewards of ownership have transferred to the customer.

Building and resource consent fees

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

Entrance fees

Entrance fees are fees charged to users of our local facilities, such as the zoo, pools and museum. Revenue from entrance fees is recognised upon entry to such facilities.

	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
Animal control charges	\$000	\$000	\$000
Building and resource consent charges	1,261	1,305	1,301
Cemetery and crematorium charges	8,769	9,736	9,708
Event facilities charges	1,991	2,061	2,055
Hamilton Gardens charges	4,757	4,911	4,897
Parking fees	2,929	3,304	3,295
Swimming pools charges	3,140	3,734	3,436
Trade waste charges	3,843	4,145	4,086
Zoo charges	4,036	4,513	4,500
Other fees and charges	2,286	2,512	2,606
Commission received	3,932	4,265	4,197
Sale of goods	1,149	1,194	1,190
Operating contributions	792	970	990
Total fees and charges	11,221	11,753	11,791
	50,107	54,402	54,051

Note 4: Grants, subsidies and reimbursements

Accounting policy

Waka Kotahi NZ transport agency subsidies

NZ Transport Agency subsidies are recognised upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled.

Other grants (including government grants and subsidies)

Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
	\$000	\$000	\$000
New Zealand Transport Agency roading subsidy - operating	8,940	9,108	9,082
Waste minimisation levy	1,534	1,534	1,537
Other grants	381	381	390
Total grants, subsidies and reimbursements	10,854	11,022	11,009

Note 5: Interest revenue

Accounting policy

Interest revenue is exchange revenue and recognised using the effective interest rate method.

	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
	\$000	\$000	\$000
Term deposits	12,163	12,378	11,148
Total interest revenue	12,163	12,378	11,148

Note 6: Other revenue

Accounting policy

Infringement fees and fines

Revenue from fines and penalties (e.g. traffic and parking infringements, library overdue book fines, rates penalties) is recognised when infringement notices are issued or when the fines/penalties are otherwise imposed.

Dividends

Dividends are classified as exchange revenue and are recognised when our right to receive a payment has been established.

Investment property rental revenue

Lease rentals (net of any incentives given) are recognised on a straight line basis over the term of the lease.

Bequests and other donations

Donated and bequeathed financial assets are recognised as revenue unless there are substantive use or return conditions. A liability is recorded if there is substantive use or return conditions and the liability released to revenue as the conditions are met (e.g. as the funds are spent for the nominated purpose).

Fair value gains

Gains arising from the fair value assessment of borrowing at low or zero interest cost are recognised as Other revenue at the date of drawdown for the period of low or interest free benefit. Over the period of the benefit the fair value is adjusted down to the nominal value of the loan.

	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
Infringements and fines	\$000	\$000	\$000
Rental income	2,499	2,890	2,890
Dividend revenue	4,293	4,208	4,741
Petrol tax income	104	104	104
Sponsorship income	1,266	1,310	1,306
Donations received	-	29	29
	12	12	13
Total other revenue	8,173	8,554	9,083

Note 7: Development contributions

Accounting policy

Development and financial contributions are recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
Reserves	\$000	\$000	\$000
Stormwater	654	876	876
Transport	2,001	2,278	2,278
Wastewater	5,865	8,243	8,243
Water Supply	8,526	11,284	11,284
	4,128	5,804	5,804
Total development contributions	21,174	28,485	28,485

Note 8: Capital revenue

Accounting policy

Waka Kotahi NZ Transport Agency roading subsidies - capital

NZ Transport Agency subsidies are recognised upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled.

Capital contributions - general

Capital contributions are recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled.

	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
Capital contributions - general	\$000	\$000	\$000
New Zealand Transport Authority roading subsidy - capital	18,315	27,376	12,592
	46,230	43,420	19,264
Total capital revenue	64,545	70,796	31,856

Note 9: Vested assets

Accounting policy

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as non-exchange revenue when we have control of the asset.

	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
Vested assets	\$000	\$000	\$000
- Stormwater	5,015	5,216	5,186
- Transport	26,403	27,460	27,301
- Wastewater	3,461	3,599	3,578
- Water Supply	1,870	1,945	1,934
Total vested assets	36,750	38,220	37,999

Note 10: Depreciation and amortisation by group of activity

Accounting policy

Depreciation is provided on a straight-line basis on all property, plant, and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

Amortisation is provided on intangible assets and begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
Community Services	\$000	\$000	\$000
Group Support Units	6,371	6,655	6,656
Growth	32	32	32
Parks and Recreation	18	18	18
Partnerships, Communication & Maaori	8,053	8,761	8,528
Regulatory and Safety	1	1	1
Rubbish and Recycling	100	121	129
Stormwater	548	597	558
Support Services	11,520	12,888	12,959
Transport	7,823	8,561	8,258
Venues, Tourism and Events	39,245	41,409	40,888
Wastewater	11,957	12,985	12,921
Water Supply	15,832	18,423	18,764
Total depreciation expense	10,604	11,941	12,123
	112,104	122,393	121,834

Note 11: Finance costs

Accounting policy

All borrowing costs are recognised as an expense in the period in which they are incurred.

Fair value discount unwinding

Fair value discount unwinding is recognised as a finance cost for borrowing at low or zero interest cost. The fair value benefit is recognised as other revenue.

	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
Interest on borrowings	\$000	\$000	\$000
Discount unwind on provisions	54,938	59,733	41,513
Fair value discount unwinding	808	752	917
	5,503	5,731	5,731
Total finance costs	61,249	66,215	48,161

Note 12: Other financial assets

Accounting policy

Financial assets (other than shares in subsidiaries) are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit.

Term deposits, community loans and shareholder loans

For shareholder loans and loans to community organisations, the difference between the loan amount and present value of the expected future cash flows of the loan is recognised in the surplus or deficit as an interest expense.

After initial recognition, term deposits, loans to community organisations and shareholder loans are measured at amortised cost using the effective interest method. Where applicable, interest accrued is added to the investment balance.

At year-end, the assets are assessed for indicators of impairment. Impairment is established when there is evidence we will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that

the debtor will enter into bankruptcy, receivership or liquidation and default in payments are indicators that the asset is impaired. If assets are impaired, the amount not expected to be collected is recognised in the surplus or deficit.

For shareholder loans, expenses incurred for the establishment of the Water Entity are expected to be funded through debt and have been recognised as a shareholder loan. Settlement of the

debt will occur as part of the asset and debt transfer transaction that will occur on 1 July 2026.

Unlisted shares

Shares (other than shares in subsidiaries) and listed bonds (other than those designated as held to maturity) are designated at fair value through other comprehensive revenue and expense.

After initial recognition, the shares are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to the surplus or deficit.

For shares, a significant or prolonged decline in the fair value of the shares below its cost is considered to be objective evidence of impairment.

Impairment

Impairment in term deposits, local authority stock, government stock bonds, general and community loans are recognised directly against the instruments' carrying amount.

If impairment evidence exists, the cumulative loss recognised in other comprehensive revenue and expense is transferred to the surplus or deficit.

Impairment losses on shares recognised in the surplus or deficit are not reversed through the surplus or deficit.

Note 12: Other financial assets

	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
Current portion	\$000	\$000	\$000
Community Loans	-	-	6,500
Loan to Melody Dairies Partnership Limited	455	463	471
Shareholder Loans	-	-	11,306
Term deposits with maturities greater than 3 months but less than 1 year	35,165	35,915	107,534
Total current portion	35,620	36,378	125,811
Non-current portion			
Investment in CCOs and similar entities			
NZ Local Government Funding Agency Limited	8,785	8,785	9,395
Waikato Local Authority Shared Services Limited (Trading as Co-Lab)	614	614	437
	9,399	9,399	9,832
Other investments			
Civic Financial Services Limited	183	183	189
Loan to Melody Dairies Limited Partnership	1,414	951	479
Term deposits with maturities greater than 1 year	22,562	24,572	20,705
	24,159	25,706	21,373
Total non-current portion	33,558	35,105	31,205
Total other financial assets	69,178	71,483	157,016

Note 13: Investment in associates

Accounting policy

If the share of deficits of an associate equals or exceeds its interest in the associate, the group discontinues recognising its share of further deficits. After the group's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that the group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports surpluses, the

group will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

The investment in the associate is carried at cost in the Council's financial statements.

	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
Investment in associates	\$000	\$000	\$000
Waikato Regional Airport Limited	7,430	7,430	7,430
Total investments in associates	7,430	7,430	7,430
Total investment in CCOs (as per note 12) and other entities	16,829	16,829	17,262

Note 14: Borrowings

Accounting policy

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance.

Borrowings are classified as current liabilities unless we have an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Housing infrastructure fund loan

The Housing Infrastructure Fund Loan (HIF) is interest free for ten years from the date of each drawdown.

The fair value of the loan recognises the interest free benefit and is recognised as other revenue. Ten years after each drawdown the loan will be recognised at its nominal value with the unwinding of the fair value gains being recognised annually as a finance cost.

Note 14: Borrowings

	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
External debt	\$000	\$000	\$000
Current portion			
Secured loans - Housing Infrastructure Fund	-	4,100	4,100
Secured loans - general	164,035	134,035	85,000
Current portion	164,035	138,135	89,100
Non-current portion			
Secured loans - general	1,132,870	1,308,483	1,108,468
Secured loans - Housing Infrastructure Fund	124,061	125,691	125,691
Non-current portion	1,256,931	1,434,175	1,234,159
Total external debt	1,420,966	1,572,309	1,323,259
Adjustments required to determine overall debt:			
External debt	1,420,966	1,572,309	1,323,259
Less cash held and cash investments	(184,949)	(187,717)	(196,225)
Net debt	1,236,017	1,384,592	1,127,034

	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
Debt servicing performance indicators			
Financial ratios			
Liquidity ratio (target >110%)	>110%	>110%	>110%
Net debt/Total revenue (target <295%)	276%	271%	239%
Net interest on external debt/Total revenue (target <20%)	11%	11%	8%

Liquidity is defined as external term debt plus committed bank facilities plus liquid investments divided by current external debt.

Net debt is defined as total external debt less cash and cash equivalents.

Net interest on external debt is defined as the amount equal to all interest and financing costs (on external debt) less interest income for the relevant period.

Total revenue is defined as total revenue less vested assets, development contributions, and fair value benefit of Housing Infrastructure Fund loans.

Note 15: Reserves

Accounting policy

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into accumulated funds, restricted and Council created reserves, revaluation reserves and fair value through other comprehensive revenue and expense reserve.

Restricted and council created reserves

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned.

Restricted reserves include those subject to specific conditions we accept as binding and which may not be revised without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves we restrict by resolution. We may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at our discretion.

Council created reserves are restricted in their application by our resolution.

Revaluation reserves

This reserve relates to the revaluation of property, plant and equipment to fair value.

Fair value through other comprehensive revenue and expense reserve

This reserve comprises the cumulative net change in the fair value of assets classified as fair value through other comprehensive revenue and expense.

	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
Restricted reserves	\$000	\$000	\$000
Cemetery plot maintenance in perpetuity	1,733	1,733	1,733
Municipal endowment fund	32,463	32,463	35,269
Domain endowment fund	9,418	9,879	9,755
Total restricted reserves	43,613	44,075	46,757
Council created reserves			
Project watershed operating reserve	229	229	243
Waste minimisation reserve	4,059	4,643	5,767
Zoo conservation reserve	-	-	77
Zoo sponsored improvements	-	-	327
Total council created reserves	4,288	4,872	6,414
Total restricted and council created reserves	47,901	48,946	53,171

Note 15: Reserves

	Activities to which the reserve relates	Opening balance July	Transfers into reserve	Transfers out of reserve	Closing balance June
Restricted reserves		\$ 000	\$ 000	\$ 000	\$ 000
Cemetery Plot Maintenance in perpetuity - to maintain and provide for improvements to the cemeteries.	Cemeteries and Crematorium	1,733	65	(65)	1,733
Municipal endowment fund - to provide a capital fund for crown endowment land vested in the Council for investment	Strategic Property Investment	34,778	492	-	35,269
Domain endowment fund - to provide a capital endowment fund for domain land for investment in property. Rental income and interest earned from domain endowment land is used to fund parks and reserves operating costs.	Parks and Recreation Stormwater	9,405	350		9,755
Total restricted reserves		45,915	907	(65)	46,757
Council created reserves					
Zoo Sponsored Improvements - Donations received from the public to make improvements at Te Kaaroro Nature Precinct.	Te Kaaroro (Hamilton Zoo)	73	5	(1)	77
Zoo Conservation Fund - Funds conservation and related projects (per the Hamilton Zoo Conservation Fund Report 2012) to maintain the Zoo's international standing and accreditation.	Te Kaaroro (Hamilton Zoo)	227	194	(94)	327
Project watershed operating reserve - to fund works relating to river flood protection and erosion control (project watershed). Waikato Regional Council is the funding agency and Hamilton City Council carries out agreed works within the city boundary.	Parks and Recreation Stormwater	243	10	(10)	243
Waste minimisation reserve - to encourage a reduction in the amount of waste generated and disposed of in New Zealand, and to lessen the environmental harm of waste. The reserve was created in 2009 as a result of the Waste Minimisation Act 2008. Funding is distributed to local authorities by the Ministry of Environment and expenditure includes grants to others, waste minimisation initiative operating expenses and recycling contract.	Rubbish and Recycling	5,390	1,702	(1,325)	5,767
Total council created reserves		5,933	1,912	(1,431)	6,414
Total restricted and council created reserves		51,849	2,818	(1,496)	53,171

Note 16: Reconciliation between prospective statement of comprehensive revenue and expenses and prospective funding impact statement

	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
Operating surplus/(deficit) per prospective statement of comprehensive revenue and expense	\$000	\$000	\$000
42,638		84,856	57,577
Items recognised as revenue in the statement of comprehensive revenue and expense and as capital expenditure funding sources in funding impact statements:			
Capital subsidies	(46,230)	(43,420)	(19,264)
Development, financial and capital contributions	(39,489)	(55,861)	(41,077)
Non-cash items recognised in prospective statement of comprehensive revenue and expense and not included in funding impact statements:			
Depreciation	112,104	122,393	121,834
Recognition of revenue from vested assets	(36,750)	(38,220)	(37,999)
Gain on fair value of investment properties	(915)	(938)	(797)
Housing Infrastructure Fund - fair value benefit	-	-	-
Housing Infrastructure Fund - fair value discount unwinding	5,503	5,731	5,731
Transfer of assets constructed but not owned	-	-	-
Operating funding surplus/(deficit) per prospective funding impact statement	36,860	74,541	86,004
Balance as per Council FIS operating surplus/(deficit) of operating funding	36,860	74,541	86,004

Annual Plan Disclosure Statement

Te tauaakii whakaatu i te Mahere aa-Tau

For year ending 30 June 2026

What is the purpose of this statement?

The purpose of this statement is to disclose the Council's planned financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings. The Council is required to include this statement in its Annual Plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Benchmark		Planned	Met
Rates affordability benchmark			
Increases	Average rate increases to existing ratepayers will not exceed 15.5%	15.50%	Yes
Debt affordability benchmark			
The net debt to revenue ratio will remain below 280%		239%	Yes
Balance budget benchmark			
100%		98%	No
Essential services benchmark			
100%		218%	Yes
Debt servicing benchmark			
15%		8%	Yes

Notes

1 Rates affordability benchmark

- (1) For this benchmark, the Council's planned rates increases for the year is compared with a quantified limit on rates contained in the financial strategy included in the Council's Long-Term Plan.
- (2) The Council meets the rates affordability benchmark if, its planned rates increases for the year equal or are less than each quantified limit on rates increases.

2 Debt affordability benchmark

- (1) For this benchmark, the Council's planned borrowing is compared with a quantified limit on borrowing contained in the financial strategy included in the Council's Long-Term Plan.
- (2) The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

3 Balanced budget benchmark

- (1) For this benchmark, the Council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative

financial instruments and revaluations of property, plant, or equipment).

- (2) The Council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses.

4 Essential services benchmark

- (1) For this benchmark, the Council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services.
- (2) The Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

5 Debt servicing benchmark

- (1) For this benchmark, the Council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant or equipment).
- (2) Because Statistics New Zealand projects that the Council's population will grow faster than the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 15% of its planned revenue.

Council Funding Impact Statement

Te tauaaki o ngaa paanga i hua mai i te whakapaunga puutea a te Kaunihera me ngaa moohiohio aa-taake kaunihera

1. The Funding Impact Statement is made up of three parts:
 - Rating Information for 2025/26
 - Rates Samples for 2025/26
 - The Whole of Council Funding Impact Statement.
2. The Funding Impact Statement should be read in conjunction with our Revenue and Financing Policy and Rating Policy. These can be found on our website.

Figures in this statement include GST unless otherwise stated.

Rating information for 2025/26

3. We set and assess these rates under the Local Government (Rating) Act 2002:
 - General rate
 - Uniform Annual General Charge (UAGC)
 - Targeted rates include:
 - » Metered water
 - » Commercial non-metered water
 - » Water
 - » Wastewater
 - » Citywide stormwater
 - » Business Improvement District (BID)
 - » Central city
 - » Pool safety inspection
 - » Service use rubbish & recycling
4. Details of the rates revenue to be collected and the rating categories that will pay these rates are in this funding impact statement.

Source	Differential categories	Differential factor	Percentage of total general rates	Rate per dollar of capital value (GST incl)	Rates revenue (GST incl)
General rate	Commercial	2.9877	39.52%	0.00707738	\$87,901,714
	BID Commercial	2.9877	7.15%	0.00707738	\$15,895,736
	Residential	1.0000	53.33%	0.00236887	\$118,607,820

General rate

5. A general rate is set and assessed on the capital value of all rateable land.
6. General rates are set on a differential basis on the categories of land identified below. The differential bases are the use to which the land is put, the activities permitted, controlled, or discretionary for the area in which the land is situated and the rules to which the land is subject under the operative district plan, and the location of the land.
7. The objective of including differentials in the general rate is to achieve an appropriate distribution of the general rate, considering all factors we believe are relevant.
8. The total revenue sought is \$222,405,270.
9. The general rate is set and assessed on a differential basis as follows:

General rate categories

General rate category	Description
Commercial	<p>All rating units:</p> <ul style="list-style-type: none"> i. used solely or principally for commercial or industrial purposes; or ii. used solely or principally for commercial residential purposes, including, but not limited to, hotels, boarding houses, rest homes, motels, residential clubs, hospital care facilities, hostels, visitor accommodation. Commercial residential purposes are where a property is being provided for residential accommodation at a fee with the average length of stay not exceeding three months; or iii. used as a chartered club, for any area used for restaurant, bar, or gaming machines; or iv. used as a mixed-use development, for any area used commercially; or v. where land is developed or under development for a commercial use; or vi. where a commercial development is marketed for sale or lease, but where works have not yet commenced; or vii. where vacant land is within any District Plan zone that is predominantly used for commercial or industrial purposes; or viii. used as show homes; or ix. where resource consents require the rating units can only be used for a commercial purpose; or x. used as utility networks. <p>Rating Units that meet the definition above but are located in the Business Improvement District will be categorised as BID Commercial.</p>
BID Commercial	<p>All rating units that meet the definition of Commercial above and are located within the Business Improvement District as shown on the 'Business Improvement District (BID) and Central City areas map' in Schedule one of the Rating Policy.</p>
Residential	<p>All rating units that do not meet the definition of Commercial or BID Commercial rating categories.</p>

10. Land described in Part 2 Schedule 1 of the Local Government (Rating) Act 2002 (broadly speaking, land owned or used by societies for arts or sports) will be assessed at 50% of the residential rate (general rate, UAGC, and citywide stormwater rate) that applies to the land. This general rate revenue is included within the Residential category, and within the targeted rates revenue where applicable.

Uniform Annual General Charge

11. A Uniform Annual General Charge (UAGC) is set and assessed on all rating units.
12. The UAGC is set at \$865 per Separately Used or Inhabited Part of a rating unit (SUIP).
13. The total revenue sought from the UAGC is \$63,979,725.

Separately Used or Inhabited Part of a Rating Unit (SUIP)

14. An SUIP is every rating unit and, without limitation, every additional dwelling, commercial or community activity. This includes:
- any part or parts of a rating unit used or occupied by the ratepayer for more than one single use
 - any parts, whether or not actually occupied at any particular time, which are used for rental (or other form of occupation) on an occasional or long-term basis
 - vacant land and vacant premises offered or intended

for use or habitation and usually used as such are defined as 'used'.

15. For the purposes of clarity, every rating unit has a minimum of one SUIP.
16. As part of this definition, the list below sets out our intent in the application of SUIPs to rating units used for residential purposes:
- the second and each additional SUIP must have a separate bathroom, bedroom or living area and separate sink
 - any part of a rating unit as described in a - c above that is inhabited by virtue of a tenancy, lease, license or other agreement on an occasional or long-term basis
 - single dwelling with flat attached
 - two or more houses, flats or apartments on one rating unit
 - ancillary flat or detached dwellings (as defined in the District Plan)
 - individually surveyed lots of vacant land on one Certificate of Title offered for sale separately or in groups; and
 - residential accommodation rented individually per room. For a residential property to be classified as having additional SUIPs, each part must have a separate bathroom, bedroom or living area and separate sink.
17. As part of this definition, the list below sets out our intent in the application of SUIPs to rating units used for commercial activities:

- a commercial activity is any activity involving the exchange of goods or services for reward (whether for profit or not)
 - any part of a rating unit as described in a – c above that is inhabited through a tenancy, lease, license or other agreement on an occasional or long-term basis
 - commercial building where there are clearly defined vacant parts, advertised for lease or tenancy
 - business premise with separate permitted residential activity
 - home-based business (as defined in the District Plan)
 - each use within a single rating unit involving a different activity conducted by a person, company, or organisation different to the ratepayer (i.e. a large store which has a café operating within it, where the café is a separate business entity)
 - commercial building leased, or sub-leased, to multiple tenants
 - a separate dwelling used for short-term accommodation
 - commercial accommodation provided on a single rating unit for short-term stays (where average occupancy is limited as prescribed within the District Plan) will be one SUIP.
18. In addition to the primary use, the list below defines our intent in the application of SUIPs to rating units used as community activities:

- a community activity is any activity operated by an organisation (including clubs and societies)
- any activity meeting the definition of Schedule 1 of the Local Government Rating Act 2002.

Targeted rates

19. We are not seeking or inviting lump sum contributions for targeted rates.

Metered water

20. The rate is set and assessed for metered and restricted flow water supply to all rating units that are metered (as defined by Hamilton City Council's Water Supply Bylaw 2013).
21. The rate is:
- a fixed amount per connected meter, based on the nature of the connection, as follows:
 - i. \$544 for all metered rating units (except rating units receiving a restricted flow supply); and
 - ii. \$544 for rating units receiving a restricted flow supply.
 - a charge per unit of water consumed or supplied on every metered connection in accordance with the following scale:
 - i. all metered rating units (except rating units receiving a restricted supply) - \$2.27 per kilolitre of water supplied after the first 60 kilolitres of consumption or supply per quarter; and

- ii. rating units receiving a restricted flow supply - \$2.27 per kilolitre of water supplied after the first 60 kilolitres of consumption or supply per quarter.

- 22. The rate provides funding to the Water Supply activity.
- 23. The total revenue sought is \$12,823,642.

Commercial non-metered water

- 24. The rate is set and assessed on all rating units used for commercial purposes (defined as Commercial or BID Commercial for the general rate) and connected to Council's water supply system without a metered connection.
- 25. The rate is a fixed amount of \$544 per rating unit.
- 26. The rate provides funding to the Water Supply activity.
- 27. The total revenue sought is \$316,608.

Water

- 28. The rate is set and assessed on the capital value of all rating units used for residential purposes (as defined for the general rate) and to which the Council's water supply system is available or connected.

- 29. The rate is \$0.00066789 per dollar of capital value.
- 30. The rate provides funding to the Water Supply activity.
- 31. The total revenue sought is \$31,799,868.

Wastewater

- 32. The rate is set and assessed on the capital value of all rating units to which Council's wastewater system is available or connected.
- 33. The rate is set on a differential basis on the categories of land identified below. The differential bases are the use to which the land is put, the activities permitted, controlled, or discretionary for the area in which the land is situated and the rules to which the land is subject under the operative district plan.
- 34. The rate provides funding to the Wastewater activity.
- 35. The total revenue sought is \$56,808,686.
- 36. The rate is set and assessed on a differential basis as follows:

Source	Differential categories	Differential factor	Percentage of total wastewater rates	Rate per dollar of capital value (GST incl)	Rates revenue (GST incl)
Wastewater rate	Commercial	2.9877	41.74%	0.00190388	\$23,710,124
	Residential	1.0000	58.26%	0.00063724	\$33,098,562

Citywide stormwater rate categories

Citywide stormwater rate category	Description
Commercial	<p>All rating units:</p> <ul style="list-style-type: none"> i. used solely or principally for commercial or industrial purposes; or ii. used solely or principally for commercial residential purposes, including, but not limited to, hotels, boarding houses, rest homes, motels, residential clubs, hospital care facilities, hostels, visitor accommodation. Commercial residential purposes are where a property is being provided for residential accommodation at a fee with the average length of stay not exceeding three months; or iii. used as a chartered club, for any area used for restaurant, bar, or gaming machines; or iv. used as a mixed-use development, for any area used commercially; or v. where land is developed or under development for a commercial use; or vi. where a commercial development is marketed for sale or lease, but where works have not yet commenced; or vii. where vacant land is within any District Plan zone that is predominantly used for commercial or industrial purposes; or viii. used as show homes; or ix. where resource consents require the rating units can only be used for a commercial purpose; or x. used as utility networks.
Residential	All rating units that do not meet the definition of the Commercial rate category.

42. Land described in Schedule 1 of the Local Government (Rating) Act 2002 will be subject to the water, wastewater and citywide stormwater rates.

Business Improvement District (BID)

43. The rate is set and assessed on all rating units defined as BID Commercial for the general rate and comprises both a fixed amount per SUIP and a rate in the dollar based on capital value.

44. The Business Improvement District (BID) and Central City rating areas map is shown in Schedule 1 of the Rating Policy.

45. The rate is:

- i. a fixed amount of \$265 per SUIP; and
- ii. a rate per dollar of capital value set at \$0.00003556.

46. The rate provides funding to the Growth activity.

47. The total revenue sought is \$442,808.

Central city

- 48. The rate is set and assessed on all rating units defined as BID Commercial for the general rate.
- 49. The Business Improvement District (BID) and Central City rating areas map is shown on Schedule 1 of the Rating Policy.
- 50. The rate is a fixed amount of \$125 per SUIP.
- 51. The rate provides funding to the Transport activity.
- 52. The total revenue sought is \$166,750.

Pool safety inspection

- 53. The rate is set and assessed on all rating units on Council's pool monitoring register where a Council inspection is required .
- 54. The rate is a fixed amount of \$82 per rating unit.
- 55. The rate provides funding to the Regulatory and Safety activity.
- 56. The total revenue sought is \$223,767.

Service use category

- 57. Service Use Category means rating units that are defined by the use of the land, for the purpose of charging water, wastewater and rubbish & recycling services, set and assessed as targeted rates.
- 58. Service Use Category rating units are provided with one or more of these services and are used:

- i. as a reserve under the Reserves Act 1977
- ii. for conservation, wildlife management or preservation purposes and not for private pecuniary profit and accessible to the public
- iii. by us for:
 - public garden, reserve, or children playground
 - games and sports
 - public hall, athenaeum, museum, gallery or similar institution
 - public baths, swimming baths and sanitary convenience.
 - cemeteries or crematorium
- iv. by the Queen Elizabeth the Second National Trust
- v. by the Royal Foundation of the Blind, except as an endowment
- vi. by or for an education establishment, special school or other institution under s159(1) of the Education Act 1989
- vii. by a district health board for health and health related services
- viii. solely and principally as a place of religious worship, Sunday or Sabbath school or other form of religious worship and not for private pecuniary profit
- ix. as Maaori meeting house that is Maaori freehold land not exceeding 2ha
- x. as railway or for the loading and unloading of goods or passengers from trains
- xi. for the free maintenance or relief of persons in need, not exceeding 1.5 hectares.

59. Where there is a community, sporting or cultural activity on Council reserve land, and the activity is subject to a lease agreement as defined within our Community Occupancy Policy, these targeted rates will apply.
60. Upon application, we extend the rating treatment of the Service Use Category to rating units which are operated by not for profit organisations, whom provide benefits to the wider community and where there is no private pecuniary gain. Refer to the Rates Remissions and Postponements Policy for criteria.

Service use rubbish & recycling

61. The rate is set and assessed on properties defined as Service Use Category and which are provided with rubbish & recycling services.
62. The rate is a fixed amount of \$253 per SUIP.
63. The rate provides funding to the Rubbish and Recycling activity.
64. The total revenue sought is \$45,287.

Inspection of Rating Information Database

65. In accordance with the Local Government (Rating) Act 2002, the District Valuation Roll and Rates Records are available for public inspection at the Council Offices, 260 Anglesea Street, Hamilton, between the hours of 7:45 am and 5.00 pm on all business days of the week.

Rating base

66. The projected total land value for 2025/26 is \$36,433,499,000.
67. The projected total capital value for 2025/26 is \$68,954,149,000.
68. The projected number of rating units for each year of the long-term plan are:

2025/26	66,023
2026/27	66,941
2027/28	67,840
2028/29	68,807
2029/30	69,764
2030/31	70,733
2031/32	71,718
2032/33	72,682
2033/34	73,693

Rates Samples for 2025/26

Not all properties of a given 2024 capital value were valued at the same 2021 capital value. The 2021 capital value shown represents a typical change for a property of that type. Including GST.

2025/26 RATES										2024/25 RATES							
General rate differential category	Separate parts (SUIPs)	2024 capital value	Uniform Annual General Charge	General rate	Other rates	Water rate	Wastewater rate	Citywide stormwater rate	Total rates	2021 capital value	Uniform Annual General Charge	General rate	Other rates	Government compliance rate	Total rates	Total rates change (\$)	Total rates change (%)
Residential - water available - wastewater available																	
Residential (median)	1	720,000	865	1,706	0	481	459	269	3,779	820,000	749	2,396	0	130	3,275	504	15.4%
Residential (5th percentile)	1	410,000	865	971	0	274	261	153	2,524	465,000	749	1,359	0	74	2,181	343	15.7%
Residential (95th percentile)	1	1,275,000	865	3,020	0	852	812	476	6,025	1,450,000	749	4,237	0	230	5,216	809	15.5%
Residential	1	2,000,000	865	4,738	0	1,336	1,274	747	8,960	2,200,000	749	6,429	0	348	7,526	1,433	19.0%
Residential (with pool)	1	1,000,000	865	2,369	82	668	637	373	4,994	1,100,000	749	3,214	79	174	4,217	778	18.4%
Residential	4	1,100,000	3,460	2,606	0	735	701	411	7,912	1,200,000	2,996	3,507	0	190	6,693	1,219	18.2%
Residential	12	2,400,000	10,380	5,685	0	1,603	1,529	896	20,093	2,950,000	8,988	8,621	0	467	18,076	2,018	11.2%
Residential - water by meter or unavailable - wastewater unavailable																	
Residential	1	720,000	865	1,706	0	0	0	269	2,839	820,000	749	1,773	0	96	2,618	221	8.4%
Residential (with pool)	1	1,000,000	865	2,369	82	0	0	373	3,689	1,100,000	749	2,379	79	129	3,336	354	10.6%
Residential	1	2,000,000	865	4,738	0	0	0	747	6,349	2,500,000	749	5,406	0	293	6,448	-99	-1.5%
Residential	1	11,000,000	865	26,058	0	0	0	4,106	31,028	12,000,000	749	25,950	0	1,406	28,104	2,924	10.4%
Commercial - water by meter or not connected - wastewater available																	
Commercial (median)	1	1,050,000	865	7,431	0	0	1,999	1,171	11,466	1,000,000	749	8,698	0	471	9,918	1,548	15.6%
Commercial (5th percentile)	1	410,000	865	2,902	0	0	781	457	5,005	425,000	749	3,697	0	200	4,646	359	7.7%
Commercial (95th percentile)	1	9,740,000	865	68,934	0	0	18,544	10,862	99,204	8,978,000	749	78,090	0	4,231	83,070	16,134	19.4%
Commercial	1	720,000	865	5,096	0	0	1,371	803	8,134	730,000	749	6,350	0	344	7,443	692	9.3%
Commercial	4	4,000,000	3,460	28,310	0	0	7,616	4,461	43,846	3,650,000	2,996	31,748	0	1,720	36,464	7,382	20.2%
Commercial	10	11,500,000	8,650	81,390	0	0	21,895	12,824	124,759	9,100,000	7,490	79,152	0	4,288	90,930	33,829	37.2%
BID Commercial (median)	1	1,050,000	865	7,431	427	0	1,999	1,171	11,894	1,000,000	749	8,698	410	471	10,329	1,565	15.2%
BID Commercial	1	720,000	865	5,096	416	0	1,371	803	8,550	730,000	749	6,350	401	344	7,844	706	9.0%
BID Commercial	10	11,500,000	8,650	81,390	4,309	0	21,895	12,824	129,068	9,100,000	7,490	79,152	4,073	4,288	95,003	34,065	35.9%
Commercial - water connected but no water meter - wastewater available																	
Commercial	1	1,050,000	865	7,431	544	0	1,999	1,171	12,010	1,000,000	749	8,698	518	471	10,437	1,574	15.1%
BID Commercial	1	1,050,000	865	7,431	971	0	1,999	1,171	12,438	1,000,000	749	8,698	929	471	10,847	1,591	14.7%

Prospective whole of council funding impact statement


Forecast for the year ending 30 June 2026

	2024/25 Long-Term Plan	2025/26 Long-Term Plan	2025/26 Annual Plan
	\$000	\$000	\$000
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	276,506	324,299	237,280
Targeted Rates	26,166	29,682	116,669
Subsidies and grants for operating purposes	10,854	11,022	11,009
Fees and charges	51,141	55,597	55,242
Interest and dividends from investments	12,267	12,482	11,252
Local authorities fuel tax, fines, infringement fees, and other receipts	7,034	7,254	7,788
Total Operating Funding (A)	383,969	440,336	439,239
Applications of Operating Funding			
Payments to staff and suppliers	291,362	305,311	310,805
Finance Costs	55,746	60,485	42,430
Other operating funding applications	-	-	-
Total Applications of Operating Funding (B)	347,108	365,795	353,235
Surplus/(Deficit) of Operating Funding (A - B)	36,860	74,541	86,004
Sources of Capital Funding			
Subsidies and grants for capital expenditure	64,545	70,796	31,856
Development and financial contributions	21,174	28,485	28,485
Increase (decrease) in debt	212,247	145,613	121,655
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding (C)	297,967	244,894	181,996
Application of Capital Funding			
Capital Expenditure:			
- to meet additional demand	172,025	160,455	100,241
- to improve the level of service	60,524	47,320	60,364
- to replace existing assets	101,834	109,289	93,309
Increase (decrease) in reserves	(3,233)	(390)	11,044
Increase (decrease) of investments	3,676	2,760	3,041
Total Applications of Capital Funding (D)	334,827	319,435	268,000
Surplus/(Deficit) of Capital Funding (C - D)	(36,860)	(74,541)	(86,004)
Funding Balance ((A - B) + (C - D))	-	-	-

Hamilton City Council
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 /HamiltonCityCouncil

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