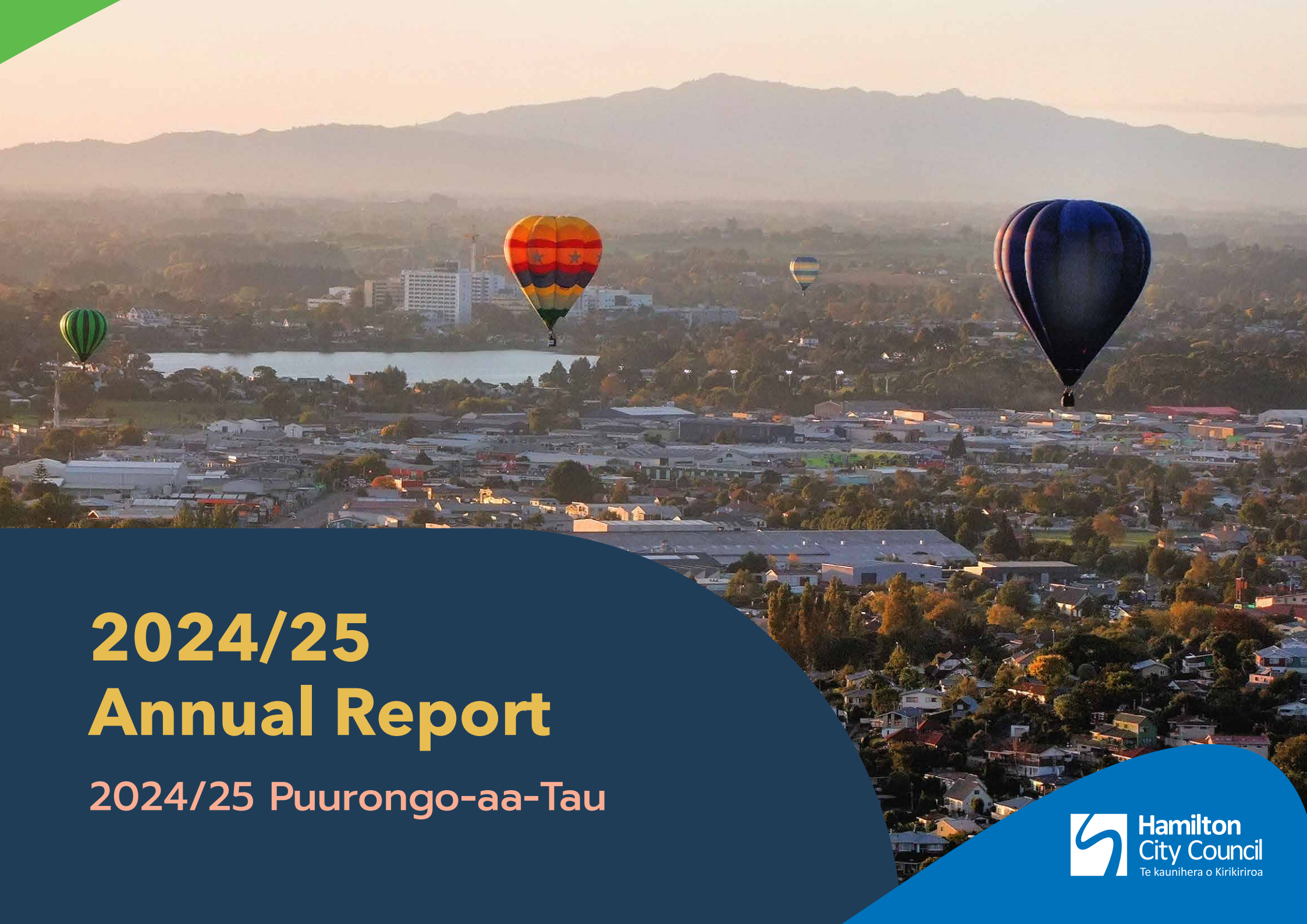




# 2024/25 Annual Report

2024/25 Puurongo-aa-Tau



# Contents

## Raarangi upoko

|                                                    |           |                                        |     |                                                               |            |
|----------------------------------------------------|-----------|----------------------------------------|-----|---------------------------------------------------------------|------------|
| <b>Introduction</b>                                | <b>4</b>  | Support Services                       | 70  | Statement of service performance - assumptions and judgements | 198        |
| From the Mayor and Chief Executive                 | 6         | A city where our people thrive         | 78  |                                                               |            |
| Kupu a te Kahika me te Tumu Whakarae               | 8         | Governance                             | 80  | <b>Financial matters</b>                                      | <b>212</b> |
| Our vision for Hamilton                            | 20        | Partnerships, Communication and Maaori | 85  | Financial statements                                          | 213        |
| Maaori contribution to the decision-making process | 26        | Growth                                 | 97  | Notes                                                         | 220        |
| Climate change reporting                           | 28        | Regulatory and Safety                  | 106 |                                                               |            |
| Our Financial Strategy                             | 30        | A central city where people love to be | 116 | <b>Audit opinion</b>                                          | <b>330</b> |
| Overview of our 2024-25 finances                   | 34        | A fun city with lots to do             | 120 |                                                               |            |
| Capital projects delivery                          | 36        | Venues, Tourism and Events             | 122 |                                                               |            |
|                                                    |           | Parks and Recreation                   | 138 |                                                               |            |
| <b>Delivering on our priorities</b>                | <b>38</b> | A green city                           | 150 |                                                               |            |
| Summary of our delivery                            | 39        | Water Supply                           | 152 |                                                               |            |
| A city that's easy to live in                      | 44        | Wastewater                             | 167 |                                                               |            |
| Community Services                                 | 46        | Stormwater                             | 180 |                                                               |            |
| Transport                                          | 56        | Rubbish and Recycling                  | 189 |                                                               |            |



# Introduction

## Koorero whakataki



# Welcome

## Nau mai

This Annual Report describes how Hamilton City Council and our Council Controlled Organisations (CCOs) performed in the 2024/25 financial year. The Annual Report explains how we performed compared to what we planned for in Year One of our 2024-34 Long-Term Plan, and what we did to deliver activities and services for Hamiltonians.

The period covered is from 1 July 2024 to 30 June 2025. It is the first report against our 2024-34 Long-Term Plan.

This Annual Report was adopted by Council on 2 October 2025 and received qualified opinion on the audited information.

In reporting our performance, we are fulfilling our obligations under the Local Government Act 2002.



# From the Mayor and Chief Executive

## Foreword

Kia ora koutou,

Fast-paced change has continued to be a key driver in the 2024/25 financial year for Hamilton Kirikiriroa. The Council and our city have navigated a difficult economic environment, financial pressures and continued Government-led reform. These challenges have tested us, delayed some of our planned work, and required Council to demonstrate resilience and adaptability.

Despite this, we have remained focused on delivering essential services and progressing the city's core priorities. This includes meeting the pressures of growth by investing carefully in our city's future. The outcomes we have achieved reflect careful planning, disciplined financial management, and a commitment to working in partnership with mana whenua, businesses, key stakeholders and the wider community.

We proudly completed delivery of Year One of our Long-Term Plan capital programme, investing \$237.9 million into critical projects across the city. Acknowledging the pressures on our community, we also drove \$13.6 million in savings for the year, despite absorbing a \$18.5 million reduction in expected revenue from the New Zealand Transport Agency.

In response to central government direction, we also established IAWAI – Flowing Waters in partnership with Waikato District Council, futureproofing water services for our two high-growth

councils. We are proud to be the first joint water service delivery entity approved by the Government.

Hamilton's high growth continues to set us apart from other centres in New Zealand. While it can be considered a sign of success with people wanting to live and invest in our city, it also brings challenges, with high demand for infrastructure and services. Currently, this outstrips our ability to fund and deliver them to meet both government and community expectations, in a timely way.

Unprecedented reform of the local government sector has required constant advocacy to central government on many topics of significance to Hamilton, the wider Waikato and councils nationally. This has required direct engagement with Government, participation in sector meetings and 50 formal submissions on various legislative changes and proposals that affect how we work for our city and people. We have also provided submissions to neighbouring councils on services that impact the way our city functions. We continue to advocate for fair funding and financing tools to meet the realities of a fast-growing city. At the same time, we have focused on what makes Hamilton a vibrant and attractive place to live and invest. Places of connection and recreation, such as our libraries, green spaces, playgrounds, and public venues, continue to enrich Hamiltonians' everyday life. Investments in our central city, Hamilton Gardens, Te Whare Taonga o Waikato Museum & Gallery, and Hamilton Zoo at Te Kaaroro Nature Precinct, have

contributed to record-breaking visitation, lifting our city's profile and reputation, while contributing to our local economy.

Our international partnerships remind us that Hamilton is globally connected, continuing to provide economic, cultural, and educational opportunities. The year has been marked by inbound and outbound visits from and to two of our sister-cities: Saitama, Japan, and Chengdu, China. We acknowledged the tenth anniversary of our sister-city relationship with Chengdu with the announcement of a joint student travel scholarship with WINTEC and an exchange of symbolic gifts.

## From the CEO

As Chief Executive, I am immensely proud of what has been achieved in 2024/25. This has been a year of clear strategy, disciplined delivery, and unwavering commitment from our staff and partners. Despite a continued tough economic climate, we have laid strong foundations to position Hamilton for continued growth and success. Council remains focused on ensuring Hamilton not only adapts but thrives within the changing environment.

Ngaa mihi nui,



Lance Vervoort  
Chief Executive

## From the Mayor

Hamilton stands at an important crossroads, with sweeping reforms and national funding frameworks significantly reshaping local government. The creation of our joint water services CCO with Waikato District Council will mark a fundamental shift in the way we operate.

I believe this provides us with an opportunity to think differently and creatively about the way we do business, drive efficiencies and fund the activities our residents need and want for a thriving city.

Meanwhile, our city continues to evolve with new hotels, developments, and the Waikato Regional Theatre opening in 2026. This will enrich our culture, strengthen our economy and connect us more deeply to our beautiful river, Te Awa o Waikato.

As I prepare to step down, after two terms as Mayor, my heart is full of gratitude. We haven't got everything right. However, we should be proud of the progress we have made together; the infrastructure we've built, the communities we've supported, the culture we've celebrated, and the opportunities we've created. Hamilton is truly a great place to live, work and play. So, thank you to my colleagues, staff, and our wonderful community partners. I look forward to seeing further progress over upcoming years to create an even stronger and more prosperous city, where all people thrive.

Ngaa mihi nui,



Paula Southgate  
Mayor of Hamilton



# He kupu naa te Koromatua me te Tumu Whakarae

## Kupu whakataki

Kia ora koutou,

E noho tonu ana ngaa panoni wawe hei kaikookiri matua o te tau puutea 2024/2025 moo Kirikiriroa. Kua aata urungi haere te Kaunihera, me too taatou taaone i teetehi taiao oohanga uaua, ngaa peehanga ahumoni me ngaa whakahoutanga e kookiritia tonutia ana e te Kaawanatanga. He nui te whakamaatautau a ngeenei wero i a maatou, kua whakapooturitia ngeetehi o ngaa mahi i whakaritea, aa, i whaaia e te Kaunihera te huarahi manawaroa, urutau hoki.

Ahako teenei, e aro puu ana maatou ki te kawhe i ngaa ratonga waiwai me te kookiri i ngaa whakaarotau matua o te taaone. Ka uru ki teenei ko te whakatau i ngaa peehanga tupuranga maa te aata haumi ake ki te anamata o too taatou taaone. E whakaatu ana ngaa putanga kua tutuki i ngaa whakaritenga maarire, ngaa whakahaerenga moni urupuu, me te puumau ki te mahi ngaatahi ki te mana whenua, ngaa pakihi, ngaa kiripaanga matua, me te hapori whaanui.

I poho taniwha taa maatou kawhe i te Tau Tuatahi o too maatou Mahere Tauroa o te hootaka puurawa, otiraa i haumitia te \$237.9 miriona ki ngaa kaupapa waiwai puta noa i te taaone. Ka tuutohu

maatou ki ngaa peehanga nui kei runga i too taatou hapori, i penapenatia hoki te \$13.6 miriona moo te tau, ahako i heke ngaa whiwhinga moni maa te \$18.5 miriona i a Waka Kotahi.

Hei urupare ki te tohutohu a te kaawanatanga, i whakatuuria e maatou a IAWAI - Flowing Waters, i te taha o te Kaunihera aa-Rohe o Waikato, araa he whakapakari i ngaa ratonga wai o ngaa kaunihera whanake-nui. E whakahii ana maatou ki te noho hei hinonga ratonga kawhe wai tuuhono tuatahi i whakaaetia e te Kaawanatanga

Naa te tupuranga nui o Kirikiriroa, e tuu taarake ana a taatou i ngeetahi atu taaone i Aotearoa. Ahako ka kiia pea he tohu angitu te hiahia o te tangata ki te noho me te haumi ki too taatou taaone, araa hoki oona wero, me te popono nui ki ngaa tuuaahanga me ngaa ratonga. I teenei waa, he hohoro rawa teenei i too maatou aahei ki te utu me te kawhe i aua ratonga e tutuki ai ngaa kawatau a te kaawanatanga me te hapori.

Naa ngaa whakahoutanga ture haraki ki te raangai kaunihera, he nui ngaa mahi kookiri ki te kaawanatanga moo ngaa take whaitake nui ki a Kirikiriroa, te rohe whaanui o Waikato me ngaa kaunihera o te motu. Ko te here o teenei ko te whiriwhiri koorero haangai ki te Kaawanatanga, te whai waahi ki ngaa hui raangai me te tuku i ngaa taapaetanga ookawa 50 e paa ana ki ngaa ture



me ngaa marohitanga ka whai paanga ki aa maatou mahi moo te taaone me te iwi. Kua tukua hoki e maatou ngeetehi taapaetanga ki ngaa kaunihera tuutata moo ngaa ratonga ka whai paanga ki te aahua o ngaa mahi a too taatou taaone. Ka kookiri tonu maatou moo ngaa puutea tookeke me ngaa utauta ahumoni e tutuki ai ngaa aahuatanga tuuturu o teetehi taaone tipu-wawe. I taua waa hoki, e arotahi ana maatou ki ngaa mea e noho hihiri, he noho manea nei a Kirikiriroa kia noho hei waahi noohanga pai, hei haumitanga pai hoki. Ko te mea e whakaora ana i ngaa ao o te iwi noho ki Kirikiriroa, ko ngaa waahi whakakotahi i te tangata me ngaa mahi reehia, peenei i ngaa whare pukapuka, ngaa papa whenua kaakaariki, ngaa papa taakaro me ngaa waahi tuumatanui hoki. Naa ngaa haumitanga ki too taatou pokapuu taaone, a Hamilton Gardens, Te Whare Taonga o Waikato, me Hamilton Zoo kei Te Kaaroro Nature Precinct, i eke ai te tatauranga maha o ngaa manuhiri, i hau ai te rongo o te taaone, me te whai waahi anoo hoki ki too taatou oohanga tuutata.

Ko taa ngaa rangapuu aa-ao he whakamahara i a taatou ki ngaa tuuhonotanga aa-ao o Kirikiriroa, e tuku tonu nei i ngaa arawaatea oohanga, ahurea, me te maatauranga hoki. I teenei tau i kitea te taenga mai, me te toronga atu ki ngeetehi o ngoo taatou taaone piringa e rua: Saitama i Haapana, me Chengdu i

Haina. I whakanuia e maatou te tekau tau o te piringa taaone ki a Chengdu maa te whakaatu i teetahi karahipi haerenga tauira tūhono me WINTEC, otiraa i tauutuutua ngeetehi taonga hei tohu whakanui.

## Naa te Tumu Whakarae

Hei Tumu Whakarae, e poho kereruu ana ahau ki ngaa mahi i tutuki i te 2024/25. He tau teenei o te rautaki maarama, ngaa kawenga urupuu, me te manawa uu a ngaa kaimahi me ngaa hoa rangapuu. Ahakoa te uaua tonu o te taiao oohanga, kua tau i a maatou te tuuaapapa pakari e rite ai a Kirikiriroa ki te tupu, aa, kia angitu hoki. E mau tonu ana te arotahi o te kaunihera, kia urutau tonu te aahua o ngaa mahi a Kirikiriroa, otiraa kia puaawai i roto i te taiao hurihuri.

Ngaa mihi nui,



Lance Vervoort  
Tumu Whakarae

## Naa te Koromatua

Kua tae a Kirikiriroa ki teetehi puutahi hirahira, araa ko ngaa whakahoutanga whaarahi me ngaa anga tuku puutea aa-motu e hoahoa hou ana i ngaa kaunihera. Ko te hanganga o ngoo maatou CCO ratonga wai tuuhono i te taha o Te Kaunihera aa-Rohe o Waikato, he tohu i te nukuhanga taketake o aa maatou tikanga whakahaere.

E whakaponu ana ahau ka tuku teenei i te arawaatea kia rerekee oo maatou whakaaro, kia auaha hoki ngaa mahi pakihi, te kookiri i ngaa whaaomotanga me te tuku puutea ki ngaa mahi e hiahia ana ngaa kainoho moo teetehi taaone taurikura.

Wheoi, e kukune tonu ana too taatou taaone, me ngaa hooteera hou, ngaa whanaketanga whenua me te whakatuwheratanga o te Waikato Regional Theatre aa te 2026. Maa teenei e kiinaki i too taatou ahurea, te whakapakari i too taatou oohanga me te tuuhono hoohonu i a taatou ki too taatou awa huatau, Te Awa o Waikato.

I ahau e takatuu ana ki te whakawaatea i taku tuuranga, i muri i te rua huringa hei Kahika, e koorengarenga ana taku ngaakau i te aroha. Kaaore i tika i a maatou ngaa mea katoa. Engari me whakahiihii taatou ka tika o ngaa mahi kua tutuki naa te mahi

tahi; ngaa tuuaahanga kua tuu, ngaa hapori kua taunakihia, te ahurea kua whakanuia, me ngaa arawaatea kua hangaia. Tuuturu he waahi kaiaora a Kirikiriroa, hei waahi noho, waahi mahi, waahi ngahau hoki. Naa reira ka mihi au ki aku hoa mahi, ngaa kaimahi me ngaa hoa rangapuu o te hapori. Ko te tuumanako ka kookiri whakamua tonu hei ngaa tau e tuu mai nei ki te opeope i teetehi taaone pakari ake, haumako ake hoki, e puaawai ai te tangata.

Ngaa mihi nui,



Kahika Paula Southgate

# Highlights

Council's strategy continues to be guided by five key priorities set by Hamiltonians. These direct our investment, shape our advocacy, and define the outcomes we seek for our people and city. We have selected some highlights from the year to showcase.

## A city that's easy to live in

### He taaone e ngaawari noa iho ana te noho

This year saw major infrastructure milestones completed, which unlock thousands of new homes and jobs. The Te Ara Pekapeka bridge, for example, will provide a vital connection into the city from the south and enable housing for around 20,000 people.

The Borman Road extension and Rototuna underground water upgrades were completed to provide the north-Hamilton community with safe and accessible travel connections.



The Hamilton Transport Centre upgrade was completed in late 2024, designed to improve both user experience and the safety of the Centre.

District Plan work has also advanced, with Plan Change 5: Peacocke becoming operative, Plan Change 9 nearing completion, and Plan Change 12: Housing Intensification already enabling much-needed capacity.

We also became the first council in New Zealand to implement Payble; a new digital rates payment platform offering residents greater control and visibility.

## A city where our people thrive

### He taaone e tipu matomato ai te tangata

This year, we refreshed the Age Friendly and Rangatahi Action Plans, ensuring a range of voices continue to shape Hamilton's future. Home to more than 170 ethnicities, Hamilton sought accreditation and became an Established Welcoming City.

We continued robust collaboration with mana whenua, who reviewed over 100 consent applications, provided intermediary support on hapuu concerns, and offered design input on several Council projects, including the Transport Centre redesign, Te Ara Pekapeka Bridge, Te Kete Aronui Rototuna Library, city-wide water storage projects and the Hamilton Gardens precinct.

Grants worth \$1,356,630 were distributed to 56 community groups, and nine events received funding, including the Cambridge to Hamilton Paddle Race 2024, Balloons over Waikato, Hamilton Arts Festival Toi Ora ki Kirikiriroa and Matariki ki Waikato Festival.

We also worked closely with Police and social agencies to address antisocial behaviour and improve community wellbeing.

Other critical water projects were completed, such as the



Peacocke Wastewater Transfer Station and the associated Plateau Wastewater Pumpstation, which have expanded the city's water capacity significantly. Planning also began for two new 25-million-litre reservoirs to safeguard water supply and firefighting capacity for our growing city.

## A central city where people love to be

### He pokapuu taane e ngaakautia ana e te marea

This year, Council invested in CBD cleaning and maintenance, alongside refreshed gardens, lighting, and street furniture.

A major focus was the extensive reform of the building consent system to reflect the needs of our fast-growing city, positioning Hamilton as a solutions-focused partner and strengthening our relationships with key stakeholders.

Te Whare Taonga o Waikato Museum & Gallery was refurbished with long-awaited building upgrades, including improved accessibility and watertightness, and fantastic new exhibitions. This redevelopment reconnects the heart of our city to the mighty Waikato River/awa, honouring original sightlines and linking with the new Waikato Regional Theatre and Victoria on the River. Excite, our award-winning interactive science centre

at Te Whare Taonga o Waikato Museum & Gallery, reopened to acclaim, engaging our tamariki in the magic of science and making it accessible and fun for everyone.

## A fun city with lots to do

### He taane kua kikii ki ngaa tini kaupapa

Hamilton continues to punch above its weight in sport, culture, and events. Our major venues have received numerous awards, hosting over 500,000 people in the past financial year, from international rugby, pool, darts and netball to concerts and theatre shows.

The Hamilton Arts Festival Toi Ora ki Kirikiriroa is now New Zealand's largest regional arts festival, with nearly a third of attendees travelling from outside Waikato. It was recently supported in kind by







Air NZ through its Regional Event Sponsorship programme.

Libraries remain a key part of community life, with nearly one million visits across the seven facilities in the past year. A true showcase of community-led design, the Te Kete Aronui library is now the city's most-used, attracting more than 400,000 visitors since its opening in July 2024.

Waterworld was renewed and seven playground renewals completed, with a new timber play garden put in Garden Place, in time for the busy summer holiday period.

We opened the new award-winning visitor precinct at Hamilton Gardens and introduced paid entry, contributing to 389,218 visitors in the 2024-25 year; almost a quarter ahead of target with 33,000 residents registering for MyGardens Pass, for free entry to the Enclosed Gardens.

## A green city

### He taaone tiaki taiao

This year, we invested heavily in biodiversity, restoration, and climate initiatives. Our first climate change disclosure report was approved, with our emissions decreasing by 5% from 2022/23 and 20% from our 2018/19 baseline.

The Nature in the City and Kids in Nature programmes engaged over 12,000 volunteers, 25 schools and 5503 tamariki. It was also recognised nationally, becoming a finalist for the Environmental Leadership category at the Taituarā Local Government Excellence Awards.

Across the year, 39 one-off restoration events were held, planting 30,855 trees with help from 2448 volunteers. This included Arbor Day, which returned to Minogue Park, engaging 1000 volunteers to plant over 10,000 natives. Meanwhile at Waiwhakareke Natural Heritage Park, 9,000 native saplings were planted in a single week, contributing to regional ecological restoration.

Waste minimisation and emissions reduction programmes gained momentum through strong partnerships with mana whenua, community groups, and central government.





# Your Council

Ko taa  
taatou  
Kaunihera

## Mayor and Councillors



**Paula Southgate**  
Hamilton Mayor  
E paula.southgate@council.hcc.govt.nz



**Angela O'Leary**  
Deputy Mayor and West  
Ward Councillor  
E angela.oleary@council.hcc.govt.nz



**Sarah Thomson**  
Councillor - West Ward  
E sarah.thomson@council.hcc.govt.nz



**Kesh Naidoo-Rauf**  
Councillor - East Ward  
E kesh.naidoo-rauf@council.hcc.govt.nz



**Maxine van Oosten**  
Councillor - East Ward  
E maxine.vanoosten@council.hcc.govt.nz





**Ewan Wilson**  
Councillor - West Ward  
E [ewan.wilson@council.hcc.govt.nz](mailto:ewan.wilson@council.hcc.govt.nz)



**Louise Hutt**  
Councillor - West Ward  
E [louise.hutt@council.hcc.govt.nz](mailto:louise.hutt@council.hcc.govt.nz)



**Emma Pike**  
Councillor - West Ward  
E [emma.pike@council.hcc.govt.nz](mailto:emma.pike@council.hcc.govt.nz)



**Geoff Taylor**  
Councillor - West Ward  
E [geoff.taylor@council.hcc.govt.nz](mailto:geoff.taylor@council.hcc.govt.nz)



**Maria Huata**  
Councillor - Kirikiriroa  
Māori Ward  
E [maria.huata@hcc.govt.nz](mailto:maria.huata@hcc.govt.nz)



**Moko Tauariki**  
Councillor - Kirikiriroa  
Māori Ward  
E [moko.tauariki@council.hcc.govt.nz](mailto:moko.tauariki@council.hcc.govt.nz)



**Tim Macindoe**  
Councillor - East Ward  
E [tim.macindoe@council.hcc.govt.nz](mailto:tim.macindoe@council.hcc.govt.nz)



**Anna Casey-Cox**  
Councillor - East Ward  
E [anna.casey-cox@council.hcc.govt.nz](mailto:anna.casey-cox@council.hcc.govt.nz)



**Andrew Bydder**  
Councillor - East Ward  
E [andrew.bydder@council.hcc.govt.nz](mailto:andrew.bydder@council.hcc.govt.nz)



## Maangai Maaori



**Norm Hill**  
Infrastructure and  
Transport Committee  
E [norm.hill@council.hcc.govt.nz](mailto:norm.hill@council.hcc.govt.nz)



**Jaydene Kana**  
Strategic Growth and  
District Plan Committee  
E [jaydene.kana@council.hcc.govt.nz](mailto:jaydene.kana@council.hcc.govt.nz)



**Olly Te Ua**  
Community and Natural  
Environmental Committee  
E [olly.teua@council.hcc.govt.nz](mailto:olly.teua@council.hcc.govt.nz)

## Chief Executive



**Lance Vervoort**  
Chief Executive  
E [lance.vervoort@hcc.govt.nz](mailto:lance.vervoort@hcc.govt.nz)

## External Appointees



**Bruce Robertson**  
Strategic Risk and Assurance  
Committee



**Carol Bellette**  
Strategic Risk and Assurance  
Committee

## Councillor departures



**Mark Donovan**  
Councillor - East Ward

# What is the Annual Report?

## He aha te Puurongo-aa-Tau?

**The annual report is a key document in Council's planning and reporting process. It provides essential information to our community for assessment of our performance. The annual report's content is directed by the Local Government Act 2002.**

Our planning cycle starts with extensive community engagement with the people of Hamilton Kirikiriroa to understand the aspirations they have for their city. Feedback from our community is captured and used to create our vision and priorities and provide the focus for what Council will work on for the next decade.

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

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

When we aren't producing a long-term plan, we produce an annual plan. This provides the Council with an opportunity to review the work programme set out in the long-term plan and consider where any changes are necessary. An annual plan identifies any differences between what we said we would do in the long-term plan, and what we are doing.

### **This annual report**

This report, the 2024-25 Annual Report, is reporting against year one of the 2024-34 Long-Term Plan. It identifies any differences between what we said we would do, and what we have delivered. The report considers:

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

### **Audit**

Council's external auditor, Audit New Zealand, is required to audit the Annual Report. The annual report is then adopted by Council on the recommendation of staff and the Strategic Risk and Assurance Committee. This ensures that both the management and governance functions across Council share responsibility for the report's accuracy and accountability.

### **Intended audience**

This report is intended to provide important information to our community as well as a range of stakeholders that include local businesses, Council partners, non-government organisations, and government departments and agencies. It is also an opportunity to look back on the year, and highlight works and services that have been effectively delivered to the community of Hamilton Kirikiriroa.

## Piecing it all together:

**1 July 2024:**

Council's 2024-34  
Long-Term Plan commenced

**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 commences

**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  
commences

**By 31 October 2027:**

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



# Our vision for Hamilton

Kirikiroa ka hua. Ka puaawai. Ka ora.

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

## Our priorities

Our priorities\* describe what we aim to achieve for our community and what you can expect us to work towards. These outcomes were used to shape the development of the 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 2024-34 Long-Term Plan, we used your feedback to create five long-term priorities for Hamilton Kirikiroa over the next decade. These priorities reflect what you said is important to you, your family, and your neighbourhood.

## The five priorities for our city are:

- A city that's easy to live in | 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

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

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



# Our community outcome measures

These four measures show how well we are delivering to our community outcomes.

**You can expect:** Our city is easy to live in, explore and connect.

Key: **Achieved** | **Not achieved**

| Measure                                                                  | 2024 - 25 target | 2024 - 25 result | 2023 - 24 result |
|--------------------------------------------------------------------------|------------------|------------------|------------------|
| The percentage of residents who think Hamilton is a great place to live. | At least 75%     | <b>74%</b>       | <b>69%</b>       |

## What’s behind the results

We ask our communities these questions in our two-yearly Quality of Life Survey: a survey of metro councils to gain an understanding of communities’ perceptions of their quality of life. Data for the Quality of Life Survey was last collected in mid-2024.

As perceptions can change within the two-year cycle, Council commissioned research company Versus to run a Pulse Survey in March/April 2025 to gain the most up-to-date perceptions of our community’s quality of life.

While the methodology and sampling procedure was the same for both surveys, we sampled a higher number of people from our Hamilton population to provide more accurate insights into community perceptions going into our next long-term plan cycle. Over 800 people across the city responded to the survey.

74% of respondents agree or strongly agree that Hamilton is a great place to live, an increase from last year’s result.

- Those who neither agree nor disagree decreased from the 2024 Quality of Life survey result by 5%
- Those who disagree or strongly disagree remained at 8%.

Those who believe Hamilton has become a better place to live noted:

- Improved roading (32%)
- Infrastructure around the city (20%)
- Amenities (14%)

Those who believe Hamilton has become a worse place to live mentioned:

- Crime (55%)
- Roading (32%)
- The presence of homeless people (15%)

| Measure                                                                    | 2024 - 25 target | 2024 - 25 result | 2023 - 24 result |
|----------------------------------------------------------------------------|------------------|------------------|------------------|
| The percentage of residents who are proud of how Hamilton looks and feels. | At least 40%     | 41%              | 51%*             |

### What's behind the results

\* The 2024 Quality of Life survey changed the question to "How much do you agree or disagree with the following statement: I feel really happy with the way [city / local area] looks and feels". The Pulse Survey question remains as stated above.

41% of respondents agree or strongly agree that they are proud of how Hamilton looks and feels, a decrease from last year's result.

- Those who neither agree nor disagree increased from 28% in the 2024 Quality of Life survey to 39% in the 2025 Pulse Survey.
- Those who disagree or strongly disagree made up 20% of respondents (down from 21% in the 2024 Quality of Life Survey).

Note that these results align with the 2023 Pulse Survey (38% felt pride), therefore the change in question phrasing and in methodology may have influenced results.

Those who have pride in Hamilton noted:

- Facilities (38%)
- Environmental features (38%)
- Generally enjoy living here (19%)

Those who do not have pride in Hamilton mentioned:

- Infrastructure maintenance (34%)
- Central city look and feel (29%)
- Roading (13%)
- The presence of homeless people (13%)

**You can expect:** We will make decisions that improve the wellbeing of Hamiltonians

Key: **Achieved** | **Not achieved**

| Measure                                                                                             | 2024 - 25 target | 2024 - 25 result | 2023 - 24 result |
|-----------------------------------------------------------------------------------------------------|------------------|------------------|------------------|
| The percentage of residents who believe we make decisions that are in the best interest of the city | At least 30%     | <b>30%</b>       | <b>30%</b>       |

**What's behind the results**

30% of respondents agree or strongly agree that Council makes decisions that are in the best interest of the city, representing no change from last year's result.

- Those who neither agree nor disagree increased from 27% in the 2024 Quality of Life Survey to 45% in the 2025 Pulse Survey.
- Those who disagree or strongly disagree changed considerably from 40% in the 2024 Quality of Life Survey to 26% in the 2025 Pulse Survey. While the number who are confident in Council's decision-making appears unchanged, there has been a significant shift from those in opposition to a more neutral position.

Those who have confidence in Council decision-making noted:

- Generally happy (41%)
- Improvements/growth around city evident (10%)
- It's their job/what they're elected for (9%)

Those who do not have confidence in Council decision-making mentioned:

- Wasteful spending (29%)
- Poor decision making (24%)
- Roading and transport concerns (14%)

**You can expect:** We will reduce the carbon footprint of the city and build a city that is resilient to the effects of climate change.

Key: **Achieved** | **Not achieved**

| Measure                                                                | 2024 - 25 target                                                           | 2024 - 25 result                                        | 2023 - 24 result                                                                             |
|------------------------------------------------------------------------|----------------------------------------------------------------------------|---------------------------------------------------------|----------------------------------------------------------------------------------------------|
| Reduction in greenhouse emissions footprint for Hamilton City Council. | Decrease in greenhouse emissions per head of population from previous year | <b>Increase of 0.006 tonnes per head of population.</b> | <b>Decrease of 0.004 tonnes per head of population (0.049 tonnes per head of population)</b> |

**What’s behind the results**

This financial year, Council’s greenhouse gas emissions were 10,430 tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) and the population used was 189,700. This equates to 0.055 tCO<sub>2</sub>e per head of population. This equates to a 0.006 tonne per head of population increase from the 0.049 tonne per head of population in 2023/24.

We have seen a significant increase in emissions from electricity and most other areas (e.g. travel and waste). A key reduction is in the emissions from natural gas. We will be developing an Emissions Reduction Plan over the next 12 months, which will look at how we can directly reduce emissions as well as the transition to an increase in renewable electricity.





# Maaori contribution to the decision-making process

## Te waahi o te Maaori ki te whakatakotoranga whakatau

**We are committed to meeting our Treaty and legislative responsibilities.**

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

### He Pou Manawa Ora – Pillars of Wellbeing

This strategy, adopted in August 2021, outlines Council's vision for a city that celebrates its whole history, including its unique Maaori heritage, and ensures everyone has a voice in developing its future.

### Maaori Wards

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

### Maangai Maaori

Maangai Maaori, meaning the voice of Maaori, were first appointed to Council committees with full voting rights in 2018.

### Council Kaumatua

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

## Amorangi Maaori

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

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

## Partnerships with Maaori

### Waikato-Tainui

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

partnership is governed through the Waikato-Tainui/Hamilton City Council Co-Governance Forum.

### Mana Whenua o Kirikiriroa

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

### Te Rūnanga o Kirikiriroa (TeROK)

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



# Climate change reporting

## Te Puurongo i te Huringa o te Aahuarangi

### Delivering Our Climate Future: Te Pae Tawhiti o Kirikiriroa

Over the last year we have made some progress in delivering against the outcomes of Our Climate Future: Te Pae Tawhiti o Kirikiriroa. A key priority has been building climate change awareness across Council and growing our understanding of how climate change will impact our services and operations. To build this knowledge within Council we have delivered a series of Climate Fresk, climate change education workshops, aimed at helping staff from all areas to assess potential risks and opportunities for their services and operations.

In February 2025, Hamilton experienced a significant heatwave with many days over 27°C, an example of one of the changes we will see more of in the future. We have established Resilience Explorer, a platform that enables us to understand the risk different natural hazard events pose to assets, infrastructure and the city. We will use Resilience Explorer to better understand and assess Council's climate change risks and to prioritise our resilience and adaptation planning.

Our Climate Statement 2024/2025 is published alongside this Annual Report. It provides an update on how we are managing climate change risk as an organisation and improvements we have made over the last year.

### Our emissions targets

In Our Climate Future: Te Pae Tawhiti o Kirikiriroa we set targets to reduce our own operational emissions. Our first target is a 50% gross reduction in emissions by 2030 and to be net zero by 2050. These targets are against our baseline set in 2018/19. 'Net zero' refers to reducing emissions as much as possible, with any remaining unavoidable emissions being sequestered through planting and maintaining trees. 'Net zero' therefore does not mean there are no emissions produced – just that these are balanced by capturing them from the atmosphere.

Our operational emissions include:

- energy used in our buildings and operations (LPG, natural gas, electricity),
- fuels used in the Council-owned fleet, from car share or rental vehicles,

- biosolids from our wastewater treatment process,
- waste from Council operations,
- travel for our staff and livestock, and
- fertiliser used on our land.

At this stage, we do not include other emissions related to our activities within this target, such as carbon embodied in the goods we purchase (e.g. roading material) or other emissions from our upstream and downstream supply chains. This is a Council-only measure and does not include emissions generated from the wider group of entities.

This year, Council's operational emissions were 10,430 tonnes of carbon dioxide equivalent which is an 8% reduction on our baseline year (2018/19) but is a 15% increase on our 2023/24 emissions.

Emissions have increased in electricity by 1190 tonnes of carbon dioxide equivalent; this is driven predominantly by a decrease in the proportion of renewable electricity making up the national electricity supply. Natural gas use has decreased resulting in

a reduction of 204 tonnes of carbon dioxide equivalent. Key actions that have achieved this result are changes to heating, ventilation and air-conditioning systems at the Museum and Municipal Offices, and significant reductions in natural gas use at the Wastewater Treatment Plant.

To achieve our 2030 target of 50% reduction in our gross operational emissions, we need to keep focused on delivering actions that will reduce our emissions through the 2024-34 Long-Term Plan.



# Our Financial Strategy

## Too Maatou Rautaki Puutea

**Our 2024-34 Long-Term Plan includes a financial strategy that aims to enable us to respond sustainably to growth in a way that is cost-effective for existing ratepayers. The Financial Strategy's guiding principles are:**

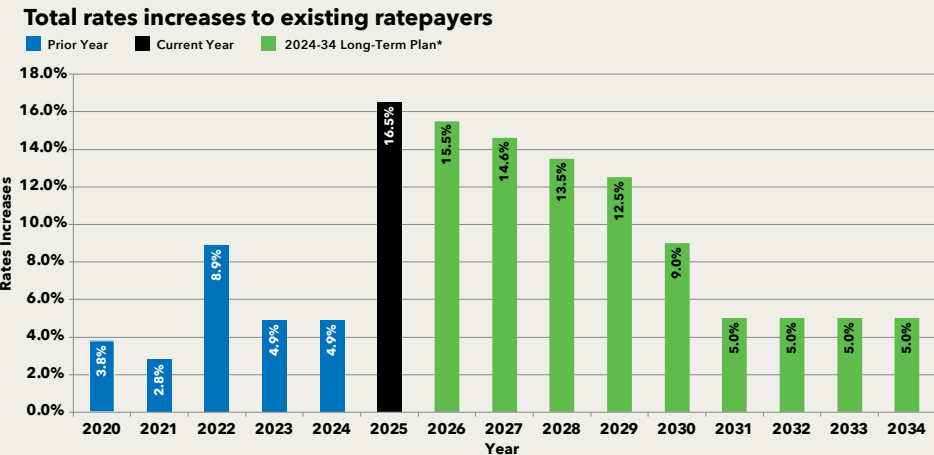
- Everyday expenses are funded from everyday revenues.
- Service levels and assets are maintained.
- Surpluses are generated to repay debt.
- Investment in community, infrastructure and growth initiatives is supported.
- Debt is used to fund intergenerational investment in capital projects.

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 (debt to revenue), forecasts net debt (the money we owe lenders, less cash) and forecasts when we will balance the books. The Council books are balanced when everyday revenue pays for everyday expenses.

Against the strategy, Council's balancing the books deficit was favourable to the 2024-25 budget by \$35.0 million and ended the financial year with a net debt balance \$239 million lower than budgeted.

## Rates

The Long-Term Plan sets the limit on average rate increases to existing ratepayers. Under the plan, rates increases were limited to 16.5% in 2024/25, 15.5% in 2025/26, 14.6% in 2026/27, 13.5% in 2027/28, 12.5% in 2028/29, 9.0% in 2029/30 and 5.0% from 2030/31 to 2033/34. We have stayed within these limits, the actual average rate increase for 2024/25 was 16.5%.



## Balancing the books

The balancing the books measure is a way of assessing our operating performance. You can see how our balancing the books measure is calculated on page 215. There are other ways to measure operating performance, including the Government's balanced budget measure, which we report against in the Disclosure Statement section of this report on page 317.

The main differences between the two measures are:

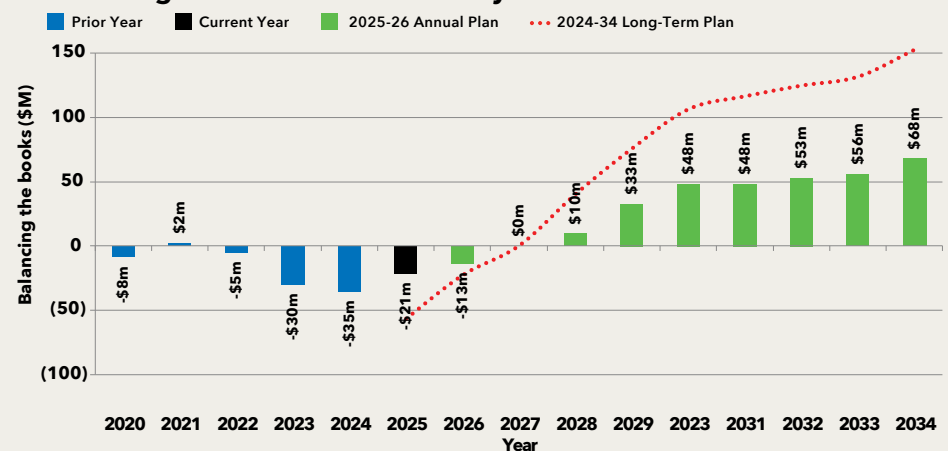
- Our measure removes capital revenue (NZ Transport Agency subsidies for capital expenditure and other capital contributions). These revenue items are included in the Government measure. We exclude this revenue as it funds specific capital items and is therefore not available to fund everyday costs.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

Council was favourable against the balancing the books budgeted deficit in 2024/25, with an adjusted operating deficit of (\$21.2 million) against a budgeted deficit of (\$56.3 million). Using the Government's balanced budget measure, we are reporting a surplus of \$3.9 million against a budgeted deficit of \$15.3 million.

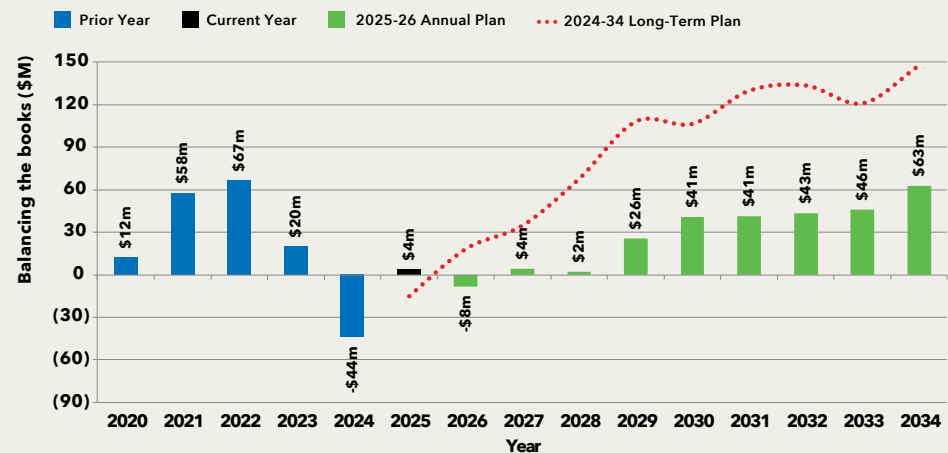
The significant revenue and expenditure variances that contributed to our balancing the books result include:

- Fees and charges were favourable to budget as there was higher event activity at H3 venues and stronger than expected admissions and retail sales at the Gardens and Zoo. Additional revenue came from planning related fees and recoveries from private plan changes. Review and application of revenue recognition standards and reconciliation of agency balances also contributed.
- Subsidies and grants were \$7.6 million favourable to budget. An additional \$3m of subsidies for maintenance were allocated out of the NZTA three year funding pool, enabling additional maintenance work to be undertaken. Additional waste minimisation levies were received due to increased tonnage rates set by Central Government.

**Balancing the Books - Hamilton City Council Measure**



**Balancing the Books - Government Measure**



# Debt

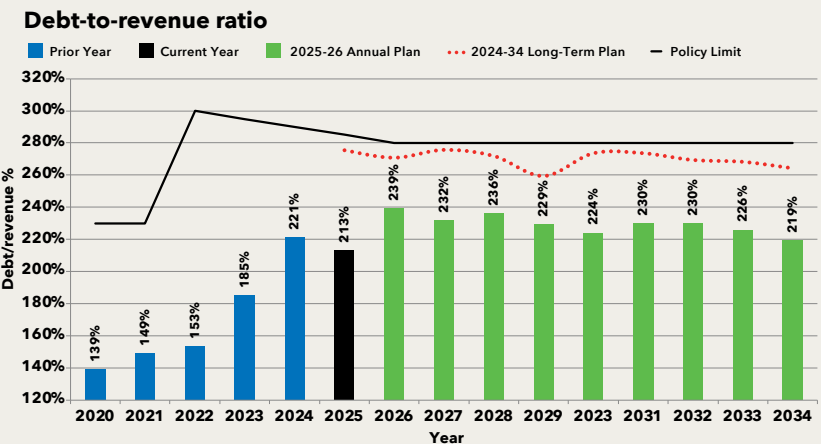
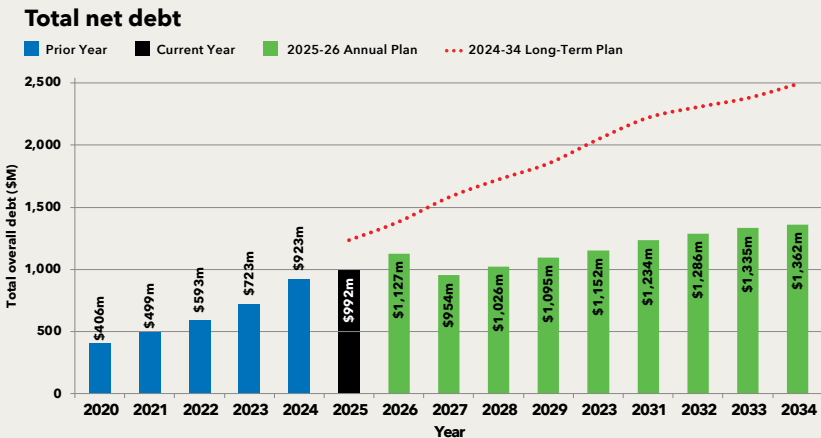
The definition we use for debt is money we owe the bank, less cash. We refer to this as a net debt. To see the details of how this figure is calculated, see note 30 to the financial statements on page 287.

We ended the financial year with a net debt balance of \$992 million, which was lower than the budgeted target of \$1.236 billion. Our debt is now 213% of revenue against a budgeted 276%.

The main reasons for this favourable result are:

- Higher than expected cash opening balances following lower than budgeted capital spend in 2023-24.
- Lower than budgeted capital spend.
- Favourable movements in operating revenue.

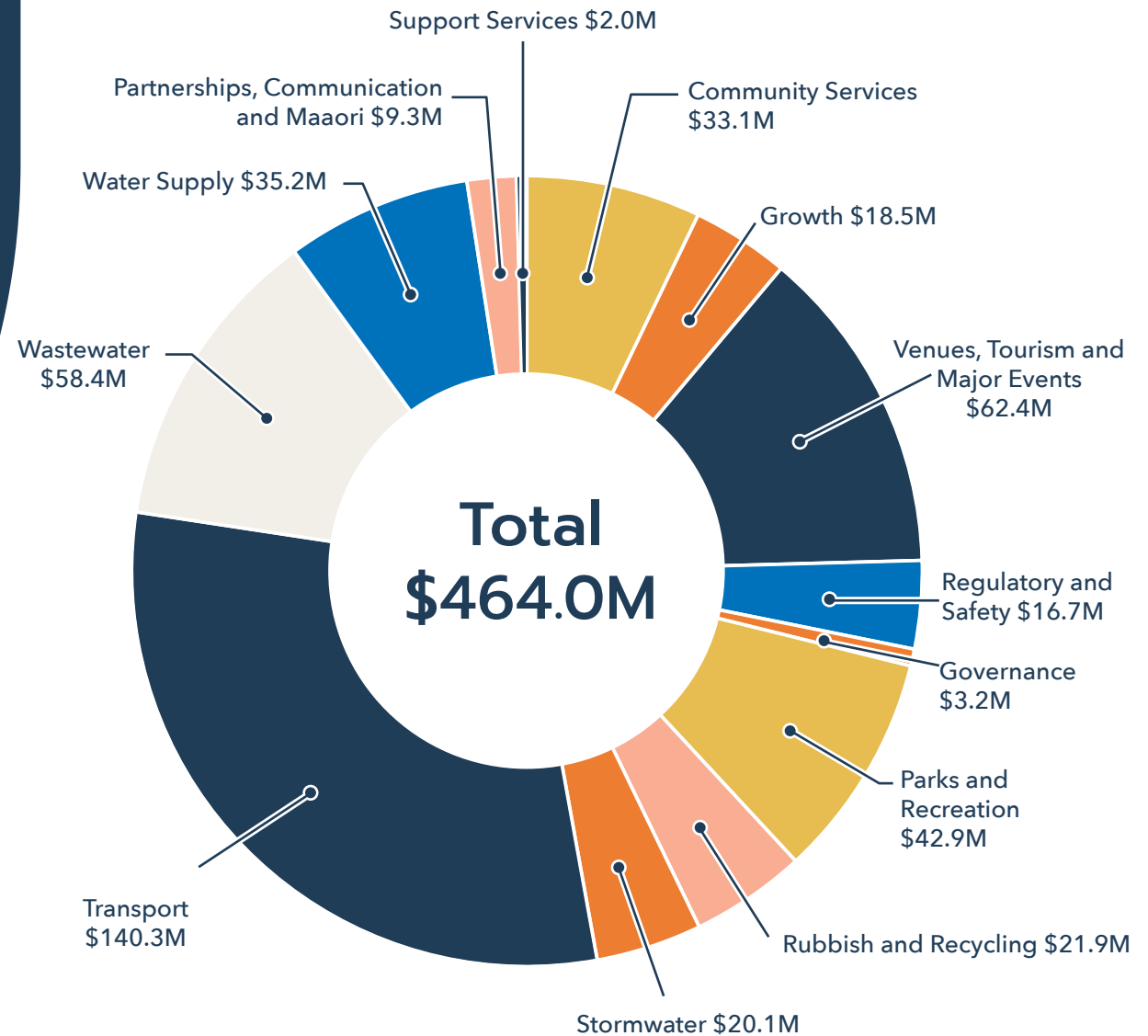
To keep debt at manageable levels, the financial strategy capped debt to 285% of annual revenue in 2024-25. This ratio will taper back to 280% by 2025-26.



# Overview of our 2024/25 finances

Tirowhaanui moo  
Nga Putea 2024-25

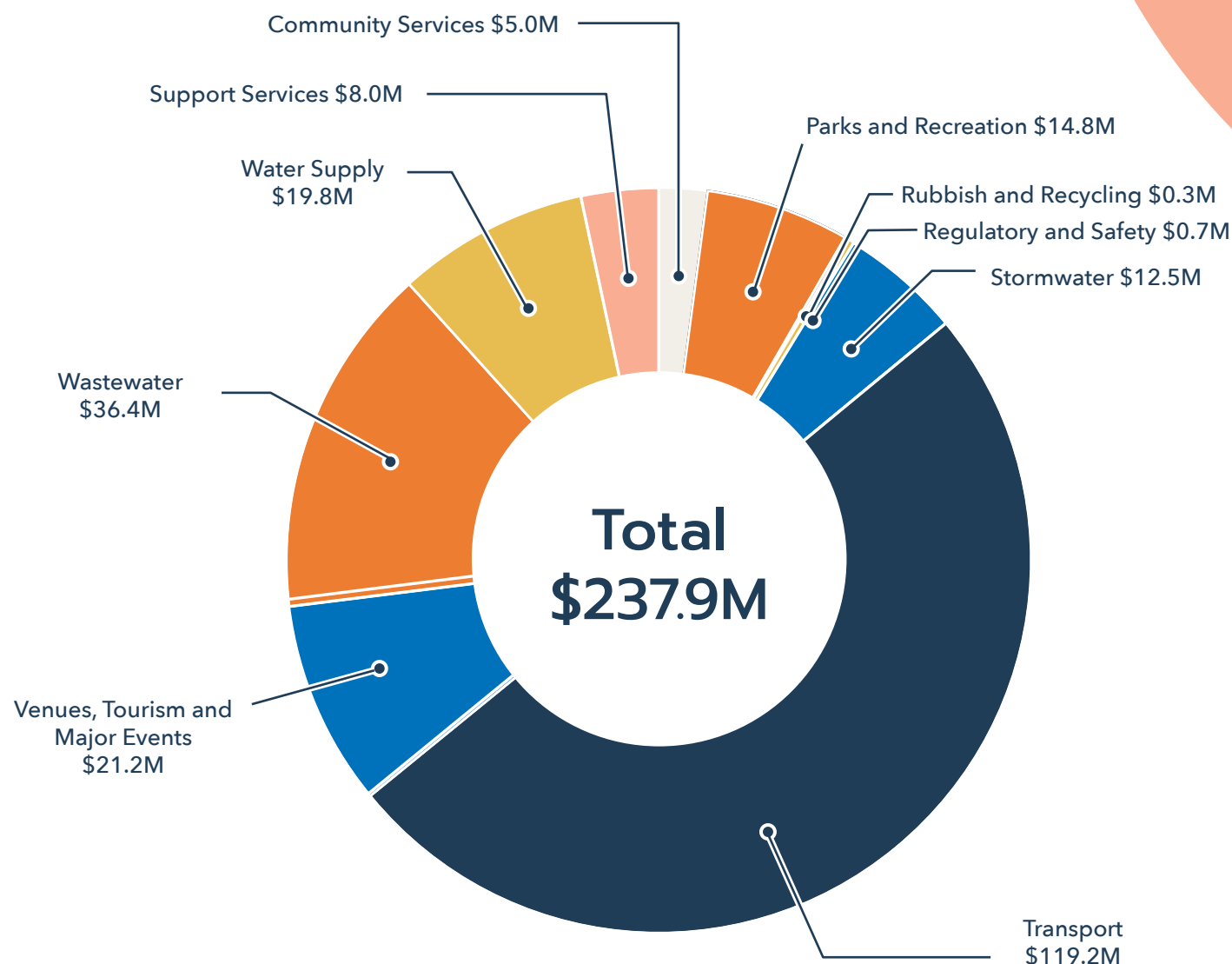
Total operating  
expenditure by  
Activity 2024-25



\*\*\*These costs exclude revenue derived of \$15.4m



## Total capital expenditure by activity 2024-25



\*Information for the graph is taken from the group of activities Funding Impact Statements. Overhead and support unit capital expenditure have been allocated to each of the activities.

# Capital projects delivery

## Kaupapa haupuu rawa whakatinanatanga

The 2024/25 year saw the delivery of \$237.9 million worth of capital projects to support our growing city, and maintain the agreed level of service for our residents. These projects play an important part in making our city a great place to live, work, and raise families. Our capital projects portfolio is shaped by Council's five priorities. Our regular capital reporting tracks how we're delivering on these.

### Key projects completed in 2024/25

The completion of **Te Ara Pekapeka Bridge** in August 2024 and the surrounding transport network marked a major milestone in the development of Peacocke. This new infrastructure provides a vital connection from Hillcrest and the eastern suburbs into Peacocke, supporting the integration of this growing community into the wider city. With up to 20,000 future residents expected in Peacocke, strong transport links are essential. The new bridge and road network were designed to support walking, cycling, and public transport, ensuring safe, accessible, and sustainable travel options.

The newly completed **Visitor Entry Precinct** at Hamilton Gardens opened in September 2024, creating a welcoming and defined sense of arrival for guests. Designed to accommodate high visitor volumes during peak summer periods, the precinct now enables paid entry for non-residents into the world-class Enclosed Gardens. The function spaces have also undergone a refresh, now featuring modern audio-visual facilities. These upgrades support a broader range of events and enhance the overall visitor experience.

**Te Whare Taonga o Waikato Museum & Gallery** underwent a significant environmental upgrade. This long-planned work ensures the Museum meets industry standards for the care, storage, and display of more than 30,000 collection objects, taonga, and artworks. The upgrade focused on protecting taonga, enhancing watertightness and increasing accessibility.

Parts of our infrastructure networks are ageing, and an increasing number of assets are reaching the end of their service life. Council continues to invest in the renewal of assets to ensure they remain fit for purpose. This work is essential to keeping our city in good shape.

In 2024/25 we received a significantly reduced subsidy from New Zealand Transport Agency Waka Kotahi, substantially impacting our transport capital programme. Council took a prudent approach and paused the transport improvement programme and slowed the organisational renewal programme. Revised plans for 2025/26 were included in the 2025/26 Annual Plan.

## Upcoming projects

We have some amazing mahi that we look forward to progressing in 2025/26. Some key projects to look out for include:

- Completion of the Pukete Neighbourhood House;
- Ranfurly Gully wastewater pipeline replacement;
- Morrinsville Road fit for purpose upgrades;
- Celebrating Age Centre renovation; and
- Waterworld upgrade programme.

| Group of Activities       | Total capital spend<br>\$ million |
|---------------------------|-----------------------------------|
| Community Services        | \$5.0                             |
| Transport                 | \$119.2                           |
| Support Services          | \$8.0                             |
| Regulatory and Safety     | \$0.7                             |
| Venues Tourism and Events | \$21.2                            |
| Parks and Recreation      | \$14.8                            |
| Water Supply              | \$19.8                            |
| Wastewater                | \$36.4                            |
| Stormwater                | \$12.5                            |
| Rubbish and Recycling     | \$0.3                             |
| <b>Total</b>              | <b>\$237.9</b>                    |





# Delivering on our priorities

Te whai kia tutukihia aa  
maatou kawatau

# Summary of our delivery

**'Delivering on our priorities' reports on how well Council's activity groups performed during 2024/25 against the performance measures and targets set out in the 2024-34 Long-Term Plan. The following sections provide more detail for each of these activity groups, including an overview of the year that has been and a description of what sits behind the results.**

In May 2019, the purpose of local government in the Local Government Act 2002 was amended to reintroduce the 'four wellbeings', requiring councils across the motu to play a broad role in promoting the social, economic, environmental, and cultural wellbeing of their communities, taking a sustainable development approach. For each activity group, we present the identified effects of our activities on the four dimensions of wellbeing. Some of our activities affect all four dimensions, while others may only touch on one. Effects can be positive or negative and are described in more detail within each activity.

## Service performance

All the activities we carry out contribute to the achievement of our community outcomes, our five priorities. Each activity has performance measures that show how well we are delivering our services to the community. The performance measures and targets are from Year One (2024/25) of our 2024-34 Long-Term Plan, which you can find on our website [hamilton.govt.nz/long-term-plan/](https://hamilton.govt.nz/long-term-plan/). There are 77 performance measures.

**Of the 77 service performance measures, 64 achieved target, 11 did not achieve target, and two measures returned no result.**





Shaping a city  
that's easy to  
live in



Shaping a city  
where our  
people thrive



Shaping a central  
city where people  
love to be



Shaping a fun  
city with lots  
to do



Shaping a  
green city

## A city that's easy to live in

| Activity Group            | Activities                      | Page number |
|---------------------------|---------------------------------|-------------|
| <b>Community Services</b> | Aquatic Facilities              | <b>47</b>   |
|                           | Libraries                       | <b>50</b>   |
|                           | Customer Services               | <b>52</b>   |
| <b>Transport</b>          | Transport Network               | <b>57</b>   |
|                           | Parking Management              | <b>57</b>   |
| <b>Support Services</b>   | Business Services               | <b>71</b>   |
|                           | Chief Executive                 | <b>71</b>   |
|                           | People, Performance and Culture | <b>71</b>   |
|                           | Strategy, Growth and Planning   | <b>71</b>   |

## A city where our people thrive

| Activity Group                                | Activities                                 | Page number |
|-----------------------------------------------|--------------------------------------------|-------------|
| <b>Governance</b>                             | Governance                                 | <b>81</b>   |
| <b>Partnerships, Communication and Maaori</b> | Amorangi Maaori                            | <b>86</b>   |
|                                               | Communication and Engagement               | <b>86</b>   |
|                                               | Community Partnerships Funding and Events  | <b>86</b>   |
| <b>Growth</b>                                 | City Planning                              | <b>98</b>   |
|                                               | Planning Guidance                          | <b>98</b>   |
| <b>Regulatory and Safety</b>                  | Animal Education                           | <b>107</b>  |
|                                               | Public Safety                              | <b>107</b>  |
|                                               | Building Control                           | <b>107</b>  |
|                                               | Civil Defence and Emergency                | <b>107</b>  |
|                                               | Environmental Health and Alcohol Licencing | <b>107</b>  |

## A central city where people love to be

| Activity Group                                                                                                                                                                                                                                                                                                                 | Activities | Page number |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-------------|
| There are no activities associated with this priority and therefore it does not have a separate capital programme or funding impact statement as the costs are already reflected in other activity statements. All our activities (such as safety and transport) contribute to creating a central city where people love to be |            | 116         |

## A fun city with lots to do

| Activity Group                    | Activities                                                                                   | Page number |
|-----------------------------------|----------------------------------------------------------------------------------------------|-------------|
| <b>Venues, Tourism and Events</b> | Claudlands, FMG Stadium Waikato and Seddon Park                                              | <b>123</b>  |
|                                   | Theatres, Tourism and Events Funding                                                         | <b>125</b>  |
|                                   | Hamilton Gardens                                                                             | <b>126</b>  |
|                                   | Te Kaaroro Nature Precinct (Hamilton Zoo and Waiwhakareke Natural Heritage Park)             | <b>128</b>  |
|                                   | Waikato Museum                                                                               | <b>129</b>  |
| <b>Parks and Recreation</b>       | Parks (including community parks, natural areas, sports parks, streetscapes and playgrounds) | <b>139</b>  |
|                                   | Indoor Recreation                                                                            | <b>139</b>  |
|                                   | Cemeteries and Crematorium                                                                   | <b>139</b>  |
|                                   | Community Facilities                                                                         | <b>140</b>  |

## A green city

| Activity Group               | Activities                                                                              | Page number |
|------------------------------|-----------------------------------------------------------------------------------------|-------------|
| <b>Water Supply</b>          | Water treatment and storage, water distribution                                         | <b>153</b>  |
| <b>Wastewater</b>            | Wastewater collection, wastewater treatment and disposal                                | <b>168</b>  |
| <b>Stormwater</b>            | Stormwater network (includes collection, conveyance, treatment, and discharge services) | <b>181</b>  |
| <b>Rubbish and Recycling</b> | Refuse collection (refuse and recycling), Landfill site management, Waste minimisation  | <b>190</b>  |

# How to read the following sections

An annual report must identify the community outcomes to which the group of activities primarily contributes

| A green city          |                                                                                         |             |
|-----------------------|-----------------------------------------------------------------------------------------|-------------|
| Activity Group        | Activities                                                                              | Page number |
| Water Supply          | Water treatment and storage, water distribution                                         | 153         |
| Wastewater            | Wastewater collection, wastewater treatment and disposal                                | 168         |
| Stormwater            | Stormwater network (includes collection, conveyance, treatment, and discharge services) | 181         |
| Rubbish and Recycling | Refuse collection (refuse and recycling), Landfill site management, Waste minimisation  | 190         |

An annual report must identify the activities within the group of activities

An annual report must describe any identified effects that any activity within the group of activities has had on the social, economic, environmental, or cultural wellbeing of the community

| Effects on the wellbeing of the community                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Social</b><br>We care for, and about, all our people          | Libraries and aquatic facilities provide hubs for community interaction and are an important part of what makes Hamilton Kirikiriroa a great place to live with an attractive lifestyle, providing health, social and leisure benefits. However, these community facilities aren't available equitably city-wide.                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Economic</b><br>Our economy provides opportunities to prosper | Public aquatic facilities and libraries boost local economies through job creation and attracting people to live and work in the city.<br><br>These facilities provide affordable recreation and educational resources, reducing costs for families and enhancing quality of life and supporting long-term economic growth.                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Environmental</b><br>We love and protect our environment      | Libraries can serve as educational hubs on environmental sustainability and climate science. Public facilities play a role in community engagement, distributing information during climate-related emergencies, fostering community resilience, and promoting environmental awareness. Aquatic facilities are likely to provide an increasingly important role during heatwaves, providing a safe environment for people to cool down, reducing the risk of heat-related illnesses. These facilities, particularly our aquatic facilities, can affect the environment through water and energy use, and waste production so it is critical that we effectively manage our operations to minimise waste, recycle, and conserve water and energy. |
| <b>Cultural</b><br>Our unique and diverse culture is celebrated  | Our community facilities are welcoming and inclusive of all members of our diverse community and contribute to people's sense of pride in our city and provide hubs for community interaction. We support communities to be more connected and resilient and to express themselves culturally.                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

An annual report must include statements that compare the level of service achieved with the performance target, state whether any intended changes to the level of service were achieved, and provide reasons for any significant variation between the achieved and the intended performance target

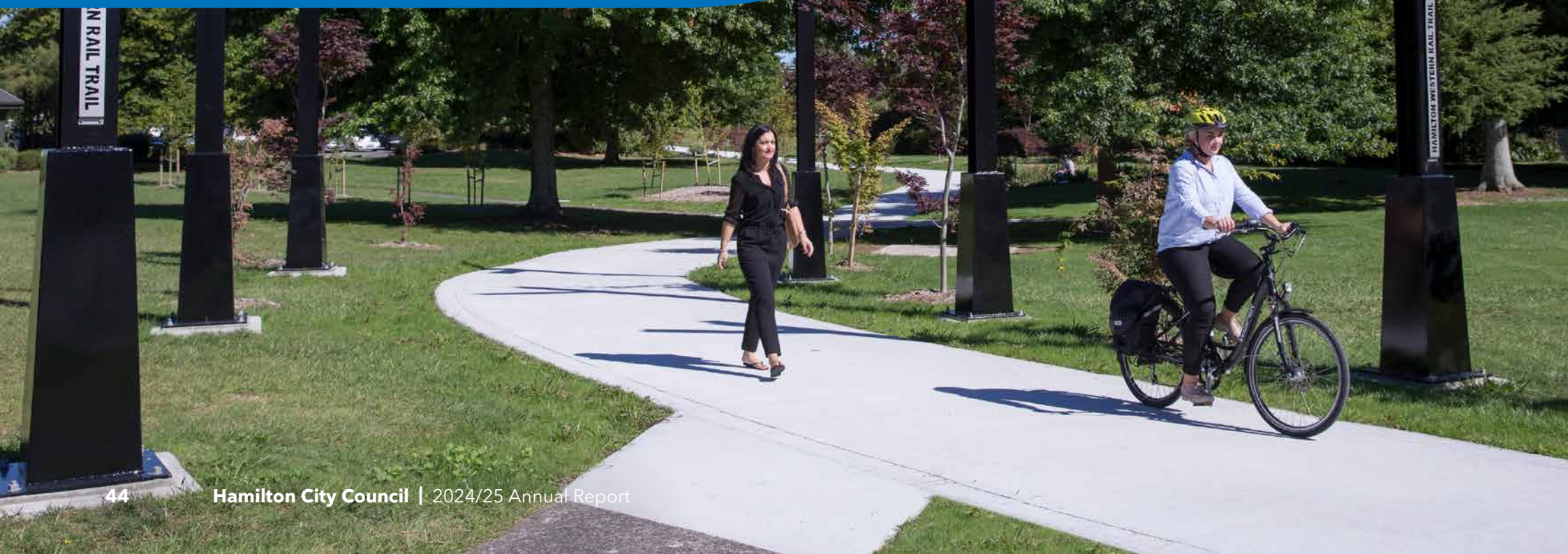
| Service performance measure:                                                                                                                                                                                                                                                                                                                                                                                                    |                                      |                                            |                  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------------|------------------|
| You can expect: Our parks and the facilities in them are accessible.                                                                                                                                                                                                                                                                                                                                                            |                                      | Key: <b>Achieved</b>   <b>Not achieved</b> |                  |
| Measure                                                                                                                                                                                                                                                                                                                                                                                                                         | 2024 - 25 target                     | 2024 - 25 result                           | 2023 - 24 result |
| The percentage of households with access to a neighbourhood park:                                                                                                                                                                                                                                                                                                                                                               |                                      |                                            |                  |
| i. Within 400m walking distance for all medium/high density areas.                                                                                                                                                                                                                                                                                                                                                              | Maintain or improve on previous year | <b>72.18%</b>                              | <b>71.65%</b>    |
| ii. Within 500 walking distance for all other residential areas.                                                                                                                                                                                                                                                                                                                                                                | Maintain or improve on previous year | <b>81.24%</b>                              | <b>80.21%</b>    |
| The percentage of survey respondents who are happy with Hamilton's parks and open spaces.                                                                                                                                                                                                                                                                                                                                       | 68%                                  | <b>70%</b>                                 | <b>76%</b>       |
| What's behind the results                                                                                                                                                                                                                                                                                                                                                                                                       |                                      |                                            |                  |
| Between 2023/24 and 2024/25, the accessibility of neighbourhood reserves remained steady for both measures. The marginal gains (for 400m) are attributed to the development of new medium/high density properties within surrounding areas.                                                                                                                                                                                     |                                      |                                            |                  |
| The 2025 pulse survey results show that 70% of respondents were satisfied. This is above the 68% target but down from last year, likely due to survey methodology changes. This was the first year the parks satisfaction question was included in the Pulse Survey, rather than the previous Parks & Open Spaces Survey. Differences in sample size and methodological approach may have had a marginal impact on the results. |                                      |                                            |                  |



Priority one

# A city that's easy to live in

He taaone e ngaawari  
noa iho ana te noho





## **We want a city that's easy to live in, explore and connect.**

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.



# Delivering on our Long-Term Plan

## 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.

### Highlights of 2024/25

The Lifeguard team competed in the National Pool Lifeguard Competition in Wellington in August 2024, placing second overall, where they showcased their speed, endurance, medical skills, rescue techniques, and lifeguard knowledge in a series of challenges.

The Hamilton Pools and Water Safety NZ-funded campaign, Manu with Mana, was listed as a finalist for the Recreation Aotearoa 2024 Aquatics Innovation Programme Award.

Envibe, our new online booking and membership system, was launched in October 2024 enabling customers to manage their own bookings and memberships for aquatics classes and programmes. The system implementation was very successful with significant positive feedback and adoption by customers.

In December 2024 we hosted the annual Road Patrol Day, attended by over 30 schools, 800 children, teachers, and whanau. Attendees enjoyed time in pools, using inflatables, dive boards, and slides. The day was a great success.

In June 2025, the aquatics team collaborated with Glenview Community and Mangakotukutoku School to host the Matariki Rising celebration, featuring cultural performances, shared meals, and water-based activities across Gallagher Aquatic Centre and the school grounds.

The Waterworld renewals and maintenance shutdown commenced on 16 June 2025 and ran for a month with works delivered to schedule. This success reflects robust contingency planning and strong collaboration with partners. The shutdown time was maximised by completing core staff compliance and development training.

Seventeen events were held at Waterworld, 14 of these at national or regional level. Waterworld was selected to host the New Zealand Secondary School Swimming Championships in July 2025. 900 students attended from 170 nationwide schools.

## Service performance measures:

**You can expect:** Our aquatic facilities are well used.

Key: **Achieved** | **Not achieved**

| Measure                                                                               | 2024 - 25 target                      | 2024 - 25 result | 2023 - 24 result |
|---------------------------------------------------------------------------------------|---------------------------------------|------------------|------------------|
| The number of visits to Council owned aquatic facilities and partner pools each year. | Maintain or increase on previous year | <b>456,232</b>   | <b>431,935</b>   |

### What's behind the results

Visits to our aquatic facilities and partner pools were strong this year, with 456,232 total visits. Total visits for the year were higher than last year, largely attributable to engaging programming initiatives led by staff and an extended summer season that continued into March 2025.

**You can expect:** Our aquatic facilities provide quality customer experiences.

Key: **Achieved** | **Not achieved**

| Measure                                                                                                  | 2024 - 25 target | 2024 - 25 result | 2023 - 24 result |
|----------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|
| The percentage of aquatic facilities customers surveyed who are satisfied with their overall experience. | At least 85%     | <b>80%</b>       | <b>84%</b>       |

### What's behind the results

80% of aquatic facility customers who were surveyed were satisfied with their overall experience - below the target of 85%. This lower result was partly due to only kiosk surveys, and not email surveys, being available in the first half of the year. Kiosk surveys tend to include less positive feedback overall, as those who had negative experiences are more likely to provide the immediate feedback than those who had positive or neutral feedback on their experiences.

Positive customer feedback mentioned friendly staff, clean facilities, good equipment, and enjoyable classes. Dissatisfaction was mainly about poor bathroom conditions, blocked drains, inconsistent water temperatures, and the lack of spa, sauna, and a steam room. In June 2025 a renewal programme commenced for the change rooms and later in 2025 renewal of the sauna, steam room and spa facilities will take place. We anticipate this increasing the customer satisfaction score in the new financial year, however, the renewals were too late to make an impact on this financial year.

**You can expect:** We provide programmes that support safer water use.

Key: **Achieved** | **Not achieved**

| Measure                                                                  | 2024 - 25 target                            | 2024 - 25 result             | 2023 - 24 result             |
|--------------------------------------------------------------------------|---------------------------------------------|------------------------------|------------------------------|
| The number of enrolments in aqua education and learn to swim programmes. | 82,000                                      | <b>54,390</b>                | <b>50,099</b>                |
| The number of partnership programmes delivered each year.                | At least ten programmes delivered per annum | <b>13 partner programmes</b> | <b>11 partner programmes</b> |

### What's behind the results

There were 54,390 enrolments in aqua education and learn to swim programmes this year, which is a notable (8.6%) increase on the previous year's result. However, the target (82,000) was set at a time when we were planning for year-round classes in partnership with a third party (whose operations have since changed) and the advertising did not return as many enrolments as expected. In addition, market supply changes (additional private offerings) may have had an impact on the result. In the remaining years of the Long-Term Plan, the target is a 5% increase on the previous year's result. We are well positioned to achieve this target, working in partnership with Swimming Waikato under a revised model, and guided by feedback from school principals to ensure the Swim Safe programme is fit for purpose.

Promoting the Learn to Swim school remains a key priority, especially at the Gallagher Aquatic Centre (GAC), which offers the greatest potential for growth. Targeted promotional campaigns are planned to drive enrolment increases at this location. To address attendance challenges, an incentive programme has been introduced to boost participation in Learn to Swim and a dedicated promotional push for GAC has been scheduled for the 2025-26 year.

Thirteen partnership programmes were delivered across the full year, exceeding the annual target of ten. These included water safety education and community engagement initiatives.



# 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.

## Highlights of 2024/25

Several new programmes and events in partnership with the community were trialled this year, including free introductory first aid programmes for children with Hato Hone St John. Other successful programmes included Dinsdale's Money Month event (a multi-agency event focusing on budgeting and financial matters), St Andrews' Festival of Adult Learning, and the annual Winter Reading Programme.

The Summer Reading Programme underwent a thorough review and refresh in 2024. As a result fewer, more focused events were offered, resulting in a significant increase in attendance. The Summer Reading Programme saw a big increase in registrations this year – with the highest number of registrations ever, leading to a marked increase in online and in-person visits.

The Beryl Fletcher archive, which includes personal papers and manuscripts by the noted Waikato author, feminist and activist, was launched online.

Library services maintained steady usage throughout the year. Programmes such as Wriggle and Rhyme at Te Kete Aronui and Chartwell continued to attract strong attendance. Celebrations for International Children's Day in March 2025 and Zinefest in May 2025 drew good crowds. While the number of one-off events decreased, this was offset by an increase in regular programming, with many activities now embedded into standard operations rather than being standalone events.

## Service performance measures:

**You can expect:** Our libraries are well used.

Key: **Achieved** | **Not achieved**

| Measure                                                              | 2024 - 25 target          | 2024 - 25 result | 2023 - 24 result |
|----------------------------------------------------------------------|---------------------------|------------------|------------------|
| The number of physical issues by Hamilton City Libraries each year.  | Increase on previous year | <b>1,092,515</b> | <b>1,094,502</b> |
| The number of online issues by Hamilton City Libraries each year.    | Increase on previous year | <b>214,477</b>   | <b>193,539</b>   |
| The number of physical visits to Hamilton City Libraries each year.  | At least 750,000 visits   | <b>979,870</b>   | <b>928,552</b>   |
| The number of online visits to Hamilton City Libraries each year.    | At least 800,000 visits   | <b>1,045,829</b> | <b>913,782</b>   |
| The percentage of Hamilton residents who are active library members. | At least 21%              | <b>22.22%</b>    | <b>21.97%</b>    |

### What's behind the results

The total number of physical issues tracked steadily during the year but finished the year at 0.2% (1,987 issues) less than the previous year.

The number of online issues remained high throughout the year, resulting in the annual usage for the full year rising by 10.82% with issues of e-audiobooks overtaking e-books for the first time.

Over the year, physical visits increased by 5.53%, driven by strong programming, greater outreach presence, and targeted marketing. Online visits increased by 14.45%, which was supported by ongoing improvements to the website. Growth in use of both electronic and physical library content has contributed to sustaining active membership.

**You can expect:** Our libraries provide quality customer experiences.

Key: **Achieved** | **Not achieved**

| Measure                                                                                       | 2024 - 25 target | 2024 - 25 result | 2023 - 24 result |
|-----------------------------------------------------------------------------------------------|------------------|------------------|------------------|
| The percentage of library customers surveyed who are satisfied with their overall experience. | At least 90%     | <b>91.50%</b>    | <b>92%</b>       |

**What’s behind the results**

The customer satisfaction result for the year was 91.5%. Key themes from satisfied customers were friendly, welcoming, and helpful staff, great collections available, libraries that are easy to navigate, and clean and quiet spaces. Themes from dissatisfied customers included a lack of community meeting room spaces, cost of late fees, and selection of e-material.

# 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 Land Information Memorandum (LIM) reports and Property File information.

## Highlights of 2024/25

This year we implemented a new telephony system that allowed us to upgrade the technology behind our customer interactions, improving the experience and functionality for our customers. These improvements were hugely beneficial in managing the increased call volumes we experienced this year. Phone calls

received totalled 162,145, up from 149,880 in the previous year. The top three call topics were enquiries about rates, noise complaints, and parking infringements.

LIMs and Property File requests saw steady growth over the year. We helped provide 2278 LIMs and 4867 property files to customers.

We saw an increase in service requests, with 39,960 raised this year, in comparison to 32,536 last year. Our face-to-face interaction numbers have reduced slightly as customers start to utilise our online services, and the nature of in-person enquires became more complex and detailed. We introduced several continuous improvement initiatives this year, in particular promoting the use of the Antenno app. We received 16,843 Antenno requests, and responded to 54,500 emails this year.

# Effects on the wellbeing of the community

|                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Social</b><br><br>We care for, and about, all our people          | <p>Libraries and aquatic facilities provide hubs for community interaction and are an important part of what makes Hamilton Kirikiriroa a great place to live with an attractive lifestyle, providing health, social and leisure benefits. However, these community facilities aren't available equitably city-wide.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Economic</b><br><br>Our economy provides opportunities to prosper | <p>Public aquatic facilities and libraries boost local economies through job creation and attracting people to live and work in the city.</p> <p>These facilities provide affordable recreation and educational resources, reducing costs for families and enhancing quality of life and supporting long-term economic growth.</p>                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Environmental</b><br><br>We love and protect our environment      | <p>Libraries can serve as educational hubs on environmental sustainability and climate science. Public facilities play a role in community engagement, distributing information during climate-related emergencies, fostering community resilience, and promoting environmental awareness. Aquatic facilities are likely to provide an increasingly important role during heatwaves, providing a safe environment for people to cool down, reducing the risk of heat-related illnesses. These facilities, particularly our aquatic facilities, can affect the environment through water and energy use, and waste production so it is critical that we effectively manage our operations to minimise waste, recycle, and conserve water and energy.</p> |
| <b>Cultural</b><br><br>Our unique and diverse culture is celebrated  | <p>Our community facilities are welcoming and inclusive of all members of our diverse community and contribute to people's sense of pride in our city and provide hubs for community interaction. We support communities to be more connected and resilient and to express themselves culturally.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

# Capital projects

R - Renewals    LOS - Levels of Service    G - Growth

The following table summarises the capital projects planned for year one (2024-25) of the 2024-34 Long-Term Plan and the progress made during the period.

|                                                | Type | Capex Long-Term Plan<br>2024/25 | Capex Actuals<br>2024/25 | Variance     |
|------------------------------------------------|------|---------------------------------|--------------------------|--------------|
| <b>Community Services</b>                      |      |                                 |                          |              |
| <b>Aquatic Facilities</b>                      |      |                                 |                          |              |
| CE10001 - Aquatic facilities building renewals | R    | 417                             | 562                      | (145)        |
| CE21005 - Aquatic facilities renewals          | R    | 3,455                           | 2,002                    | 1,453        |
| CE21046 - Aquatic facilities development       | LOS  | 0                               | 32                       | (32)         |
| <b>Aquatic Facilities total</b>                |      | <b>3,872</b>                    | <b>2,597</b>             | <b>1,276</b> |
| <b>Libraries</b>                               |      |                                 |                          |              |
| CE10005 - Libraries collection purchases       | R    | 1,576                           | 1,488                    | 87           |
| CE10006 - Library operational renewals         | R    | 384                             | 264                      | 120          |
| CE10007 - Library building renewals            | R    | 1,491                           | 503                      | 987          |
| CE21044 - Libraries development                | LOS  | 0                               | 0                        | 0            |
| CE19017 - Rototuna community facilities        | G    | 0                               | 154                      | (154)        |
| <b>Libraries total</b>                         |      | <b>3,451</b>                    | <b>2,409</b>             | <b>1,041</b> |
| <b>Community Services total</b>                |      | <b>7,323</b>                    | <b>5,006</b>             | <b>2,317</b> |

## Variances:

- CE21005 - Aquatic facilities renewals - \$1.4 million was deferred at the Finance and Monitoring Committee to align budgets with the planned Waterworld shut down period. This was done to reduce the impact on the community by having work undertaken in a planned shut down period when predicted visitor numbers are lowest.



# Community Services funding impact statement

| For year ended 30 June 2025                                             | Long-Term Plan 2024 | Actual 2024    | Long-Term Plan 2025 | Actual 2025    |
|-------------------------------------------------------------------------|---------------------|----------------|---------------------|----------------|
|                                                                         | \$000               | \$000          | \$000               | \$000          |
| <b>Sources of Operating Funding</b>                                     |                     |                |                     |                |
| General rates, uniform annual general charges, rates penalties          | 22,323              | 22,540         | 27,352              | 27,626         |
| Targeted rates                                                          | -                   | -              | -                   | -              |
| Subsidies and grants for operating purposes                             | 2                   | 2,193          | 2                   | 6              |
| Fees and charges                                                        | 3,949               | 3,993          | 5,242               | 5,369          |
| Local authorities fuel tax, fines, infringement fees and other receipts | 142                 | 875            | 439                 | 564            |
| Internal charges and overheads recovered                                | -                   | -              | -                   | 1,166          |
| <b>Total operating funding</b>                                          | <b>26,416</b>       | <b>29,601</b>  | <b>33,035</b>       | <b>34,731</b>  |
| <b>Application of Operating Funding</b>                                 |                     |                |                     |                |
| Payments to staff and suppliers                                         | 21,613              | 23,736         | 20,864              | 20,097         |
| Finance costs                                                           | 712                 | 1,907          | 2,152               | 2,243          |
| Internal charges and overheads applied                                  | -                   | -              | -                   | 5,685          |
| Other operating funding applications                                    | -                   | -              | -                   | -              |
| <b>Total applications of operating funding</b>                          | <b>22,325</b>       | <b>25,643</b>  | <b>23,016</b>       | <b>28,025</b>  |
| <b>Surplus/(deficit) of operating funding</b>                           | <b>4,091</b>        | <b>3,958</b>   | <b>10,019</b>       | <b>6,706</b>   |
| <b>Sources of capital funding</b>                                       |                     |                |                     |                |
| Subsidies and grants for capital expenditure                            | 31                  | 55             | -                   | -              |
| Development and financial contributions                                 | -                   | -              | -                   | -              |
| Increase/(decrease) in debt                                             | 7,037               | 4,646          | 5,008               | (1,400)        |
| Gross proceeds from sale of assets                                      | -                   | 22             | -                   | -              |
| Lump sum contributions                                                  | -                   | -              | -                   | -              |
| Other dedicated capital funding                                         | -                   | -              | -                   | -              |
| <b>Total sources of capital funding</b>                                 | <b>7,068</b>        | <b>4,723</b>   | <b>5,008</b>        | <b>(1,400)</b> |
| <b>Applications of capital funding</b>                                  |                     |                |                     |                |
| Capital expenditure                                                     | -                   | -              | -                   | -              |
| - to meet additional demand                                             | -                   | 2,727          | -                   | 154            |
| - to improve the level of service                                       | 4,633               | 352            | -                   | 32             |
| - to replace existing assets                                            | 2,984               | 6,817          | 7,323               | 4,819          |
| Increase/(decrease) in reserves                                         | 3,467               | (609)          | 7,517               | 484            |
| Increase/(decrease) in investments                                      | 75                  | (606)          | 187                 | (183)          |
| <b>Total applications of capital funding</b>                            | <b>11,159</b>       | <b>8,681</b>   | <b>15,027</b>       | <b>5,306</b>   |
| <b>Surplus/(deficit) of capital funding</b>                             | <b>(4,091)</b>      | <b>(3,958)</b> | <b>(10,019)</b>     | <b>(6,706)</b> |
| <b>Funding balance</b>                                                  | <b>-</b>            | <b>-</b>       | <b>-</b>            | <b>-</b>       |

\* The 2024 actuals have been reclassified to align with the new activities in the 2023-24 Long-Term Plan.

# 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.



# Delivering on our Long-Term Plan

## 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 next 10 years 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.

We propose to work closely with central government and New Zealand Transport Agency Waka Kotahi as they review their approach to funding road safety through the Government Policy Statement on land transport for 2024-34.

## 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.

## Highlights of 2024/25

The upgrade of the Hamilton Transport Centre was completed and officially opened by Mayor Southgate in November 2024. The project focused on creating a safer and more welcoming place. CPTED (Crime Prevention Through Environmental Design) elements were considered throughout the whole design process to help create an inclusive and vibrant space. The upgrade also includes a nod to Hamilton's artistic side and its diverse community with murals and a sculpture in place.

Eighty-five new all-day \$6 parking areas were added on Ward Street, opposite Hamilton Girls' High School and on sections of Seddon Road near Seddon Park and Norris Ward Park. There are now over 600 All Day Paid Parking spaces in the city.

The annual 'Design your own Helmet' competition for Hamilton primary and intermediate schools was judged in October 2024, with more than 2000 entries received. The winners were presented with their design professionally airbrushed on to a bike helmet in December 2024.

The cycling training team took 511 students from four schools through the Kids on Bikes programme. As part of Biketober in October 2024, the 'Love Your Bike Day' event was held at Claudelands Park with approximately 200 people attending.

The 'Transport Choices Programme' (CERF) was completed. This programme was to encourage an uptake in walking, cycling and public transport use. It delivered 13 individual projects or packages of work that support outcomes in our transport strategy, Access Hamilton, to provide Hamiltonians with genuine transport choices to help them move more safely around the city for work, education, and leisure activities.

Transport staff worked with FENZ (Fire and Emergency NZ) to progress a range of initiatives to improve emergency response times. This includes the signing of a data sharing agreement that allows Council access to real-time GPS locations of fire trucks, to trial the provision of emergency vehicle priority at key

traffic signals in the city. It is expected that the system will be developed and tested over the next few months, with potential benefits being improved safety for all road users, and lower travel times through these sites.

Bike safety promotion at Hamilton Boys' High School saw bike checks undertaken and cycle safety gear was given out to 90 students. Over the following few weeks spot prizes were awarded to students with lights on their bikes or wearing a hi-vis vest or backpack cover. This promotion was very popular and well received by the students and teachers.

Two Bike to Sport events were delivered at Hare Puke Park and Gallagher Hockey Centre. Children and their whaanau biked to rugby and hockey. At the events, cycling safety gear was also given out to members of the public. These events encourage families to consider using active travel to get to weekend sports and help to reduce the parking pressure around our sports fields.

Our new 'Give it a go' initiative was showcased at the Safe and Sustainable Transport Association conference in Wellington in May 2025. Council is leading the way, showing how owning your own e-fleet can have excellent outcomes for the city. The presentation was very successful, and we are now working with Greater Wellington, Auckland Transport, Rotorua Lakes, and Dunedin Councils to help their implementation of similar initiatives.







# Service performance measures:

**You can expect:** As our city grows you can expect travel times for all vehicles to be predictable. Key: **Achieved** | **Not achieved**

| Measure                                        | 2024 - 25 target                | 2024 - 25 result | 2023 - 24 result |
|------------------------------------------------|---------------------------------|------------------|------------------|
| Travel times are predictable during peak hours | A variation of no more than 25% | <b>12%</b>       | <b>12%</b>       |

## What’s behind the results

This measure demonstrates the predictability of travel times for all vehicle types (buses and business and private vehicles) on our transport network during weekday peak hours. The target is based on the latest quarter’s average travel times during peak hours, with an allowable fluctuation range of up to 25%. For example, if the normal average vehicle travel time for a measured journey is 20 minutes you can predict that even on a particularly busy day the maximum travel time should not exceed 25 minutes (25% fluctuation). The average result for 2024/25 (the average result for each quarter) was a 12% fluctuation, ensuring we comfortably met the target.

**You can expect:** You can expect the transport network to be safe to use. Key: **Achieved** | **Not achieved**

| Measure                                                                                                                   | 2024 - 25 target                      | 2024 - 25 result                                                  | 2023 - 24 result                                                   |
|---------------------------------------------------------------------------------------------------------------------------|---------------------------------------|-------------------------------------------------------------------|--------------------------------------------------------------------|
| The change from the previous financial year in the number of fatal and serious injury crashes on the local road network.+ | Decrease from previous financial year | <b>Decrease to 42<br/>(3 fatal and 39 serious injury crashes)</b> | <b>Increase to 51<br/>(4 fatal and 47 serious injury crashes)*</b> |

## What’s behind the results

Council is working towards a safer transport network with a vision for a decreasing trend of fatal and serious injuries on Hamilton roads. We aim to achieve this by delivering physical works projects and through education programmes that are targeted to improve the safety of all road users to reduce these crashes, noting that user behaviours are also a contributing factor.

## What's behind the results continued...

The measure indicates the impact of safety improvements on reducing death and serious harm on Hamilton roads. Data is collected from the Crash Analysis System (CAS) managed by NZTA Waka Kotahi from data entered by NZ Police. This data is live and being continuously updated when investigations and audits are completed. The interim total of reported fatal and serious injury crashes on Hamilton's local road network for this financial year is 42: 3 fatal and 39 serious injury crashes (including crashes at intersections with state highways where NZTA is the controlling authority). The total is nine less than the same period in 2023/24 (51 crashes with 47 occurring on local roads).

Our 'Minor Transport Improvement Programme' identifies safety enhancements to the network specifically aimed at reducing the number of crashes and the severity. Independent safety audits are used as an assessment tool where roading, surface renewal, or repair work is evaluated to maximise safety. When making changes to the transport network, the audit highlights opportunities to improve the design to maximise safety outcomes. In addition, we work with schools to provide and support road safety education and look for opportunities to implement new signage, road improvements, and markings to improve safety across the transport network.

\*Total number has increased by one (1x serious crash) from last 2023/24 due to a live data lag.  
(+) Measure required by the Department of Internal Affairs

**You can expect:** You can expect the transport network to be kept in good operating condition.

Key: **Achieved** | **Not achieved**

| Measure                                                                                                                                    | 2024 - 25 target | 2024 - 25 result | 2023 - 24 result |
|--------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|
| The average quality of ride on Hamilton's sealed local road network, measured by smooth travel exposure.+                                  | At least 80%     | <b>82%</b>       | <b>82%</b>       |
| The percentage of the sealed road local network that is resurfaced each financial year.+                                                   | At least 3.5%    | <b>5.9%</b>      | <b>3.7%</b>      |
| The percentage of qualifying footpaths within Hamilton that meet the level of service standard of less than five faults per 100m section.+ | At least 84%     | <b>95.4%</b>     | <b>97%</b>       |

### What's behind the results

The accuracy of smooth travel exposure reporting is influenced by both pavement roughness data and traffic volume data. The network comprises approximately 714 kilometres of roads, segmented into over 4300 individual sections. While Council conducts annual traffic counts, the scale and complexity of the network necessitate a reliance on traffic estimation methods to supplement measured data. This approach ensures comprehensive coverage across the network.

Staff have developed a new traffic counting programme scheduled for implementation during the 2025/26 financial year. This programme includes a significant increase in tube counts, particularly targeting newly developed areas of the city. The initiative will also reflect recent network changes such as the opening of the Waikato Expressway (WEX) and the transfer/realignment of State Highway 26 (Morrinsville Road). As a result of these enhancements, the programme is expected to achieve an accepted performance level of 80% of Vehicle Kilometres Travelled (VKT) based on direct or linked counts, with the remaining 20% derived from assigned estimates. This approach aligns with NZTA's traffic counting guidance and represents a proactive step in mitigating risks associated with the limited traffic data.

To achieve the DIA target of 3.5% of sealed road local network resurfaced each year, the Hamilton City Council maintenance and renewal contract (Connect Hamilton) will continue to undertake regular road maintenance to deliver a renewals programme that meets network requirements using appropriate materials.

## What's behind the results continued...

This DIA 'percentage of the sealed road local network that is resurfaced each financial year' measure is an indicator of how well our roads are maintained and renewed to ensure roads are in good operating condition for safety, efficiency, and overall user satisfaction. A total of 146,300m<sup>2</sup> of asphalt, 218,234m<sup>2</sup> of chipseal, and 8505m<sup>2</sup> Specialised Emulsion Preservation was resurfaced this year, totalling 373,039m<sup>2</sup> or 5.9% of the total sealed road network. It should be noted that this measure is for 'sealed network area' rather than the 'length of the network'. We will continue to deliver a resurfacing programme that ensures the network is in good operating condition.

Hamilton has over 1131km of footpaths. It is essential the footpath network is well-maintained to ensure a safe and is accessible network for pedestrians and multi modal users. This financial year, we have renewed a total of 29,856m<sup>2</sup> (including vehicle crossings) asphalt surfacing footpaths, and 10,979m<sup>2</sup> (include vehicle crossings) concrete footpaths. There are currently 52km of footpath with more than five faults per 100m (which are faults that do not require immediate resolution or fixing, as they do not cause a safety concern). This result achieves 95.4% of Hamilton footpaths meeting the level of service standard of less than five faults per 100m, exceeding the annual target of 84%.

(+) Measure required by the Department of Internal Affairs

**You can expect:** You can expect customer service requests to be responded to promptly.

Key: **Achieved** | **Not achieved**

| Measure                                                                                                                       | 2024 - 25 target | 2024 - 25 result | 2023 - 24 result |
|-------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|
| The percentage of customer service requests relating to roads and footpaths that are responded to within five working days.*+ | At least 96%     | <b>98.1%</b>     | <b>99.6%</b>     |

**What’s behind the results**

Hamilton City Council is customer focused, with an aim to investigate and respond to all transport related customer service request in a timely manner.

There was a total of 5904 customer requests over the financial year. The top four service request types were landscaping and vegetation in road reserve (793 requests), street sign repair or replace (696 requests), hazardous substance or object in road reserve (612 requests), sweeping road or path (520 requests). The high response rate is reflective of the enhanced customer processes and the enhanced communications matrix that was implemented this construction season. The result this financial year for the percentage of customers responded to within five working days is 98%, comfortably above target.

(+) Measure required by the Department of Internal Affairs



# Effects on the wellbeing of the community

|                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Social</b><br><br>We care for, and about, all our people          | Our transport network integrates different modes of transport that connect people and places safely, supporting community liveability and wellbeing by providing access to social, and health and educational opportunities. Network maintenance and the construction of new roads can cause disruptions such as delays to travel times, traffic congestion, affect public transportation, limit access to properties and businesses and be a disturbance to residents. It is important we carefully manage this by advising affected parties, minimising any accessibility issues, and adhering to national guidelines for traffic management practices. |
| <b>Economic</b><br><br>Our economy provides opportunities to prosper | The transportation network is essential to the economy and enables sustainable growth. It contributes to economic growth by providing efficient, safe, and sustainable transport links for our community and between customers and suppliers. Network maintenance and the construction of new roads can cause delays to travel times, traffic congestion, and limit access to properties and businesses. We ensure that affected properties and businesses are appropriately advised to minimise accessibility issues due to roadworks.                                                                                                                   |
| <b>Environmental</b><br><br>We love and protect our environment      | Air pollution and noise created by traffic negatively impact the environment, mitigated by the provision of alternative transport methods such as walkways, cyclepaths and public transportation that have fewer environmental impacts. We consider climate change adaptation and emissions reduction when planning, designing, and building transport infrastructure. Council is required to abide by the Resource Management Act when undertaking capital and maintenance work, which requires mitigation of adverse effects.                                                                                                                           |

**Cultural**

Our unique and diverse culture is celebrated

Our transport activity ensures that the principles of Te Tiriti o Waitangi - Partnership, Participation, Protection and Prosperity - underpin decision-making. Where opportunities exist, cultural elements are built into physical projects and iwi are consulted on our plans and outcomes. Network maintenance and the construction of new roads have the potential to adversely impact natural, cultural and historical heritage sites. Projects are thoroughly investigated to identify any possible natural, cultural or historical significance prior to commencement. We ensure that Taangata Whenua and other affected parties are consulted before any works are undertaken. We also proactively manage and limit the disturbance of significant features while works are underway.

# Capital projects

R - Renewals    LOS - Levels of Service    G - Growth

The following table summarises the capital projects planned for year one (2024-25) of the 2024-34 Long-Term Plan and the progress made during the period.

|                                                               | Type | Capex Long-Term Plan<br>2024/25 | Capex Actuals<br>2024/25 | Variance      |
|---------------------------------------------------------------|------|---------------------------------|--------------------------|---------------|
| <b>Transport Network</b>                                      |      | \$000                           | \$000                    | \$000         |
| CE10072 - Footpath and street furniture renewals              | R    | 7,713                           | 7,978                    | (266)         |
| CE10074 - Drainage (kerb and channel) renewals                | R    | 1,031                           | 1,313                    | (282)         |
| CE10075 - Road base renewals                                  | R    | 9,655                           | 6,388                    | 3,266         |
| CE10076 - Road resurfacing                                    | R    | 5,863                           | 14,520                   | (8,657)       |
| CE10077 - Bridge and structures renewals                      | R    | 215                             | 228                      | (13)          |
| CE10078 - Retaining wall and structures renewals              | R    | 158                             | 84                       | 74            |
| CE10080 - Street lighting renewals                            | R    | 2,362                           | 2,175                    | 187           |
| CE10081 - Traffic equipment renewals                          | R    | 795                             | 1,581                    | (785)         |
| CE15087 - Transportation upgrades to allow for development    | G    | 1,189                           | 2                        | 1,187         |
| CE15088 - Peacocke transport upgrades and development stage 1 | G    | 49,553                          | 2,415                    | 47,138        |
| CE15089 - Peacocke transport upgrades and development stage 2 | G    | 16,440                          | 42,552                   | (23,612)      |
| CE15090 - Rotokauri transport upgrades and development        | G    | 3,152                           | 1,680                    | 1,473         |
| CE15092 - Rototuna transport upgrades and development         | G    | 5,103                           | 6,828                    | (1,725)       |
| CE15093 - Ruakura transport upgrades and development          | G    | 2,100                           | 2,867                    | (766)         |
| CE19036 - Ring Road                                           | G    | 0                               | 703                      | (703)         |
| CE19037 - Hamilton transport model                            | G    | 806                             | 508                      | 299           |
| CE19057 - Biking plan implementation                          | G    | 17,850                          | 1,323                    | 16,527        |
| CE19058 - Public Transport Mode Shift                         | G    | 4,400                           | 471                      | 3,929         |
| CE19064 - Transport Centre rejuvenation                       | LOS  | 0                               | 2,837                    | (2,837)       |
| CE21012 - Transport building renewals                         | R    | 37                              | (5)                      | 43            |
| CE21053 - Central city transportation improvements            | LOS  | 945                             | 118                      | 827           |
| CE21055 - Te Rapa transportation upgrades and development     | G    | 314                             | 218                      | 96            |
| CE21058 - Transportation safety improvements                  | LOS  | 14,825                          | 2,451                    | 12,374        |
| CE21059 - Transportation smart improvements                   | LOS  | 0                               | 1                        | (1)           |
| CE21060 - Public transport improvement                        | LOS  | 788                             | 341                      | 447           |
| CE23001 - Climate Emergency and Response Fund                 | LOS  | 0                               | 2,418                    | (2,418)       |
| CE23005 - Infrastructure Acceleration Fund Transport          | G    | 607                             | 522                      | 85            |
| CE24032 - Transportation Land                                 | G    | 0                               | 16,633                   | (16,633)      |
| <b>Transport total</b>                                        |      | <b>145,902</b>                  | <b>119,145</b>           | <b>29,253</b> |

### Variances:

- CE10075 - Road base renewals - Renewal sites were deferred by 2-3 years as pavement deterioration slower than anticipated. This funding was reallocated to address network issues to avoid long-term increase in maintenance costs.
- CE10076 - Road resurfacing - Resurfacing sites were accelerated to address the network need as a result of deferred maintenance. This will result in an operational savings due to less maintenance works being required.
- CE15087 - Transportation upgrades to allow for development - \$658,775.25 has been realigned with the NLTP (233698), with the remaining balance deferred to 2025/26 through the annual plan process.
- CE15088 - Peacocke transport upgrades and development stage 1 - Funding has shifted from Peacocke Stage 1 to Stage 2. Whatukooruru Drive Stage 2 is now expected in 2025/26, with Stage 3 delayed. Land Valuation Tribunal outcomes have reduced costs, with possible savings in 2025/26 depending on contract claims outcomes.
- CE15089 - Peacocke transport upgrades and development stage 2 - A \$25.3 million funding adjustment was made across Peacocke stages, with \$16 million brought forward to 2023/24 and the rest contributing to savings. Whatukooruru Drive Stage 2 is now expected in 2025/26, and Stage 3 is delayed. Tribunal outcomes and contract claims may lead to further savings.
- CE15090 - Rotokauri transport upgrades and development - Budget has been deferred to align the costs with the confirmed Hearing date of 6 October 2025.
- CE15092 - The budget of \$5.1 million was increased to \$6.8 million as a result of a bring forward from 2026/27 to 2024/25. Borman Road Project traffic management complexities from last year were resolved and better than expected progress was made with expenditure being \$1.7 million higher than the original budget.
- CE19057 - Biking plan implementation - \$9 million removed to correctly align with NLTP (233698), \$7.9 million has been deferred to the 2024-27 Long-Term Plan for construction of Morrinsville Road fit for purpose project.
- CE19058 - Public Transport Mode Shift - \$2.142 million removed to correctly align with NLTP. (233698). The balance was deferred into 2025/26 as part of the annual plan process.
- CE19064 - Transport Centre rejuvenation - There was a late deferral of \$3.5 million from 2023/24 into 2024/25. The project was scaled back in line with the Elected Members' preferred option, resulting in a saving of the remaining budget.
- CE21058 - Transportation safety improvements - Following national policy changes, some Low Cost Low Risk initiatives were deprioritised and did not proceed, resulting in savings. The original \$6 million forecast for Morrinsville Road was revised to a more achievable figure after finalising the project management plan.
- CE23001 - CERF - This programme was partly funded by Crown Funding administered by NZTA. Post central government elections, the new Minister of Transport's Office reviewed the continuation of the funding. There was a late deferral of \$2.4 million from the previous financial year while central government decided what would still be funded.
- CE24032 - Transportation land - Funding was brought forward to support land acquisition under designation provisions, in line with the Property Acquisition and Management Engagement Practice framework.

# Transport funding impact statement

For year ended 30 June 2025

|                                                                         | Long-Term Plan 2024 | Actual 2024    | Long-Term Plan 2025 | Actual 2025    |
|-------------------------------------------------------------------------|---------------------|----------------|---------------------|----------------|
|                                                                         | \$000               | \$000          | \$000               | \$000          |
| <b>Sources of Operating Funding</b>                                     |                     |                |                     |                |
| General rates, uniform annual general charges, rates penalties          | 53,909              | 54,440         | 59,101              | 59,821         |
| Targeted rates                                                          | 145                 | 146            | 145                 | 144            |
| Subsidies and grants for operating purposes                             | 8,035               | 14,496         | 9,169               | 13,127         |
| Fees and charges                                                        | 5,271               | 5,289          | 6,153               | 5,787          |
| Local authorities fuel tax, fines, infringement fees and other receipts | 3,624               | 13,451         | 8,685               | 10,901         |
| Internal charges and overheads recovered                                | -                   | -              | -                   | 4,758          |
| <b>Total operating funding</b>                                          | <b>70,984</b>       | <b>87,822</b>  | <b>83,252</b>       | <b>94,538</b>  |
| <b>Application of Operating Funding</b>                                 |                     |                |                     |                |
| Payments to staff and suppliers                                         | 44,090              | 56,735         | 45,526              | 45,473         |
| Finance costs                                                           | 4,226               | 22,717         | 22,568              | 25,176         |
| Internal charges and overheads applied                                  | -                   | -              | -                   | 18,588         |
| Other operating funding applications                                    | -                   | -              | -                   | -              |
| <b>Total applications of operating funding</b>                          | <b>48,316</b>       | <b>79,452</b>  | <b>68,094</b>       | <b>89,237</b>  |
| <b>Surplus/(deficit) of operating funding</b>                           | <b>22,668</b>       | <b>8,370</b>   | <b>15,158</b>       | <b>5,301</b>   |
| <b>Sources of capital funding</b>                                       |                     |                |                     |                |
| Subsidies and grants for capital expenditure                            | 49,039              | 41,282         | 47,319              | 44,141         |
| Development and financial contributions                                 | 12,608              | 8,592          | 5,865               | 4,836          |
| Increase/(decrease) in debt                                             | 34,687              | 79,800         | 62,592              | 54,478         |
| Gross proceeds from sale of assets                                      | -                   | 66             | -                   | -              |
| Lump sum contributions                                                  | -                   | -              | -                   | -              |
| Other dedicated capital funding                                         | -                   | -              | -                   | -              |
| <b>Total sources of capital funding</b>                                 | <b>96,334</b>       | <b>129,740</b> | <b>115,776</b>      | <b>103,455</b> |
| <b>Applications of capital funding</b>                                  |                     |                |                     |                |
| Capital expenditure                                                     |                     |                |                     |                |
| - to meet additional demand                                             | 64,023              | 105,900        | 89,572              | 76,763         |
| - to improve the level of service                                       | 29,706              | 24,147         | 18,500              | 8,166          |
| - to replace existing assets                                            | 18,630              | 25,005         | 27,829              | 34,272         |
| Increase/(decrease) in reserves                                         | 6,310               | (8,484)        | (5,795)             | (17,451)       |
| Increase/(decrease) in investments                                      | 333                 | (8,457)        | 827                 | 7,006          |
| <b>Total applications of capital funding</b>                            | <b>119,002</b>      | <b>138,110</b> | <b>130,933</b>      | <b>108,756</b> |
| <b>Surplus/(deficit) of capital funding</b>                             | <b>(22,668)</b>     | <b>(8,370)</b> | <b>(15,158)</b>     | <b>(5,301)</b> |
| <b>Funding balance</b>                                                  | <b>-</b>            | <b>-</b>       | <b>-</b>            | <b>-</b>       |



# Support Services

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



# Delivering on our Long-Term Plan

## Business Services

## Chief Executive

## People, Performance and Culture

## 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 and Culture, which includes safety and 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.

## Highlights of 2024/25

Hamilton City Council has achieved a lot over the past year, and much would not be possible without the support that Support Services provides.

To deliver on the purpose of the Chief Executive activity to build a high-performance organisation capable of improving the wellbeing of Hamiltonians, we initiated monthly offsite Executive Leadership Team meetings to foster deeper staff engagement and enhance leadership visibility across the organisation. Throughout the year, we held all staff "Koorero and

a Cuppa” sessions showcasing the fantastic work happening across the organisation and connecting it back to our vision, and delivered impactful Senior Leaders’ Forums covering a wide range of topics including CE updates on government and water reform, engagement survey action planning, vision setting and motivational leadership, business fundamentals presentations, election period briefings, and climate change education initiatives.

### **Strategy, Growth and Planning**

Our staff continued to collaborate with neighbouring councils, focusing on the changes to the delivery of water services, long-term plans, and annual plans. We have also been working with the councils around us to consider our Strategic Boundary Agreements in light of the Government’s Fast Track legislation, and on shared services, such as our library and after-hours phone contracts.

We also undertook the role of secretariat for UNISA (the Upper North Island Strategic Alliance), responding to and managing a range of inter-regional and inter-metropolitan issues. This alliance includes the Mayors and Chairs of seven different councils and brings them together to collaborate on strategic challenges.

We reinstated quarterly strategic hui with the Ministry of Education over this financial year, as an opportunity for staff to come together to discuss and align the strategic direction of each organisation. This allows us to understand the needs of

the Ministry, while advocating for our own needs and areas of growth.

We provided feedback in 50 formal submission documents, advocating for Hamiltonians and the needs of the city. This includes submissions on central government legislation that affects how we work for our city and people, and submissions to our neighbouring councils on services that impact the way our city functions.

Our staff are always working with developers in order to achieve the best development and growth outcomes for the city. This financial year, there was increased interest and engagement in the Peacocke and Rotokauri growth cells, as well as the central city. We supported developers in relation to information requirements and consenting issues, encouraging growth and development in the right places. Since the Infrastructure Acceleration Fund was awarded in 2022, 284 new homes have been completed in the central city and surrounds. We continued engagement with developers to ensure we are building in the right places for the outcomes we need.

We improved our digital tools to help provide guidance and information with an actual and projected growth map, which helps understanding of where areas of growth are occurring and what needs to be done to support the development of these areas. We also updated our Land Management Plan maps that illustrate the location of parcels of land that we own, and which we may acquire in the future, assisting the development of our key areas.

With steady developer interest in residential and commercial spaces in the central city, we commenced some rejuvenation works to encourage good usage and development of the space. We commenced a project to clean up the central city and improve its ambiance and vibrancy. This work includes the creation of garden space in Garden Place, rejuvenated rain gardens, and improvements to the lighting on Hood Street. New street furniture was rolled out throughout the city, with the initial tranche starting from south Victoria Street and moving up to Garden Place.

Our first climate change disclosure report (unaudited), for the 2023/24 year, was approved by Council this financial year, noting that our emissions decreased by 5% from 2022/23 and 20% from our baseline from 2018/19.

The Climate Change team also facilitated training, with all staff in the team being trained and approved to provide Climate Fresk training, providing education sessions on the science behind climate change and empowering action to both internal staff and our community. This led to a successful Living Lightly course held in October 2024 with 109 community participants. We also established the Sustainability Walk the Talk programme that helps businesses to learn from one another on how to reduce emissions and integrate sustainable practices and collaborated with University of Waikato climate change students on urban heat risks. We also partnered up with GoEco to deliver a Climate Response Programme for small businesses. Our partnership with Ngaati Wairere and Ngaati Mahanga allowed us to deliver

climate change focused wananga and Maara Kai at two maarae in Hamilton.

### **Business Services**

We were the first council in New Zealand to implement Payble, a new rates payment platform that provides ratepayers more visibility and control over their rates payments.

The three-yearly citywide revaluation was completed, a major project where every property in the city is revalued and those updated property values are used to calculate rates.

# Effects on the wellbeing of the community

|                                                                  |                                                                                                                                                                                                                                                             |
|------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Social</b><br>We care for, and about, all our people          | These activities enable the organisation to deliver Council’s Vision for Hamilton Kirikiriroa, contributing to the social, cultural, economic and environmental wellbeing of the community. There are no negative effects associated with these activities. |
| <b>Economic</b><br>Our economy provides opportunities to prosper |                                                                                                                                                                                                                                                             |
| <b>Environmental</b><br>We love and protect our environment      |                                                                                                                                                                                                                                                             |
| <b>Cultural</b><br>Our unique and diverse culture is celebrated  |                                                                                                                                                                                                                                                             |



# Capital projects

R - Renewals    LOS - Levels of Service    G - Growth

The following table summarises the capital projects planned for year one (2024-25) of the 2024-34 Long-Term Plan and the progress made during the period.

|                                         | Type | Capex Long-Term Plan<br>2024/25 | Capex Actuals<br>2024/25 | Variance     |
|-----------------------------------------|------|---------------------------------|--------------------------|--------------|
| <b>Support Services</b>                 |      | \$000                           | \$000                    | \$000        |
| CE24001 - Fleet vehicles renewals       | R    | 3,913                           | 4,410                    | (497)        |
| CE24002 - Corporate building renewals   | R    | 5,710                           | 2,031                    | 3,679        |
| CE24006 - Information services renewals | R    | 2,408                           | 1,339                    | 1,069        |
| CE24007 - Information services upgrades | LOS  | 1,600                           | 222                      | 1,379        |
| <b>Support Services total</b>           |      | <b>13,631</b>                   | <b>8,001</b>             | <b>5,630</b> |

## Variances:

- CE24002 - Corporate building renewals - Deferred to enable more time for more robust asset condition assessment, scoping and planning. This resulted in a reprioritisation of the programme and redirected funds to higher priority projects which are more complex resulting in longer timeframes for delivery (e.g. lift renewals, roof renewals.).
- CE24006 - Information services renewals - Hardware ordered April 2025 and order was expected to be received in the 2024/25 financial year. Due to supplier issues the order is now expected to be received August 2025, resulting in a year end variance.
- CE24007 - Information services upgrades - Hardware ordered April 2025 and order was expected to be received in the 2024/25 financial year. Due to supplier issues the order is now expected to be received August 2025, resulting in a year end variance.

# Support Services funding impact statement

| For year ended 30 June 2025                                             | Long-Term Plan 2024 | Actual 2024 | Long-Term Plan 2025 | Actual 2025    |
|-------------------------------------------------------------------------|---------------------|-------------|---------------------|----------------|
|                                                                         | \$000               | \$000       | \$000               | \$000          |
| <b>Sources of Operating Funding</b>                                     |                     |             |                     |                |
| General rates, uniform annual general charges, rates penalties          | -                   | -           | (230)               | (223)          |
| Targeted rates                                                          | -                   | -           | -                   | -              |
| Subsidies and grants for operating purposes                             | -                   | -           | -                   | 773            |
| Fees and charges                                                        | -                   | -           | 331                 | 420            |
| Local authorities fuel tax, fines, infringement fees and other receipts | -                   | -           | 348                 | 429            |
| Internal charges and overheads recovered                                | -                   | -           | -                   | 52,817         |
| <b>Total operating funding</b>                                          | -                   | -           | <b>449</b>          | <b>54,216</b>  |
| <b>Application of Operating Funding</b>                                 |                     |             |                     |                |
| Payments to staff and suppliers                                         | -                   | -           | 57,743              | 44,193         |
| Finance costs                                                           | -                   | -           | 853                 | 482            |
| Internal charges and overheads applied                                  | -                   | -           | -                   | 471            |
| Other operating funding applications                                    | -                   | -           | -                   | -              |
| <b>Total applications of operating funding</b>                          | -                   | -           | <b>58,595</b>       | <b>45,147</b>  |
| <b>Surplus/(deficit) of operating funding</b>                           | -                   | -           | <b>(58,146)</b>     | <b>9,070</b>   |
| <b>Sources of capital funding</b>                                       |                     |             |                     |                |
| Subsidies and grants for capital expenditure                            | -                   | -           | -                   | -              |
| Development and financial contributions                                 | -                   | -           | -                   | -              |
| Increase/(decrease) in debt                                             | -                   | -           | 12,421              | (872)          |
| Gross proceeds from sale of assets                                      | -                   | -           | -                   | -              |
| Lump sum contributions                                                  | -                   | -           | -                   | -              |
| Other dedicated capital funding                                         | -                   | -           | -                   | -              |
| <b>Total sources of capital funding</b>                                 | -                   | -           | <b>12,421</b>       | <b>(872)</b>   |
| <b>Applications of capital funding</b>                                  |                     |             |                     |                |
| Capital expenditure                                                     | -                   | -           | -                   | -              |
| - to meet additional demand                                             | -                   | -           | -                   | -              |
| - to improve the level of service                                       | -                   | -           | 1,600               | 222            |
| - to replace existing assets                                            | -                   | -           | 12,030              | 7,789          |
| Increase/(decrease) in reserves                                         | -                   | -           | (59,356)            | 301            |
| Increase/(decrease) in investments                                      | -                   | -           | -                   | (114)          |
| <b>Total applications of capital funding</b>                            | -                   | -           | <b>(45,725)</b>     | <b>8,198</b>   |
| <b>Surplus/(deficit) of capital funding</b>                             | -                   | -           | <b>58,146</b>       | <b>(9,070)</b> |
| <b>Funding balance</b>                                                  | -                   | -           | -                   | -              |

\*Support services is a new activity set up in the 2024-34 Long-Term Plan



Priority two

# A city where our people thrive

He taaone e tipu  
matomato ai te tangata



## **We want to actively create opportunities for our people to thrive in their education, careers, and day to-day lives so they can leverage the wonderful lifestyle and opportunities 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.



# Delivering on our Long-Term Plan

## Governance

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.

### Highlights of 2024/25

The Governance team managed over 60 Council and Committee meetings, plus 34 information sessions and workshops this year. They focused on preparing for the 2025 Local Election, beginning with an 'enrolment phase' where staff collaborated

with the Electoral Commission to boost enrolments and remind the community about the election.

They also conducted a by-election following a Kirikiriroa Maaori Ward councillor's resignation.

Legal services handled diverse internal requests, drafted contracts and agreements for goods and services, reviewed legislative compliance requirements, and responded to 624 official information requests (LGOIMA) – an increase of 49 from last year.

## Service performance measure:

**You can expect:** We meet our statutory obligations.

Key: **Achieved** | **Not achieved**

| Measure                                                                                     | 2024 - 25 target                                                                  | 2024 - 25 result | 2023 - 24 result |
|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------|------------------|
| The percentage of official information requests responded to within legislative timeframes. | 100% of official information requests responded to within legislative timeframes. | <b>99.52%</b>    | <b>99.30%</b>    |

### What's behind the results

Over the year, a total of 624 information requests were completed. The target of 100% of official information requests responded to within legislative timeframes was not achieved due to three responses missing the deadlines in the first half of the year while staff were implementing a new system. Staff implemented processes to prevent further delays in responses and in the end 99.52% requests over the year were completed within the timeframe.

## Effects on the wellbeing of the community

|                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Social</b><br><br>We care for, and about, all our people          | This activity enables, promotes, and supports local democracy by providing governance advice and democratic services to elected members, staff, and the community. Governance enables residents to participate in local decision-making in a range of ways and encourages residents to have an active role in the development of Hamilton Kirikiriroa. Governance processes are often formal, legislative and complex, which may make participation challenging, however Governance also provides educational opportunities on local government and the democratic process to the public, facilitating participation. |
| <b>Economic</b><br><br>Our economy provides opportunities to prosper | Governance enables residents to participate in local decision-making in a range of ways and encourages residents to have an active role in the economic development of Hamilton Kirikiriroa.                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Environmental</b><br><br>We love and protect our environment      | This activity enables residents to participate in local decision-making in a range of ways and encourages residents to play an active role in environmental issues. Governance also ensures that environmental reporting is completed as required by both central government and local government policy.                                                                                                                                                                                                                                                                                                             |
| <b>Cultural</b><br><br>Our unique and diverse culture is celebrated  | Governance fosters opportunities for Maaori to be involved in decision-making through relationships, service contracts, and the Co-Governance Forum with Waikato-Tainui. Governance processes in New Zealand are based on a Westminster system, which may be unfamiliar to many cultures. Council promotes culturally friendly governance processes and encourage members of culturally diverse communities to participate.                                                                                                                                                                                           |

# Governance funding impact statement

| For year ended 30 June 2025                                             | Long-Term Plan 2024 | Actual 2024  | Long-Term Plan 2025 | Actual 2025  |
|-------------------------------------------------------------------------|---------------------|--------------|---------------------|--------------|
|                                                                         | \$000               | \$000        | \$000               | \$000        |
| <b>Sources of Operating Funding</b>                                     |                     |              |                     |              |
| General rates, uniform annual general charges, rates penalties          | 3,518               | 3,541        | 3,348               | 3,367        |
| Targeted rates                                                          | -                   | -            | -                   | -            |
| Subsidies and grants for operating purposes                             | -                   | 319          | -                   | -            |
| Fees and charges                                                        | 13                  | 19           | -                   | 5            |
| Local authorities fuel tax, fines, infringement fees and other receipts | 28                  | 36           | -                   | -            |
| Internal charges and overheads recovered                                | -                   | -            | -                   | -            |
| <b>Total operating funding</b>                                          | <b>3,559</b>        | <b>3,915</b> | <b>3,348</b>        | <b>3,372</b> |
| <b>Application of Operating Funding</b>                                 |                     |              |                     |              |
| Payments to staff and suppliers                                         | 3,581               | 4,197        | 2,884               | 2,788        |
| Finance costs                                                           | (8)                 | (8)          | -                   | -            |
| Internal charges and overheads applied                                  | -                   | -            | -                   | 374          |
| Other operating funding applications                                    | -                   | -            | -                   | -            |
| <b>Total applications of operating funding</b>                          | <b>3,573</b>        | <b>4,189</b> | <b>2,884</b>        | <b>3,162</b> |
| <b>Surplus/(deficit) of operating funding</b>                           | <b>(15)</b>         | <b>(274)</b> | <b>465</b>          | <b>210</b>   |
| <b>Sources of capital funding</b>                                       |                     |              |                     |              |
| Subsidies and grants for capital expenditure                            | -                   | 1            | -                   | -            |
| Development and financial contributions                                 | -                   | -            | -                   | -            |
| Increase/(decrease) in debt                                             | 102                 | 278          | -                   | (173)        |
| Gross proceeds from sale of assets                                      | -                   | 3            | -                   | -            |
| Lump sum contributions                                                  | -                   | -            | -                   | -            |
| Other dedicated capital funding                                         | -                   | -            | -                   | -            |
| <b>Total sources of capital funding</b>                                 | <b>102</b>          | <b>282</b>   | <b>-</b>            | <b>(173)</b> |
| <b>Applications of capital funding</b>                                  |                     |              |                     |              |
| Capital expenditure                                                     | -                   | -            | -                   | -            |
| - to meet additional demand                                             | -                   | -            | -                   | -            |
| - to improve the level of service                                       | 38                  | 21           | -                   | -            |
| - to replace existing assets                                            | 65                  | 59           | -                   | -            |
| Increase/(decrease) in reserves                                         | (29)                | (36)         | 428                 | 60           |
| Increase/(decrease) in investments                                      | 15                  | (36)         | 37                  | (23)         |
| <b>Total applications of capital funding</b>                            | <b>88</b>           | <b>8</b>     | <b>465</b>          | <b>37</b>    |
| <b>Surplus/(deficit) of capital funding</b>                             | <b>15</b>           | <b>274</b>   | <b>(465)</b>        | <b>(210)</b> |
| <b>Funding balance</b>                                                  | <b>-</b>            | <b>-</b>     | <b>-</b>            | <b>-</b>     |

\*Support services is a new activity set up in the 2024-34 Long-Term Plan



# Partnerships, Communication and Maaori

Through focussed community engagement, funding and events, this activity delivers what Council needs to understand, celebrate and serve the people of Hamilton Kirikiriroa and to ensure two-way communication.

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.



# Delivering on our Long-Term Plan

## 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.

## Highlights of 2024/25

### **Amorangi Maaori**

A Te Reo Maaori Management Policy, drafted with iwi and staff input, is scheduled to be adopted in 2025/26 to guide translations, bi-lingual signage, te reo use in operations, and naming roads or facilities. The policy is supported by the He Pou Koorero app and an internal translation service for staff and Elected Members.

The Council's Te Tiriti o Waitangi Management Policy, drafted after consultation with iwi partners, key staff, and the Executive Leadership Team, provides guidance on integrating Te Tiriti into daily work. The policy is currently under organisational review and is expected to be formally adopted in 2025.

Council's Maatauranga Maaori Framework He Paa Waananga Ora was completed, and was implemented He Paa Waananga

Ora training for Elected Members and staff in February 2025.

Monthly Wai Waananga were convened by Council with mana whenua and Waikato-Tainui staff on all infrastructure projects related to waters. These are mana enhancing sessions where iwi and mana whenua have input into citywide waters-related projects.

We attended two significant Kiingitanga Poukai, with Council attendance contributing to Council's profile and standing within Kiingitanga, and offered the opportunity to promote key Council services, particularly our museum, libraries and Amorangi Maaori services.

Council continues to collaborate with mana whenua, including Te Haa o te whenua o Kirikiriroa and Ngaati Wairere, across resource consents, policy advice, project support, and cultural guidance. This year, mana whenua reviewed over 100 consent applications and offered input on design, naming of Te Ara Pekapeka, roading networks, intermediary support on hapuu concerns, and events such as the Hamilton Gardens entranceway opening.

Mana whenua also provided direct advice to staff on the re-design of the Transport Centre, provided ongoing cultural advice to the Southern Wastewater Project and citywide storage water projects.

Council continues to utilise the services of Ngaati Wairere and Ngaati Hauaa to deliver gully restoration programmes. These

relationships are now into their fifth year of operation. Council is a committed partner to restoring the health and wellbeing to the tuupuna awa Waikato through its Joint Management Agreement (JMA) with Waikato Tainui, meeting four times a year (more than any other JMA partner). Additionally, Council and Waikato Tainui partner to deliver four agreed priority projects each year.

### **Communication and Engagement**

In July 2024, Hamilton City Council launched a \$12 million entry precinct upgrade at Hamilton Gardens, which included implementing a paid entry system for visitors from outside Hamilton and providing a free 'locals' card for residents. The communication strategy was designed to inform the public about the changes and the financial reasons for paid entry. Over 33,000 people pre-registered for the MyGardens Pass. The project received a Gold Award in the Community Relations and Engagement category at the Public Relations Institute of NZ Awards.

The Communication and Engagement Unit received a silver award for the Cost to Run a City campaign (Long-Term Plan pre-engagement) in the Best Use of Digital and Social Media category, and a bronze award for the Manu with Mana campaign, which focused on promoting safer swimming in local waterways (Marketing Communication category).

In 2024/25, the Communication and Engagement Unit conducted 37 consultation campaigns covering topics such as playground updates, District Plan changes, Council policies and

bylaws, speed limit adjustments, infrastructure investment, and the future of Hamilton's water services.

The importance of pre-engagement ahead of significant engagement campaigns was highlighted in 2024/25. Informing and educating the community on the issues surrounding Plan Change 14, the proposed roundabout at Morrinsville and Silverdale Roads, and new reservoirs on Ruakiwi Road paved the way for successful formal consultation.

The Communication and Engagement Unit is part of an all-of-council response to adverse weather events. There were several weather events that impacted Hamilton, with teams responding at our facilities and plants, in the community and on our roads, via Customer Services and through external communication. Changing weather patterns and increasing intensity of rainfall events indicates the need for communication resource across weekends and overnight is likely to continue to increase.

On our digital channels in 2024/25, Council content attracted almost 12 million impressions and more than 70,000 reactions across our four corporate pages on Facebook, LinkedIn, Instagram and TikTok. Council's corporate website had more than 2.5 million views from 725,000+ users, up from around 2.2 million views from 626,000 users in 2023/24.

### **Community Partnerships and Funding**

Grants worth \$1,356,630 were distributed to 56 community groups. 18 groups received Community Partnership Grants, 23

groups received Community Services Grants, 70 groups received Community Initiatives grants, and four groups received funding via the Welcoming Communities Fund.

Through the latter part of 2024 we engaged in extensive engagement with rangatahi (youth) aged 12-24 to inform the development of a Rangatahi Action Plan, alongside engaging with our community partners. The plan was adopted in June 2025.

Over \$2.8 million was raised by the City Investment Programme towards the following projects: Kids in Nature, Hamilton Gardens (new Medieval Garden) (fundraising completed), Pukete Neighbourhood House (fundraising completed), Waiwhakareke and the Predator Exclusion Fence, and Artificial Turf at Korikori Park.

Partnering with GIS services, our Community Advisors launched the Kai Map citywide in September 2024. The website highlights free food sources like community fruit trees, paataka kai, free stores, and the inner-city social supermarket. Community houses, food banks, and other groups have helped support kai access throughout the city.

Council's Events team delivered a plethora of events including Anzac Day, a large community event to celebrate Matariki at Lake Rotoroa attracting around 22,000 attendees, Your Neighbourhood events and the city Waitangi Day event held at the Museum.

We partnered with mana whenua on Council events and blessings, including: Donny Park Paataka unveiling, Hamilton Transport Centre Rejuvenation blessing, Borman Road Upgrade Project blessing, Waikato River Bridge VIP blessing and Official Opening Ceremony, Pukete Neighbourhood House site blessing, and Ranfurly Gully blessing.

Working with mana whenua and external groups such as Bike Waikato and Te Awa River Ride, we organised the Te Ara Pekapeka Bridge Opening (Blessing and Community Events), attracting an estimated 20,000 attendees.

Police and Council established a CBD Interagency group after the Ulster Street Response Programme's success, with the first meeting in October 2024. Members include local organisations, social services, and law enforcement, focusing on partnerships, improved communication, and addressing antisocial behaviour by engaging with the street community.

Council funded the Fairfield skate park opening in November 2024, organising activities and involving local schools and neighbourhoods in its redevelopment. The event drew diverse attendees and featured a graffiti mural by local artists in the skate bowl.



# Service performance measures:

**You can expect:** We facilitate and provide opportunities for communities to drive and own their self-development.

Key: **Achieved** | **Not achieved**

| Measure                                                                                                       | 2024 - 25 target      | 2024 - 25 result    | 2023 - 24 result    |
|---------------------------------------------------------------------------------------------------------------|-----------------------|---------------------|---------------------|
| The delivery in partnership of culturally significant events that honour our unique heritage.                 | At least three events | <b>Three events</b> | <b>Three events</b> |
| The percentage of Tiriti o Waitangi partners that are satisfied with Council's performance as a good partner. | Establish baseline    | <b>67%</b>          | <b>51%*</b>         |

## What's behind the results

This financial year, there were three cultural events held that honour our unique heritage. These were celebrations with the community for Waitangi Day, Manawatia a Matariki and the Waikato River Festival.

The percentage of Tiriti o Waitangi partners that are satisfied with Council's performance as a good partner is a new measure in the 2024-34 Long-Term Plan, and Council had not previously measured partnership performance in this way. Council surveyed our Treaty of Waitangi/Te Tiriti o Waitangi partners, as identified by the Amorangi Maaori group, and asked them to rate their satisfaction with Council's performance as a good partner.

We consulted with 15 of our iwi partners in June 2025. Partners were asked to rank their satisfaction with Council's performance as a good partner through either a survey (for 10 partners) and in-person interviews (with 5 partners). When the interview answers and survey responses are combined, 67% of respondents (10 of 15) were satisfied or very satisfied with Council's performance.

The use of the He Pou Manawa Ora framework is recognised and perceived by the Maaori stakeholders as a strong driver for supporting the development of policy and discussion for Maaori. There was no single Pou that stood out from the others in terms of Council's performance; however, the stakeholders thought that there could be more transparency and application of the framework. This was an area where most stakeholders thought there could be improvement. Regardless, stakeholders acknowledged that our investment in hiring skilled Maaori staff improved collaboration between the parties. This initiative helped align and optimise Maaori input and perspective.

## What's behind the results continued...

This survey highlights the evolving relationship between Hamilton City Council and Maaori, marked by growing trust, shared aspirations, and mutual commitment. The He Pou Manawa Ora framework is valued as a foundation for engagement, noting iwi seek more consistent application across projects and leadership levels. While operational relationships are strong, variability in engagement, fragmented frameworks, and limited support in procurement and environmental collaboration present ongoing challenges. Nonetheless, there is broad satisfaction and cautious optimism among stakeholders. Continued investment in Maaori leadership, authentic partnerships, and streamlined engagement processes will strengthen future co-governance and shared outcomes.

\*Comparative result for 2023-24 using national information on the topic: The Ministry for the Environment's 2019 Kaitiaki Survey was sent to 140 iwi and hapuu organisations that were (at the time of the survey) recorded on the Te Kāhui Māngai website as an iwi authority for the purposes of the Resource Management Act 1991. The survey was also sent to 73 iwi authorities from the Ministry's regional relationships contact list. 77 groups completed the survey. 51% of groups rated their relationship with local councils as going very well or well.

**You can expect:** We make it easy for Hamiltonians to share their voice in a way that suits them, and then use these insights to support Council decisions and shape our future.

Key: **Achieved** | **Not achieved**

| Measure                                                                                                                                 | 2024 - 25 target   | 2024 - 25 result | 2023 - 24 result |
|-----------------------------------------------------------------------------------------------------------------------------------------|--------------------|------------------|------------------|
| The percentage of respondents who are satisfied that Council provides genuine opportunities for them to have a say in shaping Hamilton. | Establish baseline | <b>28%</b>       | <b>34% *</b>     |

### What's behind the results

This is a new measure in the 2024-34 Long-Term Plan – Council had not previously measured customer's satisfaction with Council's provision of genuine opportunities for them to have a say in shaping Hamilton.

This measure is captured through our Pulse survey to a small randomised representational sample of residents who state that they are 'satisfied' or 'very satisfied' with Council providing genuine opportunities for them to have their say in shaping Hamilton. There is no opportunity to provide further feedback in regards to why the sample of residents are or are not satisfied with our provision of opportunities to allow them to have a say in shaping Hamilton.

\*This is a new measure, so there is no equivalent result for Hamilton City Council in 2023-24. Instead, this is a comparative result using national information on the topic. Equivalent questions were asked by Wellington City Council and Christchurch City Council in their resident surveys. The similarity of Wellington and Christchurch to Hamilton as metro councils makes them adequate candidates for comparison. In 2023-24, Wellington City Council scored 38% and Christchurch City Council scored 29%. The average of these two measures is 34%. Therefore, the comparative result for 2023-24 is 34%.

**You can expect:** We work alongside others to support a strong and connected community.

Key: **Achieved** | **Not achieved**

| Measure                                                                                                                                                                                                                                                                                                                 | 2024 - 25 target                                                      | 2024 - 25 result                                                  | 2023 - 24 result                                  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------|
| <p>The value of services leveraged** for every \$1 of Community Assistance Grant* and Community Service Grant funding provided.</p> <p><small>*This grant is more commonly known as the Community Initiatives Grant. We therefore use that wording in the 'What's behind the results' section that follows.</small></p> | At least \$3.00 worth of services leveraged for every \$1.00 provided | <b>\$81 worth of services leveraged for every \$1.00 provided</b> | <b>\$27 leveraged for every \$1.00 of funding</b> |
| The value of services leveraged** for every \$1 of Community Partnership Grant funding provided (Multi-Year Grant).                                                                                                                                                                                                     | At least \$3.00 worth of services leveraged for every \$1.00 provided | <b>\$28 worth of services leveraged for every \$1.00 provided</b> | <b>\$33 leveraged for every \$1.00 of funding</b> |

### What's behind the results

Community Services Grants supported 23 community groups with a total allocation of \$435,000. These grants achieved a leverage ratio of around \$64 for every \$1 contributed by Council. The combined operating expenditure of these 23 groups was \$27,948,805 with Council funding equating to 1.6% of this total.

Community Initiatives Grants supported 70 community groups with a combined funding total of \$315,300. This resulted in a leverage ratio of \$103 for every Council dollar allocated. The combined operating expenditure of these 70 groups was \$32,757,038 with Council funding equating to 1% of this total.

While Council funding did not directly enable the full operating budgets, the combined Council spend on Community Initiative Grants and Community Services Grants of \$750,300 supported groups whose combined operating expenditure was \$60,705,843- a ratio of \$81 worth of services for every \$1 invested by Council.

### What's behind the results continued...

The Community Partnership Grants supported 18 community groups with a Community Initiatives Grant and Community Services Grant combined funding total of \$895,000. These grants achieved a leverage ratio of around \$28 for every Council dollar allocated. The combined operating expenditure of these 18 groups was \$25,254,817 with Council funding equating to 3.5% of this total.

**\*\***It has been identified that reporting on community grants funding over the past four years may have incorrectly used the term 'leveraged' in a way that could imply that the Council funding triggered or enabled other funding. For clarity, we have used "leverage" to reflect Council's contribution as a proportion of total operating expenditure of the applicant rather than meaning it directly contributed to further funding or represents a broader return on investment.

Of further note, a number of organisations are undergoing funding realignment following contract reductions or losses. This has led to Council funding representing a proportionally smaller share this year of their overall expenditure. As a result, the calculated leverage per Council dollar is disproportionately high compared to typical funding scenarios, and previous years.

Several large, nationwide organisations were approved for funding to deliver local services. However, due to internal limitations, these groups provided only their total national expenditure figures, which run into the multi-millions. As such, local-level impact could not be precisely isolated, inflating the calculated leverage.

For consistency purposes, the same measure will be applied until a new measure can be developed for the 2027-37 Long-Term Plan.



# Effects on the wellbeing of the community

|                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Social</b><br><br>We care for, and about, all our people          | We enable local organisations and private providers to deliver services and activities to meet the wellbeing needs of local communities. Communications actively engage and empower our community to have a voice in Council decision making and share stories and updates with all Hamiltonians on things that are important to them. We survey our community to understand what they think about our city. |
| <b>Economic</b><br><br>Our economy provides opportunities to prosper | The promotion of events, enhancements and projects happening across our city supports economic wellbeing, and we lead our online digital presence working towards optimising costs and making it easier for our customers and stakeholders to interact with us online.                                                                                                                                       |
| <b>Environmental</b><br><br>We love and protect our environment      | The increased application of Maatauranga Maaori (Maaori knowledge) with support from iwi, mana whenua and maataawaka, to develop environmental enhancement solutions and mitigations to infrastructure growth challenges, supports the environmental wellbeing of our community.                                                                                                                             |
| <b>Cultural</b><br><br>Our unique and diverse culture is celebrated  | Our partnerships with iwi, mana whenua and maataawaka Maaori assist us in ensuring that Hamilton Kirikiriroa is a city where diverse cultures work together and respect each other's views, heritage, cul-ture, and strengths. We support communities to be more connected and resilient and to express themselves culturally                                                                                |

# Partnerships, Communication and Maaori funding impact statement

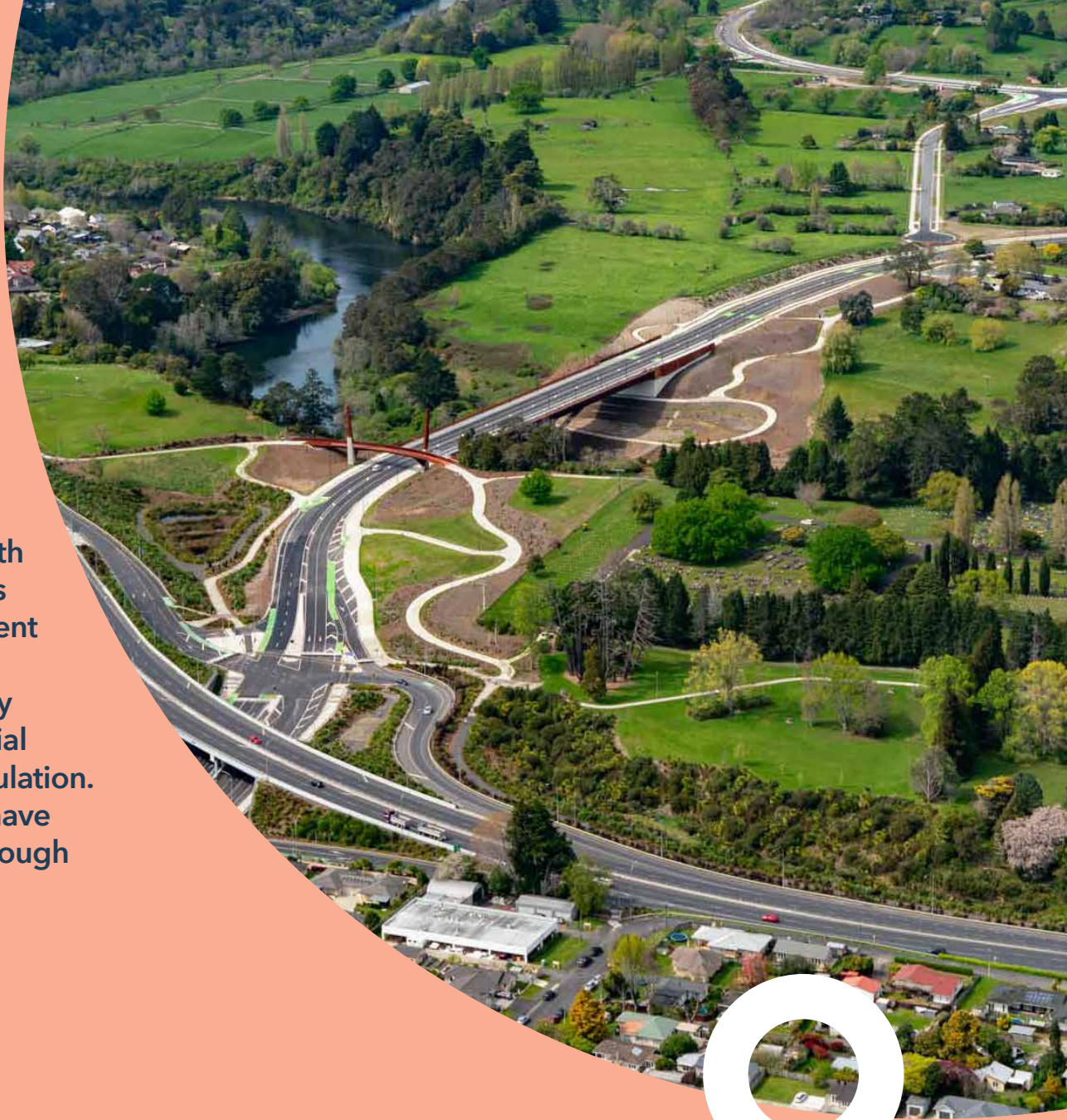
For year ended 30 June 2025

|                                                                         | Long-Term Plan 2024 | Actual 2024 | Long-Term Plan 2025 | Actual 2025    |
|-------------------------------------------------------------------------|---------------------|-------------|---------------------|----------------|
|                                                                         | \$000               | \$000       | \$000               | \$000          |
| <b>Sources of Operating Funding</b>                                     |                     |             |                     |                |
| General rates, uniform annual general charges, rates penalties          | -                   | -           | 10,812              | 10,865         |
| Targeted rates                                                          | -                   | -           | -                   | -              |
| Subsidies and grants for operating purposes                             | -                   | -           | -                   | 18             |
| Fees and charges                                                        | -                   | -           | 38                  | 97             |
| Local authorities fuel tax, fines, infringement fees and other receipts | -                   | -           | -                   | 64             |
| Internal charges and overheads recovered                                | -                   | -           | -                   | -              |
| <b>Total operating funding</b>                                          | -                   | -           | <b>10,850</b>       | <b>11,044</b>  |
| <b>Application of Operating Funding</b>                                 |                     |             |                     |                |
| Payments to staff and suppliers                                         | -                   | -           | 9,090               | 7,986          |
| Finance costs                                                           | -                   | -           | 47                  | -              |
| Internal charges and overheads applied                                  | -                   | -           | -                   | 1,338          |
| Other operating funding applications                                    | -                   | -           | -                   | -              |
| <b>Total applications of operating funding</b>                          | -                   | -           | <b>9,137</b>        | <b>9,325</b>   |
| <b>Surplus/(deficit) of operating funding</b>                           | -                   | -           | <b>1,713</b>        | <b>1,719</b>   |
| <b>Sources of capital funding</b>                                       |                     |             |                     |                |
| Subsidies and grants for capital expenditure                            | -                   | -           | -                   | -              |
| Development and financial contributions                                 | -                   | -           | -                   | -              |
| Increase/(decrease) in debt                                             | -                   | -           | -                   | (1,415)        |
| Gross proceeds from sale of assets                                      | -                   | -           | -                   | -              |
| Lump sum contributions                                                  | -                   | -           | -                   | -              |
| Other dedicated capital funding                                         | -                   | -           | -                   | -              |
| <b>Total sources of capital funding</b>                                 | -                   | -           | -                   | <b>(1,415)</b> |
| <b>Applications of capital funding</b>                                  |                     |             |                     |                |
| Capital expenditure                                                     | -                   | -           | -                   | -              |
| - to meet additional demand                                             | -                   | -           | -                   | -              |
| - to improve the level of service                                       | -                   | -           | -                   | -              |
| - to replace existing assets                                            | -                   | -           | -                   | -              |
| Increase/(decrease) in reserves                                         | -                   | -           | 1,713               | 489            |
| Increase/(decrease) in investments                                      | -                   | -           | -                   | (185)          |
| <b>Total applications of capital funding</b>                            | -                   | -           | <b>1,713</b>        | <b>304</b>     |
| <b>Surplus/(deficit) of capital funding</b>                             | -                   | -           | <b>(1,713)</b>      | <b>(1,719)</b> |
| <b>Funding balance</b>                                                  | -                   | -           | -                   | -              |

\*Partnerships, Communication and Maaori is a new activity set up in the 2024-34 Long-Term Plan

# 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.



# Delivering on our Long-Term Plan

## 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.

## Highlights of 2024/25

### City Planning

We progressed District Plan changes through Plan Change 5: Peacocke, Plan Change 9: Historic Heritage and Natural Environment, and Plan Change 12: Housing Intensification. Plan Change 5 has now become operative, enabling housing supply and environmental protections for the Peacocke area. Plan Change 9 is substantially completed, with only two outstanding appeals to finalise before it becomes operative. Plan Change 12 has become operative and has already seen a significant increase in the supply of residential zoned land in designated areas of the city due to an increase in commercially feasible infill capacity.



This year we worked collaboratively with developers for projects enabled by central government's Fast-Track approval regime to ensure quality outcomes for the city. At the end of this financial year, we had a total of four scheduled applications that had been approved for fast-track consenting, and a further six seeking approval where referral applications that are in preparation or have been made.

We successfully partnered with Waikato District Council to establish IAWAI - Flowing Waters, to deliver water services for our communities. IAWAI will be operational from 1 July 2026.

### **Planning guidance**

This year we continued to deliver highly efficient application processing timeframes, with an average result of 15.7 processing days, well within statutory timeframes of 20 working days. This continues to position us as one of the highest performing metro councils in the country.

This year also saw the introduction of a new time capture system that is easier and more efficient to use and offers significant improvements in the accuracy of recording processing times. This means we can provide greater reassurance and transparency to the community around our application processing timeframes and ensure that fees and charges are appropriately aligned.



# Service performance measures:

**You can expect:** A sufficient supply of land for housing and business.

Key: **Achieved** | **Not achieved**

| Measure                                                                                                                      | 2024 - 25 target     | 2024 - 25 result | 2023 - 24 result  |
|------------------------------------------------------------------------------------------------------------------------------|----------------------|------------------|-------------------|
| There will be at least three years capacity of residential zoned land supplied with development infrastructure for the city. | At least three years | <b>8.6 years</b> | <b>5.60 years</b> |
| There will be at least three years capacity of business zoned land supplied with development infrastructure for the city.    | At least three years | <b>4.7 years</b> | <b>2.7 years</b>  |

## What's behind the results

Our calculation estimates that there is 8.6 years\* of capacity for residential zoned land. Plan Change 12 (PC12) becoming operative has positively impacted commercially feasible infill capacity. Additionally, Plan Change 5 (PC5) has become operative, and a significant portion of greenfield land was identified in Peacocke and Ruakura that has shifted from being long-term supply to medium-term residential land supply.

*\*Note: these metrics do not reflect the number of sections for sale. These indicators measure the capacity of developer ready greenfield and infill land around the city. Developers decide when and how they develop and release that land to the market.*

Despite the residential capacity for infill increasing because of PC12, there are still significant challenges in accommodating residential growth going forward. As of June 2024, population growth has continued to increase, growing at a rate of 3% year-on-year, with Hamilton retaining the title of New Zealand's fastest growing city. The city's high population growth is due to high migration rates and strong natural increase. Population growth continues to be a driving factor in the city's rental market, but the rate of rent increases has decreased.

Meanwhile, the increase in property prices and the below average level of houses being consented and constructed may be indicative of higher demand and further population growth in Hamilton. Since there is 8.6 years of residential capacity, it may be



### What's behind the results continued...

likely that property prices stabilise once the number of houses “in the pipeline” are consented and constructed and catch up with the increased demand. Council will continue to explore affordable housing options to alleviate tension in both the rental and home occupier market.

Our calculation suggests that there is 4.7 years of capacity for industrial land zoned and supplied with development infrastructure in place. Capacity is expected to remain limited in the short to medium term in comparison with residential consenting, as non-residential consenting has been struggling in an economic environment where businesses are looking to limit debt and maximise cash flow.

We are now exceeding our target in the currently more subdued economic climate, which indicates that we have limited capacity above our current requirements and are carrying little latency. We are likely to experience a drop in supply again when the economy picks up. Therefore, it is critical that we employ strategies to increase supply while the market is soft, to not constrain growth when the market improves.

In the short to medium term, we have progressed a private plan change for additional industrial land use in Fonterra in Te Rapa North (PPC17) with further submissions expected soon. Additionally, the Waikato Regional Airport Limited plan change for further industrial land is now operative with the first stages coming to market (noting this is in Waipa District Council but is part of the Future Proof plan for greater industrial capacity near Hamilton City). We are also in the preliminary stages for a Council-initiated plan change for additional logistics/industrial land in the Percival-Ryburn Road Enclave.

We are also in negotiations with developers that have lodged through Fast Track and other developers outside of the city periphery and have successfully advocated for the inclusion of future industrial land in the long-term future. We will continue to work with these developers to secure industrial land in the long-term.

**You can expect:** We will support the delivery of safe, sustainable and attractive development.

Key: **Achieved** | **Not achieved**

| Measure                                                                                | 2024 - 25 target | 2024 - 25 result | 2023 - 24 result |
|----------------------------------------------------------------------------------------|------------------|------------------|------------------|
| Percentage of new resource consent applications processed within statutory timeframes. | 95%              | <b>95.8%</b>     | <b>96%</b>       |

**What’s behind the results**

The total number of resource consent applications (land use, subdivision, and change of conditions) received for the year was 555 – a drop of 20.8% total consent applications in comparison to last year. However, there was a 19.3% increase in applications in the last quarter of the year in comparison to the previous quarter, reflecting the anticipated recovery heading into the new financial year, where we expect modest growth going forward.

The average processing time for new resource consent applications for the year was 16.5 days, which is well within the Resource Management Act (RMA) 20-day statutory timeframe. Of the consents completed during the year, 95.8% were completed within statutory timeframes, exceeding Council’s target of 95%. This was achieved by the team managing to process all consents within the last quarter of the year within statutory timeframes to ensure we met the target for the year.

# Effects on the wellbeing of the community

|                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Social</b><br><br>We care for, and about, all our people          | <p>A well planned and growing city allows for the provision of quality living environments, affordable housing, and recreation and community facilities that make Hamilton Kirikiriroa a great place to live.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Economic</b><br><br>Our economy provides opportunities to prosper | <p>Economic wellbeing is contributed to by ensuring that the right policies and plans are in place to make doing business in Hamilton Kirikiriroa easy. We work closely with stakeholders to ensure that our city is well-designed and safe and embraces growth.</p> <p>As the fastest growing city, the rate of population growth could put strain on our city's existing infrastructure, creating demand for new infrastructure that could exceed our ability to supply. It is essential that we ensure anticipated growth is identified and planned for to allow development to occur at the right time, and in the right places, to meet demand.</p> |
| <b>Environmental</b><br><br>We love and protect our environment      | <p>A well-planned city protects our natural and built environments, our heritage and quality of life for our residents.</p> <p>The cumulative effects of subdivision, development and intensification can negatively impact the environment, so it is imperative that we plan the city in an integrated and strategic way to ensure the best possible outcomes for our communities and environment.</p>                                                                                                                                                                                                                                                  |
| <b>Cultural</b><br><br>Our unique and diverse culture is celebrated  | <p>We plan the future of our city to ensure that our unique heritage and culture are protected and/or enhanced. This includes consideration of the impacts of growth and development on the awa and sites of cultural significance and working in partnership with Iwi as we plan for the future.</p>                                                                                                                                                                                                                                                                                                                                                    |

# Capital projects

| R - Renewals      LOS - Levels of Service      G - Growth                                                                                                 |      |                                 |                          |                |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|------|---------------------------------|--------------------------|----------------|
| The following table summarises the capital projects planned for year one (2024-25) of the 2024-34 Long-Term Plan and the progress made during the period. |      |                                 |                          |                |
|                                                                                                                                                           | Type | Capex Long-Term Plan<br>2024/25 | Capex Actuals<br>2024/25 | Variance       |
| <b>City Planning</b>                                                                                                                                      |      |                                 |                          |                |
| CE24008 - Strategic property renewals                                                                                                                     | R    | \$000<br>1,226                  | \$000<br>0               | \$000<br>1,226 |
| <b>Growth total</b>                                                                                                                                       |      | <b>1,226</b>                    | <b>0</b>                 | <b>1,226</b>   |

## Variances:

- CE24008 - Strategic property renewals - \$1.2 million deferred to enable time for robust asset condition assessment, scoping and planning.

# Growth funding impact statement

| For year ended 30 June 2025                                             | Long-Term Plan 2024 | Actual 2024    | Long-Term Plan 2025 | Actual 2025    |
|-------------------------------------------------------------------------|---------------------|----------------|---------------------|----------------|
|                                                                         | \$000               | \$000          | \$000               | \$000          |
| <b>Sources of Operating Funding</b>                                     |                     |                |                     |                |
| General rates, uniform annual general charges, rates penalties          | 10,260              | 10,340         | 9,257               | 9,354          |
| Targeted rates                                                          | 2,785               | 2,763          | 3,254               | 3,265          |
| Subsidies and grants for operating purposes                             | -                   | 536            | -                   | 35             |
| Fees and charges                                                        | 11,360              | 10,466         | 2,617               | 3,637          |
| Local authorities fuel tax, fines, infringement fees and other receipts | 97                  | 243            | 3,835               | 2,560          |
| Internal charges and overheads recovered                                | -                   | -              | -                   | 1,079          |
| <b>Total operating funding</b>                                          | <b>24,502</b>       | <b>24,348</b>  | <b>18,963</b>       | <b>19,930</b>  |
| <b>Application of Operating Funding</b>                                 |                     |                |                     |                |
| Payments to staff and suppliers                                         | 18,932              | 19,355         | 15,790              | 14,711         |
| Finance costs                                                           | 281                 | 349            | 175                 | (1,200)        |
| Internal charges and overheads applied                                  | -                   | -              | -                   | 3,424          |
| Other operating funding applications                                    | -                   | -              | -                   | -              |
| <b>Total applications of operating funding</b>                          | <b>19,214</b>       | <b>19,704</b>  | <b>15,965</b>       | <b>16,936</b>  |
| <b>Surplus/(deficit) of operating funding</b>                           | <b>5,289</b>        | <b>4,644</b>   | <b>2,998</b>        | <b>2,994</b>   |
| <b>Sources of capital funding</b>                                       |                     |                |                     |                |
| Subsidies and grants for capital expenditure                            | -                   | 3              | -                   | -              |
| Development and financial contributions                                 | -                   | -              | -                   | -              |
| Increase/(decrease) in debt                                             | (2,484)             | (3,472)        | 1,030               | (2,466)        |
| Gross proceeds from sale of assets                                      | -                   | 10             | -                   | -              |
| Lump sum contributions                                                  | -                   | -              | -                   | -              |
| Other dedicated capital funding                                         | -                   | -              | -                   | -              |
| <b>Total sources of capital funding</b>                                 | <b>(2,484)</b>      | <b>(3,459)</b> | <b>1,030</b>        | <b>(2,466)</b> |
| <b>Applications of capital funding</b>                                  |                     |                |                     |                |
| Capital expenditure                                                     | -                   | -              | -                   | -              |
| - to meet additional demand                                             | -                   | -              | -                   | -              |
| - to improve the level of service                                       | 132                 | 73             | -                   | -              |
| - to replace existing assets                                            | 247                 | 206            | 1,226               | -              |
| Increase/(decrease) in reserves                                         | 2,375               | 453            | 2,674               | 852            |
| Increase/(decrease) in investments                                      | 52                  | 453            | 129                 | (323)          |
| <b>Total applications of capital funding</b>                            | <b>2,805</b>        | <b>1,185</b>   | <b>4,028</b>        | <b>529</b>     |
| <b>Surplus/(deficit) of capital funding</b>                             | <b>(5,289)</b>      | <b>(4,644)</b> | <b>(2,998)</b>      | <b>(2,994)</b> |
| <b>Funding balance</b>                                                  | <b>-</b>            | <b>-</b>       | <b>-</b>            | <b>-</b>       |

# 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.





# Delivering on our Long-Term Plan

## 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

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.

## Highlights of 2024/25

The year was marked by continued reform from central government, with wide-reaching implications for local government regulatory functions. Our Regulatory Services Unit responded through strong engagement with industry groups, central government and formal consultation processes to ensure the city remains well-positioned to adapt and contribute meaningfully to sector-wide change.

A major focus was the extensive reform of the Building Consent system. Staff actively participated in cross-sector working groups in an effort to shape reform outcomes that reflect the needs of our fast-growing city. This work has strengthened relationships with central government, other large metro Councils, and local and district councils, positioning Hamilton as a proactive and solutions-focused partner.

Alcohol licensing was also a key focus with the implementation of the Community Participation Amendment Act and the District Licensing Committees (DLC). Notably, public information and transparency along with a reduction in DLC hearing wait times, significant improvements that enhances support and responsiveness to both community and business needs.

Hamilton City Council's commitment to food safety was also recognised nationally. As at April 2025, the Council oversaw 1184 active food business sites, a strong indicator of operational efficiency and public health stewardship. The Ministry for Primary Industries acknowledged the efforts of the Public Health team in

maintaining timely and thorough verifications under the Food Act 2014. Their work continues to support a robust and trusted food safety system across New Zealand.

The Regulatory Services Unit hosted the Minister of Building and Construction, taking him through the challenges faced across Hamilton, particularly regarding the Building Consent Authority but also opportunities seen across the industry. This was a good opportunity to understand central government's drive for change and form relationships for future collaborative opportunities.

The City Safety and Resilience Unit has also been focused on collaboration with key stakeholders and how to provide more proactive customer education to improve safety within the city and promote responsible dog ownership. Staff have been working on supporting groups who require additional support or engagement to understand their obligations as an owner which has seen some positive results.

Our Animal Control team worked with Waikato District Council and in partnership with Hills Pet Nutrition for another successful annual Dirty Dog challenge. Participation and support for this event again exceeded expectations from donated prizes through to volunteers to help coordinate the day. The event provides an opportunity to promote and educate communities on the services we offer. Funds raised from Dirty Dog are used for the desexing of dogs across the city and Waikato District.

The Animal Control Team maintained full compliance with urgent service requests and progressed infrastructure improvements, including progressing work on 15 new kennels. This expansion will significantly improve animal welfare management and responsiveness to increased service demands.

The Civil Defence and Emergency team focussed on improving levels of staff training and awareness internally, undertaking research to better understand local hazard exposure, and a local project to engage and educate the community on these hazards. A full-scale Civil Defence Emergency Management exercise was conducted, involving 90 staff and earning a 64% assessment score. We have received a full assessment report and based on recommendations noted have implemented a plan to continue to develop our staff further. Our staff also supported emergency exercises in Matamata-Piako and South Waikato Districts, strengthening regional collaboration.

Mobile CCTV units – both pole-mounted and trailer-mounted – were deployed to enhance safety monitoring in dynamic public spaces such as parks, libraries, and events. The Newstead Cemetery CCTV network was successfully upgraded, improving coverage and reliability.



## Service performance measures:

**You can expect:** We work with partner organisations and the community to improve safety.

Key: **Achieved** | **Not achieved**

| Measure                                                                                                                 | 2024 - 25 target | 2024 - 25 result | 2023 - 24 result |
|-------------------------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|
| The percentage of central city users surveyed who feel very safe or reasonably safe in the central city during daytime. | At least 80%     | <b>75%</b>       | <b>82%</b>       |

### What's behind the results

The 2025 pulse survey results show that 75% of respondents feel very safe or fairly safe in the central city during the daytime. City Safe continues to work collaboratively with partner organisations and the community to enhance safety and wellbeing in the central city. In response to increased nuisance behaviours and a rise in rough sleeping, the team intensified Safety Officer presence and engaged with partner agencies and the Community Development Team to mitigate visible impacts and support coordinated outreach. We will continue to collaborate with partner agencies to consider a range of options that could be introduced to enhance the safety, including impacts around environmental and social change.

**You can expect:** A timely response to requests for dog control and excessive noise.

Key: **Achieved** | **Not achieved**

| Measure                                                                            | 2024 - 25 target | 2024 - 25 result | 2023 - 24 result |
|------------------------------------------------------------------------------------|------------------|------------------|------------------|
| The percentage of urgent dog control requests responded to within 60 minutes.      | At least 95%     | <b>100%</b>      | <b>99.63%</b>    |
| The percentage of complaints about excessive noise responded to within 30 minutes. | At least 95%     | <b>95.37%</b>    | <b>96.19%</b>    |

### What's behind the results

225 urgent dog control requests were received this year, and all of them were responded to within 60 minutes. Noise control requests totalled 4618 for the year, with 95.37% responded to within the 30-minute timeframe.

**You can expect:** We will support the delivery of safe, sustainable and attractive development.

Key: **Achieved** | **Not achieved**

| Measure                                                                             | 2024 - 25 target | 2024 - 25 result | 2023 - 24 result |
|-------------------------------------------------------------------------------------|------------------|------------------|------------------|
| The percentage of building consent applications issued within statutory timeframes. | 95%              | <b>99.38%</b>    | <b>99%</b>       |
| The percentage of code compliance certificates issued within statutory timeframes.  | 95%              | <b>99.13%</b>    | <b>99%</b>       |

#### What's behind the results

1617 building consents were granted this year, with 99.38% meeting statutory timeframes. There were 1269 Code Compliance certificates approved this year, with 99.13% processed within statutory timeframes. Both of these results are well in excess of our 95% target. The volume for building consents and code of compliance certificates was steady and comparable to the 2023-24 year.

**You can expect:** We will provide a citywide coordinated response to and recovery from emergencies to reduce the impact on people and the economy.

Key: **Achieved** | **Not achieved**

| Measure                                                                                   | 2024 - 25 target | 2024 - 25 result | 2023 - 24 result |
|-------------------------------------------------------------------------------------------|------------------|------------------|------------------|
| The evaluation of our annual exercise as a measure of effectiveness of training delivery. | At least 60%     | <b>64%</b>       | <b>63%</b>       |

#### What's behind the results

In March 2025, the annual Civil Defence Emergency Management exercise engaged 92 staff in responding to a simulated earthquake scenario, including the establishment of a Civil Defence Centre at Claudelands to conduct registrations and needs assessments for affected residents. For one-third of participants, this was their first exposure to a Civil Defence emergency exercise, providing valuable experience in emergency response protocols. The exercise was externally assessed and achieved a final score of 64%, surpassing the target of 60%. A full assessment report has been received, and a development plan is now being implemented to further strengthen staff capability and readiness.

# Effects on the wellbeing of the community

|                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Social</b><br><br>We care for, and about, all our people          | When our communities feel safe they are more likely to enjoy their surroundings, whether in their local community or our central city. We also support the community to be ready to respond to civil defence emergencies and enforce environmental health standards, contributing to social wellbeing and quality of life for residents. The provision of building control contributes to ensuring that our city's buildings are safe, healthy, and durable for the community.                                                                                                                                                                                                     |
| <b>Economic</b><br><br>Our economy provides opportunities to prosper | Keeping our city safe has a positive economic effect by encouraging residents and visitors to our city to explore, shop, and dine, helping local businesses to thrive. Removal of graffiti and enforcement of animal and noise rules promotes positive public perceptions of the city.                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Environmental</b><br><br>We love and protect our environment      | Safety encourages use of public spaces and supports reduction in anti-social behaviours that negatively impact on the environment. Food and alcohol licencing ensures a safe and healthy environment for customers. Our Civil Defence activity helps minimise the effects of natural disasters on people, public and private property.                                                                                                                                                                                                                                                                                                                                             |
| <b>Cultural</b><br><br>Our unique and diverse culture is celebrated  | We promote cultural wellbeing by protecting our city and vibrant public places, ensuring Hamilton is a place where we can safely celebrate our diverse communities. The planned application of emergency management activity is focused across all cultures and groups within the city and locations of significance or value. Emphasis is placed on working in partnership with Kirikiriroa-Hamilton's mana whenua. There has been added focus on tangata whenua and migrant groups to enhance the understanding and application of emergency management at individual, family (whanau) and group (hapuu and iwi) level and how to prepare for and respond to an emergency event. |



# Capital projects

R - Renewals    LOS - Levels of Service    G - Growth

The following table summarises the capital projects planned for year one (2024-25) of the 2024-34 Long-Term Plan and the progress made during the period.

|                                            | Type | Capex Long-Term Plan<br>2024/25 | Capex Actuals<br>2024/25 | Variance    |
|--------------------------------------------|------|---------------------------------|--------------------------|-------------|
| <b>Regulatory and Safety</b>               |      | \$000                           | \$000                    | \$000       |
| <b>Animal Education and Control</b>        |      |                                 |                          |             |
| CE21013 - Animal control building renewals | R    | 14                              | 0                        | 14          |
| CE24029 - Animal control development       | G    | 410                             | 396                      | 14          |
| CE24031 - Animal control development       | R    | 31                              | 31                       | 0           |
| <b>Animal Education and Control total</b>  |      | <b>455</b>                      | <b>427</b>               | <b>28</b>   |
| <b>Public Safety</b>                       |      |                                 |                          |             |
| CE21015 - City Safe renewals               | R    | 235                             | 230                      | 5           |
| CE21016 - City Safe upgrades               | LOS  | 14                              | 49                       | (35)        |
| <b>Public Safety total</b>                 |      | <b>248</b>                      | <b>278</b>               | <b>(30)</b> |
| <b>Regulatory and Safety total</b>         |      | <b>703</b>                      | <b>705</b>               | <b>(3)</b>  |

# Regulatory and Safety funding impact statement

For year ended 30 June 2025

|                                                                         | Long-Term Plan 2024 | Actual 2024    | Long-Term Plan 2025 | Actual 2025    |
|-------------------------------------------------------------------------|---------------------|----------------|---------------------|----------------|
|                                                                         | \$000               | \$000          | \$000               | \$000          |
| <b>Sources of Operating Funding</b>                                     |                     |                |                     |                |
| General rates, uniform annual general charges, rates penalties          | 5,367               | 5,390          | 8,045               | 8,092          |
| Targeted rates                                                          | -                   | -              | 188                 | 188            |
| Subsidies and grants for operating purposes                             | 53                  | 3,463          | 53                  | 64             |
| Fees and charges                                                        | 2,244               | 2,358          | 8,585               | 11,955         |
| Local authorities fuel tax, fines, infringement fees and other receipts | 72                  | 250            | 121                 | 307            |
| Internal charges and overheads recovered                                | -                   | -              | -                   | 2,702          |
| <b>Total operating funding</b>                                          | <b>7,736</b>        | <b>11,461</b>  | <b>16,992</b>       | <b>23,308</b>  |
| <b>Application of Operating Funding</b>                                 |                     |                |                     |                |
| Payments to staff and suppliers                                         | 7,390               | 8,227          | 14,269              | 14,577         |
| Finance costs                                                           | 111                 | (12)           | 200                 | 262            |
| Internal charges and overheads applied                                  | -                   | -              | -                   | 4,246          |
| Other operating funding applications                                    | -                   | -              | -                   | -              |
| <b>Total applications of operating funding</b>                          | <b>7,501</b>        | <b>8,215</b>   | <b>14,469</b>       | <b>19,085</b>  |
| <b>Surplus/(deficit) of operating funding</b>                           | <b>235</b>          | <b>3,246</b>   | <b>2,522</b>        | <b>4,223</b>   |
| <b>Sources of capital funding</b>                                       |                     |                |                     |                |
| Subsidies and grants for capital expenditure                            | -                   | 401            | -                   | -              |
| Development and financial contributions                                 | -                   | -              | -                   | -              |
| Increase/(decrease) in debt                                             | (553)               | (2,297)        | 432                 | (2,896)        |
| Gross proceeds from sale of assets                                      | -                   | 4              | -                   | -              |
| Lump sum contributions                                                  | -                   | -              | -                   | -              |
| Other dedicated capital funding                                         | -                   | -              | -                   | -              |
| <b>Total sources of capital funding</b>                                 | <b>(553)</b>        | <b>(1,892)</b> | <b>432</b>          | <b>(2,896)</b> |
| <b>Applications of capital funding</b>                                  |                     |                |                     |                |
| Capital expenditure                                                     | -                   | -              | -                   | -              |
| - to meet additional demand                                             | -                   | -              | 410                 | 396            |
| - to improve the level of service                                       | 160                 | 434            | 14                  | 49             |
| - to replace existing assets                                            | 191                 | 320            | 280                 | 261            |
| Increase/(decrease) in reserves                                         | (691)               | 301            | 2,197               | 1001           |
| Increase/(decrease) in investments                                      | 22                  | 299            | 55                  | (380)          |
| <b>Total applications of capital funding</b>                            | <b>(318)</b>        | <b>1,354</b>   | <b>2,955</b>        | <b>1,327</b>   |
| <b>Surplus/(deficit) of capital funding</b>                             | <b>(235)</b>        | <b>(3,246)</b> | <b>(2,522)</b>      | <b>(4,223)</b> |
| <b>Funding balance</b>                                                  | <b>-</b>            | <b>-</b>       | <b>-</b>            | <b>-</b>       |







Priority three

# A central city where people love to be

He pokapuu taaone e  
ngaakautia ana e te marea



## **We want our central city to be the beating heart of Hamilton Kirikiriroa – somewhere that always has something going on, where people can come together and enjoy all that it has to offer.**

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.

All of our activities contribute in some way toward creating a central city where people love to be. This priority does not have a separate capital programme or funding impact statement associated with it as these are already reflected in other activities that sit under our other four priorities.

## Highlights of 2024-25

We are continuing to invest in our central city: we are enhancing access to the Waikato River, encouraging more people to live and work in the area, and improving how people move around within it.

Hamilton Kirikiriroa is the fastest growing urban city in the country. Council, in partnership with key stakeholders, is working to ensure the central city is well-positioned to take advantage of the opportunities this growth presents, while putting in place the infrastructure and planning guidance to support it.

We are expecting an additional 10,800 people to live in the central city by 2035. To support this growth, we have adjusted our district plan to make it easier to develop apartments and higher density homes in the central city. Plan Change 12 became operative in December 2024, in response to central government direction. The Plan Change enabled high-density housing (six storeys or more) intensification in the central city and the walkable catchment (within 800m), encouraging growth in the area.

To further support the growth, in 2022, Hamilton City Council was granted \$150.6 million from the Infrastructure Acceleration Fund to support central city growth through key infrastructure projects. This includes a new drinking water reservoir at the Hamilton Lake site, set for completion in 2028, and new bulk

watermains to service future development. Public engagement and design work for the reservoir progressed this year, with planning and consenting underway ahead of construction starting in late 2026.

A number of major developments in the central city were announced or commenced this year, including a \$120 million riverside project by Templeton Group, the ongoing Pullman Hotel development, and the next stage of Union Square. While not Council-led, these projects reflect strong private sector confidence and contribute to a vibrant, growing central city.

We continued to invest, alongside a range of partners, to deliver the Waikato Regional Theatre - a world-class multi-purpose performing arts theatre to serve the Waikato Region. The theatre is due for completion in January 2026.

Te Whare Taonga o Waikato Museum & Gallery reopened in December 2024 following a major environmental upgrade, offering improved facilities and a refreshed identity. The interactive Exscite science centre reopened in July 2024 school holidays, drawing strong visitor interest. The Museum partnered with Boon Street Art Festival to deliver a day of public activities with free art making and live events. Matariki was celebrated with a weekend of public programmes and the opening of the exhibition 843 to the 855 in partnership with Creative Waikato



that attracted over 2500 visitors to the Museum. These initiatives have helped activate the central city, drawing people in and enhancing its cultural vibrancy. The Museum continues to play a key role in making our central city a lively and engaging destination.

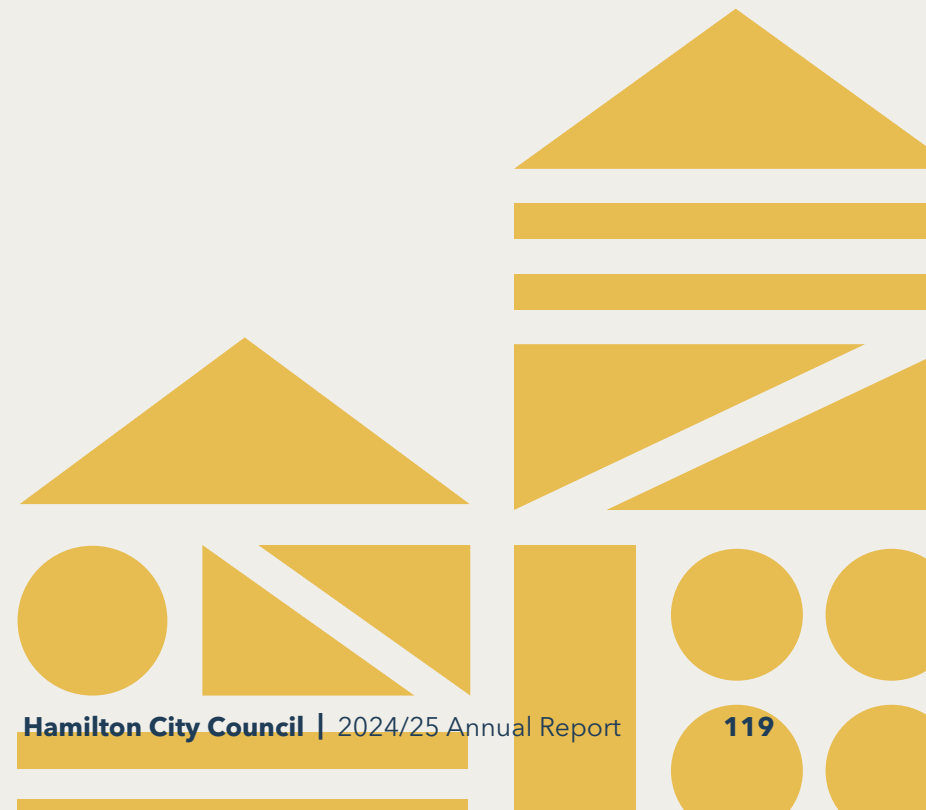
To make the most of opportunities provided by central city developments, we have been working to make our public spaces vibrant and attractive. We delivered several projects to ensure our central city is clean, well maintained and inviting. This included replacing street furniture, removing broken chairs, updating paver and removing or replacing trees. Garden Place has also seen the addition of a new garden, while Hood Street has had its rain gardens renewed, lighting upgraded and the light poles refreshed.

To encourage visitors to the city, 85 new all-day \$6 parking areas were added on Ward Street, opposite Hamilton Girls' High School and on sections of Seddon Road near Seddon Park and Norris Ward Park. There are now over 600 All Day Paid Parking spaces in the city.

The upgrade of the Hamilton Transport Centre was completed and officially opened by Mayor Paula Southgate in November 2024. The project focused on creating a safer and more welcoming environment. The upgrade also celebrates Hamilton's

artistic identity and diverse community, with new murals and a sculpture now in place.

Together, these projects reflect ongoing momentum in the central city of Hamilton Kirikiriroa, creating a vibrant, welcoming environment where people love to be.



Priority four

# A fun city with lots to do

He taaone kua kikii ki ngaa tini kaupapa



## **We want Hamilton Kirikiriroa to be a great place for everyone to enjoy, with things to see and do 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 Te Whare Taonga o Waikato Museum & Gallery, 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 play spaces 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, Te Whare Taonga o Waikato Museum & Gallery, 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 Te Whare Taonga o Waikato Museum & Gallery

### **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.



# Delivering on our Long-Term Plan

## Claudlands, 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 Claudlands. Our venues are well positioned to cater for growth within their existing capacity levels and will be maintained to an appropriate standard.

### Highlights for 2024-25

Claudlands hosted a variety of events this year, from comedy to sports to trade shows and conferences.

Major sporting matches included the ANZ Netball Premiership and the New Zealand Darts Masters 2024. Basketball made a high-energy comeback with the Trans-Tasman Throwdown. Claudlands also hosted for the first time a Northern Whai Basketball NBL fixture, and the AVIS Magic launched their netball home season to roaring support.

We welcomed prestigious community and gala events, including the Hospice Waikato Bucket List Banquet and various cultural celebrations.

Performances by The Wiggles and the NZ Symphony Orchestra drew crowds, as did global sensation Sarah Millican at GLOBOX Arena, with her Late Bloomer comedy show. Families flocked to the Arena for Bluey's Big Play, a live adaptation of the beloved children's series, and book lovers and writers united at Ages of Pages 2025, a literary celebration of storytelling, ideas, and creativity. The Arena embraced Matariki celebrations, featuring the return of the Tainui Secondary Schools Kapa Haka Competition and the vibrant Haka Kai Festival.

The 2024 Waikato Home & Garden Show returned to Claudlands, and a celebration of 40 years of the iconic exhibition event was followed by The Tainui Primary Schools Kapa Haka Festival 2024, Crowded House, and 7 Days Live in GLOBOX Arena.

The Barn hosted the weekly Hamilton Farmers' Markets and the return of the Hamilton Vintage Market, A Gluten Free Night Out and the Plant Extravaganza, and the Waikato Christmas Market. Family event the ZURU Nightglow 2025 saw over 25,000 attendees enjoy a magical evening on the Claudlands Oval.

Claudlands Conference and Exhibition Centre has been a bustling hub for a variety of significant business events and conferences. The venue hosted the ED Connect 2025 Conference, bringing together educators and industry leaders to discuss the future of education. The NZ Police Waikato Police Recruiting event aimed to attract new talent to the force, while



the NIB Training Session provided valuable insights into health insurance. TetraPak's Excel for Oceania Conference focused on advancements in packaging technology. The Entrepreneurial Business School Conference inspired budding entrepreneurs with innovative business strategies. The Puhoro Wananga event highlighted indigenous knowledge and education. The Waikato Dairy Industry Awards recognised excellence in dairy farming. The Experience Gold Coast Road Show showcased tourism opportunities in the Gold Coast. Fonterra Meetings facilitated discussions on dairy industry developments, and the NZ Hydrological Society Technology Workshop explored the latest in water resource management technology.

FMG Stadium Waikato hosted prestigious events such as the Waikato Rugby Mooloo Day, the 2024 Bunnings NPC and Farah Palmer Cup Rugby competitions, and the FPC grand final. We also featured charity matches, the NZ Secondary Schools Tournament, and various business functions like Fonterra's 'GET SET DAY' and the ASB Business Banking Roadshow. The stadium was also co-nominated for the NZEA Best Sports Event 2024 for its role in "The Festival of Rugby" with Hobbiton™ Movie Set Tours and Chiefs Rugby Club.

In November 2024, FMG Stadium Waikato saw international football return with the All Whites taking on Vanuatu in a FIFA '26™ qualifier game which was met with mass local support.

February 2025 kicked off with the Fijian Hamilton Sevens, the

return of motocross stunt event Freestyle Kings, and a full stadium for a One NZ Warriors Preseason Challenge against the Melbourne Storm. Super Rugby Pacific and Super Rugby Aupiki also returned to FMG Stadium Waikato with regular season games for both tournaments and the Rugby & Rhythms double header and music festival in March 2025.

FMG Stadium Waikato was the venue for a series of notable business events. Some highlights include Fulton Hogan: First Day Back for 2025 Event, which marked the beginning of the year with a focus on infrastructure and construction. The NZME Roadshow brought together media professionals to discuss industry trends. The Tuatahi Business Care Team Meeting provided support and strategies for local businesses. Holden Driver Training sessions aimed to enhance driving skills and safety. Bayley Real Estate's Jumpstart Business Planning event helped real estate professionals plan for the year ahead. The Best in Breast Care Conference highlighted advancements in breast cancer care.

Seddon Park proudly hosted a wide array of business events and private functions, reinforcing its reputation as one of Hamilton's premier venues for gatherings of all kinds.

In October 2024, the Northern Districts Men faced off against the Wellington Firebirds in a Ford Trophy fixture. This was followed by another match in November against Auckland. The White Ferns brought their World Cup Trophy Tour to Hamilton with a

stop at Seddon Park and then it was straight into more domestic cricket with the Plunket Shield. December 2024 was highlighted by the highly anticipated BLACKCAPS v England 3rd Test. This event drew significant international and domestic visitors, and the festive atmosphere was further enhanced by the presence of the Barmy Army.

The summer cricket season continued in 2025, starting off with a Northern Brave Super Smash Double Header against Wellington. January 2025 saw Seddon Park host the BLACKCAPS for a successful ODI (one-day international) against Sri Lanka, and the continuation of Super Smash and Domestic Cricket competitions such as The Ford Trophy, the Hallyburton Johnstone Shield, and the Plunket Shield. Northern District Cricket's Sunset Cinema film screening series returned in February 2025 with four successful movie nights and a new event Pilates in The Park, promoting men's wellness and mental health closed out March 2025.

April 2025 saw the Blackcaps play their last ODI of the Seddon Park Summer series against Pakistan. This game ended the season on a high with the Blackcaps taking the ODI series win in Hamilton with the support of loyal cricket fans from near and far. Northern Districts Cricket (NDC) made exceptional use of the venue throughout the summer, with a strong presence across umpire training, coaching courses, club forums, and strategic meetings with New Zealand Cricket.

The performance of these venues was heightened by our

significant partnerships with a range of partners who bring specialist expertise to ensure their services are delivered to a high standard across catering, audiovisual, security, ticketing, and other venue support services.

## Theatres, Tourism and Events Funding

We have invested, alongside a range of partners, to deliver the Waikato Regional Theatre - a new world-class multipurpose performing arts theatre to serve the Waikato region. The theatre is expected to open in January 2026. Once opened, we will provide an annual property asset maintenance grant to the Trust for the following 10 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.

## Highlights for 2024-25

We offer an annual event sponsorship contestable fund to provide financial support to hold events that bring economic and profile benefits to Hamilton Kirikiriroa. The fund is guided

by Council's Event Sponsorship Policy. For the 2024/25 financial year, nine events were approved to receive funding from the fund totalling \$412,000 (of a total annual budget of \$500,000). Sponsored events this year were:

- New Zealand Under 15 and Under 19 National Badminton Championships 2024 (\$5,000)
- Cambridge to Hamilton Paddle Race 2024 (\$5,000)
- Round the Bridges 2024 (\$20,000)
- Porritt Classic 2025 (\$6,000)
- Z Manu World Championships Super Qualifier 2025(\$12,000)
- Balloons over Waikato 2025 (\$130,000)
- Hamilton Arts Festival Toi Ora ki Kirikiriroa 2025 (\$175,000)
- Aramex Kiwi Walk and Run Series Hamilton 2025 (\$9,000)
- Matariki ki Waikato Festival 2025 (\$50,000)

We continued to invest, alongside a range of partners, to deliver the Waikato Regional Theatre – a world-class multi-purpose performing arts theatre to serve the Waikato Region. The theatre is due for completion in January 2026. In December 2024, the Waikato Regional Property Trust (the owners of the theatre) announced a new operating partnership with Live Nation New Zealand to operate the new Theatre, and announced several key personnel appointments, in the lead up to the theatre opening

date. In February, Council approved an overall change to the timing of property and maintenance grant payable under the original funding deed and relief from development contributions to further support the project. In May 2025, Council also approved additional funding for retractable seating following a request from the Waikato Regional Property Trust.

We provided annual funding to the Regional Tourism Organisation, Hamilton and Waikato Tourism Limited. Alongside a number of neighbouring councils, our annual funding to Hamilton and Waikato Tourism supported the development of a range of strategic tourism initiatives.

## 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.

## Highlights for 2024-25

In September 2024, Hamilton Gardens completed the new Visitor Precinct, enhancing the overall visitor experience with the Gallagher Visitor Centre and The Pavilion venue hire spaces. The opening was commemorated with three celebratory events. During the launch week, Hamilton Gardens also introduced two Kids Activity Sheets to enhance the experience for children and parents in the Enclosed Gardens.

Hamilton Gardens hosted a variety of different events. This included the Haka Maaori Cultural Experience - Waikato River Festival and the launch of the first Pekapeka (Bat) Night-time Discovery Walk, to name just two. The refreshed venues within The Pavilion are attracting a lot of interest, with a steady increase in bookings. Gourmet in the Gardens launched for the season in November 2024, running every Sunday afternoon throughout the summer period.

Hamilton Gardens continued to see strong sign-ups for the MyGardens Pass from residents, with an uptick in Annual Pass sales around the Christmas period, due to their popularity as gifts. Audio Guides and Highlights Tours remained popular among visitors for an immersive experience at the Gardens.

In February 2025, we ran our first special event on Valentines Day where couples could buy tickets to enjoy a private picnic dinner in one of the Enclosed Gardens after hours. With only 11 tickets available (for two people each) this event was popular and nearly

sold out. The feedback received from couples attending was overwhelmingly positive - there was even a proposal!

The Hamilton Arts Festival was a success in late February 2025 with more than 47,000 attendees - including 30% from outside the Waikato region - attending 49 different shows staged by more than 800 performing artists. In total there were 103 unique performances - including over 20 free or koha events, with 12 of the shows completely sold out.

Hamilton Gardens was also awarded the Qualmark Gold Award again, solidifying our status as a premier New Zealand visitor destination, following an independent assessment of our attraction from social, economic, environmental, and health and safety perspectives.

The Medieval Garden Project continued, with the archway pieces now in place atop the pillars, bringing the space to life. Adding to the excitement, the plants for the garden started to arrive. These plants are being well looked after by our team at the on-site nursery and will be planted within the garden in late 2025. We also worked on improving accessibility across the site, including installing a new accessible ramp to the Turtle Lake stage and raising the path around Turtle Lake near Gate 1 carpark to reduce flooding risk.

In May 2025, the Hamilton Gardens Visitor Precinct project was honoured with three major awards: Downey Construction received the Gold Award at the New Zealand Commercial

Project Awards for outstanding craftsmanship and delivery; EWA was recognised in the Public Architecture category at the NZIA Waikato/Bay of Plenty Awards; and the Hamilton City Council's communications campaign around paid entry and the MyGardens Pass earned a Community Relations and Engagement Award at the PRINZ Awards, celebrating its strategic and community-focused approach.

## 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.

### Highlights for 2024-25

The Hamilton Zoo celebrated several notable events and birthdays with the public, including Kendi the chimpanzee's 4th birthday; Masamba the giraffe's 22nd birthday; the birth of porcupine twins in August 2024, bringing the family to seven; and new arrivals including Jabali, a young giraffe from Auckland Zoo, a female meerkat, Sikema also from Auckland Zoo, a young cockatoo male, and three male capuchin monkeys from Perth Zoo.

Sadly, staff grieved the loss of Dume, a 19-year-old giraffe. Dume's death occurred during a routine health check to correct hoof disease and dental issues. Wellington Zoo's head vet was on hand to assist with the procedure and our veterinarian team also attended procedures at Wellington Zoo. These professional exchanges grow expertise in animal husbandry and welfare science and build networks and relationships.

The twin tiger cubs' first birthday celebration featured in the Waikato Times. Rio, a male cotton-top tamarin arrived from Auckland Zoo and in March 2025 two Hochstetter's frogs were transferred from Otago University. This is one of three native



frog species found in New Zealand. We are the only zoo to hold a colony of Hochstetter's frog with the objective of contributing to advocacy and education. Our staff supported Maungatautari with their annual kiwi translocation which saw 232 birds moved to new homes.

In March 2025, Hamilton Zoo honoured Murray and Gloria Powell, whose vision helped shape the zoo as we know it today. During a special visit, the Powell family unveiled a commemorative plaque, reminding us of the lasting impact of their legacy and the importance of continuing their conservation mission.

Earth Day was marked with 25% off entry tickets and annual passes, encouraging wider community engagement with the zoo. Enhancements to the spider monkey habitat now offer greater climbing and exploration opportunities in a thoughtfully designed environment. A severely underweight kiwi received in April 2025 showed strong recovery after treatment and was transferred to Massey Wildbase for continued care, supporting efforts to preserve New Zealand's endangered national bird. In June 2025, Sanda welcomed a healthy baby chimp—an exciting addition to the zoo family.

Waiwhakareke Natural Heritage Park planting event saw 9000 native saplings planted over three days, contributing to regional ecological restoration.

## Te Whare Taonga o Waikato Museum & Gallery

Te Whare Taonga o Waikato Museum & Gallery 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.

### Highlights for 2024-25

In advance of the July school holidays, the fully refreshed Exscite science centre for discovery opened to positive feedback for its interactive and engaging nature. The Six Extinctions exhibition finished its four-month run, attracting high visitation numbers and proving popular with the public and educators. Work began on the building upgrade in July 2024. While the main Museum was closed to the public for the construction period, Exscite remained open from the riverside entrance and was well attended by visitors. From December 2024 the building was fully open with improved facilities, new exhibitions, and an updated name: Te Whare Taonga o Waikato Museum & Gallery. Multiple events and celebrations marked the reopening and welcomed eager visitors back, with extremely positive feedback shared about the redeveloped forecourt and new entranceway.

as well as the look and feel of the interior with new flooring and exhibitions as well as the removal of gallery walls to open the building views to the Waikato River. The reopening aligned with a complete rebrand and identity, including improved wayfinding throughout the building. Additionally, a redesigned website was launched, showcasing the refreshed visual design with improved user experience and more robust 'backend' platform.

Te Whare Taonga o Waikato has enjoyed welcoming visitors back to the refurbished space. The main drawcard has been the international touring exhibition "Astronomy Photographer of the Year" from the Royal Museums, Greenwich alongside the refreshed Museum offerings and building. During this period, we also opened "Fresh Finds" which highlights recent additions to the Museum's collection, from contemporary artworks to FIFA World Cup memorabilia and Government-issued COVID-19 ephemera. A highlight this year was our annual Waitangi Day Festival. The free programme for the day included live music on an outdoor stage, craft activities, riverside history tours, gallery tours, and food trucks. With approximately 4,700 attendees, the festival broke all previous Museum records for event visitation.

For the first time, Te Whare Taonga o Waikato partnered with Boon Street Art Festival as they celebrated their 10th anniversary. A new mural was added to the Museum car park, along with a day of public activity that included free art making and live music in the forecourt.

Matariki was celebrated with a weekend of public programmes and the opening of the exhibition 843 to the 855 in partnership with Creative Waikato. This exhibition showcased the creativity of communities connected with Te Whare Kookonga (Melville), Glenview Community Centre (Glenview), Te Whānau Pūtahi (Fairfield) and Te Whare o Te Ata (Fairfield) who worked with local artists on creative projects. The Museum welcomed over 2500 people to the Museum over the weekend, keen to celebrate this initiative and engage with our Matariki programming.

The call for entries to the 2025 National Contemporary Art Award was announced in March 2025, following a hiatus in 2024 as the previously annual competition moved to a biennial cycle. Law firm Tompkins Wake confirmed their continued support as primary sponsor by providing the \$20,000 top prize, with Nigel Borell MNZM announced as the guest judge. Following a record-breaking 480+ entries, Zena Elliott's work 'The Silenced Forced Upon Us Is Louder than the Crown's Declaration of Partnership and Friendship' won the award and the \$20,000 prize. The work is described as "illuminating the hidden corners of society, giving a voice to the forgotten, excluded and overlooked".

# Service performance measures:

**You can expect:** We provide stadia (FMG Stadium Waikato and Seddon Park) and Claudelands to host events. The measure indicates the utilisation of stadia and Claudelands. Key: **Achieved** | **Not achieved**

| Measure                                                                                                    | 2024 - 25 target | 2024 - 25 result | 2023 - 24 result |
|------------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|
| The number of people attending events at the Stadia (FMG Stadium Waikato and Seddon Park) and Claudelands. | 530,000          | <b>502,965</b>   | <b>554,000</b>   |

## What’s behind the results

From 1 July 2024 to 30 June 2025, 502,965 people attended events at the Stadia and Claudelands. 319,815 people visited Claudelands and our Stadia welcomed 183,150 patrons.

The slightly lower attendance numbers compared to last year and our target for this year related to attendance at exhibition and public events and also reflects natural fluctuations in the different types of events hosted, seasonal shifts, and the dynamic nature of the industry. By comparison, the number of events hosted across H3 venues included a record revenue year (normalised for 2023 FIFA activity) and ahead of budget.

**You can expect:** We'll invest in and enhance Waikato Museum, Hamilton Gardens, Hamilton Zoo and Waiwhakareke Natural Heritage Park to create new and unique experiences for our people and visitors.

Key: **Achieved** | **Not achieved**

| Measure                                                                      | 2024 - 25 target | 2024 - 25 result      | 2023 - 24 result                |
|------------------------------------------------------------------------------|------------------|-----------------------|---------------------------------|
| The total number of visits:                                                  | 516,000 visits   | <b>684,127 visits</b> | <b>872,348 visits</b>           |
| i. Hamilton Zoo                                                              |                  | <b>191,430</b>        | <b>239,694<br/>(Te Kaaroro)</b> |
| ii. Waiwhakareke Natural Heritage Park                                       |                  | <b>38,260</b>         |                                 |
| iii. Waikato Museum                                                          |                  | <b>65,219</b>         | <b>127,409</b>                  |
| iv. Hamilton Gardens (enclosed gardens only)                                 |                  | <b>389,218</b>        | <b>538,343</b>                  |
| The average review score across Trip Advisor and Google for each destination | Greater than 4   | <b>Total: 4.70</b>    | <b>Total not available</b>      |
| i. Hamilton Gardens                                                          | a. TripAdvisor   | <b>4.80</b>           | <b>4.96</b>                     |
|                                                                              | b. Google        | <b>4.72</b>           | <b>Not available</b>            |
| ii. Waikato Museum                                                           | a. TripAdvisor   | <b>3.50</b>           | <b>4.4</b>                      |
|                                                                              | b. Google        | <b>4.35</b>           | <b>4.5</b>                      |
| iii. Hamilton Zoo                                                            | a. TripAdvisor   | <b>4.62</b>           | <b>4.43</b>                     |
|                                                                              | b. Google        | <b>4.70</b>           | <b>4.61</b>                     |

What’s behind the results

This year, 684,127 people visited Te Kaaroro (Hamilton Zoo and Waiwhakareke), Te Whare Taonga o Waikato Museum & Gallery, and Hamilton Gardens (enclosed gardens only). Reduced visitation was planned for within the 2024-23 Long-Term Plan as a result of the introduction of paid entry to the Hamilton Gardens (enclosed gardens only) and a short-term closure of the Museum for refurbishment.

The impact of the closure of Te Whare Taonga o Waikato Museum & Gallery was not as great as expected due to initiatives undertaken by staff to remain engaged with our communities including education and public programmes, and visitation to Exscite. During the year, both the Gardens and Zoo had great visitation with numbers well ahead of forecast. We had been conservative with our earlier expectations for numbers visiting the Enclosed Gardens, due to the introduction of paid entry for non-Hamiltonian visitors and the additional steps required to validate Hamiltonians for free entry.

The review results show a consistent response across the destinations, from 2492 reviews. The average review score across Trip Advisor and Google for the visitor destinations was 4.70 out of 5.

Effects on the wellbeing of the community

Social

We care for, and about, all our people

Our visitor destinations afford social and leisure opportunities: Hamilton Gardens provides vibrant and attractive public amenity that is accessible and welcoming to all, Te Kaaroro Nature Precinct provides opportunities for informal play, active leisure and recreation in peaceful, natural landscapes for all ages to observe and interact with the Zoo’s animals and Waikato Museum cares for, preserves, and shares stories about the objects and taonga (treasures) of the Waikato region and beyond. Events at FMG Stadium Waikato, Seddon Park and Claudelands Events Centre bring the community together, with people enjoying events such as concerts, sports games, and showcases. Events held at our venues may have temporary social effects including anti-social behaviour, noise and nuisance for neighbouring residential areas, mitigated by effective event management plans and compliance with the District Plan.



|                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Economic</b></p> <p>Our economy provides opportunities to prosper</p> | <p>We attract local, national and international visitors through our visitor destinations, helping to meet revenue targets and contributing to the economic wellbeing of Hamilton. The tourism generated by events benefits our local restaurants, hotels and businesses, bringing economic return to the city.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <p><b>Environmental</b></p> <p>We love and protect our environment</p>      | <p>The extensive planting predominantly with plants indigenous to the Waikato at Hamilton Gardens improves runoff water entering the river through sediment traps, wetlands, and filters, and provides a key node in the river ecological corridor and responds to climate change through the promotion of green standards and practices. Waiwhakareke Natural Heritage Park is the flagship biodiversity project for the city. Hamilton Zoo promotes conservation and environmental education, contributing to native species recovery programmes.</p> <p>Events at FMG Stadium Waikato, Seddon Park and Claudelands Events Centre may have temporary environmental effects including traffic congestion and litter, mitigated by effective event management plans.</p> |
| <p><b>Cultural</b></p> <p>Our unique and diverse culture is celebrated</p>  | <p>Waikato Museum provides events and exhibitions that offer opportunities for fun, enjoyment, and cultural understanding; acts as kaitiaki (guardians) for nationally significant taonga; provides opportunities to celebrate tangata whenua; and partners with iwi and mana whenua for exhibitions, collections and the preservation of stories, taonga and oral histories. Waiwhakareke speaks strongly to Maaori heritage and is an important cultural site for mana whenua. It also acts as Kaitiaki for New Zealand native species through the breeding recovery programme and the rehabilitation of injured native animals.</p>                                                                                                                                   |

# Capital projects

R - Renewals    LOS - Levels of Service    G - Growth

The following table summarises the capital projects planned for year one (2024-25) of the 2024-34 Long-Term Plan and the progress made during the period.

|                                                               | Type | Capex Long-Term Plan<br>2024/25 | Capex Actuals<br>2024/25 | Variance       |
|---------------------------------------------------------------|------|---------------------------------|--------------------------|----------------|
| <b>Venues Tourism and Events</b>                              |      | \$000                           | \$000                    | \$000          |
| <b>Claudeland's FMG Stadium Waikato and Seddon Park</b>       |      |                                 |                          |                |
| CE24009 - VTME building renewals                              | R    | 4,318                           | 1,657                    | 2,660          |
| CE24010 - VTME security and health and safety programmes      | LOS  | 542                             | 117                      | 425            |
| CE24011 - VTME operational renewals                           | R    | 2,652                           | 1,350                    | 1,302          |
| <b>Claudeland's FMG Stadium Waikato and Seddon Park total</b> |      | <b>7,511</b>                    | <b>3,124</b>             | <b>4,387</b>   |
| <b>Hamilton Gardens</b>                                       |      |                                 |                          |                |
| CE24012 - Hamilton Garden renewals                            | R    | 692                             | 536                      | 155            |
| CE24013 - Hamilton Garden building renewals                   | R    | 947                             | 479                      | 468            |
| CE24014 - Hamilton Gardens development                        | LOS  | 2,058                           | 3,302                    | (1,244)        |
| <b>Hamilton Gardens total</b>                                 |      | <b>3,697</b>                    | <b>4,317</b>             | <b>(621)</b>   |
| <b>Te Kaaroro Nature Precinct</b>                             |      |                                 |                          |                |
| CE24016 - Hamilton Zoo Building renewals                      | R    | 1,403                           | 2,099                    | (696)          |
| CE24017 - Hamilton Zoo Operational renewals                   | R    | 1,128                           | 894                      | 234            |
| CE24018 - Hamilton Zoo And Waiwhakareke development           | LOS  | 3,068                           | 2,650                    | 418            |
| <b>Te Kaaroro Nature Precinct total</b>                       |      | <b>5,599</b>                    | <b>5,643</b>             | <b>(44)</b>    |
| <b>Waikato Museum</b>                                         |      |                                 |                          |                |
| CE24019 - Museum operational renewals                         | R    | 238                             | 175                      | 63             |
| CE24020 - Museum building renewals                            | R    | 2,394                           | 4,148                    | (1,754)        |
| CE24021 - Collection acquisition fund                         | LOS  | 87                              | 113                      | (26)           |
| CE24022 - Museum development                                  | LOS  | 4,043                           | 3,675                    | 368            |
| <b>Waikato Museum total</b>                                   |      | <b>6,762</b>                    | <b>8,111</b>             | <b>(1,349)</b> |
| <b>Venues Tourism and Events total</b>                        |      | <b>23,570</b>                   | <b>21,196</b>            | <b>2,374</b>   |

### Variances:

- CE24009 - VTME building renewals - There have been multiple deferrals within the CE code: Claudelands Seismic strengthening was deferred to allow for risk mitigation during construction. The FMG Stadium Waikato HVAC/Boiler renewal was deferred to better align with similar projects. The FMG Stadium Waikato fire suppression system was deferred due to product availability.
- CE24011 - VTME operational renewals - A large portion of the budget allocated for asset and equipment renewals at Seddon Park, FMG Stadium, and Claudelands Conference Centre was deferred to better align with a realistic delivery timeline. This adjustment ensures that funding is matched to actual project readiness and capacity, supporting more efficient and effective implementation of the planned renewals.
- CE24014 - Hamilton Gardens development - Project relied on external funding which was confirmed later than originally scheduled. Funding is now secured and construction has commenced.
- CE24020 - Museum building renewals - The Museum Upgrade project progressed ahead of schedule, requiring the budget to be brought forward to align with delivery milestones. As a result, approximately 75% of the budget was expensed in 2024/25. This early expenditure enabled the completion of significant components of the upgrade, including building renewals and the full heating and cooling electrical and mechanical systems replacement.

# Venues, Tourism and Events funding impact statement

For year ended 30 June 2025

|                                                                         | Long-Term Plan 2024 | Actual 2024    | Long-Term Plan 2025 | Actual 2025     |
|-------------------------------------------------------------------------|---------------------|----------------|---------------------|-----------------|
|                                                                         | \$000               | \$000          | \$000               | \$000           |
| <b>Sources of Operating Funding</b>                                     |                     |                |                     |                 |
| General rates, uniform annual general charges, rates penalties          | 21,551              | 39,568         | 46,849              | 46,736          |
| Targeted rates                                                          | -                   | -              | -                   | -               |
| Subsidies and grants for operating purposes                             | -                   | 919            | 98                  | 90              |
| Fees and charges                                                        | 8,408               | 15,021         | 12,270              | 15,900          |
| Local authorities fuel tax, fines, infringement fees and other receipts | 1,024               | 2,871          | 2,013               | 2,272           |
| Internal charges and overheads recovered                                | -                   | -              | -                   | 553             |
| <b>Total operating funding</b>                                          | <b>30,983</b>       | <b>58,379</b>  | <b>61,230</b>       | <b>65,550</b>   |
| <b>Application of Operating Funding</b>                                 |                     |                |                     |                 |
| Payments to staff and suppliers                                         | 22,851              | 50,675         | 39,088              | 39,368          |
| Finance costs                                                           | 1,570               | 3,838          | 4,626               | 4,245           |
| Internal charges and overheads applied                                  | -                   | -              | -                   | 8,052           |
| Other operating funding applications                                    | -                   | -              | -                   | -               |
| <b>Total applications of operating funding</b>                          | <b>24,421</b>       | <b>54,513</b>  | <b>43,714</b>       | <b>51,665</b>   |
| <b>Surplus/(deficit) of operating funding</b>                           | <b>6,562</b>        | <b>3,866</b>   | <b>17,516</b>       | <b>13,885</b>   |
| <b>Sources of capital funding</b>                                       |                     |                |                     |                 |
| Subsidies and grants for capital expenditure                            | -                   | 1,000          | 4,095               | 1,608           |
| Development and financial contributions                                 | -                   | -              | -                   | -               |
| Increase/(decrease) in debt                                             | (5,981)             | 16,276         | 14,655              | 4,700           |
| Gross proceeds from sale of assets                                      | -                   | 60             | -                   | -               |
| Lump sum contributions                                                  | -                   | -              | -                   | -               |
| Other dedicated capital funding                                         | -                   | -              | -                   | -               |
| <b>Total sources of capital funding</b>                                 | <b>(5,981)</b>      | <b>17,336</b>  | <b>18,750</b>       | <b>(6,308)</b>  |
| <b>Applications of capital funding</b>                                  |                     |                |                     |                 |
| Capital expenditure                                                     | -                   | -              | -                   | -               |
| - to meet additional demand                                             | -                   | -              | -                   | -               |
| - to improve the level of service                                       | 935                 | 14,111         | 9,326               | 9,858           |
| - to replace existing assets                                            | 3,112               | 11,342         | 13,807              | 11,343          |
| Increase/(decrease) in reserves                                         | (3,332)             | (2,129)        | 12,618              | (1,624)         |
| Increase/(decrease) in investments                                      | (133)               | (2,122)        | 515                 | 616             |
| <b>Total applications of capital funding</b>                            | <b>582</b>          | <b>21,202</b>  | <b>36,266</b>       | <b>20,193</b>   |
| <b>Surplus/(deficit) of capital funding</b>                             | <b>(6,563)</b>      | <b>(3,866)</b> | <b>(17,516)</b>     | <b>(13,885)</b> |
| <b>Funding balance</b>                                                  | <b>(1)</b>          | <b>-</b>       | <b>-</b>            | <b>-</b>        |

# 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.





# Delivering on our Long-Term Plan

## 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 10 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

## Highlights for 2024-25

Across the Nature in the City programme, a total of 12,170 volunteers were engaged in restoration activities through our Kids in Nature programme, one-off events and regular community groups.

Participation in the Kids in Nature programme grew to include 25 schools and 5503 tamariki and caregivers taking part in learning modules. The programme was recognised nationally, becoming a finalist for the Environmental Leadership category at the Taituarā Local Government Excellence Awards.

Across the year, 39 one-off restoration events were held, planting 30,855 trees with help from 2448 volunteers. This included Arbor Day which returned to Minogue Park, engaging 1000 volunteers to plant over 10,000 natives and three pilot plantathon events that were held to increase public involvement in the Nature in

the City programme. These events will now become regular yearly events.

Regular community groups contributed an additional 4219 volunteers.

Over the course of the year, the Nature in the City gully restoration programme increased resident participation to 270 covering 30 hectares of both private and public gullies.

Every three years a field work survey is carried out to spot and record the birds that are seen within Hamilton city. This was completed in November 2024.

Kaka were recorded in Hammond Bush by our predator control contractors. There are no kaka known to be living in Hamilton and visits are very rare.

The nursery had a successful year, producing 130,000 native plants for restoration without needing to source plants externally. During one quarter, 96,000 plants were potted for planting next year, with a record of 19,867 plants potted in one week. The nursery water tanks were renewed with smart water technology to monitor and control water use, sending alarms when necessary.

In May 2025, the Parks team, in partnership with Lodge, hosted the annual Memory Meadow planting day at Hinemoa Park. Volunteers and council staff came together to plant 5000 daffodil bulbs in memory of those lost to cancer. Also in May 2025, the

gardening team also kicked off the winter planting programme, refreshing Victoria on the River, among other high-profile locations.

Staff have been assisting with the development of terms of reference for the bat compensation fund. This is money that has been paid into a fund by developers to support bat populations in Hamilton City. The fund will be managed by the Parks and Recreation Unit and will support the community and Council in restoration and education work that will support the ability of bats to persist in Hamilton.

The Donny Park project was completed, improving pathway access between River Road and Fairfield College. Around 29,000 native plants were added to enhance the area. In November 2024, the Paataka and interpretive panels were officially unveiled, celebrating the project's cultural and environmental significance.

The Fairfield Park skate park upgrade was completed, and the result looks fantastic. The community are happy to have this well-used facility back, including a larger skate bowl and half-court basketball court. It was officially opened with a rangatahi fun day in November 2024. The opening included community performing traditional dance, a skate competition, a basketball competition and food trucks as the community celebrated having this upgraded facility reopened. There have also been fruit trees added to the site, planted with the community.

By the end of the summer sports season, including successful touch rugby, softball and cricket seasons, the Sports Turf Team had prepared 60 individual grass cricket wickets, each requiring between 40 to over 60 hours of preparation. Galloway Park hosted several games as part of the Gillette Cup, while the Porritt Classic athletics event took place in mid-February 2025 on the newly renovated Porritt No. 1 field and track. Both events received positive feedback from organisers.

In March 2025, the Sports Team shifted focus to renovating the city's sports fields for the upcoming winter season. This included sowing grass, applying fertiliser, aerating fields, and spreading 500m<sup>3</sup> of sand to enhance the playability of our premier fields.

The cemetery welcomed groups from Linda Jones Retirement Village and The Right Track programme, providing education and demystifying the processes at the cemetery and crematorium.

The crematorium building exterior was repainted and new signage installed to enhance the visitor experience.

The first edition of 'Parks Pulse' was sent out to community and sport groups in May 2025. This is a new initiative and publication that will provide these groups and the wider community with information around what is currently happening and what is upcoming within our parks and community spaces. It is also an opportunity for groups to showcase in this area of the community as well. There will be a new edition each quarter.

## Service performance measure:

**You can expect:** Our parks and the facilities in them are accessible.

Key: **Achieved** | **Not achieved**

| Measure                                                                                   | 2024 - 25 target                     | 2024 - 25 result | 2023 - 24 result |
|-------------------------------------------------------------------------------------------|--------------------------------------|------------------|------------------|
| The percentage of households with access to a neighbourhood park:                         |                                      |                  |                  |
| i. Within 400m walking distance for all medium/high density areas.                        | Maintain or improve on previous year | <b>72.18%</b>    | <b>71.65%</b>    |
| ii. Within 500 walking distance for all other residential areas.                          | Maintain or improve on previous year | <b>81.24%</b>    | <b>80.21%</b>    |
| The percentage of survey respondents who are happy with Hamilton's parks and open spaces. | 68%                                  | <b>70%</b>       | <b>76%</b>       |

### What's behind the results

Between 2023/24 and 2024/25, the accessibility of neighbourhood reserves remained steady for both measures. The marginal gains (for 400m) are attributed to the development of new medium/high density properties within surrounding areas.

The 2025 pulse survey results show that 70% of respondents were satisfied. This is above the 68% target but down from last year, likely due to survey methodology changes. This was the first year the parks satisfaction question was included in the Pulse Survey, rather than the previous Parks & Open Spaces Survey. Differences in sample size and methodological approach may have had a marginal impact on the results.

**You can expect:** The city's ecosystems and biodiversity are understood, protected and restored.

Key: **Achieved** | **Not achieved**

| Measure                                                                                  | 2024 - 25 target                                                             | 2024 - 25 result                                    | 2023 - 24 result |
|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|-----------------------------------------------------|------------------|
| The percentage of native vegetation cover in the city.                                   | Maintain or improve on previous year. (Based on 1.7% baseline as at 2022/23) | <b>No result</b>                                    | <b>2.5%</b>      |
| The number of private gully owners registered with the Gully Restoration Programme.      | Maintain or improve on previous year                                         | <b>270</b>                                          | <b>219</b>       |
| The number of volunteers for native restoration projects.                                | 20% increase on previous year                                                | <b>12,170</b>                                       | <b>9,657</b>     |
| The percentage of overall canopy cover in the city. (LiDAR data is provided biennially.) | No LiDAR data provided this year                                             | <b>No result - No LiDAR data provided this year</b> | <b>11.3%</b>     |

### What's behind the results

There is no result for 2024/25. Staff are seeking advice on how best to capture this information to ensure accuracy and alignment with the Nature in the City (NITC) Ecological Inventory cycle, which occurs every five years. It is not expected that there will be any movement from 2023/24 NITC Ecological Inventory result of 2.5%.

Resident participation has increased from 219 to 270 this year, meeting our target. This growth was driven by targeted outreach, including letter drops in active restoration areas, and strong community referrals. Support helped both private landowners and community members restoring council land by offering guidance and providing eco-sourced native plants annually to those interested in planting.



What’s behind the results continued...

For the year, 12,170 volunteers supported native restoration projects. This represented a 26% increase on last year, thus comfortably meeting our target. The strong result was driven by a mix of one-off events like Arbor Day and Plantathons, and regular community group activity. Increased school involvement through the Kids in Nature programme and improved volunteer coordination systems also contributed.

LiDAR stands for light detection and ranging, it’s a technology that uses laser light to measure distances and create detailed maps of surfaces. It is commonly used to map terrain and forests. No LiDAR data was provided for the 2024/25 year. This will next be reported in the 2025/26 Annual Report.

**You can expect:** A timely response to requests for graffiti removal

Key: **Achieved** | **Not achieved**

| Measure                                                       | 2024 - 25 target | 2024 - 25 result | 2023 - 24 result |
|---------------------------------------------------------------|------------------|------------------|------------------|
| The percentage of graffiti removed within three working days. | At least 95%     | <b>92.96%</b>    | <b>89.95%</b>    |

What’s behind the results

There were a total of 5913 requests for graffiti removal this year. 92.96% of these requests (5497/5913) were completed within three working days. In the last quarter of 2024/25, a mixture of staff shortages, leave, training, wet weather, system issues, and a focus on Melville Park clean up resulted in a greater proportion of requests being completed outside three working days and the target being missed. Looking ahead, our Tagbusters team now have a full complement of staff and reviewed systems to ensure more efficient service for the 2025/26 year.

# Effects on the wellbeing of the community

|                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Social</b><br><br>We care for, and about, all our people          | Parks, green spaces, and recreation facilities are provided for the community to enjoy. Parks and recreation facilities help create feelings of community by providing space for people to connect, play, and relax together. The provision of a connected and accessible network of play opportunities throughout the city, where people can move seamlessly by foot or by bike around the city, primarily through green space, supports the health of our residents.                                                                                    |
| <b>Economic</b><br><br>Our economy provides opportunities to prosper | We contribute to the economic wellbeing of Hamilton Kirikiriroa by attracting residents and businesses to our city through the provision of parks and recreation spaces in the right places. A green city full of open spaces may increase property values. It makes Hamilton an attractive space to live as well as work. The provision of good functioning green open spaces can reduce energy cost and consumption, decrease flooding treatment costs and pressure on drainage infrastructure, thus making Hamilton a more affordable city to live in. |
| <b>Environmental</b><br><br>We love and protect our environment      | We protect, restore, and enhance the beautiful green landscape of Hamilton Kirikiriroa through our parks, gardens, street plantings, and substantial gully system through the city. We use native plants, where appropriate, and incorporate the green landscape into our park spaces for the community to enjoy.                                                                                                                                                                                                                                         |
| <b>Cultural</b><br><br>Our unique and diverse culture is celebrated  | Our community facilities are welcoming to all and available throughout the city for community organisations, groups, and private providers to deliver services and activities for all members of our diverse community. We work with our local iwi to help incorporate, where appropriate, Maaori culture in our parks and recreation facilities.                                                                                                                                                                                                         |

# Capital projects

R - Renewals    LOS - Levels of Service    G - Growth

The following table summarises the capital projects planned for year one (2024-25) of the 2024-34 Long-Term Plan and the progress made during the period.

|                                                                | Type | Capex Long-Term Plan<br>2024/25 | Capex Actuals<br>2024/25 | Variance      |
|----------------------------------------------------------------|------|---------------------------------|--------------------------|---------------|
| <b>Parks and Recreation</b>                                    |      | \$000                           | \$000                    | \$000         |
| <b>Cemeteries and Crematorium</b>                              |      |                                 |                          |               |
| CE10021 - Cemetery and crematorium building renewals           | R    | 23                              | 0                        | 23            |
| CE21004 - Cemeteries and crematorium renewals                  | R    | 90                              | 0                        | 90            |
| CE21007 - Cemeteries and crematorium development               | G    | 1,358                           | 1,546                    | (188)         |
| <b>Cemeteries and Crematorium total</b>                        |      | <b>1,471</b>                    | <b>1,546</b>             | <b>(75)</b>   |
| <b>Community Facilities</b>                                    |      |                                 |                          |               |
| CE19070 - Community facilities building renewals               | R    | 2,628                           | 269                      | 2,359         |
| <b>Community Facilities total</b>                              |      | <b>2,628</b>                    | <b>269</b>               | <b>2,359</b>  |
| <b>Indoor Recreation</b>                                       |      |                                 |                          |               |
| CE21008 - Indoor recreation development                        | LOS  | 3,182                           | 2,172                    | 1,010         |
| <b>Indoor Recreation total</b>                                 |      | <b>3,182</b>                    | <b>2,172</b>             | <b>1,010</b>  |
| <b>Parks</b>                                                   |      |                                 |                          |               |
| CE10030 - Parks and recreation building renewals               | R    | 4,950                           | 1,339                    | 3,611         |
| CE17004 - River plan                                           | LOS  | 4,988                           | 1,129                    | 3,859         |
| CE19007 - Peacocke parks development                           | G    | 330                             | 12                       | 318           |
| CE19009 - Rototuna parks development                           | G    | 0                               | 0                        | 0             |
| CE21001 - Nursery Renewals                                     | R    | 673                             | 755                      | (82)          |
| CE21003 - Parks and recreation renewals                        | R    | 6,794                           | 4,787                    | 2,007         |
| CE21006 - Nature in the city gully restoration and development | LOS  | 0                               | 78                       | (78)          |
| CE21010 - Parks and recreation development                     | LOS  | 3,465                           | 2,667                    | 799           |
| CE24026 - Rotokauri Parks development                          | G    | 0                               | 0                        | 0             |
| <b>Parks total</b>                                             |      | <b>21,200</b>                   | <b>10,766</b>            | <b>10,433</b> |
| <b>Parks and Recreation total</b>                              |      | <b>28,481</b>                   | <b>14,753</b>            | <b>13,727</b> |

### Variances:

- CE10030 - Parks and recreation building renewals - \$1 million was deferred at the Finance and Monitoring Committee related to Reactive Renewals. These funds are to respond to unplanned failures which did not manifest. \$750,000 was deferred to align with the establishment of the Building Construction and Renewals panel ensuring best commercial outcomes for Council. Funding changes driven by user groups' timing priorities and prioritisation of community outcomes.
- CE17004 - River plan - The majority of deferrals are related to Embassy Park - This project is lead by a third party developer (Waikato Regional Theatre development) under a Memorandum of Understanding. The developer programme is behind schedule with a target completion in the 2025/26 financial year. Wellington St Beach - Delays during design, related to ground conditions and Heritage Plan Change 9 requirements.
- CE19070 - Community facilities building renewals - Funding changes driven by user groups' timing priorities and prioritisation of community outcomes. Programme was delayed to allow for the establishment of the Building Construction and Renewals panel ensuring best commercial outcomes for Council.
- CE21003 - Parks and recreation renewals - Delays have been experienced with resource consenting (Department of Conservation turn-around times on lizard management plans). Figure deferred also includes unused contingency.
- CE21008 - Indoor recreation development - \$882,000 was deferred to 2026/27 at the Finance and Monitoring Committee for Pukete Neighbourhood House to align to the construction schedule received as part of contract award.

# Parks and Recreation funding impact statement

| For year ended 30 June 2025                                             | Long-Term Plan 2024 | Actual 2024    | Long-Term Plan 2025 | Actual 2025    |
|-------------------------------------------------------------------------|---------------------|----------------|---------------------|----------------|
|                                                                         | \$000               | \$000          | \$000               | \$000          |
| <b>Sources of Operating Funding</b>                                     |                     |                |                     |                |
| General rates, uniform annual general charges, rates penalties          | 28,651              | 28,899         | 34,629              | 34,633         |
| Targeted rates                                                          | -                   | -              | -                   | -              |
| Subsidies and grants for operating purposes                             | 7                   | 2,087          | -                   | 27             |
| Fees and charges                                                        | 5,274               | 5,748          | 5,964               | 5,874          |
| Local authorities fuel tax, fines, infringement fees and other receipts | 504                 | 1,958          | 1,233               | 1,677          |
| Internal charges and overheads recovered                                | -                   | -              | -                   | 1,052          |
| <b>Total operating funding</b>                                          | <b>34,435</b>       | <b>38,692</b>  | <b>41,826</b>       | <b>43,265</b>  |
| <b>Application of Operating Funding</b>                                 |                     |                |                     |                |
| Payments to staff and suppliers                                         | 28,123              | 27,527         | 26,541              | 22,793         |
| Finance costs                                                           | 2,618               | 9,506          | 6,474               | 5,668          |
| Internal charges and overheads applied                                  | -                   | -              | -                   | 7,277          |
| Other operating funding applications                                    | -                   | -              | -                   | -              |
| <b>Total applications of operating funding</b>                          | <b>30,741</b>       | <b>37,033</b>  | <b>33,015</b>       | <b>35,738</b>  |
| <b>Surplus/(deficit) of operating funding</b>                           | <b>3,694</b>        | <b>1,659</b>   | <b>8,811</b>        | <b>7,527</b>   |
| <b>Sources of capital funding</b>                                       |                     |                |                     |                |
| Subsidies and grants for capital expenditure                            | 133                 | 2,170          |                     | 706            |
| Development and financial contributions                                 | 1,651               | 1,657          | 654                 | 705            |
| Increase/(decrease) in debt                                             | 23,816              | 16,976         | 23,066              | 4,785          |
| Gross proceeds from sale of assets                                      | -                   | 162            | -                   | -              |
| Lump sum contributions                                                  | -                   | -              | -                   | -              |
| Other dedicated capital funding                                         | -                   | -              | -                   | -              |
| <b>Total sources of capital funding</b>                                 | <b>25,599</b>       | <b>20,965</b>  | <b>23,720</b>       | <b>6,196</b>   |
| <b>Applications of capital funding</b>                                  |                     |                |                     |                |
| Capital expenditure                                                     |                     |                |                     |                |
| - to meet additional demand                                             | 18,510              | 4,523          | 1,688               | 1,558          |
| - to improve the level of service                                       | 6,099               | 8,836          | 12,071              | 6,042          |
| - to replace existing assets                                            | 10,577              | 13,699         | 15,158              | 7,149          |
| Increase/(decrease) in reserves                                         | (6,062)             | (2,221)        | 3,195               | (1,653)        |
| Increase/(decrease) in investments                                      | 169                 | (2,213)        | 419                 | 627            |
| <b>Total applications of capital funding</b>                            | <b>29,293</b>       | <b>22,624</b>  | <b>32,531</b>       | <b>13,723</b>  |
| <b>Surplus/(deficit) of capital funding</b>                             | <b>(3,694)</b>      | <b>(1,659)</b> | <b>(8,811)</b>      | <b>(7,527)</b> |
| <b>Funding balance</b>                                                  | <b>-</b>            | <b>-</b>       | <b>-</b>            | <b>-</b>       |





Priority five

# A green city

He taaone tiaki taiao



## **We're planning for our future by working towards creating a sustainable city. This includes challenging the way our city grows and how we live within it. We love our environment and we're committed to protecting it for future generations.**

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.

Following the repeal of the Three Waters legislation in 2024, we will be working to develop a service delivery plan in line with the Local Government Water Services (Transitional Provisions) Bill as a part of central government's 'Local Water Done Well' programme of reform (refer to Significant Forecasting Assumptions for more details).

### **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.





# Delivering on our Long-Term Plan

## 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 newly established 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 10 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.

## Highlights from 2024-25

In August 2024 staff effectively managed an event in the bulk drinking water supply network that impacted the City's Ruakiwi Reservoir and the speed that we were able to fill the Maeroa Reservoir. Staff efficiently and effectively responded to the issue and worked closely to ensure that the public was kept updated. The issue was resolved with no impacts to the normal levels of service experienced by the public.

In November and December 2024 staff worked closely with Taumata Arowai, the drinking water regulator, Waikato Regional Council, Ministry of Health, Watercare and other impacted water suppliers (including our neighbouring councils Waikato & Waipa and Fonterra) to investigate and respond to slightly elevated levels of Arsenic in Council's drinking water supply. Results have consistently met Drinking Water Standards since early December 2024. At all times the water remained safe to drink. The issue impacted multiple drinking water suppliers who draw from the Waikato awa.

On 12 December 2024 Hamilton councillors unanimously agreed that their preferred consultation option for managing our water services in the future is through a joint Hamilton City Council and Waikato District Council Waters Council Controlled Organisation (CCO). Under the preferred option, stormwater would continue to be managed by each council, under contract to the CCO. Waikato District Council also confirmed their preferred option was a joint CCO with Hamilton City Council. Public consultation to seek community feedback on the future management of water services by both councils was undertaken in early 2025.

In early December 2024 a milestone for the city's Drinking Water Treatment plant was achieved. We went live with a new membrane filtration plant process which will add up to 40 million litres of drinking water treatment capacity for Hamilton per day. The new membrane filtration process runs in parallel to

the existing drinking water treatment process which uses more conventional sedimentation and sand filtration technology. The water flow from both treatment processes joins together for the final stages of the drinking water treatment process before the drinking water is supplied to the city.

In March 2025, the Smart Water starts with you! sub-regional drinking water education campaign offered an activity to Hamilton primary and intermediate schools on sustainable water use, in celebration of United Nations World Water Day. The initiative aims to improve primary and intermediate students' awareness and appreciation of water, and how they use it. There was a competition for schools to enter along with each student being provided with an eco-friendly DIY medal to mark their participation in the activities. Across Hamilton, a total of 42 classes and 1320 students participated in the activity.

In February and March 2025 public engagement began to seek ideas from the public, including engagement with key stakeholders such as Waikato Hospital, on the design of two 25 million litre reservoirs in the central city. Feedback received is intended to help shape the final design and layout of the reservoirs site, including access and landscaping considerations. Additionally, information obtained from this engagement process will assist in preparing applications to designate and reclassify some of the current park land needed to build the reservoirs under the Resource Management Act 1991 and Reserves Act 1977 processes. The additional reservoir capacity is

needed to maintain the efficient and effective supply of drinking water including capacity for firefighting for our growing central city.

To assist in the efficient operation of our drinking water network, work was undertaken to detect and report on underground water leaks. Sophisticated acoustic sounding devices were used for the process. This year, 386.8 km of pipes were assessed in the Hillcrest and Rototuna Zones. The investigation identified 99 leaks (93 on public assets, 6 on private) with 14 leaks estimated at 2 litres/minute or more. All private leaks were repaired following compliance follow-up. Repairs on public assets are underway, with 49 of the 99 leaks completed by the end of June 2025.

In June 2025, Hamilton City Council and Waikato District Council both made unanimous decisions to proceed with establishing a joint waters Council Controlled Organisation (CCO), named IAWAI – Flowing Waters, and submitted a joint Water Services Delivery Plan to central government. This became the first such joint plan to be approved nationally.

As part of the Taku Wairua Tupu programme, which supports up to 30 rangatahi aged 16–17 who are not currently in school, training, or employment, a group of 10 youth spent a day in the field with our Three Waters Open Drains Team. The programme focuses on personal development through the four pillars of Taku Wairua, helping participants unlock their leadership

potential and build confidence. The hands-on experience gave the youth valuable insight into the work our teams do to maintain Hamilton’s stormwater network, while also showcasing career pathways in the water industry. Initiatives like this play a vital role in connecting young people with meaningful opportunities and supporting their journey toward employment and personal growth.

In April 2025, staff participated in a Your Neighbourhood event – Waters Edition, which was held in Peacocke next to the Waiora Drinking Water Treatment Plant. This event was part of Council’s Your Neighbourhood event programme, and was a free, family-friendly community event where the community could learn more about Council projects and activities and have their say on the future of water services proposed under the Local Water done Well programme. Staff hosted a number of public tours of the Waiora Drinking Water Treatment Plant and there was a digger, sand pit and the water model for the community to interact with. The younger members of our community really enjoyed learning how to use metal detectors in our sandpit game.



# Service performance measure:

**You can expect:** Our water network is managed in a way that minimises the loss of water. Key: **Achieved** | **Not achieved**

| Measure                                                                               | 2024 - 25 target | 2024 - 25 result                                  | 2023 - 24 result                                  |
|---------------------------------------------------------------------------------------|------------------|---------------------------------------------------|---------------------------------------------------|
| The percentage of real water loss from the water network infrastructure in the city.+ | No more than 16% | <b>14.9%</b><br><i>(April 2024 to March 2025)</i> | <b>11.6%</b><br><i>(April 2023 to March 2024)</i> |

## What's behind the results

We aim to provide an efficient and effective water supply. We achieve this by undertaking activities such as water leakage detection and maintaining our network of water pipes. This measure estimates how much water is lost from the system between the water treatment plant and the household or customer. High levels of water loss can indicate that the network is in poor condition or operating inefficiently.

The percentage of real water loss from the network for the year was estimated at 14.9%, with a 95% confidence interval of ±23%. This means the true value is likely between 11.5% and 18.3%. As most of Hamilton’s water use is unmetered at the point of supply, a number of assumptions are required to complete the water balance and estimate water loss.

This year’s result represents an increase in estimated water loss compared to 2023/24 (11.6% ±31%), and a slight increase from 2022/23 (14.0% ±22%). The corresponding confidence intervals for those years were 8.0% to 15.2% and 10.9% to 17.1%, respectively. While the estimated water loss is higher this year, the narrower confidence interval indicates greater precision in our estimate. This suggests that the underlying data and assumptions used in the calculation have improved, reducing uncertainty. We continue to engage an independent industry expert to carry out this analysis to ensure consistency and reliability.

Hamilton City Council is committed to a multi-year water loss strategy. One of the key objectives of this strategy is to enable targeted leak detection and reduction. Towards the end of this reporting year, we carried out active leak detection in two Water Supply Zones that identified 93 public leaks and six private leaks. All identified private leaks have been confirmed as repaired and we are working through the public repairs for identified leaks. In the coming year, we will continue the active leak detection programme and hope to improve monitoring dashboards for Water Supply Zones and District Metered Areas to help target physical leakage detection work and to inform customer water-saving campaigns and thus enable a reduction in water loss trends.

+ Measure required by the Department of Internal Affairs

**You can expect:** The water we supply is safe to drink.

Key: **Achieved** | **Not achieved**

| Measure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 2024 - 25 target | 2024 - 25 result | 2023 - 24 result |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|
| <b>Hamilton (HAM001) Serviced population: 192,000</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                  |                  |                  |
| <b>Mandatory Level 3 Protozoal Measure (Hamilton (HAM001) Serviced population: 192,000)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                  |                  |                  |
| The extent to which Council's drinking water supply complies with the Drinking Water Quality Assurance Rules 2022, part 4.10.2 T3 Protozal Rules.**                                                                                                                                                                                                                                                                                                                                                                                                                      | All met          | <b>All met</b>   | <b>All met</b>   |
| <b>Mandatory Level 3 Bacteriological Measures</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                  |                  |                  |
| The extent to which Council's drinking water supply complies with the Drinking Water Quality Assurance Rules 2022, part 4.10.1 T3 Bacterial Rules. **                                                                                                                                                                                                                                                                                                                                                                                                                    | All met          | <b>All met</b>   | <b>All met</b>   |
| The extent to which Council's drinking water supply complies with the Drinking Water Quality Assurance Rules 2022, part 4.11.5 D3.29 Microbiological Monitoring Rule. **                                                                                                                                                                                                                                                                                                                                                                                                 | All met          | <b>All met</b>   | <b>All met</b>   |
| <b>What's behind the results</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                  |                  |                  |
| Hamilton City Council had 0 non-compliant days, achieving a compliance rate of 100% and a performance rating of 'All Met' under T3 Protozoa Rules, T3 Bacterial Rules, and rule D3.29 for the 2024/25 reporting period. The DIA updated this mandatory performance measure after the council had published its LTP, which sets the statement of service. The updated measure still covers the bacterial and protozoal compliance of water supplies but now is directly referenced to the relevant rules in the DWQAR 2022. Reporting is, therefore, against those rules. |                  |                  |                  |
| i. Number of days E.coli Detected for Hamilton City zone.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 0 days           | <b>0 days</b>    | <b>0 days</b>    |

### What's behind the results continued...

|                                                                          |        |        |        |
|--------------------------------------------------------------------------|--------|--------|--------|
| ii. Number of days E.coli Detected for Temple View zone.                 | 0 days | 0 days | 0 days |
| iii. Number of days E.coli Detected for Claudelands Grandstand tap zone. | 0 days | 0 days | 0 days |

### What's behind the results

No E.coli have been detected in the Hamilton water supply during the reporting period.

Note: The Department of Internal Affairs updated this mandatory performance measure after the council had published our Long-term Plan, which sets our statement of service. The updated measure still covers the bacterial and protozoal compliance of water supplies but now is directly referenced to the relevant rules in the Drinking Water Quality Assurance Rules 2022. Our reporting is, therefore, against those rules.

++ Measure required by the Department of Internal Affairs, modified to align with proposed changes.

**You can expect:** The water we supply is safe to drink.

Key: **Achieved** | **Not achieved**

| Measure | 2024 - 25 target | 2024 - 25 result | 2023 - 24 result |
|---------|------------------|------------------|------------------|
|---------|------------------|------------------|------------------|

### Taitua Arboretum (TAI018) Serviced population: 26

|                                                                                             |         |         |         |
|---------------------------------------------------------------------------------------------|---------|---------|---------|
| The extent to which Council's drinking water supply complies with 4.4 T1 Treatment Rules.++ | All met | All met | All met |
|---------------------------------------------------------------------------------------------|---------|---------|---------|

### Measure

|                                                                           |        |       |        |
|---------------------------------------------------------------------------|--------|-------|--------|
| Total number of days E.coli was detected in the Taitua Arboretum supply++ | 0 days | 1 day | 0 days |
|---------------------------------------------------------------------------|--------|-------|--------|

### What's behind the results

An E.coli count of 3MPN/100mL was detected in one routine sample taken from the public tap on 27 March 2025. The tap was immediately removed from service, the Water Services Authority were notified and a full investigation carried out. The cause was identified, and maintenance was carried out on the UV treatment system. No further E.coli were detected.

### What's behind the results continued...

Note: The Department of Internal Affairs updated this mandatory performance measure after the council had published our Long-term Plan, which sets our statement of service. The updated measure still covers the bacterial and protozoal compliance of water supplies but now is directly referenced to the relevant rules in the Drinking Water Quality Assurance Rules 2022. Our reporting is, therefore, against those rules.

++ Measure required by the Department of Internal Affairs, modified to align with proposed changes.

**You can expect:** To be satisfied with the clarity, taste, odour, continuity and pressure of the water supply. Key: **Achieved** | **Not achieved**

| Measure                                                                                                                                                                    | 2024 - 25 target                                                                 | 2024 - 25 result                            | 2023 - 24 result                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| The total number of complaints received about drinking water clarity, taste, odour, pressure, flow or continuity of supply and Council's response to any of these issues.† | No more than 7 complaints per 1000 connections (rounded to nearest whole number) | <b>5.33 complaints per 1000 connections</b> | <b>9.63 complaints per 1000 connections</b> |

### What's behind the results

We provide water that is safe to drink and reliably supplied. This measure indicates customer and community satisfaction with the quality and supply of the water.

A total of 347 complaints regarding water quality were received for the financial year. These included:

- 117 complaints related to loss of water
- 87 were related to low pressure
- 46 complaints were related to water discolouration, odour, and taste
- 97 complaints were general complaints such as missing lids, missing hydrant markings and buried hydrants.

Procedures and processes have been reviewed and improved to minimise the likelihood of continued elevated levels of complaints occurring. Over the year there were 5.33 water complaints per 1000 connections, meeting the annual target of no more than 7 complaints per 1000 connections. We will continue to review and modify our management plans and procedures to ensure improvements continue to be made across our three water services.

† Measure required by the Department of Internal Affairs

**You can expect:** We will work with the community to sustainably manage the supply and use of water.

Key: **Achieved** | **Not achieved**

| Measure                                                                    | 2024 - 25 target                              | 2024 - 25 result                        | 2023 - 24 result                        |
|----------------------------------------------------------------------------|-----------------------------------------------|-----------------------------------------|-----------------------------------------|
| The average consumption of drinking water per Hamilton resident, per day.+ | No more than 400 litres per resident, per day | <b>321 litres per resident, per day</b> | <b>323 litres per resident, per day</b> |

**What's behind the results**

We provide a sustainable water supply, which is achieved through water conservation campaigns that educate the community on sustainable water use and efficient management of the water network. This measure indicates the success of these campaigns and programmes of work.

The annual overall average daily water consumption was 321 litres per person per day. Note that the resident population estimate was updated twice this financial year by StatsNZ (in October 2024 and May 2025), while in the past the estimate has previously only been updated each October. This additional population estimate change did slightly increase values as the population estimate reduced (from 192,000 in October 2024 to 189,700 in May 2025).

The 2024/25 result indicates a slightly lower water use rate occurred in comparison to the previous four years (excluding 2022/23 when Hamilton experienced a very wet summer) and is an indicator of the continued success of the water conservation and sustainable water use campaigns and programmes of work (even taking into account the impact of changes in the residential population estimate).

Council will continue to focus on education (Smart Water Education Programme) and water management measures (such as Water Supply Zones and leak detection programmes) to ensure sustainable water consumption. The Smart Water website and other social drivers will continue to provide information to our community to support the reduction of water consumption in our community.

+ Measure required by the Department of Internal Affairs



**You can expect:** A timely response and a timely resolution if there is a problem with the water supply.

Key: **Achieved** | **Not achieved**

| Measure                                                                                                                                                                                                                            | 2024 - 25 target             | 2024 - 25 result      | 2023 - 24 result      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------|-----------------------|
| The median attendance time for urgent call-outs from the time that the Council receives notification of the fault or unplanned interruption to the time that service personnel reach the site.+                                    | No more than 60 minutes      | <b>41 minutes</b>     | <b>38 minutes</b>     |
| The median resolution time of urgent call-outs from the time that the Council receives notification of the fault or unplanned interruption to the time that service personnel confirm resolution of the fault or interruption.+    | No more than 5 hours         | <b>2 hours</b>        | <b>2 hours</b>        |
| The median attendance time for non-urgent call-outs from the time that the Council receives notification of the fault or unplanned interruption to the time that service personnel reach the site.+                                | No more than 5 working days  | <b>5 working days</b> | <b>3 working days</b> |
| The median resolution time of non-urgent callouts from the time that the Council receives notification of the fault or unplanned interruption to the time that service personnel confirm resolution of the fault or interruption.+ | No more than 10 working days | <b>6 working days</b> | <b>3 working days</b> |

### What's behind the results

Households and businesses rely heavily on water so it's important that we provide a timely response when something goes wrong. These measures indicate how quickly we respond to issues with the water supply and resolve the problem. A call-out to a household or business with no water supply is classified as urgent. Callouts for other water supply matters, where water is still being delivered, are classified as non-urgent.

## What's behind the results continued...

During the financial year, there were 97 urgent callouts in response to reports of no water. The median attendance time for urgent callouts, from the time the Hamilton City Council received notification of the fault or unplanned interruption, to the time service personnel reached the site, was 41 minutes. This is slightly longer than last year, which had a median attendance time of 38 minutes, but comfortably within target. The increase is due to the variation in the type and location of callouts that have occurred. We will continue to review and adjust our management plans and procedures to ensure timely responses for these matters continue.

The median resolution time for these urgent callouts, from the time that the Hamilton City Council received notification of the fault or unplanned interruption to the time that service personnel fully resolved the fault, was 2 hours – again well within target. We will continue to review and adjust our management plans and procedures to ensure improvements continue to be made across our water services.

There were 1942 non-urgent water callouts – a 3.5% increase compared to last year. The increase is likely due to water alert levels being implemented and the heightened awareness from the public around water leaks in the third quarter of the year. The median attendance time for non-urgent water callouts, from the time that the Hamilton City Council received notification of the fault or unplanned interruption to the time that service personnel reached the site, was five working days, in line with our target. This is higher than the same period last year, where the median attendance time for the year-to-date was three working days with 1877 callouts. The increase in attendance time reflects the number of callouts, staffing challenges, complexity of jobs, the location of jobs and the requirements around traffic management and compliance. Staff will continue to review and modify plans and procedures to ensure improvements continue to be made across our water services.

The median resolution time for the year-to-date for non-urgent callouts from the time that the Hamilton City Council received notification of the fault or unplanned interruption to the time that the issue was resolved, was six working days – comfortably within target. Staff will continue to review and modify plans and procedures to ensure improvements continue to be made across our water services.

+ Measure required by the Department of Internal Affairs

# Effects on the wellbeing of the community

|                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Social</b><br>We care for, and about, all our people          | We provide Hamiltonians with a high-quality, reliable, and sustainable water supply, essential for a healthy community. We aim to keep the public informed and minimise the disruption of works required to manage the water supply service.                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Economic</b><br>Our economy provides opportunities to prosper | A high-quality, reliable, and sustainable water supply is essential for our existing businesses and encouraging new businesses to the city.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Environmental</b><br>We love and protect our environment      | Taking too much water from the river can impact on the amount of water available for users downstream and the ecology and health of the river. Waikato Regional Council is responsible for managing the amount of water taken from the Waikato River and we have a resource consent with a set limit that we can take per day.                                                                                                                                                                                                                                                                                                                        |
| <b>Cultural</b><br>Our unique and diverse culture is celebrated  | Water supply is managed in a way that upholds our obligations under Te Ture Whaimana o te Waikato – Vision and Strategy. Water management practices can occasionally vary from Maaori cultural beliefs and practices, such as the mixing of water from different catchments. We consider Maaori values in relation to the take and discharge of water in all our water management practices and consult with local iwi as part of the resource consent process. Council continues to work with our iwi and mana whenua partners to enhance the way in which cultural values, aspirations and interests are incorporated into the way we manage water. |

# Capital projects

R - Renewals    LOS - Levels of Service    G - Growth

The following table summarises the capital projects planned for year one (2024-25) of the 2024-34 Long-Term Plan and the progress made during the period.

|                                                            | Type | Capex Long-Term Plan<br>2024/25 | Capex Actuals<br>2024/25 | Variance     |
|------------------------------------------------------------|------|---------------------------------|--------------------------|--------------|
| <b>Water Supply</b>                                        |      | \$000                           | \$000                    | \$000        |
| <b>Water Distribution</b>                                  |      |                                 |                          |              |
| CE10123 - Watermain renewals                               | R    | 5,471                           | 6,225                    | (755)        |
| CE10124 - Watermain valves and hydrants renewals           | R    | 802                             | 583                      | 219          |
| CE15127 - Water pipe upgrades                              | G    | 768                             | 0                        | 768          |
| CE15128 - Rotokauri upgrade and new watermain stage 1      | G    | 0                               | 0                        | 0            |
| CE15132 - Water network upgrades to allow new development  | G    | 210                             | 104                      | 107          |
| CE15133 - Water network improvements                       | LOS  | 230                             | 115                      | 115          |
| CE15141 - Water Demand Management Hillcrest Reservoir Zone | G    | 263                             | 55                       | 207          |
| CE15146 - Water customer connections                       | G    | 53                              | 2,118                    | (2,065)      |
| CE15158 - Water model                                      | R    | 159                             | 122                      | 37           |
| CE15159 - Water master plan                                | G    | 158                             | 37                       | 121          |
| CE19045 - Ruakura reservoir and associate bulk mains       | G    | 0                               | 0                        | 0            |
| CE19046 - Peacocke watermain stage 2                       | G    | 712                             | 456                      | 255          |
| CE21036 - Rotokauri upgrade and new watermain stage 2      | G    | 0                               | 0                        | 0            |
| CE23002 - Infrastructure Acceleration Fund                 | G    | 7,634                           | 4,300                    | 3,334        |
| CE24030 - Infrastructure Acceleration Fund                 | LOS  | 2,341                           | 441                      | 1,900        |
| CE15135 - Peacocke water distribution mains stage 1        | G    | 0                               | 95                       | (95)         |
| <b>Water Distribution total</b>                            |      | <b>18,799</b>                   | <b>14,652</b>            | <b>4,148</b> |
| <b>Water Treatment and Storage</b>                         |      |                                 |                          |              |
| CE10138 - Treatment plant and reservoir renewals           | R    | 1,483                           | 1,731                    | (248)        |
| CE15139 - Water Treatment Plant compliance minor upgrades  | LOS  | 1,099                           | 2                        | 1,097        |
| CE15144 - Upgrade water treatment plant                    | G    | 4,095                           | 3,385                    | 710          |
| <b>Water Treatment and Storage total</b>                   |      | <b>6,677</b>                    | <b>5,117</b>             | <b>1,560</b> |
| <b>Water Supply total</b>                                  |      | <b>25,476</b>                   | <b>19,769</b>            | <b>5,707</b> |

### **Variances:**

- CE15139 - Water Treatment Plant Compliance minor upgrades - Deferred to enable more time for scoping and planning and master planning of the treatment plant.
- CE15146 - Water customer connections - This is driven by the market and developer requests for connection to the network.
- CE23002 - Infrastructure Acceleration Fund Water Supply - Infrastructure Acceleration Fund Reservoir was rebaselined to align with the new deliverable dates, and this budget reflects the budget rephasing.
- CE24030 - Infrastructure Acceleration Fund Water Supply - Infrastructure Acceleration Fund Bulk Water Reticulation start was delayed by eight months awaiting Ministerial approval.

# Water Supply funding impact statement

| For year ended 30 June 2025                                             | Long-Term Plan 2024 | Actual 2024   | Long-Term Plan 2025 | Actual 2025    |
|-------------------------------------------------------------------------|---------------------|---------------|---------------------|----------------|
|                                                                         | \$000               | \$000         | \$000               | \$000          |
| <b>Sources of Operating Funding</b>                                     |                     |               |                     |                |
| General rates, uniform annual general charges, rates penalties          | 12,610              | 12,690        | 15,950              | 16,009         |
| Targeted rates                                                          | 11,341              | 11,080        | 13,216              | 13,195         |
| Subsidies and grants for operating purposes                             | -                   | 435           | -                   | 348            |
| Fees and charges                                                        | 488                 | 834           | 390                 | 805            |
| Local authorities fuel tax, fines, infringement fees and other receipts | (75)                | 1,359         | 316                 | (213)          |
| Internal charges and overheads recovered                                | -                   | -             | -                   | 1,422          |
| <b>Total operating funding</b>                                          | <b>24,364</b>       | <b>26,398</b> | <b>29,872</b>       | <b>31,566</b>  |
| <b>Application of Operating Funding</b>                                 |                     |               |                     |                |
| Payments to staff and suppliers                                         | 19,759              | 21,337        | 15,730              | 15,942         |
| Finance costs                                                           | 4,016               | 5,468         | 4,896               | 5,333          |
| Internal charges and overheads applied                                  | -                   | -             | -                   | 4,951          |
| Other operating funding applications                                    | -                   | -             | -                   | -              |
| <b>Total applications of operating funding</b>                          | <b>23,775</b>       | <b>26,805</b> | <b>20,627</b>       | <b>26,226</b>  |
| <b>Surplus/(deficit) of operating funding</b>                           | <b>589</b>          | <b>(407)</b>  | <b>9,245</b>        | <b>5,340</b>   |
| <b>Sources of capital funding</b>                                       |                     |               |                     |                |
| Subsidies and grants for capital expenditure                            | 53                  | 3,723         | 10,727              | 6,789          |
| Development and financial contributions                                 | 5,353               | 6,251         | 4,128               | 3,989          |
| Increase/(decrease) in debt                                             | 7,316               | 20,660        | 9,243               | 3,087          |
| Gross proceeds from sale of assets                                      | -                   | 43            | -                   | -              |
| Lump sum contributions                                                  | -                   | -             | -                   | -              |
| Other dedicated capital funding                                         | -                   | -             | -                   | -              |
| <b>Total sources of capital funding</b>                                 | <b>12,722</b>       | <b>30,677</b> | <b>24,098</b>       | <b>13,865</b>  |
| <b>Applications of capital funding</b>                                  |                     |               |                     |                |
| Capital expenditure                                                     |                     |               |                     |                |
| - to meet additional demand                                             | 15,068              | 24,636        | 13,892              | 10,605         |
| - to improve the level of service                                       | 4,528               | 1,802         | 3,670               | 558            |
| - to replace existing assets                                            | 8,359               | 8,986         | 7,915               | 8,662          |
| Increase/(decrease) in reserves                                         | (14,857)            | (2,582)       | 7,334               | (1,019)        |
| Increase/(decrease) in investments                                      | 214                 | (2,572)       | 533                 | 400            |
| <b>Total applications of capital funding</b>                            | <b>13,311</b>       | <b>30,270</b> | <b>33,343</b>       | <b>19,205</b>  |
| <b>Surplus/(deficit) of capital funding</b>                             | <b>(589)</b>        | <b>407</b>    | <b>(9,245)</b>      | <b>(5,340)</b> |
| <b>Funding balance</b>                                                  | <b>-</b>            | <b>-</b>      | <b>-</b>            | <b>-</b>       |





# 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.



# Delivering on our Long-Term Plan

## 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.

## Highlights for 2024-25

In August 2024 staff and contractors worked for eight days to resolve blockages in a major wastewater pipe running through private property near the Waikato River on Victoria Street. The blockages were identified after a reported wastewater overflow around a manhole. Initial investigations revealed multiple and complex issues that needed to be resolved. Some of the complexities included steep slopes, buried manholes, assets located underneath buildings, and gaining access to private property. Teams worked 24 / 7 to monitor and resolve the ongoing issues to ensure public safety and the health of the environment.

Staff at our Pukete Wastewater Treatment Plant worked with contractors on planned upgrades to improve operational efficiency. One of these upgrades included improving the aeration part of the wastewater treatment process. Aeration involves adding oxygen to speed up microorganism growth to increase the level of wastewater treatment. There are five aeration basins at the Pukete plant, and this is the second with the upgraded configuration. The upgrade project involves adding walls and extra mixers to enhance blending enabling improved nutrient treatment of Hamilton's wastewater. Over the next few years, the remaining aeration basins are planned to be upgraded to the same configuration.

The Peacocke Wastewater Transfer Station and associated Plateau Wastewater Pumpstation were both commissioned

during the year and are now operating as an integrated part of Hamilton's wastewater network. The purpose of the new wastewater transfer station (which is Hamilton's largest wastewater transfer / pumping station) and associated wastewater pump station is to collect wastewater from the Peacocke and Fitzroy areas and pump it through a pipeline to the Wastewater Treatment Plant at Pukete.

Waikato Regional Council (WRC) completed its annual compliance assessment of activities undertaken at Pukete Wastewater Treatment Plant. To support this assessment staff prepared and sent an annual report to WRC detailing all of the activities undertaken at the site and providing information and evidence to demonstrate Council's commitment to protecting the environment and operating within regulatory requirements. The outcome of the annual compliance assessment for the 2023/24 compliance year, released in late 2024, was Full Compliance. The site activities assessed include stormwater, air discharge (odour), structures in the awa (river) and treated wastewater discharge.

This is the first time Full Compliance has been received for the site since the 2020/21 compliance year. This assessment by WRC is an outstanding achievement. WRC have advised that they would like to commend Council for achieving full compliance and for its ongoing performance and communication with WRC and other stakeholders.

Staff are progressing the resource consent renewal process

for the treated wastewater discharge activities at the site. The existing consent expires in September 2027.

A significant milestone in the way Council works with and notifies WRC, Iwi and mana whenua stakeholders about wastewater overflows from Council's wastewater network was approved and endorsed by stakeholders in February 2025. This framework was the result in over two years of work by staff with the support and input of Iwi and mana whenua to develop a fit for purpose event notification framework supported by all parties.

Numerous planned and reactive maintenance tasks were completed to optimise plant performance. A full condition assessment of Clarifier 1 at the Pukete Wastewater Treatment Plant found no major issues. The renewals and compliance programme has continued to progress well, with several key components replaced over the year. The second return lagoon pump has been installed and is undergoing commissioning, with completion expected by mid-July 2025. Mesophilic Digester 1 is in the final stages of refurbishment and cleanout, and is expected to be back in service by the end of August 2025.

The Pukete Wastewater Treatment Plant and Wastewater Network were challenged by heavy rainfall this quarter, particularly a significant event in early June 2025 that increased inflow up to 150% of the average flow of 50 million litres per day that is normally seen. Despite pressure on the treatment process and pump stations, staff, supported by contractors, effectively managed operations to prevent bypasses at the plant.

and minimise network overflows. While secondary and tertiary treatment at the treatment plants were temporarily affected, the plant's resilience to high flows enabled a quick recovery, with clarifiers and basins normally returning to normal and producing high-quality effluent in the week following the rain events.



# Service performance measures:

**You can expect:** Our wastewater system is designed and maintained to minimise harm to the community and environment.

Key: **Achieved** | **Not achieved**

| Measure                                                                     | 2024 - 25 target                              | 2024 - 25 result                           | 2023 - 24 result                            |
|-----------------------------------------------------------------------------|-----------------------------------------------|--------------------------------------------|---------------------------------------------|
| The number of dry weather wastewater overflows from the wastewater system.+ | No more than 4 overflows per 1000 connections | <b>1.71 overflows per 1000 connections</b> | <b>2.14 overflows per 1,000 connections</b> |

## What's behind the results

Our wastewater system is designed, operated, and maintained in a way that aims to minimise the risk of harm to the community and environment. This measure indicates how well the system operates.

There were a total of 111 dry weather overflows, which equates to 1.71 dry weather overflows per 1000 connections - well within our target. Of these overflows, 109 were from the reticulation system with blockages from materials such as fat and wet wipes causing most of the incidents. There was one overflow that occurred at a pump station that received a flow surge after a network blockage was cleared and one dry weather overflow from a pump station due to a power outage.

+ Measure required by the Department of Internal Affairs

**You can expect:** We operate and maintain the wastewater system to minimise odour and blockages.

Key: **Achieved** | **Not achieved**

| Measure                                                                                                                                                  | 2024 - 25 target                                | 2024 - 25 result                            | 2023 - 24 result                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|---------------------------------------------|----------------------------------------------|
| The total number of complaints received about sewage odour, system faults or blockages and responses to issues raised with Council's wastewater system.+ | No more than 20 complaints per 1000 connections | <b>8.72 complaints per 1000 connections</b> | <b>8.91 complaints per 1,000 connections</b> |

## What's behind the results

This measure indicates customer and community satisfaction with the quality of the wastewater system. The number of complaints provides an indication of the quality of the service provided. This measure also provides data that highlights problems requiring attention, such as the need for maintenance, new infrastructure, or upgrades.

We received 562 complaints relating to the wastewater system this financial year. Of these:

- 242 related to overflows
- 213 related to network blockages
- 41 related to odour
- 13 related to missing or broken manhole lids
- 53 were general complaints covering a range of issues

The number of complaints about wastewater odour, system faults or blockages and our response to issues with the wastewater system represents a total of 8.72 complaints per 1000 connections, which comfortably meets the service measure target of no more than 20 complaints per 1000 connections.

+ Measure required by the Department of Internal Affairs



**You can expect:** We operate and maintain the wastewater system to minimise the impact on the environment.

Key: **Achieved** | **Not achieved**

| Measure                                                                                                                                                     | 2024 - 25 target                                  | 2024 - 25 result                                         | 2023 - 24 result                                          |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------|
| The number of abatement notices received in relation to resource consents for discharge from the wastewater system.+                                        | No more than 1 abatement notice                   | <b>0 abatement notices</b>                               | <b>0 abatement notices</b>                                |
| The number of infringement notices, enforcement orders and convictions received in relation to resource consents for discharge from the wastewater system.+ | 0 infringement, enforcement, or conviction action | <b>0 infringement, enforcement or conviction actions</b> | <b>0 infringement, enforcement, or conviction actions</b> |

### What's behind the results

The annual target for the number of abatement notices issued for spillage from the wastewater system is no more than one. There were no abatement notices issued that were received in relation to discharges from the wastewater system this financial year.

Between April and June 2025 Waikato Regional Council issued Hamilton City Council with two written warnings and one educational letter due to wastewater overflow / discharge incidents that occurred this reporting year. These directives highlight the increasing scrutiny from our Environmental Regulator to continue to improve systems and processes, invest in upgrading and improving the wastewater network to minimise the risks of wastewater overflows, and increasing compliance expectations. Waikato Regional Council also notified Hamilton City Council of a formal investigation underway into a wastewater overflow in Ranfurly Gully. Council is awaiting the outcome of this process. Any enforcement action received from Waikato Regional Council will be reported in the period it is received. The possible outcomes of this investigation include Formal Warning, Abatement Notice, Infringement Notice or Prosecution. All of these matters form part of Council's non-compliance record and may influence any future enforcement decisions.

The annual target for the number of infringement notices, enforcement orders and convictions issued for spillage from the wastewater system is zero. There were no infringement notices or enforcement orders were received by Hamilton City Council for discharges from the wastewater system. Council notifies Waikato Regional Council of all wastewater overflows that result in discharges to land or water, however none of these notifications have resulted in any infringement notices, enforcement orders, or convictions from the wastewater system.

The annual target for the number of infringement notices, enforcement orders and convictions issued for spillage from the wastewater system is zero. There were no infringement notices or enforcement orders were received by Hamilton City Council for discharges from the wastewater system. Council notifies Waikato Regional Council of all wastewater overflows that result in discharges to land or water, however none of these notifications have resulted in any infringement notices, enforcement orders, or convictions from the wastewater system.

+ Measure required by the Department of Internal Affairs

**You can expect:** A timely response and resolution if there is an urgent problem with the wastewater system.

Key: **Achieved** | **Not achieved**

| Measure                                                                                                                                                                                                           | 2024 - 25 target        | 2024 - 25 result  | 2023 - 24 result  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------|-------------------|
| The median attendance time for call-outs from the time that the Council receives notification of the blockage or other fault to the time that service personnel reach the site.+                                  | No more than 60 minutes | <b>33 minutes</b> | <b>44 minutes</b> |
| The median resolution time for call-outs from the time that the Council receives notification of the blockage or other fault to the time that service personnel confirm resolution of the fault or interruption.+ | No more than 4 hours    | <b>2.5 hours</b>  | <b>2 hours</b>    |

### What's behind the results

This measure indicates how quickly we attend to issues when there is a problem with the wastewater system that may relate to wastewater entering the environment, and how quickly we respond to issues and resolve the problem. The attendance time for a wastewater call-out is defined as the time from notification of the blockage or fault up to when time staff arrived on site, reflecting what is important to our customers.

Between June 2024 and July 2025 there were 396 urgent wastewater callouts. The median attendance time for these urgent callouts, from the time that the Council received notification of the fault to the time that our service personnel reached the site, was 33 minutes. This is quicker than the same period last year when the median attendance time for the year-to-date was 44 minutes. There was an 8% reduction in the number of urgent wastewater callouts in 2024/25 (396) when compared with 2023/24 (429), which contributed to the decrease in response time. We will continue to review and modify our management plans and procedures to ensure improvements continue to be made across our three water services.

The median resolution time for these urgent callouts, from the time that the Council received notification of the fault to the time that our service personnel confirm that the fault or interruption has been resolved, was 2.5 hours. This is slightly higher than the same period last year, when the median resolution time year-to-date was 2 hours, however, the result is still well within the target of no more than 4 hours. We will continue to review and modify our management plans and procedures to ensure improvements continue to be made across our three water services.

+ Measure required by the Department of Internal Affairs

# Effects on the wellbeing of the community

|                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Social</b><br><br>We care for, and about, all our people          | <p>Wastewater services we provide protect people's health and are essential for a healthy community.</p> <p>The collection and treatment of community wastewater is provided to manage public health risks associated with wastewater. We aim to keep the public informed and minimise the disruption of works required to manage the wastewater service.</p>                                                                                                                                                                                                                                   |
| <b>Economic</b><br><br>Our economy provides opportunities to prosper | <p>A reliable and sustainable wastewater service is essential for our existing businesses and encouraging new businesses to the city. As the city grows, Council continues to invest in the required wastewater infrastructure to enable economic development.</p>                                                                                                                                                                                                                                                                                                                              |
| <b>Environmental</b><br><br>We love and protect our environment      | <p>We manage potential effects of the wastewater network such as odour, noise, and discharges into waterways, and upgrade and replace infrastructure as necessary to protect the environment.</p>                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Cultural</b><br><br>Our unique and diverse culture is celebrated  | <p>Wastewater is managed in a way that upholds our obligations under Te Ture Whaimana o te Waikato – Vision and Strategy. Wastewater management practices can occasionally vary from Maaori cultural beliefs and practices. We consider Maaori values in relation to the discharge of water in all our wastewater activities and consult with local iwi as part of the resource consent process. Council continues to work with our iwi and mana whenua partners to enhance the way in which cultural values, aspirations and interests are incorporated into the way we manage wastewater.</p> |

# Capital projects

R - Renewals    LOS - Levels of Service    G - Growth

The following table summarises the capital projects planned for year one (2024-25) of the 2024-34 Long-Term Plan and the progress made during the period.

|                                                            | Type | Capex Long-Term Plan<br>2024/25 | Capex Actuals<br>2024/25 | Variance      |
|------------------------------------------------------------|------|---------------------------------|--------------------------|---------------|
| <b>Wastewater</b>                                          |      | \$000                           | \$000                    | \$000         |
| <b>Wastewater Collection</b>                               |      |                                 |                          |               |
| CE10100 - Wastewater pump station asset renewals           | R    | 935                             | 2,189                    | (1,254)       |
| CE10101 - Wastewater asset renewals                        | R    | 5,770                           | 4,879                    | 891           |
| CE15103 - Wastewater network improvements                  | LOS  | 9,469                           | 4,902                    | 4,567         |
| CE15104 - Wastewater pipe upgrades                         | G    | 893                             | 1                        | 891           |
| CE15105 - Rototuna wastewater infrastructure               | G    | 0                               | 0                        | 0             |
| CE15106 - Wastewater network upgrades to allow development | G    | 0                               | 0                        | (0)           |
| CE15107 - Rotokauri wastewater infrastructure              | G    | 0                               | 0                        | 0             |
| CE15109 - Peacocke wastewater infrastructure stage 1       | G    | 0                               | 0                        | 0             |
| CE15111 - Increase capacity of wastewater network          | G    | 0                               | 153                      | (153)         |
| CE15121 - Wastewater customer connections to network       | G    | 116                             | 2,430                    | (2,315)       |
| CE15160 - Wastewater model                                 | R    | 252                             | 388                      | (135)         |
| CE15161 - Wastewater master plan                           | G    | 154                             | 12                       | 142           |
| CE19040 - Peacocke wastewater infrastructure stage 2       | G    | 1,478                           | 2,186                    | (708)         |
| CE19042 - Peacocke wastewater south network                | G    | 15,450                          | 4,810                    | 10,639        |
| CE19043 - Increase capacity wastewater west network        | G    | 5,637                           | 4,126                    | 1,512         |
| CE19044 - Increase capacity wastewater east network        | G    | 1,050                           | 674                      | 376           |
| CE23004 - Infrastructure Acceleration Fund                 | G    | 864                             | 574                      | 290           |
| <b>Wastewater Collection total</b>                         |      | <b>42,067</b>                   | <b>27,324</b>            | <b>14,743</b> |
| <b>Wastewater Treatment and Disposal</b>                   |      |                                 |                          |               |
| CE10115 - Wastewater treatment plant asset renewals        | R    | 5,374                           | 3,823                    | 1,551         |
| CE15117 - Upgrade wastewater treatment plant               | G    | 22,356                          | 2,938                    | 19,417        |
| CE15120 - Wastewater treatment plant compliance            | LOS  | 2,856                           | 1,486                    | 1,370         |
| CE21073 - Subregional wastewater treatment plant           | G    | 3,150                           | 779                      | 2,371         |
| <b>Wastewater Treatment and Disposal total</b>             |      | <b>33,736</b>                   | <b>9,027</b>             | <b>24,709</b> |
| <b>Wastewater total</b>                                    |      | <b>75,803</b>                   | <b>36,351</b>            | <b>39,452</b> |

### Variances:

- CE10115 - Wastewater treatment plant asset renewals - Deferred Wastewater Treatment Resource Consent Renewal to align with the Subregional wastewater treatment plant resource consent.
- CE15103 - Wastewater network improvements - Rephased some projects to achieve better community engagement.
- CE15117 - Upgrade wastewater treatment plant - Pukete Inlet experienced delays in procurement and market response. Contractor offers exceeded the budget, requiring additional Council funding. Construction is now scheduled to begin in November 2025.
- CE15120 - Wastewater treatment plant compliance - Impacted by the delays of the Upgrade wastewater treatment plant (CE15117), which is due to the market offers exceeding budget, and the project had to get additional funds approved by Council.
- CE15121 - Wastewater customer connections to network - This is driven by the market and developer requests for connection to the network.
- CE19042 - Peacocke wastewater south network - Delayed completion of Whatukooruru Stage 2 and potential contractual implications. Developer upsize contribution shifted to 2025/26 to align with Private Development Agreement commitments. Potential savings in 2025/26 dependent on final construction outcomes.
- CE19043 - Increase capacity wastewater west network - The Te Anau/Splitt project moved from the Peacocke programme to the Wastewater programme in early 2025. Planning began and construction is now planned to start by the end of 2025.
- CE21073 - Subregional wastewater treatment plant - The procurement process for design services during the consenting phase took longer than expected.



# Wastewater funding impact statement

For year ended 30 June 2025

|                                                                         | Long-Term Plan 2024 | Actual 2024    | Long-Term Plan 2025 | Actual 2025    |
|-------------------------------------------------------------------------|---------------------|----------------|---------------------|----------------|
|                                                                         | \$000               | \$000          | \$000               | \$000          |
| <b>Sources of Operating Funding</b>                                     |                     |                |                     |                |
| General rates, uniform annual general charges, rates penalties          | 28,351              | 28,542         | 31,909              | 31,998         |
| Targeted rates                                                          | 5,061               | 5,769          | 7,025               | 7,061          |
| Subsidies and grants for operating purposes                             | -                   | 517            | -                   | 152            |
| Fees and charges                                                        | 7,335               | 8,619          | 9,224               | 8,890          |
| Local authorities fuel tax, fines, infringement fees and other receipts | 526                 | 4,245          | 1,687               | 2,895          |
| Internal charges and overheads recovered                                | -                   | -              | -                   | 238            |
| <b>Total operating funding</b>                                          | <b>41,274</b>       | <b>47,692</b>  | <b>49,845</b>       | <b>51,234</b>  |
| <b>Application of Operating Funding</b>                                 |                     |                |                     |                |
| Payments to staff and suppliers                                         | 28,517              | 35,476         | 27,557              | 25,953         |
| Finance costs                                                           | 4,660               | 8,349          | 10,120              | 9,076          |
| Internal charges and overheads applied                                  | -                   | -              | -                   | 7,159          |
| Other operating funding applications                                    | -                   | -              | -                   | -              |
| <b>Total applications of operating funding</b>                          | <b>33,177</b>       | <b>43,825</b>  | <b>37,677</b>       | <b>42,188</b>  |
| <b>Surplus/(deficit) of operating funding</b>                           | <b>8,097</b>        | <b>3,867</b>   | <b>12,168</b>       | <b>9,046</b>   |
| <b>Sources of capital funding</b>                                       |                     |                |                     |                |
| Subsidies and grants for capital expenditure                            | 80                  | 3,623          | 1,270               | 2,893          |
| Development and financial contributions                                 | 10,782              | 9,697          | 8,526               | 7,303          |
| Increase/(decrease) in debt                                             | 34,505              | 38,327         | 65,163              | 14,353         |
| Gross proceeds from sale of assets                                      | -                   | 90             | -                   | -              |
| Lump sum contributions                                                  | -                   | -              | -                   | -              |
| Other dedicated capital funding                                         | -                   | -              | -                   | -              |
| <b>Total sources of capital funding</b>                                 | <b>45,366</b>       | <b>51,737</b>  | <b>74,959</b>       | <b>24,549</b>  |
| <b>Applications of capital funding</b>                                  |                     |                |                     |                |
| Capital expenditure                                                     |                     |                |                     |                |
| - to meet additional demand                                             | 46,380              | 44,301         | 51,147              | 18,684         |
| - to improve the level of service                                       | 2,785               | 8,816          | 12,325              | 6,388          |
| - to replace existing assets                                            | 10,472              | 8,514          | 12,332              | 11,279         |
| Increase/(decrease) in reserves                                         | (6,456)             | (3,018)        | 10,626              | (4,603)        |
| Increase/(decrease) in investments                                      | 281                 | (3,009)        | 698                 | 1,846          |
| <b>Total applications of capital funding</b>                            | <b>53,463</b>       | <b>55,604</b>  | <b>87,127</b>       | <b>33,595</b>  |
| <b>Surplus/(deficit) of capital funding</b>                             | <b>(8,097)</b>      | <b>(3,867)</b> | <b>(12,168)</b>     | <b>(9,046)</b> |
| <b>Funding balance</b>                                                  | <b>-</b>            | <b>-</b>       | <b>-</b>            | <b>-</b>       |

# 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.



# Delivering on our Long-Term Plan

## 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 10 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.

## Highlights for 2024-25

In July 2024 the annual compliance report was submitted to Waikato Regional Council (WRC) regarding compliance with the Stormwater Discharge consent held by Council to discharge stormwater from the City. This report involves significant input from staff from across the business who review, compile, and interpret data and monitoring from several sources.

Part of Council's compliance requirements of the Stormwater Discharge Consent from WRC involves the completion of sediment and on-lot stormwater device audits. Sediment audits involve reviewing sediment control practices used by builders and developer to control the sediment run-off and staff completed 100 of these audits by mid-year. On-lot stormwater device audits involve inspection of devices that are required by resource consent to control stormwater run-off from paved or hard surfaces and staff completed 100 of these audits by mid-year too.

We continued the development of Integrated Catchment Management Plans (ICMP) for both Te Rapa and Waitawhiriwhiri catchments in the city. An ICMP is a strategy for managing land, water and ecosystems within a catchment area. They are a requirement under the conditions of Council's Comprehensive Stormwater Discharge Consent from Waikato Regional Council.

## Service performance measure:

**You can expect:** The stormwater system is designed and maintained to minimise the likelihood of stormwater entering habitable buildings.

Key: **Achieved** | **Not achieved**

| Measure                                                                          | 2024 - 25 target                   | 2024 - 25 result                                | 2023 - 24 result                                                   |
|----------------------------------------------------------------------------------|------------------------------------|-------------------------------------------------|--------------------------------------------------------------------|
| The number of flooding events <sup>^</sup> that occur within the city.+          | No more than 3 flooding events     | <b>2 flooding events</b>                        | <b>0 flooding events</b>                                           |
| For each flooding event <sup>^</sup> , the number of habitable floors affected.+ | No more than 1 per 1000 properties | <b>0.03 flooding events per 1000 properties</b> | <b>0.00 habitable floors per 1000 properties across all events</b> |

### What's behind the results

This measure indicates the number of times the design or performance of the stormwater system has affected habitable buildings. A flooding event is defined as an overflow of stormwater from our stormwater system that enters a habitable floor.

A total of 392 reports of flooding were received this financial year, and two of these resulted in an event where flooding entered a habitable floor. The flooding events occurred during heavy rainfall and were predominantly due to the impact of a discharge from private infrastructure rather than failure of the stormwater system. The result is higher than the last financial year when no habitable floors were flooded, however, is still within our target of no more than three flooding events. Continued implementation of preventative maintenance programmes and construction of new stormwater infrastructure to design standards will minimise flooding and impact on dwellings as climate change brings periods of more intense rainfall.

The two flooding events where flooding is believed to have entered a habitable floor were at the same address a few weeks apart. These flooding events have been investigated, and the cause of these events was determined to not be due to the performance of the stormwater system. Continued implementation of preventative maintenance programmes and construction of new stormwater infrastructure to design standards will minimise flooding and impact on dwellings as climate change brings periods of more intense rainfall.

<sup>^</sup> A flooding event means an overflow of stormwater from a territorial authority's stormwater system that enters a habitable floor (a floor of a building (including a basement) but does not include ancillary structures such as stand-alone garden sheds or garages)  
<sup>+</sup> Measure required by the Department of Internal Affairs

**You can expect:** Council will operate and maintain the stormwater system to minimise the impact on the environment.

Key: **Achieved** | **Not achieved**

| Measure                                                                                                                     | 2024 - 25 target                                   | 2024 - 25 result                                          | 2023 - 24 result                                          |
|-----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|
| The number of abatement notices related to the management of the stormwater system.+                                        | No more than 1 abatement notice                    | <b>0 abatement actions</b>                                | <b>0 abatement actions</b>                                |
| The number of infringement notices, enforcement orders and convictions related to the management of the stormwater system.+ | 0 infringement, enforcement, or conviction actions | <b>0 infringement, enforcement, or conviction actions</b> | <b>0 infringement, enforcement, or conviction actions</b> |

### What's behind the results

We hold a resource consent that requires us to avoid or minimise pollution in the city's waterways. We monitor the quality of stormwater discharge by taking samples from catchment areas across the city. These measures indicate if we are operating within the conditions of our resource consent.

There were no abatement notices, infringement notices, enforcement orders or convictions notices received this financial year in relation to the management of the stormwater system. Council notifies Waikato Regional Council of all wastewater overflows that result in discharges to land or water including where a discharge enters the stormwater system, however, none of these notifications have resulted in any infringement notices, enforcement orders or convictions from the stormwater system.

There were no abatement notices, infringement notices, enforcement orders or convictions notices received this financial year in relation to the management of the stormwater system. Council notifies Waikato Regional Council of all wastewater overflows that result in discharges to land or water including where a discharge enters the stormwater system, however, none of these notifications have resulted in any infringement notices, enforcement orders or convictions from the stormwater system.

+ Measure required by the Department of Internal Affairs

**You can expect:** A timely response if there is a problem with the stormwater system or flooding of a habitable building

Key: **Achieved** | **Not achieved**

| Measure                                                                                                                                            | 2024 - 25 target        | 2024 - 25 result    | 2023 - 24 result |
|----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|---------------------|------------------|
| The median response time, from the time that we receive notification to the time that our service personnel reach the site of the flooding event.+ | No more than 60 minutes | <b>26.5 minutes</b> | <b>0 minutes</b> |

**What’s behind the results**

This measure reports on the median response time, from the time that we received notification to the time that our service personnel reach that site of the flooding event. A flooding event is defined as an overflow of stormwater from our stormwater system that enters a habitable floor.

A total of 392 reports of flooding were received this financial year, and two of these resulted in an event where flooding entered a habitable floor. The median response time of the two flooding events that impacted a habitable floor was 26.5 minutes – well within our target of no more than 60 minutes.

Continued implementation of preventative maintenance programmes and construction of new stormwater infrastructure to design standards will minimise flooding and impact on dwellings as climate change brings periods of more intense rainfall.

+ Measure required by the Department of Internal Affairs



**You can expect:** We provide a reliable and effective stormwater system that the community is satisfied with.

Key: **Achieved** | **Not achieved**

| Measure                                                                            | 2024 - 25 target                                | 2024 - 25 result                           | 2023 - 24 result                            |
|------------------------------------------------------------------------------------|-------------------------------------------------|--------------------------------------------|---------------------------------------------|
| The number of complaints received about the performance of the stormwater system.+ | No more than 20 complaints per 1000 connections | <b>3.12 complaints per 1000 properties</b> | <b>13.40 complaints per 1000 properties</b> |

### What's behind the results

This measure indicates customer and community satisfaction with the quality of the stormwater system. The number of complaints provides an indication of the quality of the service provided. This measure also provides data that highlights problems requiring attention, such as the need for maintenance, new infrastructure, or upgrades.

We received 203 complaints relating to the performance of the stormwater system this financial year. Of these:

- 121 were general complaints
- 19 were for blockages
- 32 were for cleaning/clearing drains, open streams, or pipelines
- 13 were for a spill
- 4 were for flooding on the property (but not in the house)
- 1 was for flooding on the road
- 12 were for missing manhole lids and/or storm grates
- 1 was for odour.

This is a decrease on the number of complaints received in the last financial year. The reason for the decrease is that this reporting year does not include complaints related to stormwater assets that are primarily for the purpose of the Transportation (e.g. road flooding, blocked or broken catchpits). We will continue to review and modify our management plans and procedures to ensure improvements continue to be made across our three water services.

These results mean that there was a total of 3.12 complaints per 1000 properties, comfortably meeting the target of no more than 20 complaints per 1000 connections.

+ Measure required by the Department of Internal Affairs

# Effects on the wellbeing of the community

|                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Social</b><br><br>We care for, and about, all our people          | We manage the piped stormwater network and stormwater overflow paths to minimise the impact of heavy rainfall events on people and property. As the city grows, Council continues to invest in the required stormwater infrastructure to protect people and property. Investment in blue green infrastructure, which replicates natural processes to manage and treat stormwater, enhances the natural environments and the associated amenity value within the city. We aim to keep the public informed and minimise the disruption of works required to manage the stormwater service. |
| <b>Economic</b><br><br>Our economy provides opportunities to prosper | A reliable and sustainable stormwater network is essential for our existing businesses and encouraging new businesses to the city. As the city grows, Council continues to invest in the required stormwater infrastructure to enable economic development. Investment in blue green infrastructure, which replicates natural processes to manage and treat stormwater, enhances natural environments, and attracts new people and business to the city. By minimising the impact of heavy rainfall events on people and property, the economic impact of such events is also minimised. |
| <b>Environmental</b><br><br>We love and protect our environment      | Stormwater is managed in a way which minimised the impacts to the environment from both stormwater contaminants such as sediments, oils, greases, rubbish and metal/organic materials that have washed off roads or other surfaces and the rate and volume of stormwater discharged which can cause erosion in our waterways. Investment in blue green infrastructure, which replicates natural processes to manage and treat stormwater, enhances the natural environments and biodiversity outcomes within the city.                                                                   |
| <b>Cultural</b><br><br>Our unique and diverse culture is celebrated  | Stormwater is managed in a way that upholds our obligations under Te Ture Whaimana o te Waikato – Vision and Strategy. Stormwater management practices can occasionally vary from Maaori cultural beliefs and practices. We consider Maaori values in relation to our water-related activities and consult with local iwi as part of the resource consent process. Council continues to work with our iwi and mana whenua partners to enhance the way in which cultural values, aspirations and interests are incorporated into the way we manage stormwater.                            |

# Capital projects

R - Renewals    LOS - Levels of Service    G - Growth

The following table summarises the capital projects planned for year one (2024-25) of the 2024-34 Long-Term Plan and the progress made during the period.

|                                                           | Type | Capex Long-Term Plan<br>2024/25 | Capex Actuals<br>2024/25 | Variance     |
|-----------------------------------------------------------|------|---------------------------------|--------------------------|--------------|
| <b>Stormwater Network</b>                                 |      | \$000                           | \$000                    | \$000        |
| CE10058 - Stormwater asset renewals                       | R    | 2,616                           | 546                      | 2,070        |
| CE15059 - Rototuna stormwater infrastructure              | G    | 526                             | 19                       | 507          |
| CE15060 - Rotokauri stormwater infrastructure stage 1     | G    | 4,984                           | 2,729                    | 2,255        |
| CE15062 - Peacocke stormwater infrastructure stage 1      | G    | 2,088                           | 1,232                    | 856          |
| CE15063 - Peacocke stormwater infrastructure stage 2      | G    | 3,918                           | 3,893                    | 26           |
| CE15067 - Comprehensive stormwater consent implementation | LOS  | 175                             | 15                       | 160          |
| CE15068 - Stormwater customer connections                 | G    | 26                              | 1,165                    | (1,139)      |
| CE15162 - Integrated Catchment Management Plan            | G    | 2,286                           | 852                      | 1,434        |
| CE19026 - Erosion control works                           | LOS  | 2,319                           | 1,196                    | 1,123        |
| CE21031 - Flood management                                | LOS  | 525                             | 120                      | 405          |
| CE21032 - Stormwater infrastructure upgrades              | G    | 890                             | 0                        | 890          |
| CE21062 - Stormwater asset upgrades                       | LOS  | 0                               | 0                        | 0            |
| CE21066 - Ruakura stormwater infrastructure               | G    | 0                               | 23                       | (23)         |
| CE21068 - Water Stimulus - Stormwater                     | LOS  | 0                               | 0                        | 0            |
| CE23003 - Infrastructure Acceleration Fund                | G    | 599                             | 637                      | (39)         |
| <b>Stormwater Network total</b>                           |      | <b>20,952</b>                   | <b>12,427</b>            | <b>8,525</b> |

## Variances:

- CE10058 - Stormwater asset renewals - Deferred to enable more time for more robust asset condition assessment, scoping and planning.
- CE15060 - Rotokauri stormwater infrastructure stage 1 - Scope finalizations have taken longer than expected, impacting the commencement date of the projects.
- CE15068 - Stormwater customer connections - This is driven by the market and developer requests for connection to the network.
- CE15162 - Integrated Catchment Management Plan - Cost to complete the project were below the initial estimation.
- CE19026 - Erosion control works - Scope finalisations and site prioritization took longer than expected, impacting the commencement date of the projects.

# Stormwater funding impact statement

| For year ended 30 June 2025                                             | Long-Term Plan 2024 | Actual 2024     | Long-Term Plan 2025 | Actual 2025     |
|-------------------------------------------------------------------------|---------------------|-----------------|---------------------|-----------------|
|                                                                         | \$000               | \$000           | \$000               | \$000           |
| <b>Sources of Operating Funding</b>                                     |                     |                 |                     |                 |
| General rates, uniform annual general charges, rates penalties          | 17,732              | 17,894          | 16,174              | 16,285          |
| Targeted rates                                                          | 2,598               | 2,532           | 2,305               | 2,315           |
| Subsidies and grants for operating purposes                             | -                   | 179             | -                   | 81              |
| Fees and charges                                                        | 341                 | 571             | 260                 | 538             |
| Local authorities fuel tax, fines, infringement fees and other receipts | 138                 | 989             | 427                 | 565             |
| Internal charges and overheads recovered                                | -                   | -               | -                   | 90              |
| <b>Total operating funding</b>                                          | <b>20,810</b>       | <b>22,165</b>   | <b>19,165</b>       | <b>19,875</b>   |
| <b>Application of Operating Funding</b>                                 |                     |                 |                     |                 |
| Payments to staff and suppliers                                         | 6,399               | 6,304           | 4,589               | 3,747           |
| Finance costs                                                           | 1,451               | 2,615           | 2,690               | 2,310           |
| Internal charges and overheads applied                                  | -                   | -               | -                   | 2,640           |
| Other operating funding applications                                    | -                   | -               | -                   | -               |
| <b>Total applications of operating funding</b>                          | <b>7,850</b>        | <b>8,919</b>    | <b>7,278</b>        | <b>8,696</b>    |
| <b>Surplus/(deficit) of operating funding</b>                           | <b>12,960</b>       | <b>13,246</b>   | <b>11,887</b>       | <b>11,179</b>   |
| <b>Sources of capital funding</b>                                       |                     |                 |                     |                 |
| Subsidies and grants for capital expenditure                            | 27                  | 2,481           | 1,134               | 4,465           |
| Development and financial contributions                                 | 6,211               | 5,646           | 2,001               | 2,122           |
| Increase/(decrease) in debt                                             | 11,008              | (497)           | 17,434              | (4,395)         |
| Gross proceeds from sale of assets                                      | -                   | 15              | -                   | -               |
| Lump sum contributions                                                  | -                   | -               | -                   | -               |
| Other dedicated capital funding                                         | -                   | -               | -                   | -               |
| <b>Total sources of capital funding</b>                                 | <b>17,246</b>       | <b>7,645</b>    | <b>20,569</b>       | <b>2,191</b>    |
| <b>Applications of capital funding</b>                                  |                     |                 |                     |                 |
| Capital expenditure                                                     |                     |                 |                     |                 |
| - to meet additional demand                                             | 12,521              | 18,016          | 15,318              | 10,551          |
| - to improve the level of service                                       | 3,557               | 1,532           | 3,019               | 1,330           |
| - to replace existing assets                                            | 1,269               | 1,213           | 2,616               | 546             |
| Increase/(decrease) in reserves                                         | 12,785              | 65              | 11,320              | 1,519           |
| Increase/(decrease) in investments                                      | 74                  | 65              | 184                 | (576)           |
| <b>Total applications of capital funding</b>                            | <b>30,207</b>       | <b>20,891</b>   | <b>32,456</b>       | <b>13,370</b>   |
| <b>Surplus/(deficit) of capital funding</b>                             | <b>(12,960)</b>     | <b>(13,246)</b> | <b>(11,887)</b>     | <b>(11,179)</b> |
| <b>Funding balance</b>                                                  | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>-</b>        |

# 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.





# Delivering on our Long-Term Plan

## 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.

## Highlights for 2024-25

The media campaign by the Waikato Times “Enough of this rubbish” brought illegal dumping and litter occurring in Hamilton into the headlines. Staff supported events by providing equipment removing rubbish, providing interviews, and fulfilling requests for information to support the news articles. Following capital improvements made to the Horotiu Closed Landfill in the 2023/24 financial year, all site leachate levels continue to meet consented requirements. The abatement notice for Horotiu Closed landfill issued by Waikato regional Council in July 2022 was cancelled in April 2025.

Construction and demolition bunkers were installed at the Lincoln Street Resource Recovery Centre to aid the separation of construction and demolition material. Separated materials such as wood, metal and gib are extracted from material being sent to landfill.

Thrifty Threads, a second-hand clothing event in conjunction with local charities, enjoyed another successful year at the Meteor Theatre in September 2024. Hospice raised \$24,000, with approximately 2300 people through the doors over the week. Clothing diverted from landfill was 18,000kg equal (equivalent of 18 fully grown elephants).



There were over 300 individual engagements with the public at the Your Neighbourhood event in August 2024.

7286 tonnes of material was diverted from landfill through the kerbside collection during the first half of the year. During the same period, 6237 tonnes of material was from landfill at the Hamilton Organic Centre and Lincoln Street Resource Recovery Centre.

Second-hand Christmas: Eight second-hand stores provided a late-night shopping experience and other purchasing options for Christmas gifts in December 2024. Workshops were provided to more than 40 attendees, including reusable gift wrapping “furoshiki”. More than 300 shoppers browsed across the eight stores for the evening. The initiative was led by Hospice and supported by Council.

31.5 cubic metres of Tronpost (compost derived from Hamilton’s kerbside food scraps) was provided to community groups for use in gardens and projects on request, and the Tronpost Event, the annual giveaway of Tronpost to Hamilton residents in November 2024, saw 9.75 cubic metres of Tronpost given away.

Builders Breakfast: Council and Enviro NZ hosted a walk through and networking breakfast at the Resource Recovery Centre for the construction sector to view and discuss the new construction and demolition bunkers and encourage greater diversion of construction and demolition material. It was attended by 15 representatives from the construction sector.

Council and Enviro NZ developed a plan to combat kerbside recycling contamination. This included targeted inspections of bins and high contamination areas and city-wide stickering of bins that are compliant (providing positive reinforcement). An audit of kerbside recycling is being undertaken, however preliminary results based on the number of red tags issued by Bin Inspectors shows a significant reduction of red tags for non-compliance and an increase in green tags during the trial period.

Approval was obtained to introduce the Tyrewise scheme at the Lincoln Street Resource Recovery Centre from 1 July 2025.

The 2025 Waste Minimisation Fund of \$100,000 received 34 applications requesting \$326,000 in funding. The Application Assessment Panel recommended awarding a total of \$100,000 to 22 applicants. These projects will be delivered during 2025/26.

The Education Team engaged directly with 4,918 individuals, which was a 269% increase from 2023/24.

## Service performance measures:

**You can expect:** A timely response if there is a problem with rubbish and recycling.

Key: **Achieved** | **Not achieved**

| Measure                                                                                                                                                        | 2024 - 25 target                                                                                                                                        | 2024 - 25 result | 2023 - 24 result |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| The number of valid missed collections of kerbside rubbish, food waste and recycling not resolved by the end of the business day following the initial report. | 0 months with greater than five                                                                                                                         | <b>0 months</b>  | <b>0 months</b>  |
| The number of illegal dumping incidents not resolved within five business days following the initial contractor notification.                                  | 0 months with no greater than three collections of illegal dumping not resolved within five business days following the initial contractor notification | <b>0 months</b>  | <b>0 months</b>  |

### What's behind the results

There were only five valid missed collections not resolved by the end of the business day following the initial report over the whole financial year, meaning we met the target of no more than six in any month very comfortably.

Only two illegal dumping incidents for the financial year were not resolved within the target timeframe of five business days following the initial contractor notification - again ensuring we met the target comfortably.

**You can expect:** We will promote and encourage waste reduction, reuse and recycling.

Key: **Achieved** | **Not achieved**

| Measure                                                                                                                           | 2024 - 25 target                 | 2024 - 25 result     | 2023 - 24 result     |
|-----------------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------|----------------------|
| The percentage of waste recovered for recycling through Council-owned facilities.                                                 | At least 30%                     | <b>40.48%</b>        | <b>44.74%</b>        |
| The percentage of waste recovered for recycling through the kerbside collection.                                                  | At least 45%                     | <b>45.90%</b>        | <b>48.03%</b>        |
| The amount of waste received at Council operated waste facilities that is diverted from landfill.                                 | At least 14,500 tonnes per annum | <b>12,733 tonnes</b> | <b>14,437 tonnes</b> |
| The amount of construction and demolition materials received at Council-operated waste facilities that is diverted from landfill. | At least 4,000 tonnes per annum  | <b>2,906 tonnes</b>  | <b>4,257 tonnes</b>  |

### What's behind the results

Although our result for the percentage of waste recovered for recycling through Council-owned facilities and through kerbside collection was slightly lower than last year, we still comfortably met the targets for this financial year.

A total of 2,906 tonnes of construction and demolition materials received at Council-owned facilities were diverted from landfill this financial year. This fell short of our 4,000 tonne target due to the economic downturn, which reduced the amount of construction and demolition works taking place this year, but also in part due to wood materials not being able to be diverted. In addition, the third-party contractor conducted maintenance works, preventing them from accepting the wood materials, which was outside of Council control. This had a flow on effect to our results of total amount of waste received at Council-owned operations which was diverted from landfill, as the construction and demolition materials are included in this calculation. Although we missed the target, we were able to divert 12,733 tonnes of waste from landfill this financial year.

**You can expect:** Solid waste activities are delivered in a way that is sustainable, protects the environment, and is economical.

Key: **Achieved** | **Not achieved**

| Measure                                                                       | 2024 - 25 target                                                                                  | 2024 - 25 result                                                                       | 2023 - 24 result          |
|-------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|---------------------------|
| The number of enforcement actions against Council for solid waste activities. | No more than one abatement notice, and 0 infringement notices, enforcement orders, or convictions | <b>No abatement notices, infringement notices, enforcement orders, or convictions.</b> | <b>1 abatement notice</b> |
| The number of reported instances of illegal dumping.                          | No more than 2400 annually                                                                        | <b>2739 instances</b>                                                                  | <b>2165 instances</b>     |

#### What's behind the results

This financial year, there were no abatement notices, infringement notices, enforcement orders, or convictions issued. There was a previous Waikato Regional Council issued abatement notice from 8 July 2022 in regard to elevated leachate levels at Horotiu Closed Landfill. The abatement notice was cancelled on 17 April 2025 following the completion of actions within the abatement notice and 9-12 months of monitoring data.

There were 2,739 instances of illegal dumping reported this financial year. This is higher than the result last year (2165) and exceeds the annual target of no more than 2400 instances. Media coverage focused on illegal dumping raised awareness around the reporting of illegal dumping and was a contributing factor to the higher number of reported instances following the Christmas season. In response to the higher numbers, there has been an increased number of investigations into illegal dumping instances, which has resulted in higher enforcement actions with the intention to deter repeat illegal dumpers. Also, in response, staff address illegal dumping in all education programmes and information sessions.

# Effects on the wellbeing of the community

|                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Social</b><br><br>We care for, and about, all our people          | We protect public health by provided a solid waste service that deals with refuse, organic materials, and recycling. By encouraging the production of less waste and using innovative and effective systems for recycling, we are ensuring a clean city that all Hamiltonians may be proud of. This activity ensures that we have resources in place to respond to non-compliance of bylaws and legislation, and education initiatives to ensure that everyone in the city can understand how solid waste services operate, with a goal of waste minimisation.                                     |
| <b>Economic</b><br><br>Our economy provides opportunities to prosper | Our rubbish and recycling services are essential to our city's economy. A reliable and sustainable rubbish and recycling service is essential for our existing businesses and encouraging new businesses to the city. The provision of rubbish and recycling services locally also helps the economy by providing employment to residents in our city.                                                                                                                                                                                                                                             |
| <b>Environmental</b><br><br>We love and protect our environment      | Landfills have potential adverse environmental effects to soil, air, and waterways. To mitigate, we monitor gas and leachate at closed landfill sites and manage these within the requirements of our resource consent. Rubbish and recycling education provided to our local schools and community ensures that individuals are aware of what they can do to help minimise their effect on the environment through recycling practices and waste minimisation. We also encourage new practices for our communities to reduce their waste by providing grants through the Waste Minimisation Fund. |
| <b>Cultural</b><br><br>Our unique and diverse culture is celebrated  | No identified effect.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

# Capital projects

R - Renewals    LOS - Levels of Service    G - Growth

The following table summarises the capital projects planned for year one (2024-25) of the 2024-34 Long-Term Plan and the progress made during the period.

|                                           | Type | Capex Long-Term Plan<br>2024/25 | Capex Actuals<br>2024/25 | Variance     |
|-------------------------------------------|------|---------------------------------|--------------------------|--------------|
| <b>Rubbish and Recycling</b>              |      |                                 |                          |              |
| CE10054 - Closed landfill assets renewals | R    | \$000<br>1,318                  | \$000<br>342             | \$000<br>976 |
| <b>Rubbish and Recycling total</b>        |      | <b>1,318</b>                    | <b>342</b>               | <b>976</b>   |



# Rubbish and Recycling funding impact statement

For year ended 30 June 2025

|                                                                         | Long-Term Plan 2024 | Actual 2024    | Long-Term Plan 2025 | Actual 2025    |
|-------------------------------------------------------------------------|---------------------|----------------|---------------------|----------------|
|                                                                         | \$000               | \$000          | \$000               | \$000          |
| <b>Sources of Operating Funding</b>                                     |                     |                |                     |                |
| General rates, uniform annual general charges, rates penalties          | 9,537               | 9,557          | 13,309              | 13,303         |
| Targeted rates                                                          | 294                 | 28             | 33                  | 35             |
| Subsidies and grants for operating purposes                             | 659                 | 2,496          | 1,534               | 3,423          |
| Fees and charges                                                        | 37                  | 215            | 65                  | 258            |
| Local authorities fuel tax, fines, infringement fees and other receipts | 457                 | 344            | 199                 | 248            |
| Internal charges and overheads recovered                                | -                   | -              | -                   | 197            |
| <b>Total operating funding</b>                                          | <b>10,984</b>       | <b>12,640</b>  | <b>15,140</b>       | <b>17,464</b>  |
| <b>Application of Operating Funding</b>                                 |                     |                |                     |                |
| Payments to staff and suppliers                                         | 10,143              | 18,856         | 11,691              | 17,157         |
| Finance costs                                                           | 176                 | 639            | 945                 | 961            |
| Internal charges and overheads applied                                  | -                   | -              | -                   | 1,870          |
| Other operating funding applications                                    | -                   | -              | -                   | -              |
| <b>Total applications of operating funding</b>                          | <b>10,319</b>       | <b>19,495</b>  | <b>12,636</b>       | <b>19,989</b>  |
| <b>Surplus/(deficit) of operating funding</b>                           | <b>665</b>          | <b>(6,855)</b> | <b>2,504</b>        | <b>(2,525)</b> |
| <b>Sources of capital funding</b>                                       |                     |                |                     |                |
| Subsidies and grants for capital expenditure                            | -                   | 281            | -                   | -              |
| Development and financial contributions                                 | -                   | -              | -                   | -              |
| Increase/(decrease) in debt                                             | 120                 | 6,032          | 1,202               | 2,360          |
| Gross proceeds from sale of assets                                      | -                   | 7              | -                   | -              |
| Lump sum contributions                                                  | -                   | -              | -                   | -              |
| Other dedicated capital funding                                         | -                   | -              | -                   | -              |
| <b>Total sources of capital funding</b>                                 | <b>120</b>          | <b>6,320</b>   | <b>1,202</b>        | <b>2,360</b>   |
| <b>Applications of capital funding</b>                                  |                     |                |                     |                |
| Capital expenditure                                                     | -                   | -              | -                   | -              |
| - to meet additional demand                                             | -                   | -              | -                   | -              |
| - to improve the level of service                                       | 168                 | 415            | -                   | -              |
| - to replace existing assets                                            | 449                 | 625            | 1,318               | 342            |
| Increase/(decrease) in reserves                                         | 131                 | (789)          | 2,297               | (816)          |
| Increase/(decrease) in investments                                      | 37                  | (786)          | 92                  | 309            |
| <b>Total applications of capital funding</b>                            | <b>785</b>          | <b>(535)</b>   | <b>3,707</b>        | <b>(165)</b>   |
| <b>Surplus/(deficit) of capital funding</b>                             | <b>(665)</b>        | <b>6,855</b>   | <b>(2,504)</b>      | <b>2,525</b>   |
| <b>Funding balance</b>                                                  | <b>-</b>            | <b>-</b>       | <b>-</b>            | <b>-</b>       |

# Statement of Service Performance – assumptions and judgements

Our Statement of Service Performance, as provided from page 20 to 210, has been prepared in accordance with the requirements of the Standard for Service Performance Reporting: Public Benefit Entity Financial Reporting Standard 48 Service Performance Reporting (PBE FRS 48), and the Local Government Act 2002, which includes the requirement to report on the level of service achieved for a group of activities against the performance target or targets for that group of activities. It reports on the entity described on page 220.

Council's service performance information is summarised in 'Summary of our delivery' and in Delivering on our Priorities (the Statements of Service Performance section), which details the financial and non-financial information for each activity. 'Delivering on our Priorities' explains how we measure our non-financial performance for our groups of activities.

PBE FRS 48 emphasises the need for judgement when determining the extent of information to disclose concerning the current reporting period and progress toward long-term objectives.

## Significant judgements in the selection of non-financial performance measures

When we prepared the forecast Statement of Service Performance in the 2024-34 Long-Term Plan, we made the follow judgements in the selection of our service performance measures:

- We considered the extent to which the levels of service we plan to provide to the community were captured by performance measures; and
- We considered the feedback provided by our community, particularly feedback provided in relation to the levels of service and performance measures received throughout the 2024-34 Long-Term Plan consultation process.

## Community Services; Governance; Partnerships, Communication and Maaori; Venues, Tourism and Events; Parks and Recreation; Rubbish and Recycling:

There are no mandatory performance measures for these activities, nor any measures that have been established through

legislation. In selecting measures for these activities, regard was given to those that:

- are of high public interest;
- focus on the most important aspects of the services that Council provides;
- demonstrate alignment with our Priorities (defined as Community Outcomes);
- are essential to measuring the successful delivery of intended levels of service;
- relate to a community service level or expectation that is well understood; or
- arise pursuant to a contractual arrangement.

## Transport

The Department of Internal Affairs (DIA) has specified a series of mandatory performance measures for this activity. These mandatory measures are intended to enable comparability of performance across similar sized local authorities. All of the measures that are required to be reported against have been included in our performance framework and calculated in accordance with DIA guidance.

## Growth

We are required to process building consents, resource consents, and Code Compliance Certificates within statutory timeframes – as such, we have included performance measures relating to the timeliness of our processing as it is meaningful to our community and demonstrates that we aim to meet our statutory obligations.

The percentage of new resource consent applications processed within statutory timeframes is measured to demonstrate our commitment to our legislative obligations and enable benchmarking between councils.

We are required to report annually on our ability to provision and supply residential and business zoned land under the National Policy Statement for Urban Development. Performance measures relating to the supply and provisioned capacity of this land is a matter of community interest and demonstrates active monitoring of our city's development, as well as compliance with regional and national policy and reporting requirements. We have included performance measures for this outcome in our performance framework.

## Water supply; Wastewater; Stormwater

The Department of Internal Affairs (DIA) has specified a series of mandatory performance measures for these activities. Our selection included DIA mandatory measures that are intended to enable comparability of performance across similar sized local authorities. All of the measures that are required to be reported against by the DIA have been included in our performance framework and calculated in accordance with the 'Local Government Mandatory Performance Measures' within the DIA guidance [www.dia.govt.nz/Resource-material-Our-Policy-Advice-Areas-Local-Government-Policy#performance-measures](http://www.dia.govt.nz/Resource-material-Our-Policy-Advice-Areas-Local-Government-Policy#performance-measures).

We have not identified any significant aspects of service performance outside of the DIA measures, as such, no additional performance measures have been included for these activities.

Drinking Water Quality is a mandatory DIA measure, however, in November 2022 the regulatory body in place over the safety of drinking water has transitioned from the Drinking Water Quality Standards (DWS) to the new Drinking Water Quality Assurance Rules (DWQARs) making the legislative references in the DIA measures obsolete. An assessment of compliance with the equivalent drinking water quality standards and requirements has been undertaken by an independent qualified Drinking Water Quality Specialist to demonstrate compliance.

Real water loss is a 'top-down' view, used to identify where water supplied into a water supply distribution network is utilised and

the level of water loss occurring in a water supply network. We use the standard International Water Association (IWA) water balance in accordance with the Water New Zealand Water Loss Guidelines to calculate how much water is lost from the water network. A formal report assessing our water balance approach was undertaken by Thomas Consultants.

## Targets

Annual targets of 'maintain or increase' on previous year's performance recognise the importance of steady progress towards our goals.

As part of setting funding levels, we have considered the impact on services and their related performance measures. Despite funding pressures across Council, it was determined that it is possible to continue to provide services at current levels and the related performance measures do not need to be adjusted for funding reasons.

## Underlying logic, assumptions, and definitions in our non-financial performance measures

All non-financial performance measures are reported in a consistent manner when compared to the 2024/25 performance results, including a quantitative result and accompanying contextual information (as provided in 'What's behind the results?').

## Surveys

To measure the quality of our outputs, we use customer surveys to assess the quality of the service provided. Our customer satisfaction surveys relate to customer interactions with Council services, as opposed to wider perceptions (e.g., satisfaction with our Regulatory and Safety activities).

The 'Pulse Survey' is an annual survey undertaken by an independent research provider on Council's behalf. The survey uses a representative sample of Hamiltonians from the electoral role that reflect the demographic makeup of Hamilton Kirikiriroa. The survey includes a range of questions that collect both quantitative data and qualitative commentary, which provide a wide breadth of feedback to generate insights. The results of this survey inform reporting on several performance measures relating to satisfaction with Council services. Results from this survey also inform our community outcome performance measures. Data for the most recent Pulse Survey was collected between March and April 2025.

The Quality of Life Survey is a two-yearly survey undertaken by an independent research provider. The survey is conducted in partnership with eight councils nationwide with the purpose of measuring residents' perceptions across a range of measures that impact on New Zealanders' quality of life. Data for the most recent Quality of Life Survey was collected in mid-2024.

Both the Pulse Survey and Quality of Life Survey use the same methodology and sampling procedure.

Where service performance measures use survey information, this 2024/25 Annual Report uses the latest Pulse Survey results, containing the most up-to-date perceptions of our community's quality of life. Over 800 people across the city responded to the survey.

## Libraries and Aquatic Facilities satisfaction

We undertake customer surveys to understand customer satisfaction of those who use our services and facilities. We collect email addresses and phone numbers from our customers at or prior to the point of interactions. These are sent to an independent survey company, who send a survey link through email to a random sample of people from these lists. Customers can also give their feedback about their relevant interactions through short surveys on the iPads at Waterworld, Libraries, and the Customer Service Desk at the Municipal Building. We try to ask customers their perceptions of our services at, or shortly after, their interactions with Council to enable better recall of the interaction so that the customer's voice is clear, and feedback may be actioned without delay.

## Perceptions and attitudes of our residents

We use general population surveys to track the attitudes and perceptions of Hamiltonians more broadly via the Pulse Survey and the Quality of Life Survey, which enables a comparison across councils of the impacts on residents' quality of life.

We draw information for the following service performance measures from the abovementioned surveys:

- The percentage of respondents who are satisfied that Council provides genuine opportunities for them to have a say in shaping Hamilton.
- The percentage of central city users surveyed who feel very safe or reasonably safe in the central city during daytime.
- The percentage of survey respondents who are happy with Hamilton's parks and open spaces.

We draw information for the following community outcome measures from the abovementioned surveys:

- The percentage of residents who think Hamilton is a great place to live.
- The percentage of residents who are proud of how Hamilton looks and feels.
- The percentage of residents who believe we make decisions that are in the best interest of the city (community outcome measure).

NielsenIQ conducted the Quality of Life Survey from 23 April to 1 August 2024 across eight metro councils, and one regional council. 85% of responses came via an online survey, with an

additional 15% being sourced from face-to-face surveying. Hamiltonians were selected from the New Zealand Electoral Roll, with hard-to-reach groups being oversampled. Of those who were sent an invitation to participate, 527 responded, providing data pertaining to their perception of quality of life within Hamilton. Responses were weighted according to the 2023 Census population data. The sample size and methodology allow for a maximum margin of error of  $\pm 1.2\%$  (with a 95% confidence interval) across the national, and a maximum margin error of  $\pm 4.3\%$  for Hamilton-specific data (at the 95% confidence interval).

As perceptions can change within the two-year cycle, Council commissioned Versus to run a more recent Pulse survey in order to gain the most up to date perceptions of our community's quality of life. While the methodology and sampling procedure was the same for both surveys (electoral roll sampling; a majority of responses received via online surveying paired with additional face-to-face surveying), we sampled a higher number of people from our Hamilton population to provide more accurate insights into community perceptions going into our next long-term plan cycle. The Pulse survey ran from 24 February to 11 April 2025, and 870 Hamiltonians responded. This sample has a maximum margin of error of  $\pm 3.3\%$  at the 95% confidence interval.



## Aggregation

Where multiple site or locations contribute to the overall number of visitation and/or participation this has been aggregated into our result. This includes visitation/participation for measures for the following activities:

- Libraries
- Aquatic Facilities
- Venues, Tourism and Events

The number of unique experiences to visit our visitor destinations has also been aggregated across our sites.

## Definitions

A working day means any day except for a weekend day, public holiday, or those days between 19 December and 9 January. If a notification is received over the weekend or on a public holiday, the timeframe starts from the next working day. The processing clock may be stopped at any point should we require further information from the applicant.

A flooding event means an overflow of stormwater from our stormwater system that enters a habitable floor (meaning a building, including a basement, but does not include ancillary structures such as standalone garden sheds or garages).

All filters, logic, assumptions, definitions, limitations, and sources are recorded in detailed Service Performance Measure information sheets.

# Changes to Service Performance Information

Per the requirements of FRS 48 guidance issued in 2023, Hamilton City Council are required to disclose any alterations in the content or presentation of their service information and provide a summary of these changes, along with providing a clear explanation regarding the rationale for these changes. This disclosure requirement ensures transparency and accountability in the reporting process. By summarising the modifications and explaining the rationale behind them, stakeholders and users of the financial information can gain a comprehensive understanding of how the entity's service information has evolved over time.

| Adopted 2021-31 Long-Term Plan (Year Three) |         |        | Change in Long-Term Plan 2024-34 (Year One) |         |        | Rationale for Change |
|---------------------------------------------|---------|--------|---------------------------------------------|---------|--------|----------------------|
| Outcome                                     | Measure | Target | Outcome                                     | Measure | Target |                      |

#### Community Services: Aquatic Facilities

|                                |                                       |                                                                     |                                   |                                                     |                                                                                       |                                             |                                                                                                                                                                                                                                                                                     |
|--------------------------------|---------------------------------------|---------------------------------------------------------------------|-----------------------------------|-----------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| New                            | N/A                                   |                                                                     |                                   | We provide programmes that support safer water use. | The number of enrolments in aqua education and learn to swim programmes.              | 82,000                                      | The measure was selected as Learn to Swim and Aqua Education are part of one of the four outcome priorities in the 2021-2031 Aquatics Strategy. The measure tells us how many students have enrolled with our Learn to Swim programme, and programmes that support safer water use. |
|                                |                                       |                                                                     |                                   |                                                     | The number of partnership programmes delivered each year.                             | At least ten programmes delivered per annum | The measure is related to a key outcome in the 2021-2031 Aquatics Strategy around community outcomes. It tells us how many high-quality partnership programmes we have delivered which supports our work in the community.                                                          |
| Significantly modified measure | Our aquatic facilities are well used. | The number of visits to Council owned aquatic facilities each year. | At least 500,000 visits each year | Our aquatic facilities are well used.               | The number of visits to Council owned aquatic facilities and partner pools each year. | Maintain or increase on previous year       | Changed to reflect partner pools inclusion and ensuring achievable outcomes with visitation.                                                                                                                                                                                        |

#### Community Services: Libraries

|                                 |                              |                                                                                |                               |                              |                                                                      |                           |                                                                                                                                                                                                   |
|---------------------------------|------------------------------|--------------------------------------------------------------------------------|-------------------------------|------------------------------|----------------------------------------------------------------------|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| New                             | N/A                          |                                                                                |                               | Our libraries are well used. | The percentage of Hamilton residents who are active library members. | At least 21%              | A national metric that benchmarks Hamilton City Libraries against other Libraries in New Zealand. This statistic is useful to track year to year activity of Hamiltonians using library services. |
| Significantly modified measures | Our libraries are well used. | The number of physical and online issues by Hamilton City Libraries each year. | 2% increase on previous years | Our libraries are well used. | The number of physical issues by Hamilton City Libraries each year.  | Increase on previous year | Separated physical and online issues into two measures, for clearer reporting.                                                                                                                    |
|                                 |                              |                                                                                |                               |                              | The number of online issues by Hamilton City Libraries each year.    | Increase on previous year |                                                                                                                                                                                                   |

#### Transport

|                                |                                                                                                                                                                                                                                 |                                                                                                                                        |                                       |            |            |              |                                                                                                                                                                |
|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|------------|------------|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Retired measure                | We'll prioritise building connected and safe walkways and cycleways that promote transport choices that are accessible to all, bringing neighbourhoods together and allowing people to move around our city quickly and easily. | The increase in active mode trips on Hamilton's network.                                                                               | Increase of at least 3% on prior year | N/A        |            |              | This measure was retired due to ongoing challenges with monitoring and reporting data. We continue to monitor growth in walking and cycling, for internal use. |
| Significantly modified measure | You can expect the transport network to be kept in good operating condition.                                                                                                                                                    | The percentage of qualifying footpaths within Hamilton that meet the level of service standard of less than 5 faults per 100m section. | At least 92%                          | No change. | No change. | At least 84% | The target was reduced to reflect funding decisions made during the development of the 2024-34 Long-Term Plan.                                                 |

| Adopted 2021-31 Long-Term Plan (Year Three) |         |        | Change in Long-Term Plan 2024-34 (Year One) |         |        | Rationale for Change |
|---------------------------------------------|---------|--------|---------------------------------------------|---------|--------|----------------------|
| Outcome                                     | Measure | Target | Outcome                                     | Measure | Target |                      |

### Governance

|                 |                                                                                             |                                                                                      |                                    |     |                                                                                             |                                                                                  |                                                                                                                                                                                                                                          |
|-----------------|---------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|------------------------------------|-----|---------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| New             | N/A                                                                                         |                                                                                      | We meet our statutory obligations. |     | The percentage of official information requests responded to within legislative timeframes. | 100% of official information requests responded to within legislative timeframes | By meeting out legislative requirements to respond to official information request we are meeting the needs of our community and increasing accountability, transparency and the understanding of Council decision making and processes. |
| Retired measure | We'll empower and enable our diverse communities to share their voice and shape their city. | The percentage of Hamilton Kirikiriroa voter turnout for local government elections. | Increase on previous year          | N/A |                                                                                             |                                                                                  | Frequency of elections is only once every three years. It was not sufficient or accurate information on how empowered the community was.                                                                                                 |

### Partnerships, Communication and Maaori

This is a new Group of Activities in the 2024-34 Long-Term Plan. The Activity 'Community Development' in the Community Services Group of Activities in the 2021-31 Long-Term Plan is now known as 'Community Partnerships and Funding', within the Partnerships, Communication and Maaori Group of Activities.

|                                 |                                                                       |                                                                                                                     |                                                                                                                                                                |                                                                       |                                                                                                                                         |                                                                       |                                                                                                                                                                     |
|---------------------------------|-----------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| New                             | N/A                                                                   |                                                                                                                     | We facilitate and provide opportunities for communities to drive and own their self-development.                                                               |                                                                       | The delivery in partnership of culturally significant events that honour our unique heritage.                                           | At least three events                                                 | These measures relate to a new Activity in the 2024-34 Long-Term Plan: Amorangi Maaori.                                                                             |
|                                 |                                                                       |                                                                                                                     |                                                                                                                                                                |                                                                       | The percentage of Tiriti o Waitangi partners that are satisfied with Council's performance as a good partner.                           | Establish baseline                                                    |                                                                                                                                                                     |
| Significantly modified measures | N/A                                                                   |                                                                                                                     | We make it easy for Hamiltonians to share their voice in a way that suits them, and then use these insights to support Council decisions and shape our future. |                                                                       | The percentage of respondents who are satisfied that Council provides genuine opportunities for them to have a say in shaping Hamilton. | Establish baseline                                                    | This measure relates to a new Activity in the 2024-34 Long-Term Plan: Communication and Engagement.                                                                 |
|                                 | We work alongside others to support a strong and connected community. | The value of services leveraged for every \$1 of community grant funding provided.                                  | At least \$3 worth of services leveraged for every \$1 provided                                                                                                | We work alongside others to support a strong and connected community. | The value of services leveraged for every \$1 of Community Partnership Grant funding provided (Multi-Year Grant).                       | At least \$3.00 worth of services leveraged for every \$1.00 provided | Measure has been modified from 2021-31 to split out between Community Partnership Grants (Multi-Year) and Community Assistance and Community Service Grant funding. |
|                                 | N/A                                                                   |                                                                                                                     |                                                                                                                                                                |                                                                       | The value of services leveraged for every \$1 of Community Assistance Grant and Community Service Grant funding provided.               | At least \$3.00 worth of services leveraged for every \$1.00 provided |                                                                                                                                                                     |
| Retired measure                 | We work alongside others to support a strong and connected community. | The percentage of community stakeholders surveyed who are satisfied with community and social development outcomes. | At least 80%                                                                                                                                                   | N/A                                                                   |                                                                                                                                         |                                                                       | Very limited responses to the survey by identified community stakeholders.                                                                                          |

### Growth

|                                |                                                                                |                                                                                      |                 |                                                                                |                                                                                        |     |                                                         |
|--------------------------------|--------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|-----|---------------------------------------------------------|
| Significantly modified measure | We will support the delivery of safe, sustainable, and attractive development. | Average processing days for non-notified land use and subdivision resource consents. | 20 working days | We will support the delivery of safe, sustainable, and attractive development. | Percentage of new resource consent applications processed within statutory timeframes. | 95% | To align with other councils for benchmarking purposes. |
|--------------------------------|--------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|-----|---------------------------------------------------------|

| Adopted 2021-31 Long-Term Plan (Year Three) |                                                                                                                                                                                     |                                                           |                                                             | Change in Long-Term Plan 2024-34 (Year One)                                                                                                                                         |                                                                                                                                                      |                             | Rationale for Change                                                                                                                                                                                                                                                                                                                                           |
|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Outcome                                     |                                                                                                                                                                                     | Measure                                                   | Target                                                      | Outcome                                                                                                                                                                             | Measure                                                                                                                                              | Target                      |                                                                                                                                                                                                                                                                                                                                                                |
| Regulatory and Safety                       |                                                                                                                                                                                     |                                                           |                                                             |                                                                                                                                                                                     |                                                                                                                                                      |                             |                                                                                                                                                                                                                                                                                                                                                                |
| New                                         | N/A                                                                                                                                                                                 |                                                           |                                                             | We will provide a citywide coordinated response to and recovery from emergencies to reduce the impact on people and the economy.                                                    | The evaluation of our annual exercise as a measure of effectiveness of training delivery.                                                            | At least 60%                | This measure provides insight and feedback into our preparedness for responding to or recovering from a national or regional emergency by assessing the effectiveness of the Civil Defence and Emergency Management training programme.                                                                                                                        |
| Significantly modified measures             | We will support the delivery of safe, sustainable and attractive development.                                                                                                       | Average processing days for building consents.            | 18 working days                                             | We will support the delivery of safe, sustainable and attractive development.                                                                                                       | The percentage of building consent applications issued within statutory timeframes.                                                                  | 95%                         | To align with other councils for benchmarking purposes.                                                                                                                                                                                                                                                                                                        |
|                                             |                                                                                                                                                                                     | Average processing days for Code Compliance Certificates. | 18 working days                                             |                                                                                                                                                                                     | The percentage of code compliance certificates issued within statutory timeframes.                                                                   | 95%                         |                                                                                                                                                                                                                                                                                                                                                                |
| Venues, Tourism and Events                  |                                                                                                                                                                                     |                                                           |                                                             |                                                                                                                                                                                     |                                                                                                                                                      |                             |                                                                                                                                                                                                                                                                                                                                                                |
| New                                         | N/A                                                                                                                                                                                 |                                                           |                                                             | We'll invest in and enhance Waikato Museum, Hamilton Gardens, Hamilton Zoo and Waiwhakareke Natural Heritage Park to create new and unique experiences for our people and visitors. | The average review score across Trip Advisor and Google for each destination:<br><br>i. Hamilton Gardens<br>ii. Waikato Museum<br>iii. Hamilton Zoo. | Greater than 4              | Visitor satisfaction is determined from a combined score sourced from a substantial number of public reviews of our Visitor Destinations on Trip Advisor and Google. The online score across online platforms is a cumulative point in time score, rather than across a financial year. This reflects local, domestic, and international visitor satisfaction. |
| Retired measure                             | We'll invest in and enhance Waikato Museum, Hamilton Gardens, Hamilton Zoo and Waiwhakareke Natural Heritage Park to create new and unique experiences for our people and visitors. | The number of new unique experiences.                     | At least 10 each year across the three visitor destinations | N/A                                                                                                                                                                                 |                                                                                                                                                      |                             | It was determined that "new unique" was difficult to quantify and could potentially include every new exhibition, rendering the measure ineffective.                                                                                                                                                                                                           |
| Parks and Recreation                        |                                                                                                                                                                                     |                                                           |                                                             |                                                                                                                                                                                     |                                                                                                                                                      |                             |                                                                                                                                                                                                                                                                                                                                                                |
| New                                         | N/A                                                                                                                                                                                 |                                                           |                                                             | Our parks and the facilities in them are accessible.                                                                                                                                | The percentage of survey respondents who are happy with Hamilton's parks and open spaces.                                                            | 68%                         | This provides an indication of whether people are satisfied with our open spaces network.                                                                                                                                                                                                                                                                      |
|                                             | N/A                                                                                                                                                                                 |                                                           |                                                             | The city's ecosystems and biodiversity are understood, protected and restored.                                                                                                      | The percentage of native vegetation cover in the city.                                                                                               | Maintain or improve on 2.5% | Native vegetation cover is critical in the re-establishment of healthy ecosystem function. The percentage of native vegetation cover is across all land ownership types. It includes the number of Council-owned natural areas actively managed by Council to illustrate Council's contribution to achieving the target, as well as land in private ownership. |

| Adopted 2021-31 Long-Term Plan (Year Three) |         |        | Change in Long-Term Plan 2024-34 (Year One) |         |        | Rationale for Change |
|---------------------------------------------|---------|--------|---------------------------------------------|---------|--------|----------------------|
| Outcome                                     | Measure | Target | Outcome                                     | Measure | Target |                      |

#### Parks and Recreation continued...

|                                 |                                                                       |                                                                                                            |                                |                                                                                |                                                                                     |                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------------------------------|-----------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|--------------------------------|--------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| New                             |                                                                       |                                                                                                            |                                | The city's ecosystems and biodiversity are understood, protected and restored. | The number of private gully owners registered with the Gully Restoration Programme. | Maintain or improve on 270                                         | This measure helps Council to understand the level of investment that landown ers with gullies are making in growing more nature in the city. To reach 10% native vegetation cover Council needs to educate, guide and support private landowners who own gully sections to understand the importance of restoring these areas. This measure will help Council to understand where restoration is occurring and how the support can be adjusted to enable more people to undertake restoration. |
|                                 |                                                                       |                                                                                                            |                                |                                                                                | The number of volunteers for native restoration projects.                           | 14,604                                                             | Measured by records kept by Nature in the City Community Restoration Advisors, this reflects community engagement, scalability, education, and programme sustainability. It indicates level of awareness, participation, and support from the public, provides a larger workforce for restoration tasks, educates and inspires others, ensures long-term sustainability, and allows for tracking progress and effectiveness over time.                                                          |
| Significantly modified measures | Our parks and the facilities in them are accessible.                  | The percentage of residential households with access to a neighbourhood park within 500m walking distance. | Maintain or increase on 80.21% | Our parks and the facilities in them are accessible.                           | The percentage of households with access to a neighbourhood park:                   | i. within 400m walking distance for all medium/ high density areas | Split into two measures to reflect changes to the Open Space Provision Policy.                                                                                                                                                                                                                                                                                                                                                                                                                  |
|                                 |                                                                       |                                                                                                            |                                |                                                                                |                                                                                     | ii. within 500m walking distance for all other residential areas   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Retired measures                | Hamilton Park Cemetery is a preferred provider of cremation services. | The number of cremations carried out at Hamilton Park Cemetery.                                            | At least 1500.                 | N/A                                                                            |                                                                                     |                                                                    | This measure was introduced post Council making a significant investment in the reconstruction of the cremation facility. The facility remains competitive. The measure is not deemed useful as it was relevant when the new operator entered the market.                                                                                                                                                                                                                                       |
|                                 | Our parks and the facilities in them are accessible.                  | The percentage of Parks Survey respondents who are satisfied with the way they get to our city's parks.    | Maintain or increase on 89%    | N/A                                                                            |                                                                                     |                                                                    | This measure was retired but the information continues to be collected through the Pulse Survey for internal use. The new measure is focussed on satisfaction and provides an understanding of the benefit of our parks and the facilities themselves, rather than the method of getting there.                                                                                                                                                                                                 |



| Adopted 2021-31 Long-Term Plan (Year Three) |         |        | Change in Long-Term Plan 2024-34 (Year One) |         |        | Rationale for Change |
|---------------------------------------------|---------|--------|---------------------------------------------|---------|--------|----------------------|
| Outcome                                     | Measure | Target | Outcome                                     | Measure | Target |                      |

#### Parks and Recreation continued...

|                  |                                                                                |                                                                                                                         |                             |     |  |                                                                                                                                                                                                                                                                                                 |
|------------------|--------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Retired measures | Our parks and the facilities in them are accessible.                           | The percentage of Parks Survey respondents who agree the facilities in our parks and open spaces are easily accessible. | Maintain or increase on 61% | N/A |  | This measure was retired but the information continues to be collected through the Pulse Survey for internal use. The new measure is focussed on satisfaction and provides an understanding of the benefit of our parks and the facilities themselves, rather than the method of getting there. |
|                  | The city's ecosystems and biodiversity are understood, protected and restored. | Provide a range of opportunities each year for the community to learn about, care for and restore nature.               | At least two opportunities  | N/A |  | This measure was replaced by four new measures that provide a better understanding of our community's engagement with our city's ecosystems and biodiversity.                                                                                                                                   |

#### Water Supply

|                                 |                                       |                                                                                                                                       |                     |                                       |                                                                                                                                                                       |         |                                                                              |
|---------------------------------|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|------------------------------------------------------------------------------|
| Significantly modified measures | The water we supply is safe to drink. | The extent to which the Council's water supply complies with Part 4 of the drinking water standards for bacteria compliance criteria. | Achieved compliance | The water we supply is safe to drink. | The extent to which Council's drinking water supply complies with the Drinking Water Quality Assurance Rules 2022, part 4.10.2 T3 Protozal Rules.                     | All met | These are mandatory measures required by the Department of Internal Affairs. |
|                                 | The water we supply is safe to drink. | The extent to which the Council's water supply complies with Part 5 of the drinking water standards for protozoa compliance criteria. | Achieved compliance |                                       | The extent to which Council's drinking water supply complies with the Drinking Water Quality Assurance Rules 2022, part 4.10.1 T3 Bacteria Rules.                     | All met |                                                                              |
|                                 | N/A                                   |                                                                                                                                       |                     |                                       | The extent to which Council's drinking water supply complies with the Drinking Water Quality Assurance Rules 2022, part 4.11.5 D3.29 Microbiological Monitoring Rule. | All met |                                                                              |
|                                 | N/A                                   |                                                                                                                                       |                     |                                       | The extent to which Council's drinking water supply complies with 4.4 T1 Treatment Rules.                                                                             | All met |                                                                              |

| Adopted 2021-31 Long-Term Plan (Year Three) |         |        | Change in Long-Term Plan 2024-34 (Year One) |         |        | Rationale for Change |
|---------------------------------------------|---------|--------|---------------------------------------------|---------|--------|----------------------|
| Outcome                                     | Measure | Target | Outcome                                     | Measure | Target |                      |

### Rubbish and Recycling

|                 |                                                                     |                                                                                        |                                |                                                                                                                 |                                                                                                                                   |                                                                                                                                                         |                                                                                                                                                                                              |
|-----------------|---------------------------------------------------------------------|----------------------------------------------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| New             | N/A                                                                 |                                                                                        |                                | A timely response if there is a problem with rubbish and recycling.                                             | The number of illegal dumping incidents not resolved within five business days following the initial contractor notification.     | 0 months with no greater than three collections of illegal dumping not resolved within five business days following the initial contractor notification | This measure tells us whether the community is being provided with a reliable, resilient and responsive clearance of illegally dumped items.                                                 |
|                 | N/A                                                                 |                                                                                        |                                | We will promote and encourage waste reduction, reuse and recycling.                                             | The amount of construction and demolition materials received at Council-operated waste facilities that is diverted from landfill. | At least 4000 tonnes per annum                                                                                                                          | This measure was introduced to monitor the performance of Council and its contractors in minimising the amount of waste being sent to landfill.                                              |
|                 | N/A                                                                 |                                                                                        |                                | Solid waste activities are delivered in a way that is sustainable, protects the environment, and is economical. | The number of enforcement actions against Council for solid waste activities.                                                     | No more than one abatement notice, and 0 infringement notices, enforcement orders, or convictions                                                       | This measure tells the community whether Council is meeting it's obligations pursuant to the Resource Management Act 1991.                                                                   |
|                 | N/A                                                                 |                                                                                        |                                |                                                                                                                 | The number of reported instances of illegal dumping.                                                                              | No more than 2400 annually                                                                                                                              | This measure assesses the effectiveness of Council's education and enforcement of illegal dumping.                                                                                           |
| Retired measure | A timely response if there is a problem with rubbish and recycling. | The number of valid missed collections of kerbside rubbish, food waste, and recycling. | 0 months with greater than 110 | N/A                                                                                                             |                                                                                                                                   |                                                                                                                                                         | This measure was retired due to external factors influencing this measure that are outside of Council's control. Other measures ensure that the level of service is measured and maintained. |





# Financial matters

Ko ngaa take puutea

# Financial statements

## Ngaa tauaakii aa-tahua

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

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

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

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

#### Statement of comprehensive revenue and expense

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

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

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

#### Statement of financial position

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

#### Statement of cashflows

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

**These four statements reflect Council's actual position to the budget. The 2024-25 budget was adopted by Council through the 2024-25 Annual Plan.**

#### Notes to the financial statements

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

# Statement of comprehensive revenue and expenses

## Tauaakii o ngaa whiwhinga me ngaa whakapaunga matawhaanui

For the year ended 30 June 2025

|                                                                                |      | Council        |                |                      |
|--------------------------------------------------------------------------------|------|----------------|----------------|----------------------|
|                                                                                | Note | Actual 2025    | Budget 2025    | Actual Restated 2024 |
|                                                                                |      | \$000          | \$000          | \$000                |
| <b>Revenue</b>                                                                 |      |                |                |                      |
| Rates                                                                          | 3    | 304,069        | 302,672        | 255,719              |
| Fees and charges                                                               | 5    | 57,689         | 50,107         | 51,985               |
| Subsidies and grants                                                           | 4    | 18,145         | 10,854         | 27,638               |
| Interest revenue                                                               | 6    | 15,102         | 12,163         | 17,721               |
| Other revenue                                                                  | 7    | 10,399         | 8,173          | 10,049               |
| Development contributions                                                      | 9    | 18,955         | 21,174         | 31,842               |
| Capital revenue                                                                | 10   | 60,601         | 64,545         | 55,020               |
| Vested assets                                                                  | 11   | 29,663         | 36,750         | 55,265               |
| <b>Total revenue (excluding gains)</b>                                         |      | <b>514,623</b> | <b>506,438</b> | <b>505,239</b>       |
| <b>Expenditure</b>                                                             |      |                |                |                      |
| Personnel costs                                                                | 12   | 127,872        | 132,753        | 122,704              |
| Depreciation and amortisation expense                                          | 14   | 112,663        | 112,104        | 108,362              |
| Finance costs                                                                  | 13   | 63,749         | 61,249         | 59,310               |
| Operating and maintenance costs                                                | 15   | 107,131        | 98,884         | 90,650               |
| Professional costs                                                             | 15   | 13,234         | 17,020         | 17,019               |
| Administration costs                                                           | 15   | 22,836         | 25,876         | 66,468               |
| Property costs                                                                 | 15   | 16,575         | 16,829         | 15,844               |
| <b>Total expenses (excluding losses)</b>                                       |      | <b>464,060</b> | <b>464,715</b> | <b>480,357</b>       |
| <b>Operating surplus/(deficit)*</b>                                            |      | <b>50,563</b>  | <b>41,723</b>  | <b>24,882</b>        |
| Gains                                                                          | 8    | 20,109         | 915            | 48,493               |
| Losses                                                                         | 8    | (37,488)       | -              | (34,906)             |
| Share of associates' surplus/(deficit)                                         | 32   | 14,806         | -              | (1,994)              |
| <b>Surplus/(deficit) before tax</b>                                            |      | <b>47,990</b>  | <b>42,638</b>  | <b>36,475</b>        |
| Income tax expense                                                             | 16   | -              | -              | -                    |
| <b>Surplus/(deficit) after tax</b>                                             |      | <b>47,990</b>  | <b>42,638</b>  | <b>36,475</b>        |
| <b>Other comprehensive revenue and expense</b>                                 |      |                |                |                      |
| <i>Items that could be reclassified to surplus/(deficit)</i>                   |      |                |                |                      |
| Financial assets at fair value through other comprehensive revenue and expense | 32   | 698            | -              | 438                  |
| <i>Items that will not be reclassified to surplus/(deficit)</i>                |      |                |                |                      |
| Gain on property, plant and equipment revaluations                             | 32   | 164,867        | 320,951        | 48,941               |
| Income tax on other comprehensive revenue and expense                          | 32   | -              | -              | -                    |
| Impairment of revalued property plant and equipment                            | 32   | -              | -              | (269)                |
| Other revaluation reserve movements                                            | 32   | 947            | -              | (7,318)              |
| <b>Total other comprehensive revenue and expense</b>                           |      | <b>166,512</b> | <b>320,951</b> | <b>41,792</b>        |
| <b>Total comprehensive revenue and expense</b>                                 |      | <b>214,502</b> | <b>363,589</b> | <b>78,267</b>        |

The accompanying notes form part of these financial statements.

Explanations of major variances against budget are provided in individual notes.

\*Surplus before gains and losses, share of associate's surplus and tax



# Balancing the books measure **Te whakataurite i ngaa kaute**

For the year ended 30 June 2025

|                                                                        | Note | Council         |                 |                      |
|------------------------------------------------------------------------|------|-----------------|-----------------|----------------------|
|                                                                        |      | Actual 2025     | Budget 2025     | Actual Restated 2024 |
|                                                                        |      | \$000           | \$000           | \$000                |
|                                                                        |      | Unaudited       |                 |                      |
| <b>Surplus/(deficit) before tax</b>                                    |      | <b>47,990</b>   | <b>42,638</b>   | <b>36,475</b>        |
| <b>Adjustments for balancing the books measure</b>                     |      |                 |                 |                      |
| <b>Remove capital revenue</b>                                          |      |                 |                 |                      |
| Vested assets                                                          | 11   | (29,663)        | (36,750)        | (55,265)             |
| Part of development and financial contributions <sup>1</sup>           | 9    | (13,676)        | (14,822)        | (20,697)             |
| Capital subsidy (excluding subsidy on transport renewals) <sup>2</sup> |      | (21,292)        | (33,532)        | (28,414)             |
| Other capital contributions                                            | 10   | (25,475)        | (18,315)        | (16,216)             |
| Other items not considered everyday operating revenue <sup>3</sup>     |      | (2,610)         | (104)           | (28,548)             |
| <b>Remove gains/losses</b>                                             |      |                 |                 |                      |
| All (gains)/losses and share of associates' surplus/(deficit)          |      | 2,573           | (915)           | (11,593)             |
| <b>Remove other expenses</b>                                           |      |                 |                 |                      |
| Other items not considered everyday operating expenses <sup>4</sup>    |      | 20,912          | 5,503           | 60,842               |
| <b>Balancing the books surplus/(deficit)</b>                           |      | <b>(21,241)</b> | <b>(56,298)</b> | <b>(34,868)</b>      |

<sup>1</sup> Development contributions contain an element of funding for interest and depreciation costs that are part of every day expenses. An adjustment is made to match the revenue with the expense.

<sup>2</sup> Subsidy on transport renewals is adjusted to recognise that this is funding a portion of the depreciation on these renewals.

<sup>3</sup> Adjustment for fair value calculation on the Housing Infrastructure Fund loans, dividends, extraordinary grants and reserve movement.

<sup>4</sup> 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, extraordinary personnel costs, future aftercare costs related to the landfill provision and extraordinary expenditure from terminated capital projects.

# Statement of changes in equity **Tauaakii rerekeetanga o te tuutanga**

**For the year ended 30 June 2025**

| For the year ended 30 June 2025                                       | Council |             |             |                      |
|-----------------------------------------------------------------------|---------|-------------|-------------|----------------------|
|                                                                       | Note    | Actual 2025 | Budget 2025 | Actual Restated 2024 |
|                                                                       |         | \$000       | \$000       | \$000                |
| Equity balance at 1 July                                              |         | 5,667,666   | 5,483,600   | 5,589,399            |
| Total comprehensive revenue and expense for the year                  |         | 214,502     | 363,589     | 78,267               |
| Equity balance at 30 June                                             | 32      | 5,882,168   | 5,847,189   | 5,667,666            |
|                                                                       |         |             |             |                      |
| Accumulated comprehensive revenue and expense                         |         |             |             |                      |
| Balance at beginning of year as previously reported                   |         | 2,456,689   | 2,326,163   | 2,416,949            |
| Operating Surplus/(deficit)                                           |         | 47,990      | 42,638      | 36,475               |
| Transfers (to)/from restricted and council created reserves           |         | (4,780)     | (1,092)     | (3,029)              |
| Transfer from property revaluation reserves on disposal               |         | (7,173)     | -           | 6,294                |
| Balance at end of year                                                | 32      | 2,492,726   | 2,367,709   | 2,456,689            |
|                                                                       |         |             |             |                      |
| Revaluation reserves                                                  |         |             |             |                      |
| Balance at beginning of year                                          |         | 3,163,807   | 3,110,627   | 3,128,309            |
| Total other comprehensive revenue and expense                         |         | 166,512     | 320,951     | 41,792               |
| Transfer to accumulated comprehensive revenue and expense on disposal |         | 7,173       | -           | (6,294)              |
| Balance at end of year                                                | 32      | 3,337,492   | 3,431,578   | 3,163,807            |
|                                                                       |         |             |             |                      |
| Restricted and council created reserves                               |         |             |             |                      |
| Balance at beginning of year                                          |         | 47,170      | 46,809      | 44,141               |
| Transfers (to)/from reserves                                          |         | 4,780       | 1,092       | 3,029                |
| Balance at end of year                                                | 32      | 51,950      | 47,901      | 47,170               |
|                                                                       |         |             |             |                      |
| Non-controlling interest                                              |         | -           | -           | -                    |
|                                                                       |         |             |             |                      |
| Equity balance at 30 June                                             | 32      | 5,882,168   | 5,847,189   | 5,667,666            |

The accompanying notes from part of these financial statements.  
Explanations of major variances against budget are provided in individual notes.

# Statement of financial position **Tauaakii tuuranga puutea**

**For the year ended 30 June 2025**

|                                                 |      | Council          |                  |                      |
|-------------------------------------------------|------|------------------|------------------|----------------------|
|                                                 | Note | Actual 2025      | Budget 2025      | Actual Restated 2024 |
|                                                 |      | \$000            | \$000            | \$000                |
| <b>Assets</b>                                   |      |                  |                  |                      |
| <b>Current assets</b>                           |      |                  |                  |                      |
| Cash and cash equivalents                       | 17   | 97,056           | 159,229          | 95,301               |
| Receivables                                     | 18   | 45,422           | 41,928           | 37,329               |
| Prepayments                                     |      | 4,606            | 3,839            | 3,982                |
| Inventory                                       | 19   | 436              | 235              | 374                  |
| Non-current assets held for sale                | 20   | 4,282            | -                | 3,625                |
| Other financial assets                          | 22   | 106,185          | 35,620           | 100,928              |
| Derivative financial instruments                | 21   | 94               | -                | -                    |
| <b>Total current assets</b>                     |      | <b>258,081</b>   | <b>240,853</b>   | <b>241,539</b>       |
| <b>Non-current assets</b>                       |      |                  |                  |                      |
| Derivative financial instruments                | 21   | -                | 11,759           | 7,245                |
| Other financial assets                          |      |                  |                  |                      |
| - Investment in CCOs and other similar entities | 22   | 10,526           | 9,399            | 9,832                |
| - Investment in Joint Venture                   | 22   | -                | -                | -                    |
| - Other Investments                             | 22   | 31,023           | 24,159           | 23,291               |
| Total other financial assets                    | 22   | 41,549           | 33,558           | 33,123               |
| Investment in associates                        | 23   | 133,750          | 7,430            | 114,972              |
| Property, plant and equipment                   | 24   | 6,710,494        | 7,008,100        | 6,411,891            |
| Intangible assets                               | 25   | 30,745           | 49,106           | 33,439               |
| Investment property                             | 26   | 31,928           | 37,516           | 31,115               |
| <b>Total non-current assets</b>                 |      | <b>6,948,466</b> | <b>7,147,468</b> | <b>6,631,785</b>     |
| <b>Total assets</b>                             |      | <b>7,206,547</b> | <b>7,388,321</b> | <b>6,873,324</b>     |
| <b>Liabilities</b>                              |      |                  |                  |                      |
| <b>Current liabilities</b>                      |      |                  |                  |                      |
| Payables and deferred revenue                   | 27   | 86,366           | 84,325           | 63,758               |
| Derivative financial instruments                | 21   | 316              | -                | -                    |
| Employee entitlements                           | 28   | 12,643           | 15,037           | 11,002               |
| Provisions                                      | 29   | 5,630            | 4,119            | 4,899                |
| Borrowings                                      | 30   | 258,490          | 164,035          | 136,041              |
| <b>Total current liabilities</b>                |      | <b>363,445</b>   | <b>267,515</b>   | <b>215,700</b>       |
| <b>Non-current liabilities</b>                  |      |                  |                  |                      |
| Payables and deferred revenue                   | 27   | 6,919            | -                | -                    |
| Derivative financial instruments                | 21   | 12,205           | 225              | 375                  |
| Employee entitlements                           | 28   | 767              | 631              | 914                  |
| Provisions                                      | 29   | 18,477           | 15,829           | 17,472               |
| Borrowings                                      | 30   | 922,566          | 1,256,931        | 971,197              |
| <b>Total non-current liabilities</b>            |      | <b>960,934</b>   | <b>1,273,617</b> | <b>989,958</b>       |
| <b>Total liabilities</b>                        |      | <b>1,324,379</b> | <b>1,541,132</b> | <b>1,205,658</b>     |
| <b>Net assets</b>                               |      | <b>5,882,168</b> | <b>5,847,189</b> | <b>5,667,666</b>     |
| <b>Equity</b>                                   |      |                  |                  |                      |
| Accumulated comprehensive revenue and expense   | 32   | 2,492,726        | 2,367,709        | 2,456,689            |
| Revaluation Reserves                            | 32   | 3,337,492        | 3,431,578        | 3,163,807            |
| Restricted reserves                             | 32   | 45,774           | 43,613           | 43,980               |
| Council created reserves                        | 32   | 6,176            | 4,288            | 3,190                |
| <b>Total equity</b>                             |      | <b>5,882,168</b> | <b>5,847,189</b> | <b>5,667,666</b>     |

The accompanying notes form part of these financial statements.

Explanations of major variances against budget are provided in individual notes.

# Statement of cash flows **Tauaakii kapewhiti**

**For the year ended 30 June 2025**

## Cash flows from operating activities

### Cash was provided from:

|                                           |         |         |         |
|-------------------------------------------|---------|---------|---------|
| Rates revenue                             | 301,413 | 302,936 | 256,412 |
| Fees and charges                          | 54,550  | 50,107  | 49,289  |
| Government operating subsidies and grants | 18,145  | 10,854  | 27,638  |
| Government capital subsidies and grants   | 34,745  | 46,230  | 39,576  |
| Other capital contributions               | 44,276  | 39,489  | 45,399  |
| Interest received                         | 15,532  | 12,163  | 15,298  |
| Dividends received                        | 138     | 104     | 378     |
| Sundry revenue                            | 10,261  | 5,822   | 9,671   |

\$000 \$000 \$000

**479,060 467,705 443,661**

### Cash was applied to:

|                       |         |         |         |
|-----------------------|---------|---------|---------|
| Payments to employees | 126,378 | 131,472 | 123,451 |
| Payments to suppliers | 137,690 | 155,930 | 141,373 |
| Interest paid         | 57,647  | 54,938  | 52,835  |
| Tax payments          | -       | -       | -       |
| Net GST paid          | 847     | -       | (1,815) |

**322,562 342,340 315,844**

## Net cash flow from operating activities

34

**156,498 125,365 127,817**

## Cash flows from investing activities

### Cash was provided from:

|                                                     |         |       |        |
|-----------------------------------------------------|---------|-------|--------|
| Proceeds from other financial assets                | 117,759 | 448   | 65,428 |
| Proceeds from maturity of NZLGFA borrowers notes    | 2,380   | 1,630 | 1,790  |
| Proceeds from sale of assets held for sale          | -       | -     | -      |
| Proceeds from sale of intangible assets             | 13      | -     | -      |
| Proceeds from sale of property, plant and equipment | -       | -     | 483    |
| Proceeds from sale of investment property           | -       | -     | -      |

**120,152 2,078 67,701**

### Cash was applied to:

|                                           |         |         |         |
|-------------------------------------------|---------|---------|---------|
| Acquisition of other financial assets     | 127,476 | -       | 120,000 |
| NZLGFA borrower notes                     | 3,750   | 5,306   | 6,000   |
| Purchase of investment property           | -       | -       | 373     |
| Purchase of intangible assets             | 1,627   | -       | 4,577   |
| Purchase of property, plant and equipment | 211,209 | 334,384 | 348,402 |

**344,062 339,690 479,352**

## Net cash flow from investing activities

**(223,910) (337,612) (411,651)**

## Cash flow s from financing activities

### Cash was provided from:

|                       |         |         |         |
|-----------------------|---------|---------|---------|
| Loans raised          | 159,168 | 297,247 | 300,030 |
| Finance leases raised | -       | -       | -       |

**159,168 297,247 300,030**

### Cash was applied to:

|                          |        |        |        |
|--------------------------|--------|--------|--------|
| Loan repayments          | 90,000 | 85,000 | 95,000 |
| Finance lease repayments | -      | -      | 24     |

**90,000 85,000 95,024**

## Net cash flow from financing activities

**69,168 212,246 205,006**

Net increase/(decrease) in cash held

1,755 (1) (78,828)

Opening cash and cash equivalents balance

95,301 159,229 174,129

**Closing cash and cash equivalents balance**

**17**

**97,056 159,228 95,301**

The accompanying notes form part of these financial statements.



# Notes to the financial statements

## Nga nooti ki ngaa tauaakii aa-tahua

### Note 1: Statement of accounting policies

#### Reporting entity

Hamilton City Council (the Council) is a territorial local authority established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The primary objective of Council is to provide local infrastructure, local public services, and performs regulatory functions to the community. The Council does not operate to make a financial return.

The Council has designated it self as a public benefit entity (PBE) for the purposes of complying with generally accepted accounting practice.

The financial statements of the Council are for the year ended 30 June 2025. The financial statements were authorised for issue by Council on 2 October 2025.

#### Basis of preparation

The financial statements have been prepared on the going concern basis and the accounting policies have been applied consistently throughout the year.

#### Statement of compliance

The financial statements of the Council have been prepared in accordance with the requirements of the LGA and the Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRPR)), which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The financial statements and service performance information have been prepared in accordance with and comply with PBE Standards.

#### Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000), other than the remuneration and the severance payment disclosures in note 12, and the related party transaction disclosures in note 33. The remuneration, severance payment, and related party transaction disclosures are rounded to the nearest dollar.

#### New or amended standards adopted

Disclosure of Fees for Audit Firms' Services (Amendments to



PBE IPSAS 1) has been adopted in the preparation of these financial statements. The amendment changes the required disclosures for fees for services provided by the audit or review provider, including a requirement to disaggregate the fees into specified categories. This new disclosure is included in Note 15.

### **Other changes in accounting policies**

In the year ending 30 June 2024 the Council disposed of its controlling interest in Waikato Innovation Growth Limited Ltd. As a result, the entity no longer meets the definition of a controlling entity under PBE IPSAS 35 and has ceased preparing consolidated financial statements. The financial statements have been prepared on a standalone basis in accordance with PBE IPSAS. This has resulted in adopting equity accounting for Waikato Regional Airport Limited into the Council where it was previously equity accounted only in the Group consolidation.

There have been no other changes in the Council's accounting policies since the date of the last audited financial statements.

### **Standards and amendments issued and not yet effective and not early adopted.**

Standards and amendments issued but not yet effective, that have not been early adopted and relevant to the Council are:

#### **2024 Omnibus Amendments to PBE Standards (amendments to PBE IPSAS 1)**

This amendment clarifies the principles for classifying a liability as current or non-current. The amendment is effective for the year ended 30 June 2027.

The Council has not yet assessed in detail the impact of these amendments.

### **PBE IFRS 17: Insurance contracts**

PBE IFRS 17 establishes principles for the recognition, measurement, presentation, and disclosure of insurance contracts and will replace PBE IFRS 4. This standard is effective for the year ended 30 June 2027.

The Council has not yet assessed in detail the impact of these amendments.

### **Water services reform**

The Government enacted a water reform programme in February 2024 by repealing previous legislation and passing the Local Government Water Services Preliminary Arrangements Act 2024.

This new legislation required Council to deliver a Water Services Delivery Plan (WSDP) to the Secretary for Local Government.. Our WSDP has been approved by Council on 25 June 2025 and accepted by the Department of Internal Affairs on 24 July 2025.

Hamilton City Council and Waikato District Council have agreed to set up a joint CCO in accordance with the WSDP. The new entity is called IAWAI – Flowing Water Limited and was incorporated on 26 June 2025. We expect the entity will be accounted for by Council as a jointly controlled entity

The Council has agreed a Statement of Expectations with Waikato District Council that establishes the expectation to transfer the assets, liabilities, debt, contracts, consents, obligations and undertakings of the two Councils to a new entity to enable the effective operations of water, wastewater and stormwater systems by the new entity from 1 July 2026.

The extent of operations affected can be identified in the Funding Impact Statements for each of the Waters' activities. Property, Plant and Equipment asset categories which will be most significantly impacted are:

1. Water reticulation system
2. Water treatment plants
3. Wastewater reticulation system
4. Wastewater treatment plants

The quantification and timing and make up of debt transfers has not yet been determined. The net value of the transfer of assets and debt is expected to approximate the value of the Council's initial investment in IAWAI – Flowing Water.

Although the service potential of the assets will not be realised by the Council through use of the assets, it will be realised by the CCO to provide the same services to the same ratepayers before and after the transfer. Although legal ownership of the assets changes, the beneficiaries of the assets remain the same. Therefore assets and liabilities related to the transfer of the waters operations have not been reclassified as Held for Sale as at 30 June 2025.

### **Revaluations**

Water, sewer and stormwater reticulation assets were last revalued at 30 April 2022. Costs and market indicators have shown that a significant increase in the value of these assets is likely at 30 June 2025.

Initial valuation models and reports have produced results that Council does not consider sufficiently reliable for financial

reporting purposes at balance date. As a result, the revaluation has not been reflected in the annual report for the year ended 30 June 2025. However, because it is likely that the valuation of the assets has moved materially, not recording this increase in the asset values has resulted in a likely non-compliance with Generally Accepted Accounting Practice. Refer note 24 for further details.

### **Summary of significant accounting policies**

Significant accounting policies are included in the notes to which they relate.

Significant accounting policies that do not relate to a specific note are outlined below.

#### **Foreign currency transactions**

Foreign currency transactions (including those for which foreign exchange contracts are held) are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

#### **Goods and Services Tax (GST)**

Items in the financial statements are stated exclusive of GST, except for 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.

The net amount of GST recoverable from, or payable to the IRD is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

### **Budget figures**

The budget figures are those approved by the Council in its 2024-34 Long-Term Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Council in preparing these financial statements.

### **Critical accounting estimates and assumptions**

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Estimating the fair value of interest rate swaps - note 21
- Estimating the fair value of land, buildings and infrastructure assets - note 24

- Estimating the fair value of investment property - note 26
- Estimating the retirement gratuities obligations - note 28
- Estimating the landfill aftercare provision - note 29
- Estimating the provision for uncollectability of receivables - note 18.

### **Critical judgements in applying accounting policies**

Management has exercised the following critical judgements in applying accounting policies:

- Donated or vested land and buildings with use or return conditions - note 11
- Classification of property - note 24
- Assessing control and significant influence over the investment in associate - note 23

## Note 2: Exchange and non-exchange revenue

| Revenue classified as exchange or non-exchange transactions | Council        |                |
|-------------------------------------------------------------|----------------|----------------|
|                                                             | 2025           | 2024           |
|                                                             | \$000          | \$000          |
| <b>Revenue from exchange transactions</b>                   |                |                |
| Fees and charges                                            | 57,689         | 51,985         |
| Rental income                                               | 5,013          | 4,623          |
| Subsidies and grants                                        | 968            | 1,882          |
| Targeted rates for water supply                             | 9,846          | 8,744          |
| Interest revenue                                            | 15,102         | 17,721         |
| <b>Total revenue from exchange transactions</b>             | <b>88,618</b>  | <b>84,955</b>  |
| <b>Revenue from non-exchange transactions</b>               |                |                |
| Development contributions                                   | 18,955         | 31,842         |
| Subsidies and grants                                        | 17,177         | 25,756         |
| Capital revenue                                             | 60,601         | 55,020         |
| Infringements and fines                                     | 2,984          | 2,469          |
| Other revenue                                               | 2,402          | 2,957          |
| Rates, excluding targeted rates for water supply            | 294,223        | 246,975        |
| Vested assets                                               | 29,663         | 55,265         |
| <b>Total revenue from non-exchange transactions</b>         | <b>426,005</b> | <b>420,284</b> |
| <b>Total revenue</b>                                        | <b>514,623</b> | <b>505,239</b> |

## Note 3: Rates

### Accounting policy

General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivable and subsequent recognition of interest revenue. 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.

|                                                     | Council        |                |
|-----------------------------------------------------|----------------|----------------|
|                                                     | 2025           | 2024           |
|                                                     | \$000          | \$000          |
| <b>General rates</b>                                |                |                |
| General rates                                       | 289,831        | 243,308        |
| Rates charges to Council properties                 | (814)          | (658)          |
| <b>Targeted rates</b>                               |                |                |
| Metered water supply                                | 10,455         | 9,147          |
| Metered water charges to Council properties         | (609)          | (403)          |
| Business improvement district rate                  | 359            | 341            |
| Service category rates (water, refuse and sewerage) | 1,929          | 1,673          |
| Pool fencing                                        | 188            | -              |
| Central city                                        | 144            | 146            |
| Government compliance rate                          | 13,128         | 11,010         |
| <b>Penalties and remissions</b>                     |                |                |
| Rates penalties                                     | 1,773          | 1,566          |
| Rates remissions                                    |                |                |
| - Hardship                                          | (326)          | (218)          |
| - HCC utilities                                     | (10,050)       | (8,626)        |
| - HCC other                                         | (1,413)        | (1,191)        |
| - Community shop 50%                                | (83)           | (74)           |
| - Wastewater/Water/Refuse                           | (443)          | (302)          |
| <b>Total rates</b>                                  | <b>304,069</b> | <b>255,719</b> |

The Council is required by the LGFA Guarantee and Indemnity Deed to disclose in its financial statements (or notes) its annual rates income. That Deed defines annual rates income as an amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating Act) 2002 together with any revenue received by the Council from other local authorities for services provided by that Council for which those other local authorities rate. The annual rates income of the Council for the year ended 30 June 2025 for the purposes of the LGFA Guarantee and Indemnity Deed disclosure is shown below:

|                                  | Council          |                  |
|----------------------------------|------------------|------------------|
|                                  | 2025             | 2024             |
| Rates                            | \$000<br>304,069 | \$000<br>255,719 |
| <b>Total annual rates income</b> | <b>304,069</b>   | <b>255,719</b>   |

Explanation of significant variances against budget

|       | Council          |                  |
|-------|------------------|------------------|
|       | Actual 2025      | Budget 2025      |
| Rates | \$000<br>304,069 | \$000<br>302,672 |

Rates were higher than budget due to additional industrial growth.



# Note 4: Subsidies and grants

## Accounting policy

### NZ Transport Agency Waka Kotahi roading subsidies

The Council receives funding assistance from NZ Transport Agency Waka Kotahi, which subsidises part of the costs of maintenance of, and capital expenditure on, the local roading infrastructure. The subsidies are recognised as revenue on entitlement, as 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.

|                                                                          | Council       |               |
|--------------------------------------------------------------------------|---------------|---------------|
|                                                                          | 2025          | 2024          |
| Waka Kotahi NZ Transport Authority roading subsidy - operating           | \$000         | \$000         |
| Waste minimisation levy                                                  | 11,956        | 12,541        |
| Operating grants & funding related to Water Reform/Local Water Done Well | 3,371         | 2,449         |
| Other grants                                                             | 1,795         | 723           |
|                                                                          | 1,023         | 11,925        |
| <b>Total grants, subsidies and reimbursements</b>                        | <b>18,145</b> | <b>27,638</b> |

### Explanation of significant variances against budget

|                      | Council     |             |
|----------------------|-------------|-------------|
|                      | Actual 2025 | Budget 2025 |
| Subsidies and grants | \$000       | \$000       |
|                      | 18,145      | 10,854      |

Subsidies and Grants were \$7.3m favourable to budget. An additional \$3m of subsidies for maintenance were allocated out of the NZTA three year funding pool, enabling additional maintenance work to be undertaken. Additional \$1.8m of waste minimisation levies were received due to increased tonnage rates set by Central Government. \$1m was received through Better Off Funding for Local Water Done Well along with other targeted water reform funding.

# Note 5: 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. Generally this is determined by the proportion of costs incurred to date as a proportion of the estimated total costs of providing the service. 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

Revenue from the sale of goods is recognised when a product is sold to the customer.

|                                       |
|---------------------------------------|
| Animal control charges                |
| Building and resource consent charges |
| Cemetery and crematorium charges      |
| Event facilities charges              |
| Hamilton Gardens charges              |
| Parking fees                          |
| Swimming pools charges                |
| Trade waste charges                   |
| Zoo charges                           |
| Other fees and charges                |
| Commission received                   |
| Sale of goods                         |
| Operating contributions               |
| <b>Total fees and charges</b>         |

## Building and Resource Consents

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.

## Landfill fees

Fees for disposing of waste at the Council’s landfill are recognised on waste being disposed of by users.

| Council       |               |
|---------------|---------------|
| 2025          | 2024          |
| \$000         | \$000         |
| 1,264         | 1,198         |
| 11,726        | 10,042        |
| 2,018         | 1,869         |
| 6,847         | 8,639         |
| 3,141         | 181           |
| 2,719         | 1,850         |
| 3,466         | 3,044         |
| 3,191         | 3,366         |
| 2,687         | 2,634         |
| 4,051         | 3,600         |
| 1,593         | 2,090         |
| 1,003         | 832           |
| 13,983        | 12,640        |
| <b>57,689</b> | <b>51,985</b> |

## Explanation of significant variances against budget

| Council     |             |
|-------------|-------------|
| Actual 2025 | Budget 2025 |
| \$000       | \$000       |
| 57,689      | 50,107      |

Fees and charges were favourable to budget by \$7.6m. There was higher event activity at H3 venues and stronger than expected admissions and retail sales at the Gardens and Zoo. Additional revenue came from new planning related fees, developer contributions and recoveries from private plan changes.

## Note 6: Interest revenue

### Accounting policy

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

|                                      | Council       |               |
|--------------------------------------|---------------|---------------|
|                                      | 2025          | 2024          |
|                                      | \$000         | \$000         |
| <b>Interest revenue</b>              |               |               |
| Term deposits                        | 14,760        | 17,458        |
| Community loans (note 22)            | 32            | 39            |
| Local authority and government bonds | 310           | 224           |
| <b>Total interest revenue</b>        | <b>15,102</b> | <b>17,721</b> |

### Explanation of significant variances against budget

|                  | Council     |             |
|------------------|-------------|-------------|
|                  | Actual 2025 | Budget 2025 |
|                  | \$000       | \$000       |
| Interest revenue | 15,102      | 12,163      |

Interest revenue was favourable by \$2.9m to budget due to \$3.2m interest earned on interest rate swaps, offset by lower term deposit interest rates throughout the year.

# Note 7: Other revenue

## Accounting policy

### Infringements Fee and Fines

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

### Dividends

Dividends 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).

|                            | Council       |               |
|----------------------------|---------------|---------------|
|                            | 2025          | 2024          |
|                            | \$000         | \$000         |
| <b>Other revenue</b>       |               |               |
| Infringements and fines    | 2,984         | 2,469         |
| Rental income              | 5,013         | 4,623         |
| Dividend revenue           | 138           | 378           |
| Petrol tax income          | 1,181         | 1,269         |
| Sponsorship income         | 3             | 30            |
| Insurance claims           | 1,002         | 1,249         |
| Donations received         | 76            | 21            |
| Miscellaneous revenue      | 2             | 10            |
| <b>Total other revenue</b> | <b>10,399</b> | <b>10,049</b> |

### Explanation of significant variances against budget

|               | Council     |             |
|---------------|-------------|-------------|
|               | Actual 2025 | Budget 2025 |
|               | \$000       | \$000       |
| Other revenue | 10,399      | 8,173       |

Other revenue was favourable to budget by \$2.2m. Driven mainly by insurance claims resolved of \$1m and higher rental income than budget of \$0.7m.

Operating leases as lessor

Investment property and property occupied by community groups are leased under operating leases. The investment property leases have a non-cancellable terms mostly ranging between 1 to 20 years with a minority of leases for longer durations. Community leases have terms between 2 and 66 years, with the majority of terms between 5 to 20 years and an average of 15 years.

The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

|                                                   | Council       |               |
|---------------------------------------------------|---------------|---------------|
|                                                   | 2025          | 2024          |
|                                                   | \$000         | \$000         |
| Not later than one year                           | 3,050         | 3,359         |
| Later than one year and not later than five years | 5,828         | 5,351         |
| Later than five years                             | 29,735        | 29,351        |
| <b>Total non-cancellable operating leases</b>     | <b>38,612</b> | <b>38,061</b> |

No contingent rents have been recognised during the period.

## Note 8: Gains/(Losses)

### Accounting policy

#### Derecognition

Items of property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the surplus or deficit in the year the item is derecognised.

#### Investment Property

Investment property is property held to earn rentals and/or for capital appreciation. All investment properties are stated at fair value, as determined annually by independent valuers at the balance sheet date.

Gains or losses arising from changes in the fair value of investment properties are recognised in the surplus or deficit for the period in which the gain or loss arises.

#### Investments in Debt and Equity Securities

Investments in debt and equity securities are financial instruments classified as held for trading and are measured at fair value. Any changes in value, creating gains or losses are recognised in the surplus or deficit for the period.

#### Derivative Financial Instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date. The associated gains or losses on derivatives that are not hedge accounted are recognised in surplus or deficit.

#### Fair Value Gains

Gains arising from the fair value assessment of borrowing at low or zero interest cost are recognised as gains at the date of drawdown.



|                                                             | Council         |                 |
|-------------------------------------------------------------|-----------------|-----------------|
|                                                             | 2025            | 2024            |
|                                                             | \$000           | \$000           |
| <b>Gains</b>                                                |                 |                 |
| Property, plant and equipment gain on disposal (note 24)    | 953             | 20              |
| Investment property revaluation gain on disposal            | 3,800           | -               |
| Unrealised gain on investments                              | 898             | 909             |
| Housing Infrastructure Fund (HIF) - fair value benefit gain | 602             | 28,548          |
| Gain on revaluation of interest rate swaps (note 21)        | 13,856          | 19,016          |
| <b>Total gains</b>                                          | <b>20,109</b>   | <b>48,493</b>   |
| <b>Losses</b>                                               |                 |                 |
| Property, plant and equipment loss on disposal (note 24)    | (3,557)         | (5,063)         |
| Investment property revaluation loss (note 26)              | (612)           | (1,831)         |
| Unrealised loss on cash investments                         | (166)           | (376)           |
| Loss on disposal of shares in subsidiaries                  | -               | (3,956)         |
| Loss on revaluation of interest rate swaps (note 21)        | (33,153)        | (23,680)        |
| <b>Total losses</b>                                         | <b>(37,488)</b> | <b>(34,906)</b> |
| <b>Total net gains/(losses)</b>                             | <b>(17,739)</b> | <b>13,587</b>   |

## Explanation of significant variances against budget

|                | Council     |             |
|----------------|-------------|-------------|
|                | Actual 2025 | Budget 2025 |
|                | \$000       | \$000       |
| Gains/(Losses) | (17,379)    | 915         |

Due to the unpredictable nature of these items, a budget is only set in instances where the amount could be reliably determined. There was a unfavourable variance to budget of (\$18.3m).

- The net decrease in the revaluation of interest rate swaps by (\$19.3m) is due to a change in market interest rates.
- The sale of investment properties resulted in a variance against budgeted of \$3.8m.
- Multiple assets have been disposed through replacement resulting in a total loss on disposal of property, plant and equipment amounted of (\$2.6m).
- There was a revaluation loss in investment properties of (\$0.6m) against a budgeted gain of \$0.9m resulting in a variance of \$1.5m.
- There were unrealised gains of \$0.7m on Municipal Endowment Funds invested with Milford Investments.

## Note 9: Development contributions

### Accounting policy

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

|                                        | Council       |               |
|----------------------------------------|---------------|---------------|
|                                        | 2025          | 2024          |
|                                        | \$000         | \$000         |
| Community Infrastructure               | 28            | 39            |
| Reserves                               | 509           | 1,038         |
| Stormwater                             | 1,543         | 3,670         |
| Transport                              | 3,488         | 5,584         |
| Wastewater                             | 5,261         | 6,303         |
| Water                                  | 2,847         | 4,063         |
| Development Contribution Interest*     | 5,279         | 11,145        |
| <b>Total development contributions</b> | <b>18,955</b> | <b>31,842</b> |

\* Development Contributions - Interest represents the portion of development contributions revenue received which is then used to pay interest on loans taken out for growth related projects (DC funded projects).

### Explanation of significant variances against budget

|                           | Council     |             |
|---------------------------|-------------|-------------|
|                           | Actual 2025 | Budget 2025 |
|                           | \$000       | \$000       |
| Development contributions | 18,955      | 21,174      |

Development contribution revenue within a given financial year or across financial years is influenced by the development process of large scale developments and when such developments make large development contribution payments. A lower than expected number of developments were completed during the financial year.

# Note 10: Capital revenue

## Accounting policy

### NZ Transport Agency Waka Kotahi roading subsidies

The Council receives funding assistance from NZ Transport Agency Waka Kotahi, which subsidises part of the costs of capital expenditure on, the local roading infrastructure. The subsidies are recognised as revenue on entitlement, as 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.

|                                                              | Council       |               |
|--------------------------------------------------------------|---------------|---------------|
|                                                              | 2025          | 2024          |
| Capital contributions - general                              | \$000         | \$000         |
| Waste minimisation levy                                      | 25,475        | 13,340        |
| Capital grants                                               | -             | 279           |
| Waka Kotahi NZ Transport Authority roading subsidy - capital | -             | 2,598         |
|                                                              | 35,126        | 38,803        |
| <b>Total capital revenue</b>                                 | <b>60,601</b> | <b>55,020</b> |

### Explanation of significant variances against budget

|                                                           | Council       |               |
|-----------------------------------------------------------|---------------|---------------|
|                                                           | Actual 2025   | Budget 2025   |
| Capital contributions - general                           | \$000         | \$000         |
| Waka Kotahi NZ Transport Agency roading subsidy - capital | 25,475        | 18,315        |
|                                                           | 35,126        | 46,230        |
| <b>Total capital revenue</b>                              | <b>60,601</b> | <b>64,545</b> |

Capital contributions were favourable to budget by \$7.2m. This was driven by a reduction in capital revenue received as a consequence of the underspend of the capital programme offset by unbudgeted revenue received via waters connections and transportation projects, the most significant being Ruakara Road West Realignment.

Waka Kotahi NZ Transport Agency Capital subsidies were unfavourable to budget by (\$11.1m). This was driven by the reduced subsidy approval by NZTA post the approval of the Long-Term Plan.

# Note 11: Vested assets

## Accounting policy

For assets received for no or nominal consideration, the asset is recognised at its fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

The fair value of vested or donated assets is usually determined by reference to the cost for the developer of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer.

However, where there is evidence that cost information provided by developers may materially differ from fair value at the point of transfer, the Council will recognise vested assets at assessed fair value.

For long-lived assets that must be used for a specific use (for example, land that must be used as a recreation reserve), the Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if the Council expects that it will need to return or pass the asset to another party.

|                                           | Council       |               |
|-------------------------------------------|---------------|---------------|
|                                           | 2025          | 2024          |
| Land                                      | \$000         | \$000         |
| Stormwater                                | 6,413         | 19,601        |
| Transport                                 | 8,167         | 5,722         |
| Wastewater                                | 5,741         | 12,661        |
| Water supply                              | 4,963         | 5,665         |
| Parks and gardens - land and improvements | 979           | 2,189         |
| <b>Total vested assets</b>                | <b>3,400</b>  | <b>9,427</b>  |
|                                           | <b>29,663</b> | <b>55,265</b> |

## Explanation of significant variances against budget

|               | Council     |             |
|---------------|-------------|-------------|
|               | Actual 2025 | Budget 2025 |
| Vested assets | \$000       | \$000       |
|               | 29,663      | 36,750      |

Vested assets received were unfavourable to budget by (\$7.1m). Decreased volume of subdivision activity, along with a lower mix element of Land under Roads and Parks and Gardens in particular were lower than 2024.

# Note 12: Personnel costs

## Accounting policy

### Superannuation schemes

#### Defined contribution schemes

Employer contributions to KiwiSaver (a defined contribution superannuation scheme) are expensed in the surplus or deficit as incurred.

### Salaries and wages

Employee entitlements for salaries and wages, annual leave and other similar benefits are recognised as an expense and liability when they accrue to employees.

|                                                                      | Council |         |
|----------------------------------------------------------------------|---------|---------|
|                                                                      | 2025    | 2024    |
|                                                                      | \$000   | \$000   |
| Salaries and wages                                                   | 116,482 | 114,432 |
| Defined contribution plan employer contributions (include KiwiSaver) | 2,350   | 2,245   |
| Increase/(decrease) in employee benefit liabilities                  | 1,494   | (747)   |
| Total salaries and wages                                             | 120,326 | 115,930 |
| Other employee benefits                                              | 7,546   | 6,774   |
| Total personnel costs                                                | 127,872 | 122,704 |

Refer to note 28 for the employee entitlement liability as at 30 June 2025 and 30 June 2024 and note 33 for further information on the remuneration of key management personnel and elected representatives.

### Explanation of significant variances against budget

|                 | Council     |             |
|-----------------|-------------|-------------|
|                 | Actual 2025 | Budget 2025 |
|                 | \$000       | \$000       |
| Personnel costs | 127,872     | 132,753     |

Personnel costs are favourable by \$4.9m as a result of higher staff vacancies at the beginning of the year as restructuring changes were confirmed and embedded.

### Chief Executive remuneration

The total remuneration paid or payable for the year to the Chief Executive was \$417,831 (2024: \$405,661).

# Council employee remuneration by band

|                                                                    | 2025         |
|--------------------------------------------------------------------|--------------|
| The total annual remuneration by band for employees as at 30 June: |              |
| < \$60,000                                                         | 325          |
| \$60,000 - \$79,999                                                | 441          |
| \$80,000 - \$99,999                                                | 266          |
| \$100,000 - \$119,999                                              | 191          |
| \$120,000 - \$139,999                                              | 106          |
| \$140,000 - \$159,999                                              | 74           |
| \$160,000 - \$179,999                                              | 36           |
| \$180,000 - \$199,999                                              | 18           |
| \$200,000 - \$219,999                                              | 12           |
| \$220,000 - \$239,999                                              | 6            |
| \$240,000- \$319,999                                               | 6            |
| \$320,000 - \$419,999                                              | 5            |
| <b>Total employees</b>                                             | <b>1,486</b> |

|                                                                    | 2024        |
|--------------------------------------------------------------------|-------------|
| The total annual remuneration by band for employees as at 30 June: |             |
| < \$60,000                                                         | 455         |
| \$60,000 - \$79,999                                                | 390         |
| \$80,000 - \$99,999                                                | 247         |
| \$100,000 - \$119,999                                              | 146         |
| \$120,000 - \$139,999                                              | 106         |
| \$140,000 - \$159,999                                              | 59          |
| \$160,000 - \$179,999                                              | 25          |
| \$180,000 - \$199,999                                              | 12          |
| \$200,000 - \$219,999                                              | 14          |
| \$220,000 - \$319,999                                              | 8           |
| \$320,000 - \$419,999                                              | 3           |
| <b>Total employees</b>                                             | <b>1465</b> |

Total remuneration includes non-financial benefits provided to employees.

At 30 June 2025, each band increases in 19,999 increments. Because there were five or fewer employees in the bands \$240,000 - \$319,999 and \$320,000 - \$419,999, these have been combined with the next highest band until there are more than five employees in the band.

At 30 June 2024, each band increases in 19,999 increments. Because there were five or fewer employees in the bands \$220,000 - \$319,999 and \$320,000 - \$419,999, these have been combined with the next highest band until there are more than five employees in the band.

At balance date, the Council employed 1,147 full-time employees (2024: 1,105), with the balance of staff representing 169.06 full-time equivalent employees (2024: 168.44). A full-time employee is determined on the basis of a 40 hour working week.

## Severance payments

For the year ended 30 June 2025, the Council made severance payments to 5 employees totalling \$103,931 (2024: 9 employees \$139,849). The value of each of the severance payments was \$3,500, \$7,709, \$9,576, \$28,919, \$54,226.



# Note 13: Finance costs

## Accounting policy

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

### Fair Value Discount Unwinding on Provisions and Long-Term Payables

Provisions are initially recognised at the present value of the expected future expenditures required to settle the obligation. Where the effect of the time value of money is material, the provision is discounted using a discount rate that reflects current market assessments of the time value of money and the risks specific to the liability.

The unwinding of the discount is recognised as a finance cost in the statement

of profit or loss over the period of the provision. The carrying amount of the provision increases in each period to reflect the passage of time, and this increase is recognised in profit or loss as an interest expense.

### Fair Value Discount Unwinding on Interest Free Loans

Interest free loans are initially recognised at the fair value of the expected future cash outflows required to settle the obligation. The unwinding of the discount is recognised as a finance cost in the statement of profit or loss over the period of the loan using the effective interest rate method. The carrying amount of the loan value increases in each period to reflect the passage of time, and this increase is recognised in profit or loss as an interest expense.

#### Interest expense

Interest on borrowings  
Discount unwind on provisions (note 29)  
Fair value unwind on Housing Infrastructure Fund loan  
Fair value unwind on long-term payables

#### Interest derivatives (presented net)

Interest rate swaps \*

#### Total finance costs

| Council |        |
|---------|--------|
| 2025    | 2024   |
| \$000   | \$000  |
| 54,580  | 54,841 |
| 850     | 527    |
| 5,624   | 3,942  |
| 2,179   | -      |
| 516     | -      |
| 63,749  | 59,310 |

\* This relates to fixed interest on borrowings. Council manages interest rate risk to reduce uncertainty relating to adverse movements in market wholesale interest rates. Council manages this risk through the fixing of interest costs, which forms part of the total interest on borrowings.

## Explanation of significant variances against budget

Finance costs

| Council     |             |
|-------------|-------------|
| Actual 2025 | Budget 2025 |
| \$000       | \$000       |
| 63,749      | 61,249      |

Finance costs were (\$2.5m) unfavourable to budget mainly due to (\$2.1m) of unbudgeted fair value unwind on long-term payables. Actual interest rates were higher than forecast on a lower than forecast debt balance.

## Note 14: Depreciation and amortisation expense by group of activity

### Accounting policy

Depreciation is provided on a straight-line basis at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

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.

|                                                    | Council        |                |
|----------------------------------------------------|----------------|----------------|
|                                                    | 2025           | 2024           |
|                                                    | \$000          | \$000          |
| Community Services                                 | 3,979          | 4,296          |
| Venues, Tourism and Major Events                   | 8,133          | 8,179          |
| Parks and Recreation                               | 10,185         | 9,538          |
| Growth                                             | 7              | 8              |
| Visitor Destinations                               | 3,122          | 3,187          |
| Rubbish and Recycling                              | 536            | 557            |
| Safety                                             | 315            | 127            |
| Wastewater                                         | 15,066         | 14,944         |
| Stormwater                                         | 11,338         | 11,532         |
| Transport                                          | 42,434         | 38,026         |
| Water Supply                                       | 9,970          | 10,529         |
| Support Services                                   | 7,578          | 7,439          |
| <b>Total depreciation and amortisation expense</b> | <b>112,663</b> | <b>108,362</b> |

\*2024 actuals have been reclassified to align to LTP 2024-34 activities

### Explanation of significant variances against budget

|                               | Council     |             |
|-------------------------------|-------------|-------------|
|                               | Actual 2025 | Budget 2025 |
|                               | \$000       | \$000       |
| Depreciation and amortisation | 112,663     | 112,104     |

Depreciation was (\$0.6) million unfavourable to budget. This was driven by:

Transportation depreciation which was over budget by (\$3.2m) offset by underspends of \$1.1m in Parks & Gardens improvements and \$1.9m in Wastewater, Water Supply and Stormwater Reticulation. These variance were as a result of significant capitalisations in transportation offset by limited capitalisation in the waters reticulation books.

## Note 15: Other expenses

### Accounting policy

#### Grant expenditure

Non-discretionary grants are grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are grants where Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of Council's decision.

#### Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

#### Audit fees

The audit fee disclosed for the financial report represents the fee for the annual statutory audit engagement carried out under the Auditor-General's auditing standards, as described in the audit report on pages 330 to 334. This fee also includes the audit of the summary annual report, also a statutory requirement, which is completed in conjunction with this engagement and not billed separately.

|                                                                          |  | Council        |                |
|--------------------------------------------------------------------------|--|----------------|----------------|
|                                                                          |  | 2025           | 2024           |
|                                                                          |  | \$000          | \$000          |
| <b>Professional costs:</b>                                               |  |                |                |
| <b><u>Fees incurred for services provided by Audit New Zealand:*</u></b> |  |                |                |
| <b>Audit of the financial report</b>                                     |  | 493            | 417            |
| <b>Audit or review related services</b>                                  |  |                |                |
| Audit of 2024-34 Long-Term Plan                                          |  | 17             | 162            |
| Assurance engagement related to the Debenture Trust Deed                 |  | 21             | 10             |
| Fees to Assurance firms for other assurance services (SAAS)              |  | 31             | -              |
| <b>Total fees incurred for services provided by Audit New Zealand</b>    |  | <b>562</b>     | <b>589</b>     |
| <b><u>Fees incurred for services provided by Other Firms:</u></b>        |  |                |                |
| Fees to Assurance CA firm for the internal audit function                |  | 57             | 142            |
| Fees to Assurance firms for other assurance services                     |  | 79             | 33             |
| Consultants and other professional costs                                 |  | 10,872         | 14,427         |
| Legal Services                                                           |  | 1,664          | 1,828          |
|                                                                          |  | <b>13,234</b>  | <b>17,019</b>  |
| <b>Operating and maintenance costs:</b>                                  |  |                |                |
| Contractors                                                              |  | 60,174         | 49,132         |
| Inventory consumption                                                    |  | 812            | 800            |
| Operating lease expense                                                  |  | 101            | 80             |
| Other operating costs                                                    |  | 24,902         | 22,532         |
| Maintenance and services                                                 |  | 21,142         | 18,106         |
|                                                                          |  | <b>107,131</b> | <b>90,650</b>  |
| <b>Administration costs:</b>                                             |  |                |                |
| General grants                                                           |  | 4,459          | 9,134          |
| Vested asset expenditure                                                 |  | -              | 33,907         |
| Impairment of receivables                                                |  | 1,264          | 545            |
| Other administration costs                                               |  | 17,113         | 22,882         |
|                                                                          |  | <b>22,836</b>  | <b>66,468</b>  |
| <b>Property Costs:</b>                                                   |  |                |                |
| Insurance premiums                                                       |  | 4,473          | 4,157          |
| Other property costs                                                     |  | 12,102         | 11,687         |
|                                                                          |  | <b>16,575</b>  | <b>15,844</b>  |
| <b>Total other expenses</b>                                              |  | <b>159,776</b> | <b>189,981</b> |

\*The financial statements and service performance for the year ended 30 June 2025 (the financial report) are audited by Audit New Zealand on behalf of the Auditor-General.

\*The 2025 Assurance engagement related to the Debenture Trust Deed includes an immaterial amount that should have been accrued in the prior year.

\*The amount paid for other SaaS assurance services is comprised of multiple separate assurance engagements.

\*Included in Operating and Maintenance Costs are work in progress adjustments amounting to \$12.8m (2024: \$6.5m). Of this, \$11.4m (2024: \$3.6m) relates to capital expenditure which has been written off to operational expenditure, and \$1.3m (2024: \$2.9m) has been reclassified as operational expenditure

## Explanation of significant variances against budget

|                                 | Council        |                |
|---------------------------------|----------------|----------------|
|                                 | Actual 2025    | Budget 2025    |
| Professional costs              | \$000          | \$000          |
| Operating and maintenance costs | 13,234         | 17,020         |
| Administration costs            | 107,131        | 98,884         |
| Property costs                  | 22,836         | 25,876         |
| Other expenses                  | 16,575         | 16,829         |
|                                 | <b>159,776</b> | <b>158,609</b> |

Other expenses were (\$1.2m) unfavourable to budget. This was due to:

Professional costs were \$3.8m favourable to budget. The favourability reflects a focus on critical outcomes and strategic resource use, reducing non-essential consultancy while advancing key priorities.

Operating and maintenance costs were (\$8.2m) unfavourable to budget. Of this (\$5m) was due to a correction in accounting treatment for refuse bins and capital expenditure that has been reclassified as operating expenditure in the current year but was budgeted for during future years in the Long-Term Plan.

Administration costs were \$3.0m favourable to budget mainly due to initiatives targeting efficiencies.

Property costs were \$0.3m favourable to budget as a result of lower than expected insurance premiums.

## Operating leases as lessee

Council leases property, plant and equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 24 or 36 months. The future aggregate minimum lease payments payable under non-cancellable operating leases are as follows:

|                                                   | Council     |             |
|---------------------------------------------------|-------------|-------------|
|                                                   | Actual 2025 | Budget 2025 |
| Not later than one year                           | \$000       | \$000       |
| Later than one year and not later than five years | 268         | 245         |
| Later than five years                             | 616         | 92          |
|                                                   | -           | -           |
| <b>Total non-cancellable operating leases</b>     | <b>884</b>  | <b>337</b>  |

The total minimum future sublease payments expected to be received under subleases at balance date is \$nil (2024: \$nil).

Leases can be renewed at Council's option, with rents set by reference to current market rates for items of equivalent age and condition. Council has the option to purchase the asset at the end of the lease term except where Council is leasing land or buildings.

There are no restrictions placed on Council by any of the leasing arrangements.

# Note 16: Tax

## Accounting policy

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates (and tax laws) that have been enacted or substantially enacted by balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the company can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, using tax rates that have been enacted or substantially enacted by balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

Current tax and deferred tax is recognised against the surplus or deficit for the period, except when it relates to a business combination, or to transactions recognised in other comprehensive revenue and expense or directly in equity.

## Components of tax expense

Current tax expense  
Deferred tax expense  
**Tax expense**

| Council |       |
|---------|-------|
| 2025    | 2024  |
| \$000   | \$000 |
| -       | -     |
| -       | -     |
| -       | -     |



Relationship between tax expense and accounting profit

|                              | Council  |          |
|------------------------------|----------|----------|
|                              | 2025     | 2024     |
|                              | \$000    | \$000    |
| Surplus/(deficit) before tax | 47,990   | 36,475   |
| Tax at 28%                   | 13,437   | 10,213   |
| Effect of tax exempt income  | (13,437) | (10,213) |
| Current tax expense          | -        | -        |
| Deferred tax expense         | -        | -        |
| <b>Tax expense</b>           | <b>-</b> | <b>-</b> |

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

|                      | Council    |            |
|----------------------|------------|------------|
|                      | 2025       | 2024       |
|                      | \$000      | \$000      |
| Tax losses - Council | 158        | 155        |
|                      | <b>158</b> | <b>155</b> |

Under current income tax legislation the tax losses do not expire.

Deferred tax assets have not been recognised in respect of these items, as it is not probable that future taxable profits will be available against which the benefit of the losses can be utilised.

# Note 17: Cash and cash equivalents

## Accounting policy

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

Although cash and cash equivalents are subject to the expected credit loss requirements of PBE IPSAS 41, no loss allowance has been recognised because the estimated allowance is trivial.

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

|                                                                        | Council       |               |
|------------------------------------------------------------------------|---------------|---------------|
|                                                                        | 2025          | 2024          |
| Cash at bank and on hand                                               | \$000         | \$000         |
| Term deposits with maturities of less than three months at acquisition | 50,256        | 44,301        |
| <b>Total cash and cash equivalents</b>                                 | <b>97,056</b> | <b>95,301</b> |

## Explanation of significant variances against budget

**Current assets**  
Cash and cash equivalents

| Council     |             |
|-------------|-------------|
| Actual 2025 | Budget 2025 |
| \$000       | \$000       |
| 97,056      | 159,229     |

The unfavourable variance to budget of (\$62.2m) is due to fewer short term deposits held at year end than budgeted. Term deposits that have been entered into with longer terms have been classified as other financial assets.

## Assets recognised in a non-exchange transaction that are subject to restrictions

The Council holds unspent funds, included in cash at bank and investments, of \$52m (2024: \$47.2m) that are subject to restrictions. These unspent funds relate to reserves (see note 32) received with restrictions where the spending of the funds is separately monitored. The restrictions generally specify how the funds are required to be spent.

Council has a bank overdraft facility of \$500,000 on the daily trading account that is secured by way of debenture trust deed over general rates. At 30 June 2025 the interest rate for amounts up to the overdraft limit was 12% (2024: 12.15% per annum).The interest rate for amounts exceeding the overdraft limit was the overdraft base rate of 12% plus 10% per annum. The credit interest rate on this account was 2.50% per annum (2024: 4.75% per annum). The bank overdraft facility on the daily trading account was undrawn at 30 June 2025.

Council has a bank overdraft facility of \$10,000 on the direct fees account that is also secured by way of debenture trust deed over general rates. At 30 June 2025 the interest rate for amounts up to the overdraft limit was 6.27% per annum (2024: 9.04% per annum). The interest rate for amounts exceeding the overdraft limit was the overdraft base rate of 6.27% plus 8% per annum. The bank overdraft facility on the direct fees account was undrawn at 30 June 2025.

# Note 18: Receivables

## Accounting policy

Receivables are generally short-term and non-interest bearing. Receivables are held for collection of contractual cash flows and classified as a financial asset measured at amortised cost.

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). This allowance is calculated based on lifetime ECL.

In measuring ECL, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

Rates receivables  
Waka Kotahi (New Zealand Transport Agency)  
Water by meter  
GST refund due  
Sundry debtors

**Gross debtors and other receivables**

Less: provision for expected credit losses

**Total receivables**

Rates are "written off":

- when remitted in accordance with the Council's rates remission policy; and
- in accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (in relation to Maaori freehold land) of the Local Government (Rating) Act 2002 (LG(R)A).

Other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation or the receivable being more than one year overdue.

| Council       |               |
|---------------|---------------|
| 2025          | 2024          |
| \$000         | \$000         |
| 9,332         | 7,748         |
| 8,453         | 8,826         |
| 2,355         | 1,998         |
| 2,859         | 1,647         |
| 26,751        | 20,229        |
| <b>49,750</b> | <b>40,448</b> |
| (4,328)       | (3,119)       |
| <b>45,422</b> | <b>37,329</b> |

Total receivables comprise:

Receivables from non-exchange transactions include outstanding amounts for rates, grants, infringements, and fees and charges that are partly subsidised by rates.  
Receivables from exchange transactions include outstanding amounts for commercial sales and fees and charges that have not been subsidised by rates.

| Council       |               |
|---------------|---------------|
| 2025          | 2024          |
| \$000         | \$000         |
| 21,136        | 23,210        |
| 24,286        | 14,119        |
| <b>45,422</b> | <b>37,329</b> |

## Fair value

Receivables are generally short-term and non-interest bearing. Therefore, the carrying value of debtors and other receivables approximates their fair value.

## Assessment for uncollectability

Council does provide for impairment on overdue rates on Maaori freehold land. It has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. These powers allow Council to commence legal proceedings to cover any rates that remain unpaid four months after the due date for payment. If payment has not been made within three months of the Court's judgement, then Council can apply to the Registrar of the High Court to have the judgement enforced by sale or lease of the rating unit.

Ratepayers can apply for payment plan options in special circumstances.

The ageing profile of receivables at year end is detailed below:

|                      | 2025          |                |               | 2024          |                |               |
|----------------------|---------------|----------------|---------------|---------------|----------------|---------------|
|                      | Gross         | Impairment     | Net           | Gross         | Impairment     | Net           |
|                      | \$000         | \$000          | \$000         | \$000         | \$000          | \$000         |
| <b>Council</b>       |               |                |               |               |                |               |
| Not past due         | 28,236        | 0              | 28,236        | 25,097        | -              | 25,097        |
| Past due 1-60 days   | 2,693         | (111)          | 2,582         | 2,756         | (81)           | 2,675         |
| Past due 61-120 days | 8,775         | (42)           | 8,733         | 7,393         | (180)          | 7,213         |
| Past due > 120 days  | 10,045        | (4,175)        | 5,870         | 5,202         | (2,858)        | 2,344         |
| <b>Total</b>         | <b>49,750</b> | <b>(4,328)</b> | <b>45,422</b> | <b>40,448</b> | <b>(3,119)</b> | <b>37,329</b> |

All receivables greater than 30 days in age are considered to be past due.

The estimated credit losses for other receivables has been calculated based on a review of specific overdue receivables and a collective assessment. The collective impairment provision is based on an analysis of past collection history and debt write-offs.

|                                 | Current | 1 to 60 days | 61 to 120 days | > 120 days | TOTAL  |
|---------------------------------|---------|--------------|----------------|------------|--------|
| <b>Council 2025</b>             | 0.49%   | 15.25%       | 35.10%         | 73.46%     | -      |
| Expected credit loss rate       | 15,065  | 1,353        | 338            | 5,348      | 22,104 |
| Gross receivable amount (\$000) | 74      | 206          | 119            | 3,929      | 4,328  |
| Lifetime ECL (\$000)            |         |              |                |            |        |
| <b>Council - 30 June 2024</b>   |         |              |                |            |        |
| Expected credit loss rate       | 1.31%   | 24.14%       | 66.27%         | 36.73%     | -      |
| Gross receivable amount (\$000) | 11,997  | 1,109        | 264            | 6,860      | 20,229 |
| Lifetime ECL (\$000)            | 157     | 268          | 175            | 2,519      | 3,119  |

Movements in the provision for impairment of receivables are as follows:

|                                            | Council      |              |
|--------------------------------------------|--------------|--------------|
|                                            | 2025         | 2024         |
|                                            | \$000        | \$000        |
| Balance at 1 July                          | 3,119        | 2,607        |
| Additional provisions made during the year | 1,230        | 546          |
| Provisions reversed during the year        | -            | -            |
| Receivables written off during the year    | (21)         | (34)         |
| <b>Balance at 30 June</b>                  | <b>4,328</b> | <b>3,119</b> |

The Council holds no collateral as security or other credit enhancements over receivables (other than rates) that are either past due or impaired.

Explanation of significant variances against budget

|             | Council     |             |
|-------------|-------------|-------------|
|             | Actual 2025 | Budget 2025 |
|             | \$000       | \$000       |
| Receivables | 45,422      | 41,928      |

There was a favourable variance to budget by \$3.5m. Sundry debtors was higher due to the sale of properties at Victoria on the River. The provision for doubtful debts also increased from budget due to the impairment of dog infringements (\$0.5m) and additional impairment of parking infringements (\$0.6m).

# Note 19: Inventory

## Accounting policy

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.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus/deficit in the period of the write-down.

|                                  | Council    |            |
|----------------------------------|------------|------------|
|                                  | 2025       | 2024       |
|                                  | \$000      | \$000      |
| Held for distribution inventory: |            |            |
| Nursery                          | 112        | 96         |
| Retail                           | 324        | 278        |
| <b>Total inventory</b>           | <b>436</b> | <b>374</b> |

The write-down of inventory during the year was \$10,404 (2024: \$14,687).

No inventory is pledged as security for liabilities (2024: \$nil). However, some inventory is subject to retention of title clauses.



# Note 20: Non-current assets held for sale

## Accounting policy

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through 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.

|                                               | Council      |              |
|-----------------------------------------------|--------------|--------------|
|                                               | 2025         | 2024         |
|                                               | \$000        | \$000        |
| Non-current assets held for sale are:         |              |              |
| Investment Properties                         | -            | 3,625        |
| Parks and Gardens Land                        | 4,282        | -            |
| <b>Total Non-current assets held for sale</b> | <b>4,282</b> | <b>3,625</b> |

## Investment Properties

In April 2025 Council completed the sale of investment properties within the CBD. Final settlement resulted in council retaining one property previously disclosed as non current assets held for sale (\$1.4m), this property has been transferred to Investment Property. Council further entered into a sale and purchase agreement due to be finalised by June 2026, the carrying value of this land was \$4.2m.

## Note 21: Derivative financial instruments

### Accounting policy

Derivative financial instruments are used to manage exposure to interest risks arising from the Council's operational activities and risk arising from Council's financing and investing activities. In accordance with its Treasury Policy, Hamilton City Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date. The resulting gain or loss is recognised in the surplus or deficit.

The Council has not adopted hedge accounting, note 35 has a detailed disclosure of financial instruments risks.

The associated gains or losses on derivatives that are not hedge accounted are recognised in the surplus or deficit.

|                                                          | Council       |              |
|----------------------------------------------------------|---------------|--------------|
|                                                          | 2025          | 2024         |
|                                                          | \$000         | \$000        |
| <b>Current asset portion</b>                             |               |              |
| Interest rate swaps                                      | 94            | -            |
| <b>Total current asset portion</b>                       | <b>94</b>     | <b>-</b>     |
| <b>Non-current asset portion</b>                         |               |              |
| Interest rate swaps                                      | -             | 7,245        |
| <b>Total non-current asset portion</b>                   | <b>-</b>      | <b>7,245</b> |
| <b>Total derivative financial instrument assets</b>      | <b>94</b>     | <b>7,245</b> |
| <b>Current liability portion</b>                         |               |              |
| Interest rate swaps                                      | 316           | -            |
| <b>Total current liability portion</b>                   | <b>316</b>    | <b>-</b>     |
| <b>Non-current liability portion</b>                     |               |              |
| Interest rate swaps                                      | 12,205        | 375          |
| <b>Total non-current liability portion</b>               | <b>12,205</b> | <b>375</b>   |
| <b>Total derivative financial instrument liabilities</b> | <b>12,521</b> | <b>375</b>   |

Information about interest rate swaps

The notional principal amounts of the outstanding interest rate swap contracts for the Council was \$682.5m (2024: \$527.5m). This includes \$105m (2024: \$185m) of forward start swaps, leaving \$577.5m (2024: \$342.5m) in actual committed swaps at 30 June 2025. At 30 June 2025 the fixed interest rates of fair value interest rate swaps ranged from 1.60% to 5.06% (2024: 1.60% to 5.06%).

The Council currently has no fair value hedges.

Information about forward foreign exchange contracts

The Council currently has no foreign currency forward exchange contracts (2024: nil).

Fair value

Interest rate swaps

The fair values of Interest Rate Swaps have been determined by calculating the expected future cash flows under the terms of the swaps and discounting these values to present value. The inputs into the valuation model are from independently sourced market parameters such as interest rate yield curves. Most market parameters are implied from instrument prices.

Council monitors the use of Derivative Financial Instruments using well defined market and credit risk limits and timely reporting to Council. Council’s Treasury Policy sets out the overall minimum/maximum levels of fixed rate exposures permitted based on time bands.

Sensitivity analysis in relation to the swaps has been completed, and is included in note 35.

Explanation of significant variances against budget

|                                                                       | Council     |             |
|-----------------------------------------------------------------------|-------------|-------------|
|                                                                       | Actual 2025 | Budget 2025 |
|                                                                       | \$000       | \$000       |
| Derivative financial instrument assets                                | 94          | 11,759      |
| Derivative financial instrument liabilities (current and non-current) | 12,521      | 225         |

There was a unfavourable variance to budget of (\$24.0m) for derivative financial instruments. This is due to the reduction in the Official Cash Rate (OCR) throughout the year. OCR at 30 June 2025 was 3.25%.

## Note 22: Other financial assets

### Accounting policy

Other financial assets (other than shares in subsidiaries) are initially recognised at fair value. They are then classified as, and subsequently measured under, the following categories:

- amortised cost;
- fair value through other comprehensive revenue and expense (FVTOCRE); or
- fair value through surplus or deficit (FVTSD)

Transaction costs are included in the carrying value of the financial asset at initial recognition, unless it has been designated at FVTSD, in which case it is recognised in surplus or deficit.

The classification of a financial asset depends on its cash flow characteristics and the Council's management model for managing them. Refer to Note 35 for a summary of classifications.

A financial asset is classified and subsequently measured at amortised cost if it gives rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal outstanding, and is held within a management model whose objective is to collect the contractual cash flows of the asset.

A financial asset is classified and subsequently measured at FVTOCRE if it gives rise to cash flows that are SPPI and held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD. However, the Council may elect at initial recognition to designate an equity investment not held for trading as subsequently measured at FVTOCRE.

The purchase and sale of financial assets are recognised at trade date, the date on which Council commits to purchase or sell the asset. Financial assets are recognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Council have transferred substantially all the risks and rewards of ownership.

### Financial assets at FVTOCRE that are debt instruments

Financial assets at FVTOCRE that are debt instruments are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense, except expected credit losses (ECL) and foreign exchange gains and losses are recognised in surplus or deficit. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified to surplus and deficit. The Council does not hold any debt instruments in this category.

### Financial assets that are equity instruments designated as FVTOCRE

Financial assets that are equity instruments designated as FVTOCRE are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense. There is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to accumulated funds within equity. The Council designates into this category all equity investments that are not included in its investment fund portfolio, and if they are intended to be held for the medium to long-term.

|                                                                                                           |                |         |       | Council        |                |
|-----------------------------------------------------------------------------------------------------------|----------------|---------|-------|----------------|----------------|
|                                                                                                           |                |         |       | 2025           | 2024           |
| Current portion                                                                                           | Amortised Cost | FVTOCRE | FVTSD | \$000          | \$000          |
| Term deposits with original maturities greater than 3 months and remaining maturities less than 12 months | ✓              |         |       | 95,000         | 90,000         |
| LGFA Borrower Notes                                                                                       | ✓              |         |       | 2,380          | 1,630          |
| Balanced Funds                                                                                            |                |         | ✓     | 7,658          | 6,925          |
| - Interest accrual                                                                                        | ✓              |         |       | 1,147          | 1,918          |
| Community loans                                                                                           | ✓              |         |       | -              | 455            |
| <b>Total current portion</b>                                                                              |                |         |       | <b>106,185</b> | <b>100,928</b> |
| <b>Non-current portion</b>                                                                                |                |         |       |                |                |
| <b>Investment in CCOs and similar entities</b>                                                            |                |         |       |                |                |
| Co-Lab                                                                                                    |                | ✓       |       | 418            | 437            |
| NZ Local Government Funding Agency Ltd (NZLGFA)                                                           |                | ✓       |       | 10,108         | 9,395          |
|                                                                                                           |                |         |       | 10,526         | 9,832          |
| <b>Investment in Joint Venture</b>                                                                        |                |         |       |                |                |
| IAWAI - Flowing Waters Limited*                                                                           | ✓              |         |       | -              | -              |
|                                                                                                           |                |         |       | -              | -              |
| <b>Other Investments</b>                                                                                  |                |         |       |                |                |
| LGFA Borrower Notes                                                                                       | ✓              |         |       | 20,240         | 19,620         |
| - Interest accrual                                                                                        | ✓              |         |       | 2,377          | 2,068          |
| Community Loans                                                                                           | ✓              |         |       | 8,214          | 1,414          |
| Civic Financial Services Ltd (Civic)                                                                      |                | ✓       |       | 192            | 189            |
|                                                                                                           |                |         |       | 31,023         | 23,291         |
| <b>Total non-current portion</b>                                                                          |                |         |       | <b>41,549</b>  | <b>33,123</b>  |
| <b>Total other financial assets</b>                                                                       |                |         |       | <b>147,734</b> | <b>134,051</b> |

\*On 26 June 2025, the Council jointly incorporated IAWAI - Flowing Waters Limited in partnership with Waikato District Council under the Local Waters Done Well legislation. Hamilton City Council holds a 50% shareholding and joint control has been established via a Shareholder Forum, with one vote per shareholder and jointly appointed board members.

IAWAI - Flowing Waters Limited is accounted for as a joint venture in accordance with PBE IPSAS 36 using the equity method. As at 30 June 2025, no assets or liabilities have been transferred to the CCO, and no operations have commenced. The Council's investment is recognised at its nominal cost of \$50.

The carrying amount will be reassessed in subsequent periods in line with the Council's share of the joint venture's net assets and performance.

# Explanation of significant variances against budget

Other financial assets (current and non-current)

| Council     |             |
|-------------|-------------|
| Actual 2025 | Budget 2025 |
| \$000       | \$000       |
| 147,734     | 69,178      |

Other financial assets were favourable to budget by \$78.6m. This was due to the increase in term deposits held and an increase in community loans, as well as short term investments in balanced funds with Milford.

## Community loans

The Council's community loan scheme is designed to help not-for-profit organisations in the Hamilton community to develop or improve new or existing facilities and other major projects. Only organisations with the ability to repay are granted loans.

Loans to community organisations made at nil or below market interest rates are initially recognised at cost, or at the present value of its expected future cash flows, discounted at the current market rate of return for a similar financial instrument. Depending on the circumstances and provisions of each loan, the loans are subsequently:

- a) Amortised over the period of the loan, provided the conditions of the loan are met. The amortised cost is recognised in surplus or deficit as a grant expense.
- b) The loan is paid off by the loan recipient in annual instalments.
- c) The loan is subsequently measured at amortised cost using the effective interest rate method less any expected losses. The difference between the face value and present value of the expected future cash flows of the loan is recognised in the surplus or deficit as interest.

The fair value of community loans is \$8.2m (2024: \$1.9m) which is made up of a loan to Melody Dairies Limited Partnership and Waikato Regional Theatre Trust. The fair value is approximated through the discounted cashflow applying current market interest rates.

Movements in the carrying value of community loans are as follows:

|                                                       | Council      |              |
|-------------------------------------------------------|--------------|--------------|
|                                                       | 2025         | 2024         |
|                                                       | \$000        | \$000        |
| At 1 July                                             | 1,869        | 2,317        |
| Amount of new loans during the year                   | 6,500        | -            |
| Loans repaid during the year (principal and interest) | (187)        | (487)        |
| Unwind of discount and interest charged               | 32           | 39           |
| <b>At 30 June</b>                                     | <b>8,214</b> | <b>1,869</b> |



## **Unlisted Shares**

Where possible, unlisted shares are recognised at fair value, drawn from an active market. If no quoted market prices are available and the value cannot be reliably measured, the cost price is used.

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.

## **Financial assets at FVTSD**

Financial assets at FVTSD are subsequently measured at fair value with fair value gains and losses recognised in surplus or deficit. Interest revenue and dividends recognised from these financial assets are separately presented within revenue.

Instruments in this category include the Council's investment fund portfolio (comprising of listed shares, bonds, and units in investment funds) and LGFA borrower notes.

## **Balanced funds**

The fair value of balanced funds is \$7.7m (2024: \$6.9m) which is made up of the short term investment in Milford (2024: Milford and Forsyth Barr).

## **Civic Financial Services Ltd (Civic)**

Civic Financial Services Ltd reported a \$0.2m profit for the year ended 31 December 2024 (31 December 2023: \$0.3m profit). Council has made an adjustment through the comprehensive revenue and expense to reflect its share of the increase in net equity of the company resulting from the profit for the year.

## **Impairment/Gain**

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.

A gain of \$713,302 (2024: \$609,552 gain) was made to Council's investment in NZ Local Government Funding Agency Ltd (NZLGFA) to reflect Council's share of the NZLGFA's operating surplus for the year ended 30 June 2025. A loss of \$18,424 (2024: \$176,930 loss) was made to Council's investment in Co-Lab to reflect Council's share of Co-Lab's deficit for the year ended 30 June 2025. A gain of \$3,359 (2024: \$5,689 gain) was made to Council's investment in Civic Financial Services Ltd to reflect Council's share of Civic's operating surplus for the year ended 31 December 2024.

## Credit Risk

### Term deposits

The Council considers that there has not been a significant increase in credit risk for investments in term deposits because the banks continue to have low credit risk at balance date. Term deposits are held with banks that have a long-term AA- investment grade credit rating, which indicates that the bank has a very strong capacity to meet its financial commitments.

No ECL has been recognised for term deposits because the loss allowance is trivial.

### Community loans

The Council manages the credit risk associated with community loans in accordance with its Treasury Management Policy.

To access community loans, applicants must demonstrate a reasonable credit history and the ability to make repayments. As part of the application process, the Council completes due diligence checks to confirm the credit risk associated with each applicant. The Council does not enter into any loan agreements that result in credit-impaired loans on origination.

The Council monitors increases in credit risk by performing regular credit checks, completing regular debtor payment performance analyses, and reviewing macroeconomic changes in the region. The Council considers a debtor's credit risk to have significantly increased if the information suggests that they will be unable to make loan repayments.

No ECL has been recognised for Community loans because the loss allowance is trivial.

### Other financial assets

Expected credit losses measured for other financial assets are trivial. They are low risk, and the Council has not identified any indications that credit risk associated with those instruments has significantly increased since initial recognition.

The Council does not hold any collateral for any of its loan assets.

# Note 23: Investment in associates

## Accounting policy

An associate is an entity over which we have significant influence and that is neither a subsidiary nor an interest in a joint venture.

The investment in an associate is initially recognised at cost and the carrying amount in the financial statements is increased or decreased to recognise the Council’s share of the surplus or deficit of the associate after the date of acquisition. Distributions received from an associate reduce the carrying amount of the investment in the financial statements.

If the share of deficits of an associate equals or exceeds its interest in the associate, the Council discontinues recognising its share of further deficits. After the Council’s interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that the Council has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports surpluses, the Council will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

Where the Council transacts with an associate, surpluses or deficits are eliminated to the extent of the Council’s interest in the associate.

## Critical judgements in applying accounting policies

Council’s main objective in the ownership of Waikato Regional Airport Limited is to support and provide economic growth to our community which can benefit from opportunities that Airport provides. The Council has concluded that it has significant influence but does not control the Airport for financial reporting purposes. Council does not have power over the entity and is not able to use its power to affect the nature or amount of the variable benefits to which the Council is exposed as a result of its involvement with the entity.

## Breakdown of investment in associate and further information

|                                  | Council        |                |
|----------------------------------|----------------|----------------|
|                                  | 2025           | 2024 Restated  |
|                                  | \$000          | \$000          |
| Waikato Regional Airport Limited | 133,750        | 114,972        |
| <b>Total</b>                     | <b>133,750</b> | <b>114,972</b> |

Details of any contingent liabilities arising from the Council’s involvement in an associate are disclosed separately in note 31.

## Change in presentation

Due to the discontinuation of presenting financial statements, the Council has restated the value of the investment in Waikato Regional Airport Limited to reflect the equity accounted value previously presented in group financial statements. Refer to Note 37 for full disclosures.

### Waikato Regional Airport Limited

|                                                                                   | Council |         |
|-----------------------------------------------------------------------------------|---------|---------|
|                                                                                   | 2025    | 2024    |
|                                                                                   | \$000   | \$000   |
| <b>Summarised statement of financial position of WRAL</b>                         |         |         |
| Current assets                                                                    | 23,425  | 18,966  |
| Non-current assets                                                                | 305,003 | 255,092 |
| Current liabilities                                                               | 13,970  | 4,307   |
| Non-current liabilities                                                           | 46,958  | 39,807  |
| Net assets                                                                        | 267,500 | 229,944 |
| <b>Summarised statement of comprehensive revenue and expense of WRAL</b>          |         |         |
| Revenue                                                                           | 53,495  | 24,285  |
| Tax expense/(credit)                                                              | (1,966) | (7,106) |
| Surplus/(deficit) after tax                                                       | 29,614  | (3,988) |
| Total other comprehensive revenue & expense                                       | 37,556  | (3,988) |
| <b>Reconciliation to equity accounted share of entity's financial information</b> |         |         |
| Net assets                                                                        | 267,500 | 229,944 |
| Council's shareholding interest                                                   | 50%     | 50%     |
| Equity accounted carrying amount                                                  | 133,750 | 114,972 |
| Councils share of surplus/(deficit) after tax                                     | 14,807  | (1,994) |

## Note 24: Property, plant and equipment

### Accounting policy

#### Property, plant and equipment includes:

- **Operational assets**

These are land, buildings (including cultural assets and leisure facilities), improvements, non-restricted parks and gardens, plant and equipment, leased assets, vehicles, zoo animals and library books.

Zoo animals are held primarily for social and recreational purposes. The capital cost is the actual expense incurred in acquiring the zoo animal.

- **Restricted assets**

These are parks and reserves owned by the Council 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) and are measured at fair value.

- **Infrastructure assets**

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

Land (operational, restricted and infrastructural) and land - parks and gardens is measured at fair value, and buildings (operational and restricted), improvements - parks and gardens, and infrastructural assets (except land under roads) are measured at fair value, less accumulated depreciation and impairment losses. All other asset classes are measured at cost, less accumulated depreciation and impairment losses.

#### Revaluation

Land, buildings and improvements, heritage assets, and infrastructure 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 five years.

The carrying value 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.

Revaluation movements are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense 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 revenue and expense 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 recognised in other comprehensive revenue and expense.

#### Additions

The cost of an item of property plant and equipment, and costs incurred subsequent to initial acquisition, is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the 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 a nominal cost, it is recognised at fair value at the date of acquisition. 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 the Council, and the cost of the item can be measured reliably.

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

## Disposals

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

## Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land and heritage assets, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

| Asset class                             | Years    | Depreciation |
|-----------------------------------------|----------|--------------|
| <b>Buildings</b>                        | 3 - 100  | 1% - 33.3%   |
| <b>Vehicles</b>                         | 3 - 25   | 4% - 33.3%   |
| <b>Plant and equipment</b>              | 2 - 50   | 2% - 50%     |
| <b>Library books</b>                    | 5 - 14   | 7.1% - 20%   |
| <b>Zoo animals</b>                      | 10       | 10%          |
| <b>Improvements - parks and gardens</b> | 10 - 150 | 0.7% - 10%   |
| <b>Roads and traffic network</b>        |          |              |
| Top surface (seal)                      | 10 - 100 | 1% - 10%     |
| Pavement (basecourse)                   | 50 - 140 | 0.7% - 2%    |
| Concrete Roads                          | 60       | 1.7%         |
| Drainage                                | 60 - 70  | 1.4% - 1.7%  |
| Car parks                               | 12 - 125 | 0.8% - 8.3%  |
| Footpaths and cycleways                 | 25 - 75  | 1.3% - 4%    |
| Kerbs and traffic islands               | 35 - 100 | 1% - 2.86%   |
| 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%           |
| Retaining walls                         | 50 - 100 | 1% - 2%      |



| Asset class                           | Years    | Depreciation |
|---------------------------------------|----------|--------------|
| <b>Wastewater reticulation</b>        |          |              |
| Pipes                                 | 30 - 100 | 1% - 3.3%    |
| Manholes                              | 100      | 1%           |
| Treatment plant                       | 3 - 100  | 1% - 33%     |
| Valves                                | 25 - 100 | 1% - 4%      |
| Pump stations                         | 15 - 50  | 2% - 6.7%    |
| <b>Stormwater system</b>              |          |              |
| Pipes                                 | 30 - 100 | 1% - 3.3%    |
| Manholes, inlets and outlets          | 29 - 100 | 1% - 3.4%    |
| Soakage trench                        | 50       | 2%           |
| Fish Pass                             | 75       | 1.33%        |
| Channels                              | 20-90    | 1.1% - 5%    |
| Erosion control                       | 50-75    | 1.3% - 2%    |
| <b>Water reticulation</b>             |          |              |
| 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                       | 3 - 100  | 1% - 33.3%   |
| Meters                                | 15       | 6.7%         |
| Hydrants                              | 50 - 75  | 1.3% - 2%    |
| Cathodic Protection Device            | 15 - 100 | 1% - 6.7%    |
| Reservoirs                            | 5 - 100  | 1% - 20%     |
| <b>Refuse - rubbish and recycling</b> | 5 - 100  | 1% - 20%     |

The residual value and useful life of an asset is reviewed and adjusted if applicable.

### 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.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit.

### Value in use for non-cash-generating assets

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash-generating assets, value in use is determined using an approach

based on either a depreciated replacement cost approach, a restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

### **Value in use cash-generating assets**

Cash generating assets are those assets held with the primary objective of generating a commercial return.

The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

### **Critical judgements in applying accounting policies**

Management has exercised critical judgement in applying accounting policies to the classification of property.

The Council owns some rental properties, which are not held for generating a profit from renting. The receipt of market-based rental from these properties is incidental. These properties are held for service delivery objectives and are therefore accounted for as property, plant and equipment rather than as investment property.

## **Critical accounting estimates and assumptions**

### **Estimating the fair value of land, buildings, improvements - parks and gardens and infrastructure assets**

#### **Land (operational, restricted, infrastructure and parks and gardens)**

The most recent valuation of land was performed by independent registered valuers Opteon Technologies Limited, Personnel Involved Lionel Musson. The valuation is effective as at 30 April 2025.

Land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land values.

Where there is a designation against the land or the use of the land is restricted because of reserve or endowment status, the valuation approach reflects the restriction in use. Such land is valued based on rural land value plus a location adjustment to reflect different zoning, which are based on the

valuers judgement.

Restrictions on the Council's ability to sell land would normally not impair the value of the land because the Council has operational use of the land for the foreseeable future and will substantially receive the full benefits of outright ownership.

### **Buildings**

The most recent valuation of Buildings was performed by independent registered valuer Lionel Musson of Opteon Technologies Limited, in conjunction with Hamilton City Council staff who valued the non-specialised buildings making up the majority of Council's buildings portfolio. Staff are experienced in the management of these types of assets and have sought outside assistance where required for items such as values or lives on specialised equipment. The revaluation was independently reviewed by Brian Smith BCom, CA of Brian Smith Advisory Services Ltd. The valuation is effective as at 30 April 2025.

The properties in this revaluation can be broken into groups:

- Properties that could be sold and have been valued using Market Value by Opteon Technologies Limited.
- Properties that have no value on the open market and have been valued using Depreciated Replacement Cost method. This is the majority of the properties in the Council portfolio.

Depreciated replacement cost is determined using several significant assumptions. Significant assumptions used in the 30 April 2025 valuation include:

- The assessment of unit rates is based on the asset component being replaced with the least cost alternative modern equivalent asset providing the same service potential
- Base lives vary by component and are based on the NAMS Building Component guidelines, NAMS valuation manual or on staff experience.
- Depreciation was applied to depreciable assets on a straight-line basis over the assessed total economic life of the asset.

Specialised buildings are valued at fair value using depreciated replacement cost because no reliable market data is available for such buildings.

Significant assumptions in the 30 June 2025 valuation include market rents and capitalisation rates:

- Market rents range from \$100/sqm to \$625/sqm per square metre An increase (decrease) in market rents would increase (decrease) the fair value of non-specialised buildings.
- Capitalisation rates are market-based rates of return and range from 6% to 6.5% . An increase (decrease) in the capitalisation rate would decrease (increase) the fair value of non-specialised buildings

A comparison of the carrying value of buildings valued using depreciated replacement cost and buildings valued using market-based evidence is as follows:

| Operational Buildings                                          | 2025    |
|----------------------------------------------------------------|---------|
| Depreciated Replacement Cost                                   | \$000   |
| Market-based evidence                                          | 340,988 |
| Total Carrying amount of operational buildings per revaluation | 46,395  |
|                                                                | 387,383 |

Heritage assets

Library Heritage collection (Central Library Reference Collection) is valued at fair value. Major collection items have been valued separately or by formulae based on quantity measurements and determined by details provided by a random cross section sampling methodology.

The most recent valuation for the Library Reference Collection was performed by Ben Ashley, Principal Appraiser and Antonia Milsom, Senior Appraiser, both of Ashley & Associates Limited. The revaluations were effective as at 30 June 2021.

Museum Heritage Collection is valued at fair value using various methods as follows:

- a) Reference to observable prices in an active market. Where that market exists for the same or similar asset the market prices are deemed to be fair value. The values ascribed are primarily based on observable prices in both the primary retail market and the secondary auction market.
- b) If there is no active market, fair value is determined by other market based evidence adjudged by the valuers as active and knowledgeable participants in the market.

When ascribing values, consideration was given to the following:

- Historical and cultural significance recognising that there is a strong trend in sales that reflect this significance
- Comparison with the values ascribed to the value of similar items held in other institutions.
- Recent auction catalogue sales nationally and/or internationally. These values are known by the valuer’s attendance at sales as well as by access to numerous auction houses and on-line data base records, such as the Australian Art Sales Digest which tracks sales results across all the major auction houses in Australasia.

The most recent valuation for the Museum Heritage Collection was performed by Hamish Cooney, Principal Appraiser of Hamish Cooney Valuation Services. The last revaluation was effective as at 30 June 2021.

## Parks and gardens improvements

Parks and gardens improvements are valued at fair value using depreciated replacement cost.

The most recent valuation was performed by Sarah Ward (Strategic Asset Specialist) and Justin Lu (Business and Asset Analyst) and independently reviewed by Brian Smith BCom, CA of Brian Smith Advisory Services Ltd. The valuation was effective as at 30 April 2023.

This Valuation covers parks type assets for the Parks and Open Spaces, Hamilton Gardens, Cemeteries and Crematorium and Hamilton Zoo activities. It excludes parks types Assets for Venue, Tourism & Major Events (VTME).

A desktop revaluation has been carried out for the VTME park type assets.

Replacement unit rates have been reviewed and adjusted according to:

- Project leader knowledge and pricing from recent renewal contracts
- The Statistics NZ Capital Goods Price Index.

The existing Useful Lives were reviewed to ensure they were appropriate. 2023 revised useful lives did not vary largely from those recommended in the New Zealand Infrastructure Asset Valuation and Depreciation Guidelines developed in 2006.

## Infrastructure assets

Infrastructure assets are valued at fair value using the depreciated replacement cost method.

The most recent valuation for water reticulation, wastewater reticulation, stormwater and solid waste was performed by Alisha Shah, Jhanica Ye, Andrew Liew, Robert Berghuis and Marvin Clough of Beca Projects NZ Limited. The valuation was effective as at 30 April 2022.

The significant estimate and assumptions used include:

- Beca has used the depreciated replacement cost methodology of the cost approach in assessing fair values.
- Asset replacement cost includes the estimated procurement cost of each item, an allowance for installation costs, and an allowance for engineering and project management fees including survey & design, contract preparation & supervision and project management costs. In HCC's case, all unit rates include overheads.

- The remaining lives are based on base lives for each asset with adjustments due to age. No adjustment was made to base lives for the 2022 valuation.

## Water Reticulation Assets

In accordance with Councils revaluation policy Council engaged with an external valuer to perform the revaluation of the three waters reticulation assets at 30 April 2025.

These results from the revaluation significantly diverged from expectations with the indicated increases being materially higher than the 10-20% range suggested by CGPI trends and introduce uncertainty about whether the valuation reflects real economic or physical changes in the asset base, or methodological anomalies.

In response management undertook a detailed benchmarking exercise to assess the revaluation movements in its asset base. This included comparative analysis with other high-growth entities and review of industry data, such as the *Waters New Zealand - National Performance Review Data 2021/22*.

All analytical outcomes pointed to a material and unexplained variance in the 2025 revaluation figures. It is this level of analysis inconsistency which raises concern over the risk of material misstatement if the draft revaluation result were incorporated in the 2024/25 Annual Report Financial Statements.

Management is continuing its investigation to understand and resolve the discrepancy.

It is noted that until the cause of this significant increase is understood and validated, there is not sufficient confidence to support the inclusion of these values in the 2024/25 Annual Report. Despite this, it is likely that the carrying value of the three waters reticulations assets is materially different from their fair value.

Management is therefore undertaking to engage further with the valuer to ensure that the valuation to be supported by additional detailed explanations and validation of valuation drivers as well as an expanded peer review scope, focusing on methodology, cost base, and remaining life assessments, any other core assumption changes

## Treatment Plants

The most recent valuation for water treatment plants and wastewater treatment plants was performed by Esther Teng, Jed Sorensen, Robert

Berghuis and Marvin Clough of Beca Projects NZ Limited and independently reviewed by Brian Smith BCom, CA of Brian Smith Advisory Services Ltd. The valuation was effective as at 30 April 2025.

Treatment Plant and Reservoir Building assets have been valued separately from Councils operational buildings. These valuations were performed by Sarah L'Amie, Amy Huang, Grant Austin and Marvin Clough of Beca Projects NZ Limited. The valuation was effective as at 30 April 2025.

Due to the specialised nature of treatment plant and reservoir assets, the capital good price index (CGPI) indexation methodology was used to escalate values to estimate replacements costs for this valuation. Treatment plant and reservoir assets are typically bespoke componentised assets that could not normally be valued using the unit cost measurement method. While the use of cost indexing is less desirable than recent contract information, management remain confident the valuation materially estimates fair value at the reporting date.

The significant estimate and assumptions used include:

- Beca has used the depreciated replacement cost methodology of the cost approach in assessing fair values.
- Asset replacement cost includes the estimated procurement cost of each item, an allowance for installation costs, and an allowance for engineering and project management fees including survey & design, contract preparation & supervision and project management costs. In HCC's case, all unit rates include overheads.
- The remaining lives are based on base lives for each asset with adjustments due to age.

## Transport Assets

The most recent valuation for transport assets (excluding land) was performed by Stephen Orenia, Senior Associate – Asset Management, of Beca Limited. The valuation was effective as at 30 June 2023.

There are several estimates and assumptions exercised when valuing infrastructure assets using the depreciated replacement cost method. These include:

- Estimating the replacement cost of the asset. The replacement cost is based on recent tendered construction contracts in the region for modern equivalent assets, from which unit rates are determined.

- Estimates of the remaining useful life over which the asset will be depreciated. These estimates can be affected by the local conditions. For example, weather patterns, soil types and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then the Council could be over or under-estimating the annual depreciation charge recognised as an expense in the statement of comprehensive revenue and expense. To minimise this risk, infrastructure asset lives have been determined with reference to the NAMS guidelines published by the National Asset Management Steering Group and have been adjusted for local conditions based on staff experience. Asset inspections, deterioration and condition-modelling are also carried out regularly as part of asset management planning activities, which provides further assurance over useful life estimates.
- For the small number of assets that had no recorded construction date a default construction date of half the life or a date relative to the other dates for like assets, has been assigned.
- When valuing the top surface (the surface treatment currently on the top of the road pavement) 1st coats have been valued with a zero rate as the cost is included in the pavement renewal treatment included in the basecourse valuation.
- When valuing the carparks, replacement costs for flexible pavement layers are assumed to match the similar layers for treatment lengths with life cycles aligning to pavement use 3 category roads due to traffic inflow and outflow, commodity parking restriction and turnaround times. It is also assumed concrete car parks are 200mm deep with steel mesh reinforcement.

## Fair Value Assessment

A fair value assessment is performed annual by Council staff for all non valued asset classes, applying available price indices. At 30 June 2025 this included Transportation, Parks and Gardens Improvements and Heritage Assets.

When applying the fair value to these assets classes, the increase in the value was not considered material, and accordingly management has concluded that these assets classes did not require revaluation for 30 June 2025.

## Uninsured assets

Since 1 July 2013 Council has insurance cover for material damage for the underground pipe networks, bridges and reservoirs. This is cover in the event of a major incident or disaster. The road network assets remain uninsured.

## Note 24: Property, plant and equipment

### Work in progress

Property, plant and equipment in the course of construction by class of asset are detailed as follows:

|                                  | Council        |                |
|----------------------------------|----------------|----------------|
|                                  | 2025           | 2024           |
|                                  | \$000          | \$000          |
| <b>Operational assets</b>        |                |                |
| Land                             | -              | -              |
| Buildings                        | 8,183          | 18,598         |
| Land - parks and gardens         | 528            | 534            |
| Improvements - parks and gardens | 9,392          | 17,333         |
| Plant and equipment              | 2,667          | 2,632          |
| Vehicles                         | -              | 203            |
| Library books                    | 1              | -              |
| <b>Heritage assets</b>           |                |                |
| Museum and library               | -              | 81             |
| <b>Infrastructure assets</b>     |                |                |
| Land                             | 16,525         | -              |
| Refuse                           | -              | 885            |
| Roads and traffic network        | 99,277         | 280,641        |
| Land under roads                 | 6,891          | 1,059          |
| Stormwater system                | 17,127         | 32,841         |
| Wastewater system                | 44,524         | 76,507         |
| Wastewater treatment plant       | 22,253         | 16,366         |
| Water system                     | 22,954         | 22,395         |
| Water treatment plant            | 2,129          | 15,231         |
| <b>Total work in progress</b>    | <b>252,451</b> | <b>485,306</b> |

## Capital commitments

The amount of contractual commitments for acquisition of property, plant and equipment is:

|                                           | Council        |                |
|-------------------------------------------|----------------|----------------|
|                                           | 2025           | 2024           |
|                                           | \$000          | \$000          |
| <b>Capital commitments by asset class</b> |                |                |
| Buildings                                 | 12,167         | 29,201         |
| Improvements - parks and gardens          | 1,472          | 8,030          |
| Museum and library                        | 424            | 4,291          |
| Roads and traffic network                 | 103,751        | 85,380         |
| Stormwater system                         | 1,350          | 1,436          |
| Wastewater system                         | 23,135         | 42,883         |
| Water system                              | 48,198         | 52,242         |
| <b>Total capital commitments</b>          | <b>190,497</b> | <b>223,463</b> |

## Core infrastructure asset disclosure

Included within Councils Infrastructure assets below are the following core Council assets:

|                            | Most recent replacement cost estimate<br>for revalued assets |           |
|----------------------------|--------------------------------------------------------------|-----------|
|                            | 2025                                                         | 2024      |
|                            | \$000                                                        | \$000     |
| Roads and traffic network  | 2,501,463                                                    | 2,236,561 |
| Stormwater system          | 1,079,472                                                    | 1,046,200 |
| Wastewater system          | 922,929                                                      | 863,211   |
| Wastewater treatment plant | 204,886                                                      | 166,555   |
| Water system               | 579,776                                                      | 566,827   |
| Water treatment plant      | 234,892                                                      | 176,196   |



## Note 24: Property, plant and equipment

| \$000                                      | Cost/ valuation  | Accumulated depreciation & impairment | Carrying amount  | Cost transfers / reclassifications | Accumulated depreciation transfers / reclassifications | Gain/(loss) on revaluations | Current year additions (constructed) |
|--------------------------------------------|------------------|---------------------------------------|------------------|------------------------------------|--------------------------------------------------------|-----------------------------|--------------------------------------|
|                                            | 30-Jun-24        | 30-Jun-24                             | 30-Jun-24        |                                    |                                                        |                             |                                      |
| <b>Operational assets</b>                  |                  |                                       |                  |                                    |                                                        |                             |                                      |
| Land                                       | 99,970           | -                                     | 99,970           | 100                                | -                                                      | 2,195                       | 1,002                                |
| Buildings                                  | 379,735          | (33,995)                              | 345,740          | (8,133)                            | 1,131                                                  | 78,289                      | 31,386                               |
| Land - parks and gardens                   | 1,017,193        | -                                     | 1,017,193        | (4,707)                            | -                                                      | 9,707                       | (200)                                |
| Improvements - parks and gardens           | 201,644          | (9,781)                               | 191,863          | -                                  | -                                                      | -                           | 32,211                               |
| Plant and equipment                        | 75,348           | (42,709)                              | 32,639           | 25                                 | (6)                                                    | -                           | 3,428                                |
| Finance leases                             | 390              | (392)                                 | (2)              | -                                  | -                                                      | -                           | -                                    |
| Vehicles                                   | 14,100           | (7,789)                               | 6,311            | -                                  | -                                                      | -                           | 4,778                                |
| Library books                              | 21,312           | (17,776)                              | 3,536            | -                                  | -                                                      | -                           | 1,302                                |
| Zoo animals                                | 850              | (742)                                 | 108              | -                                  | -                                                      | -                           | 35                                   |
| Leasehold Improvements                     | -                | -                                     | -                | -                                  | -                                                      | -                           | -                                    |
| <b>Total operational assets</b>            | <b>1,810,542</b> | <b>(113,184)</b>                      | <b>1,697,358</b> | <b>(12,715)</b>                    | <b>1,125</b>                                           | <b>90,191</b>               | <b>73,942</b>                        |
| <b>Restricted assets</b>                   |                  |                                       |                  |                                    |                                                        |                             |                                      |
| Land                                       | -                | -                                     | -                | -                                  | -                                                      | -                           | -                                    |
| <b>Heritage assets</b>                     |                  |                                       |                  |                                    |                                                        |                             |                                      |
| Museum and library                         | 41,377           | -                                     | 41,377           | -                                  | -                                                      | -                           | 242                                  |
| <b>Infrastructure assets</b>               |                  |                                       |                  |                                    |                                                        |                             |                                      |
| Land                                       | 121,769          | -                                     | 121,769          | 1,481                              | -                                                      | 1,494                       | 5,264                                |
| Refuse                                     | 54,752           | (868)                                 | 53,884           | -                                  | -                                                      | -                           | (44)                                 |
| Roads and traffic network                  | 1,778,049        | (36,944)                              | 1,741,105        | -                                  | -                                                      | -                           | 255,501                              |
| Land under roads                           | 839,150          | -                                     | 839,150          | (1,056)                            | -                                                      | -                           | 3,378                                |
| Stormwater system                          | 723,614          | (23,321)                              | 700,293          | -                                  | -                                                      | -                           | 29,461                               |
| Wastewater system                          | 626,052          | (21,373)                              | 604,679          | -                                  | -                                                      | -                           | 56,555                               |
| Wastewater treatment plant                 | 129,913          | (9,263)                               | 120,650          | 4,724                              | (649)                                                  | 12,778                      | 9,839                                |
| Water system                               | 380,835          | (14,212)                              | 366,623          | -                                  | -                                                      | -                           | 12,542                               |
| Water treatment station                    | 132,533          | (7,530)                               | 125,003          | 3,285                              | (476)                                                  | 60,404                      | 17,987                               |
| <b>Total infrastructure assets</b>         | <b>4,786,667</b> | <b>(113,511)</b>                      | <b>4,673,156</b> | <b>8,434</b>                       | <b>(1,125)</b>                                         | <b>74,676</b>               | <b>390,483</b>                       |
| <b>Total property, plant and equipment</b> | <b>6,638,586</b> | <b>(226,695)</b>                      | <b>6,411,891</b> | <b>(4,281)</b>                     | <b>-</b>                                               | <b>164,867</b>              | <b>464,667</b>                       |

| Council 2025                    |                            |                                  |                                               |                           |                                               |                   |                    |                                               |                  |
|---------------------------------|----------------------------|----------------------------------|-----------------------------------------------|---------------------------|-----------------------------------------------|-------------------|--------------------|-----------------------------------------------|------------------|
| Current year additions (vested) | Change in Work in Progress | "Current year disposals at cost" | Current year impairment charges or write offs | Current year depreciation | Accumulated depreciation reversed on disposal | Other adjustments | Cost / revaluation | Accumulated depreciation & impairment charges | Carrying amount  |
|                                 |                            |                                  |                                               |                           |                                               |                   | 30-Jun-25          | 30-Jun-25                                     | 30-Jun-25        |
| -                               | -                          | -                                | -                                             | -                         | -                                             | -                 | 103,267            | -                                             | 103,267          |
| -                               | (10,415)                   | (766)                            | -                                             | (16,017)                  | 233                                           | -                 | 424,450            | (3,002)                                       | 421,448          |
| 682                             | (6)                        | -                                | -                                             | -                         | -                                             | -                 | 1,022,669          | -                                             | 1,022,669        |
| 2,948                           | (7,940)                    | (759)                            | -                                             | (7,201)                   | 210                                           | -                 | 228,104            | (16,772)                                      | 211,332          |
| -                               | 35                         | (1,711)                          | -                                             | (5,075)                   | 1,426                                         | -                 | 77,125             | (46,364)                                      | 30,761           |
| -                               | -                          | -                                | -                                             | -                         | -                                             | -                 | 390                | (392)                                         | (2)              |
| -                               | (203)                      | (1,870)                          | -                                             | (1,347)                   | 1,361                                         | -                 | 16,805             | (7,775)                                       | 9,030            |
| -                               | 1                          | -                                | -                                             | (2,302)                   | -                                             | -                 | 22,615             | (20,078)                                      | 2,537            |
| -                               | -                          | -                                | -                                             | (25)                      | -                                             | -                 | 885                | (767)                                         | 118              |
| -                               | -                          | -                                | -                                             | -                         | -                                             | -                 | -                  | -                                             | -                |
| <b>3,630</b>                    | <b>(18,528)</b>            | <b>(5,106)</b>                   | <b>-</b>                                      | <b>(31,967)</b>           | <b>3,230</b>                                  | <b>-</b>          | <b>1,896,310</b>   | <b>(95,150)</b>                               | <b>1,801,160</b> |
| -                               | -                          | -                                | -                                             | -                         | -                                             | -                 | -                  | -                                             | -                |
| -                               | (81)                       | -                                | -                                             | -                         | -                                             | -                 | 41,538             | -                                             | 41,538           |
| 14,357                          | 16,525                     | (6)                              | -                                             | -                         | -                                             | -                 | 160,884            | -                                             | 160,884          |
| -                               | (885)                      | -                                | -                                             | (371)                     | -                                             | -                 | 53,823             | (1,239)                                       | 52,584           |
| 9,812                           | (182,113)                  | (405)                            | -                                             | (40,969)                  | 282                                           | -                 | 1,860,844          | (77,631)                                      | 1,783,213        |
| (7,944)                         | 6,579                      | (388)                            | -                                             | -                         | -                                             | -                 | 839,719            | -                                             | 839,719          |
| 4,261                           | (15,714)                   | (450)                            | -                                             | (10,753)                  | 20                                            | -                 | 741,172            | (34,054)                                      | 707,118          |
| 4,383                           | (31,983)                   | (1,210)                          | -                                             | (9,558)                   | 45                                            | -                 | 653,797            | (30,886)                                      | 622,911          |
| -                               | 5,887                      | (5,857)                          | -                                             | (4,566)                   | 379                                           | -                 | 144,239            | (1,054)                                       | 143,185          |
| 966                             | 560                        | (559)                            | -                                             | (6,319)                   | 36                                            | -                 | 394,344            | (20,495)                                      | 373,849          |
| -                               | (13,102)                   | (5,366)                          | -                                             | (3,851)                   | 449                                           | -                 | 185,408            | (1,075)                                       | 184,333          |
| <b>25,835</b>                   | <b>(214,246)</b>           | <b>(14,241)</b>                  | <b>-</b>                                      | <b>(76,387)</b>           | <b>1,211</b>                                  | <b>-</b>          | <b>5,034,230</b>   | <b>(166,434)</b>                              | <b>4,867,796</b> |
| <b>29,465</b>                   | <b>(232,855)</b>           | <b>(19,347)</b>                  | <b>-</b>                                      | <b>(108,354)</b>          | <b>4,441</b>                                  | <b>-</b>          | <b>6,972,078</b>   | <b>(261,584)</b>                              | <b>6,710,494</b> |

The work in progress for infrastructure land at 30 June 2025 includes \$16.5m of land acquisition pre-payment under the Public Works Act 1981.

## Explanation of significant variances against budget

Plant, property and equipment

Plant, property and equipment was unfavourable to budget by (\$297.6m) mainly due to the revaluation of waters reticulation assets not been completed as budgeted combined with the underspend of the capital programme for the year.

### Council

| Actual 2025 | Budget 2025 |
|-------------|-------------|
| \$000       | \$000       |
| 6,710,494   | 7,008,100   |

## Note 24: Property, plant and equipment

| \$000                                      | Cost/ valuation  | Accumulated depreciation & impairment | Carrying amount  | Cost transfers / reclassifications | Accumulated depreciation transfers / reclassifications | Gain/(loss) on revaluations | Current year additions (constructed) |
|--------------------------------------------|------------------|---------------------------------------|------------------|------------------------------------|--------------------------------------------------------|-----------------------------|--------------------------------------|
|                                            | 30-Jun-23        | 30-Jun-23                             | 30-Jun-23        |                                    |                                                        |                             |                                      |
| <b>Operational assets</b>                  |                  |                                       |                  |                                    |                                                        |                             |                                      |
| Land                                       | 125,682          | -                                     | 125,682          | (21,375)                           | -                                                      | 536                         | 14                                   |
| Buildings                                  | 363,138          | (18,770)                              | 344,368          | 100                                | -                                                      | -                           | 21,600                               |
| Land - parks and gardens                   | 933,320          | -                                     | 933,320          | 30,616                             | -                                                      | 39,579                      | 42,115                               |
| Improvements - parks and gardens           | 164,405          | (2,130)                               | 162,275          | -                                  | -                                                      | -                           | 34,096                               |
| Plant and equipment                        | 64,948           | (38,179)                              | 26,769           | -                                  | -                                                      | -                           | 9,074                                |
| Finance leases                             | 390              | (375)                                 | 15               | -                                  | -                                                      | -                           | -                                    |
| Vehicles                                   | 13,558           | (7,139)                               | 6,419            | -                                  | -                                                      | -                           | 1,360                                |
| Library books                              | 20,200           | (15,452)                              | 4,748            | -                                  | -                                                      | -                           | 1,112                                |
| Zoo animals                                | 832              | (719)                                 | 113              | -                                  | -                                                      | -                           | 18                                   |
| Leasehold Improvements                     | -                | -                                     | -                | -                                  | -                                                      | -                           | -                                    |
| <b>Total operational assets</b>            | <b>1,686,473</b> | <b>(82,764)</b>                       | <b>1,603,709</b> | <b>9,341</b>                       | <b>-</b>                                               | <b>40,115</b>               | <b>109,389</b>                       |
| <b>Restricted assets</b>                   |                  |                                       |                  |                                    |                                                        |                             |                                      |
| Land                                       | 47,356           | -                                     | 47,356           | (44,170)                           | -                                                      | -                           | -                                    |
| <b>Heritage assets</b>                     |                  |                                       |                  |                                    |                                                        |                             |                                      |
| Museum and library                         | 41,299           | -                                     | 41,299           | -                                  | -                                                      | -                           | 48                                   |
| <b>Infrastructure assets</b>               |                  |                                       |                  |                                    |                                                        |                             |                                      |
| Land                                       | 80,768           | -                                     | 80,768           | 28,501                             | -                                                      | 8,826                       | 2,963                                |
| Refuse                                     | 53,908           | (470)                                 | 53,438           | -                                  | -                                                      | -                           | 429                                  |
| Roads and traffic network                  | 1,667,933        | (1,138)                               | 1,666,795        | -                                  | -                                                      | -                           | 77,915                               |
| Land under roads                           | 810,749          | -                                     | 810,749          | 6,797                              | -                                                      | -                           | 4,955                                |
| Stormwater system                          | 699,320          | (12,482)                              | 686,838          | (12)                               | -                                                      | -                           | 6,541                                |
| Wastewater system                          | 573,933          | (11,282)                              | 562,651          | 12                                 | -                                                      | -                           | 11,934                               |
| Wastewater treatment plant                 | 116,919          | (4,925)                               | 111,994          | -                                  | -                                                      | -                           | 7,446                                |
| Water system                               | 354,872          | (7,575)                               | 347,297          | -                                  | -                                                      | -                           | 29,416                               |
| Water treatment station                    | 122,777          | (4,017)                               | 118,760          | -                                  | -                                                      | -                           | 6,346                                |
| <b>Total infrastructure assets</b>         | <b>4,481,179</b> | <b>(41,889)</b>                       | <b>4,439,290</b> | <b>35,298</b>                      | <b>-</b>                                               | <b>8,826</b>                | <b>147,945</b>                       |
| <b>Total property, plant and equipment</b> | <b>6,256,307</b> | <b>(124,653)</b>                      | <b>6,131,654</b> | <b>469</b>                         | <b>-</b>                                               | <b>48,941</b>               | <b>257,382</b>                       |

| Council 2024                    |                            |                                |                                               |                           |                                               |                   |                    |                                               |                  |
|---------------------------------|----------------------------|--------------------------------|-----------------------------------------------|---------------------------|-----------------------------------------------|-------------------|--------------------|-----------------------------------------------|------------------|
| Current year additions (vested) | Change in Work in Progress | Current year disposals at cost | Current year impairment charges or write offs | Current year depreciation | Accumulated depreciation reversed on disposal | Other adjustments | Cost / revaluation | Accumulated depreciation & impairment charges | Carrying amount  |
|                                 |                            |                                |                                               |                           |                                               |                   | 30-Jun-24          | 30-Jun-24                                     | 30-Jun-24        |
| -                               | -                          | -                              | -                                             | -                         | -                                             | (4,887)           | 99,970             | -                                             | 99,970           |
| -                               | (2,520)                    | (2,583)                        | -                                             | (15,576)                  | 351                                           | -                 | 379,735            | (33,995)                                      | 345,740          |
| 9,712                           | (38,149)                   | -                              | -                                             | -                         | -                                             | -                 | 1,017,193          | -                                             | 1,017,193        |
| 366                             | 3,435                      | (389)                          | (269)                                         | (7,763)                   | 112                                           | -                 | 201,644            | (9,781)                                       | 191,863          |
| -                               | 1,409                      | (83)                           | -                                             | (4,588)                   | 58                                            | -                 | 75,348             | (42,709)                                      | 32,639           |
| -                               | -                          | -                              | -                                             | (17)                      | -                                             | -                 | 390                | (392)                                         | (2)              |
| -                               | 203                        | (1,021)                        | -                                             | (1,490)                   | 840                                           | -                 | 14,100             | (7,789)                                       | 6,311            |
| -                               | -                          | -                              | -                                             | (2,324)                   | -                                             | -                 | 21,312             | (17,776)                                      | 3,536            |
| -                               | -                          | -                              | -                                             | (23)                      | -                                             | -                 | 850                | (742)                                         | 108              |
| -                               | -                          | -                              | -                                             | -                         | -                                             | -                 | -                  | -                                             | -                |
| <b>10,078</b>                   | <b>(35,622)</b>            | <b>(4,076)</b>                 | <b>(269)</b>                                  | <b>(31,781)</b>           | <b>1,361</b>                                  | <b>(4,887)</b>    | <b>1,810,542</b>   | <b>(113,184)</b>                              | <b>1,697,358</b> |
| -                               | -                          | (172)                          | -                                             | -                         | -                                             | (3,014)           | -                  | -                                             | -                |
| -                               | 30                         | -                              | -                                             | -                         | -                                             | -                 | 41,377             | -                                             | 41,377           |
| 1,112                           | (2)                        | (20)                           | -                                             | -                         | -                                             | (379)             | 121,769            | -                                             | 121,769          |
| -                               | 415                        | -                              | -                                             | (398)                     | -                                             | -                 | 54,752             | (868)                                         | 53,884           |
| 11,686                          | 54,422                     | (33,907)                       | -                                             | (36,517)                  | 711                                           | -                 | 1,778,049          | (36,944)                                      | 1,741,105        |
| 18,489                          | (1,403)                    | (4)                            | -                                             | -                         | -                                             | (433)             | 839,150            | -                                             | 839,150          |
| 6,147                           | 11,803                     | (185)                          | -                                             | (10,846)                  | 7                                             | -                 | 723,614            | (23,321)                                      | 700,293          |
| 5,608                           | 34,787                     | (222)                          | -                                             | (10,102)                  | 11                                            | -                 | 626,052            | (21,373)                                      | 604,679          |
| -                               | 5,813                      | (265)                          | -                                             | (4,369)                   | 31                                            | -                 | 129,913            | (9,263)                                       | 120,650          |
| 2,145                           | (4,934)                    | (664)                          | -                                             | (6,711)                   | 74                                            | -                 | 380,835            | (14,212)                                      | 366,623          |
| -                               | 3,455                      | (45)                           | -                                             | (3,526)                   | 13                                            | -                 | 132,533            | (7,530)                                       | 125,003          |
| <b>45,187</b>                   | <b>104,356</b>             | <b>(35,312)</b>                | <b>-</b>                                      | <b>(72,469)</b>           | <b>847</b>                                    | <b>(812)</b>      | <b>4,786,667</b>   | <b>(113,511)</b>                              | <b>4,673,156</b> |
| <b>55,265</b>                   | <b>68,764</b>              | <b>(39,560)</b>                | <b>(269)</b>                                  | <b>(104,250)</b>          | <b>2,208</b>                                  | <b>(8,713)</b>    | <b>6,638,586</b>   | <b>(226,695)</b>                              | <b>6,411,891</b> |

## Note 25: Intangible assets

### Accounting policy

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.

#### 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 that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Where software is provided under a software-as-a-service (SaaS) arrangement, cost of configuration and customisation are recognised as an intangible asset only if the activities create an intangible asset that the Council controls and asset recognition criteria are met. Costs, including ongoing fees for use of software, which do not result in an intangible asset or a software finance lease are expensed as a service contract as incurred. However, where fees represent payment for future services to be received, the Council recognises these as a prepayment and expenses these as subsequent services are received.

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 the Council's website are recognised as an expense when incurred.

#### Infrastructural Modelling

Infrastructural Modelling are strategic documents that outline projects at either network or developmental level that have a future look focus.

Costs incurred are capitalised if it is shown:

1. an asset's technical feasibility,
2. management's intention to complete it,

3. its ability to generate future economic benefits (e.g., a market for the output), and
4. the availability of resources to complete it,

all while ensuring the expenditure can be reliably measured.

Any costs incurred that are of a selling admin and other general overhead, training staff are considered operational and not capitalised.

The notes should disclose the asset's nature, carrying amount, useful life, amortisation method, and any impairment charges, in accordance with NZ IAS 38 (PBE).

#### Designations

Road designations categorize and classify roads based on their function, design, and role within a transportation network, such as highways, arterial roads, collector roads, and local roads

It refers to expenditures that renew, extend, or upgrade the service potential of the asset, like a new section of road or a significant improvement.

These are a project specific planning document. They are an early stage project component to secure land and confirm concept. It can be up to 10-15 years before the physical assets are in place.

#### Consents

A Resource Consent is written permission from your local council to undertake an activity or project that impacts the environment or surrounding community, as defined by the Resource Management Act (RMA) and may or may not be attached to a specific asset.

Resource Consents that attach to specific assets are capitalised against that asset.

If not assigned to a specific asset, but form part of the overall consent process required for strategic Infrastructural development, the cost may be spread over the various assets.

Where resource consents are not depreciable intangible property the expenditure may be able to be capitalised into the cost base of another item of depreciable property and depreciated.

**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<br>(based on consent or designation expiry date) | 10- 100 years |
| Licenses                                                                 | 3-14 years    |
| Models                                                                   | 5-100 years   |

|                                                | Council                      |             |                   |                            |                 |
|------------------------------------------------|------------------------------|-------------|-------------------|----------------------------|-----------------|
|                                                | Infrastructural<br>modelling | Licenses    | Computer software | Consents &<br>designations | Total           |
|                                                | \$000                        | \$000       | \$000             | \$000                      | \$000           |
| <b>Cost</b>                                    |                              |             |                   |                            |                 |
| Balance as at 1 July 2024                      | 16,242                       | 409         | 36,282            | 15,761                     | 68,694          |
| Additions                                      | 1,519                        | -           | 2,072             | 664                        | 4,255           |
| Disposals                                      | -                            | -           | (307)             | -                          | (307)           |
| Work in Progress (WIP)                         |                              |             |                   |                            | -               |
| - Opening WIP                                  | 9,780                        | -           | 4,926             | 2,273                      | 16,979          |
| - Closing WIP                                  | 9,839                        | -           | 2,889             | 1,623                      | 14,351          |
| Change in WIP                                  | 59                           | -           | (2,037)           | (650)                      | (2,628)         |
| <b>Balance as at 30 June 2025</b>              | <b>17,820</b>                | <b>409</b>  | <b>36,010</b>     | <b>15,775</b>              | <b>70,014</b>   |
| Balance as at 1 July 2023                      | 14,710                       | 409         | 35,874            | 15,597                     | 66,590          |
| Additions                                      | 210                          | -           | 1,247             | -                          | 1,457           |
| Disposals                                      | -                            | -           | (2,474)           | -                          | (2,474)         |
| Work in Progress (WIP)                         |                              |             |                   |                            | -               |
| - Opening WIP                                  | 8,458                        | -           | 3,291             | 2,109                      | 13,858          |
| - Closing WIP                                  | 9,780                        | -           | 4,926             | 2,273                      | 16,979          |
| Change in WIP                                  | 1,322                        | -           | 1,635             | 164                        | 3,120           |
| <b>Balance as at 30 June 2024</b>              | <b>16,242</b>                | <b>409</b>  | <b>36,282</b>     | <b>15,761</b>              | <b>68,694</b>   |
| <b>Accumulated amortisation and impairment</b> |                              |             |                   |                            |                 |
| Balance as at 1 July 2024                      | (2,725)                      | (73)        | (23,597)          | (8,859)                    | (35,254)        |
| Transferred accumulated depreciation           | -                            | -           | -                 | -                          | -               |
| Amortisation charge                            | (938)                        | -           | (2,721)           | (650)                      | (4,309)         |
| Impairment                                     | -                            | -           | -                 | -                          | -               |
| Amortisation reversed on disposal              | -                            | -           | 294               | -                          | 294             |
| <b>Balance as at 30 June 2025</b>              | <b>(3,663)</b>               | <b>(73)</b> | <b>(26,024)</b>   | <b>(9,509)</b>             | <b>(39,269)</b> |
| Balance as at 1 July 2023                      | (2,068)                      | (73)        | (22,294)          | (8,248)                    | (32,683)        |
| Amortisation charge                            | (657)                        | -           | (2,845)           | (611)                      | (4,113)         |
| Impairment                                     | -                            | -           | -                 | -                          | -               |
| Amortisation reversed on disposal              | -                            | -           | 1,542             | -                          | 1,542           |
| <b>Balance as at 30 June 2024</b>              | <b>(2,725)</b>               | <b>(73)</b> | <b>(23,597)</b>   | <b>(8,859)</b>             | <b>(35,254)</b> |
| <b>Carrying amounts</b>                        |                              |             |                   |                            |                 |
| Balance as at 1 July 2023                      | 12,642                       | 336         | 13,580            | 7,349                      | 33,907          |
| Balance as at 30 June and 1 July 2024          | 13,517                       | 336         | 12,685            | 6,902                      | 33,439          |
| <b>Balance as at 30 June 2025</b>              | <b>14,157</b>                | <b>336</b>  | <b>9,986</b>      | <b>6,266</b>               | <b>30,745</b>   |



**Restrictions over title**

There are no restrictions over the title of intangible assets. No assets are pledged for security for liabilities.

**Impairment**

No intangible assets have been impaired (2024: \$nil).

**Capital commitments**

Intangible asset commitments are \$18.5m (2024: \$13.2m).

**Explanation of significant variances against budget**

Intangible assets

Intangible assets are unfavourable to budget as a result of timing changes in the delivery plan of digital services.

| Council     |             |
|-------------|-------------|
| Actual 2025 | Budget 2025 |
| \$000       | \$000       |
| 30,095      | 49,106      |

## Note 26: Investment property

### Accounting policy

Properties leased to third parties under operating leases are classified as investment property 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 the Council, 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.

|                                                 | Council       |               |
|-------------------------------------------------|---------------|---------------|
|                                                 | 2025          | 2024          |
| <b>Balance at 1 July</b>                        | \$000         | \$000         |
| Additions from acquisitions                     | 31,115        | 32,013        |
| Transfers                                       | 72            | 793           |
| Work in progress                                | 1,425         | 68            |
| Disposals                                       | (72)          | 72            |
| Fair value gains/(losses) on valuation (note 8) | (612)         | (1,831)       |
| <b>Balance at 30 June</b>                       | <b>31,928</b> | <b>31,115</b> |

The valuation of Council's investment property was performed by R A Smithers an independent valuer from CBRE. CBRE are experienced valuers with extensive market knowledge in the types and locations of investment properties owned by the Council. The valuation was effective 30 June 2025.

The fair value of investment property has been determined using the capitalisation of net revenue, discounted cash flow method and sales comparison approach. These methods are based upon assumptions including future rental revenue, anticipated maintenance costs, and appropriate discount rates.

Information about revenue and expenses in relation to investment property is detailed below:

|                                                                       | Council |       |
|-----------------------------------------------------------------------|---------|-------|
|                                                                       | 2025    | 2024  |
| Rental revenue                                                        | \$000   | \$000 |
| Direct operating expenses from investment property generating revenue | 2,240   | 1,752 |
|                                                                       | 562     | 346   |

Explanation of significant variances against budget

|                     | Council     |             |
|---------------------|-------------|-------------|
|                     | Actual 2025 | Budget 2025 |
|                     | \$000       | \$000       |
| Investment property | 31,928      | 37,516      |

Investment property was (\$5.6m) unfavourable to budget. Due to the timing of the adoption of the 24/25 budget final impacts of actual results of 23/24 annual report had not been adjusted for. The unfavourability against budget is therefore due to the combined impacts of lower than budgeted revaluations for 23/24: \$1.8m and 24/25: \$1.5m, due to the softening of the commercial property.

## Note 27: Payables and deferred revenue

### Accounting policy

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

|                                                                      | Council       |               |
|----------------------------------------------------------------------|---------------|---------------|
|                                                                      | 2025          | 2024          |
|                                                                      | \$000         | \$000         |
| <b>Current portion</b>                                               |               |               |
| <i>Payables and deferred revenue under exchange transactions</i>     |               |               |
| Trade payables and accrued expenses                                  | 70,964        | 48,246        |
| Income in advance                                                    | 10,478        | 9,416         |
| Amounts due to customers for contract work                           | 1,533         | 2,180         |
| <b>Total</b>                                                         | <b>82,975</b> | <b>59,842</b> |
| <i>Payables and deferred revenue under non-exchange transactions</i> |               |               |
| Income in advance                                                    | 2,995         | 3,622         |
| Other taxes payable                                                  | 396           | 294           |
| <b>Total</b>                                                         | <b>3,391</b>  | <b>3,916</b>  |
| <b>Total current</b>                                                 | <b>86,366</b> | <b>63,758</b> |
| <b>Non-current portion</b>                                           |               |               |
| <i>Payables and deferred revenue under exchange transactions</i>     |               |               |
| Long-Term Creditor                                                   | 6,919         | -             |
| <b>Total</b>                                                         | <b>6,919</b>  | <b>-</b>      |
| <b>Total non-current</b>                                             | <b>6,919</b>  | <b>-</b>      |
| <b>Total payables and deferred revenue</b>                           | <b>93,285</b> | <b>63,758</b> |

Payables are generally non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of payables approximates their fair value.

### Explanation of significant variances against budget

|                               | Council     |             |
|-------------------------------|-------------|-------------|
|                               | Actual 2025 | Budget 2025 |
|                               | \$000       | \$000       |
| Payables and deferred revenue | 93,285      | 84,325      |

Payables and deferred revenue was (\$9.0m) unfavourable to budget due to an unbudgeted long-term creditor and trade payable and accrued expenses being higher than budget due to the timing of work being carried out and payment at year end.

## Note 28: Employee entitlements

### Accounting policy

#### Short-term employee entitlements

Employee benefits that are expected to be settled wholly within 12 months after the end of the year in which the employee provides 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 and an expense are recognised for bonuses where the Council has a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

#### Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the year in which the employee provides the related service, such as retiring 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 and annual leave are classified as a current liability. Retiring gratuities expected to be settled within 12 months of balance date are also classified as a current liability. All other employee entitlements are classified as a non-current liability.

### Critical accounting estimates and assumptions

#### Estimating retiring gratuities obligations

The present value of retiring gratuities obligations depend on a number of factors that are determined on an actuarial basis. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability.

Expected future payments are discounted using the risk free discount rate (3 year plus) from the Treasury's Long Service Leave and Retiring Leave Models. The salary inflation factor has been determined using the Treasury's long-term inflation assumption. A discount rate of 5.58% (2024: 4.84%) and an inflation factor of 2.89% (2024: 3.35%) were used.

|                                    |  | Council       |               |
|------------------------------------|--|---------------|---------------|
|                                    |  | 2025          | 2024          |
|                                    |  | \$000         | \$000         |
| <b>Current portion</b>             |  |               |               |
| Accrued pay                        |  | 3,692         | 2,895         |
| Annual leave                       |  | 7,975         | 7,536         |
| Sick leave                         |  | 498           | 247           |
| Retiring gratuities                |  | 478           | 324           |
| <b>Total current portion</b>       |  | <b>12,643</b> | <b>11,002</b> |
| <b>Non-current portion</b>         |  |               |               |
| Retiring gratuities                |  | 767           | 914           |
| <b>Total non-current portion</b>   |  | <b>767</b>    | <b>914</b>    |
| <b>Total employee entitlements</b> |  | <b>13,410</b> | <b>11,916</b> |

## Explanation of significant variances against budget

|                                               |  | Council     |             |
|-----------------------------------------------|--|-------------|-------------|
|                                               |  | Actual 2025 | Budget 2025 |
|                                               |  | \$000       | \$000       |
| Employee Entitlements (current & non-current) |  | 13,410      | 15,668      |

Lower entitlement accumulation' reflects the underbudget personnel costs.

## Note 29: Provisions

### Accounting policy

A provision is recognised 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 an outflow of future economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost in surplus or deficit (see Note 13).

|                                               | Council       |               |
|-----------------------------------------------|---------------|---------------|
|                                               | 2025          | 2024          |
|                                               | \$000         | \$000         |
| <b>Current portion</b>                        |               |               |
| Building Defects                              | 640           | 1,050         |
| Landfill aftercare                            | 1,657         | 1,943         |
| Other                                         | 3,333         | 1,906         |
| <b>Total</b>                                  | <b>5,630</b>  | <b>4,899</b>  |
| <b>Non-current portion</b>                    |               |               |
| Weathertight homes resolution services claims | -             | 566           |
| Landfill aftercare                            | 18,477        | 16,906        |
| <b>Total</b>                                  | <b>18,477</b> | <b>17,472</b> |
| <b>Total provisions</b>                       | <b>24,107</b> | <b>22,371</b> |

### Weathertight homes resolution services claims

These claims relate to Weathertight Building defects where weathertightness is the primary defect alleged and Council is named as a party to the claim.

There are currently two claims lodged with the Weathertight Homes Resolution Service (WHRS) as at 30 June 2025 (2024: 3 claims).

There are no claims lodged via the court system (2024: nil).

There is no estimated exposure (2024: \$0.6m).



## Building Defects

These claims relate to Building defects (e.g., Structural, Fire etc) where weathertightness isn't the primary defect alleged and Council is named a party to the claim.

There are currently no claims (2024: 3 claims) lodged via the court system. An estimated liability of \$0.6m (2024: \$1m) has been raised for anticipated future claims in line with the Building Act 2004 10-year limitation period for claims related to defective building work.

## Landfill aftercare

Council is responsible for four closed landfill sites - Horotiu, Willoughby, Cobham Drive and Rototuna.

Council's aftercare responsibilities include ongoing maintenance and monitoring such as the following:

- treatment and monitoring of leachate
- groundwater and surface monitoring
- gas monitoring and recovery
- implementation of remedial measures such as need for cover and control systems
- ongoing site maintenance for drainage systems, final cover and control

The cash outflows for the landfills are expected to occur until 2050. The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The future cash outflows have been estimated taking into account existing technology and known changes to legal requirements. The gross provision before discounting is \$28.5 million (2024: \$26.7 million).

The following significant assumptions have been made in estimating the provision:

- The Council's LTP inflation assumptions have been applied to capex and opex in estimating the future cash outflows.
- Discount rates ranging from 3.14% to 5.44% (2024: 4.57% to 5.3%) have been used to discount the estimated future cash outflows. These rates have been determined using New Zealand Government risk-free discount rates and extrapolated beyond the available market data.

## Other

Included in the other provision category are provisions for leave remediation and riskpool.

Leave remediation includes a \$794k provision as an estimate for the remediation of historical calculations for compliance with the Holidays Act 2003. Annual leave remediation was completed in 2022. Remediation for other leave types is expected to be completed within the 2025-26 financial year.

A Riskpool provision of \$38K for a call on funding has been raised. Hamilton City Council was previously a member of the New Zealand Mutual Liability Riskpool scheme ('Riskpool'). The Scheme is in wind down, however the Council has an ongoing obligation to contribute to the Riskpool scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance or where reinsurance is delayed), and to fund the ongoing operation of the scheme.

A provision has been recognised in respect of one claim disputing the value of land acquired under the Public Works Act that has been lodged with the Courts with the Court decision currently under appeal. See note 31 for information on the associated contingency.

## Explanation of significant variances against budget

|                                      | Council         |                 |
|--------------------------------------|-----------------|-----------------|
|                                      | Actual 2025     | Budget 2025     |
| Provisions (current and non-current) | \$000<br>24,107 | \$000<br>19,948 |

Provisions were \$1.7m unfavourable to budget as a result of the significant amount of work on completing condition assessments for the Landfill assets to ensure that they are meeting resource consent conditions and to keep the environment safe. This has resulted in additional capital renewal budget being required which was provisioned through the Long-Term Plan 2024-34 but must be booked as part of the provision in the current year.

|                                              | Council               |                  |                    |               |              |               |
|----------------------------------------------|-----------------------|------------------|--------------------|---------------|--------------|---------------|
|                                              | Strategic realignment | Building Defects | Weathertight homes | Landfill      | Other        | Total         |
|                                              | \$000                 | \$000            | \$000              | \$000         | \$000        | \$000         |
| <b>2024</b>                                  |                       |                  |                    |               |              |               |
| Balance at 1 July 2023                       | 124                   | 1,800            | 566                | 11,591        | 1,824        | 15,905        |
| Additional provisions made                   |                       |                  |                    |               | 1,656        | 1,656         |
| Amounts used                                 | (124)                 | (500)            |                    | (1,109)       | (1,446)      | (3,179)       |
| Reversal of previously recognised provisions |                       | (250)            |                    |               | (128)        | (378)         |
| Aftercare provision                          |                       |                  |                    | 8,367         |              | 8,367         |
| <b>Balance at 30 June 2024</b>               | <b>-</b>              | <b>1,050</b>     | <b>566</b>         | <b>18,849</b> | <b>1,906</b> | <b>22,371</b> |
| <b>2025</b>                                  |                       |                  |                    |               |              |               |
| Balance at 1 July 2024                       | -                     | 1,050            | 566                | 18,849        | 1,906        | 22,371        |
| Additional provisions made                   | -                     | 640              | -                  | -             | 2538         | 3178          |
| Amounts used                                 | -                     | -                | -                  | (1,159)       | (116)        | (1,275)       |
| Reversal of previously recognised provisions | -                     | (1,050)          | (566)              | -             | (996)        | (2,612)       |
| Aftercare provision                          | -                     | -                | -                  | 2,445         | -            | 2,445         |
| <b>Balance at 30 June 2025</b>               | <b>-</b>              | <b>640</b>       | <b>(0)</b>         | <b>20,135</b> | <b>3332</b>  | <b>24,107</b> |

# Note 30: Borrowings

## Accounting policy

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs and are classified as financial liabilities subsequently measured at amortised cost. 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 10 years from the date of each drawdown.

The loan is initially measured at fair value with interest-free benefit recognised as gain in surplus or deficit. It is subsequently measured at amortised cost using the effective interest rate method with the unwinding of the fair value gains being recognised annually as a loss in surplus or deficit. Ten years after each drawdown the loan will be unwound to its nominal value.

## Finance Leases

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item and the present value of the minimum lease payments and are subsequently measured at amortised cost.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty as to whether we will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

|                                     | Council          |                  |
|-------------------------------------|------------------|------------------|
|                                     | 2025             | 2024             |
|                                     | \$000            | \$000            |
| <b>Current</b>                      |                  |                  |
| Secured loans                       | 250,000          | 125,000          |
| Interest accrual                    | 8,490            | 11,041           |
| <b>Total current borrowings</b>     | <b>258,490</b>   | <b>136,041</b>   |
| <b>Non-current</b>                  |                  |                  |
| Secured loans                       | 800,000          | 855,000          |
| Housing Infrastructure Fund         | 122,566          | 116,197          |
| <b>Total non-current borrowings</b> | <b>922,566</b>   | <b>971,197</b>   |
| <b>Total borrowings</b>             | <b>1,181,056</b> | <b>1,107,238</b> |

## Explanation of significant variances against budget

Borrowings (current and non-current)

| Council     |             |
|-------------|-------------|
| Actual 2025 | Budget 2025 |
| \$000       | \$000       |
| 1,181,056   | 1,420,966   |

Borrowings were \$239.9m favourable to budget. This was largely driven by no prefunding of 2026 loan repayments in line with funding strategy recommendations. The reduced capital programme in 2025 also contributed to the favourable variance.

## Total net debt

Total net debt is Council's debt performance measure that was put in place for the 2024-2034 Long-Term Plan.

|                                       | Council        |                |
|---------------------------------------|----------------|----------------|
|                                       | 2025           | 2024           |
|                                       | \$000          | \$000          |
| External debt                         | 1,181,056      | 1,107,238      |
| less: cash held and cash investments* | (188,879)      | (182,623)      |
| <b>Total net debt</b>                 | <b>992,177</b> | <b>924,615</b> |

\*Cash held and cash investments of \$225,858 (2024: \$217,412) excludes the Municipal Endowment Fund of \$34,599 (2024: \$33,209).

## Interest terms for secured loans

Council has \$260m in Commercial Papers and Bonds that are issued at fixed rates of interest. This is part of Council's total debt of \$1.173b (2024: \$125m of \$1.098b) excluding interest accruals and lease liabilities. The remainder of Council's secured loans are issued at floating rates of interest. For floating rate debt, the interest rate is reset quarterly based on the 90-day bank bill rate plus a margin for credit risk.

## Housing Infrastructure Fund (HIF)

In September 2016 the Housing Infrastructure Fund (HIF) was established by the New Zealand Government as a one off contestable fund. The fund is for accelerating short and medium term supply of new housing in high growth urban areas. This will provide financial capacity for growth councils to deliver the infrastructure needed to sustain their growth.

High urban growth areas are defined as those where Statistics New Zealand projects population growth to be or exceeding 1% per year for the next ten years. Hamilton has been identified as a high growth urban area.

Hamilton City Council submitted its proposal and was successful in getting funding for the Peacocke growth area. The approved funding agreement is for \$180.3m.

The HIF funding is providing essential bulk infrastructure, including a bridge crossing at Hamilton Gardens, arterial roads and wastewater pump station and pressure main. The Peacocke growth area is expected to provide 3,750 homes over the next 10 years and approximately 8,400 over the next 30 years. This growth area is essential to meeting the overall growth needs of Hamilton of 12,500 homes over the next 10 years.

During the 2025 financial year \$1.3m (2024: \$60m) of the HIF interest free loan was drawn down. The undrawn amount is \$nil (2024: \$1.3m).

## Security

The loans are secured through the debenture trust deed over all rates, with the exception of \$35m (2024: \$40m) of Commercial Paper that has a maturity of three months or less.

Finance lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

## Fair values

The carrying amounts of borrowings repayable within one year approximate their fair value as the effect of discounting is not significant.

Due to interest rates on debt resetting to the market rate every three months, the carrying amounts of secured loans approximates their fair value.

## Undrawn Loan Facilities

Council has undrawn loan facilities of \$100m (2024: \$100m) available at 30 June 2025, comprising a \$60m ANZ Term Loan facility and a \$40m LGFA Standby facility.

## Reconciliation of movements in liabilities arising from financing activities

|                                | Council          |                             |                   |
|--------------------------------|------------------|-----------------------------|-------------------|
|                                | Secured loans    | Housing Infrastructure Fund | Lease Liabilities |
|                                | \$000            | \$000                       | \$000             |
| <b>Council 2025</b>            |                  |                             |                   |
| Balance as at 1 July 2024      | 980,000          | 116,196                     | -                 |
| Cash inflows                   | 160,000          | 1,321                       | -                 |
| Cash outflows                  | (90,000)         | -                           | -                 |
| HIF FV Benefit                 | -                | (575)                       | -                 |
| HIF Discount unwind            |                  | 5,624                       |                   |
| <b>Balance at 30 June 2025</b> | <b>1,050,000</b> | <b>122,566</b>              | <b>-</b>          |
| <b>Council 2024</b>            |                  |                             |                   |
| Balance as at 1 July 2023      | 835,000          | 80,773                      | 24                |
| Cash inflows                   | 145,000          | 60,029                      | -                 |
| Cash outflows                  | -                | -                           | (24)              |
| HIF FV Benefit                 | -                | (28,548)                    | -                 |
| HIF Discount unwind            |                  | 3,942                       |                   |
| <b>Balance at 30 June 2024</b> | <b>980,000</b>   | <b>116,196</b>              | <b>-</b>          |

## Internal borrowings

Internal borrowings apply to Council created reserves that are not supported by cash. There are currently no internal borrowings (2024: nil).

# Note 31: Contingencies

## Contingent liabilities

### **Weathertight homes resolution services and Building Defects**

There are two claims (2024: two claims) that are outstanding with the Weathertight Homes Resolution Service, however there are no claims (2024: three claims) lodged via the court system. There may be further claims in future but these are unable to be quantified at this point in time. A provision has been raised for anticipated claims as disclosed in Note 29.

### **Land acquisition disputes**

There is currently one claim disputing the value of land acquired under the Public Works Act that has been lodged with the Courts with the Court decision currently under appeal. The maximum estimated liability for Council is estimated at around \$17 million.

## Unquantified claims

### **General**

Hamilton City Council is involved in ongoing investigations related to staff matters that may result in a liability.

### **Ranfurly Gully**

Waikato Regional Council (WRC) is undertaking an investigation into Resource Management Act (RMA) compliance for a wastewater discharge in Ranfurly Gully, that Council identified on 26 March 2025. Significant capital works are currently underway (construction phase) in Ranfurly Gully to mitigate future discharges. Pending the outcome of the investigation, possible enforcement outcomes from the investigation include a letter of direction, infringement notice, abatement notice, formal warning, or prosecution. The quantum, timing and possibility of any outflow is unknown and highly uncertain.

### **Riskpool**

Hamilton City Council was previously a member of the New Zealand Mutual Liability Riskpool scheme ('Riskpool'). The Scheme is in wind down, however the Council has an ongoing obligation to contribute to the Riskpool scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance or where reinsurance is delayed), and to fund the ongoing operation of the scheme.

The likelihood of any call in respect of historical claims diminishes with each year as limitation periods expire. However, following the Supreme Court decision on 1 August 2023 in *Napier City Council v Local Government Mutual Funds Trustee Limited*, which addressed the treatment of claims against Riskpool that involved a mixture of non-weathertightness and weathertightness defects (mixed claims), a number of proceedings against Riskpool, which were stayed pending the Supreme Court's decision in 2023, have since recommenced.

Several member Councils have brought proceedings against Riskpool related to mixed claims. Two of these claims are currently listed for trial in September 2025. These cases are important in clarifying the scope of Riskpool's historical obligations and the interpretation of past Scheme terms. At this point the total potential liability of the outstanding claims against Riskpool is unable to be quantified.

### **Kodiak Consulting Limited**

Jon Hall, director of Kodiak Consulting Limited (Kodiak), allegedly falsely issued Producer Statements (PS1s and PS4s) to the Council. The NZ Police have prosecuted Mr Hall, who pleaded guilty to 112 charges (some representative) of forgery.

The estimate of the financial effect of the forgery of documents related to Building Consents is not able to be quantified. The quantum, timing of any outflow and possibility of any reimbursement is unknown and highly uncertain.

Uncalled capital

Council has contingent liabilities in respect of uncalled capital for the entities as follows:

|                                                 | Council |       |
|-------------------------------------------------|---------|-------|
|                                                 | 2025    | 2024  |
|                                                 | \$000   | \$000 |
| New Zealand Local Government Funding Agency Ltd | 1,866   | 1,866 |
| Total uncalled capital                          | 1,866   | 1,866 |



## **New Zealand Local Government Funding Agency Ltd**

Council is a guarantor of the New Zealand Local Government Funding Agency Limited (NZLGFA). The NZLGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. NZLGFA has a current local currency rating from Fitch ratings and Standard and Poor's of AAA and a foreign currency rating of AA+.

Council is one of 30 local authority shareholders and 72 local authority guarantors of the NZLGFA. The NZLGFA has uncalled capital of \$20m of which Council's share is \$1.9m as at 30 June 2025 (2024: \$1.9m). At 30 June 2025, NZLGFA had total borrowings of \$25.5 billion (2024: \$23 billion) for which Council is a guarantor along with other shareholders and guarantors.

Financial reporting standards require Council to recognise the guarantee liability at fair value. However, the Council has been unable to determine a sufficiently reliable value for the guarantee, and therefore has not recognised a liability.

The Council considers the risk of NZLGFA defaulting on repayment of interest or capital to be very low on the basis that:

- Council is not aware of any local authority debt default events in New Zealand;
- Local government legislation would enable local authorities to levy a rate to recover sufficient funds to meet any debt obligation if further funds were required; and
- NZLGFA has a credit rating of AA+.

## **Involvement in Associates**

There are no quantifiable contingent liabilities arising from Council's involvement in its associates for 2025 (2024: \$nil).

## **Contingent assets**

### **WEL Energy Trust**

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

## Note 32: Equity

### 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 revenue and expense, restricted and Council created reserves, revaluation reserves and fair value through other comprehensive revenue and expense reserve.

#### **Restricted reserves 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.

|                                                                                 | Council          |                  |
|---------------------------------------------------------------------------------|------------------|------------------|
|                                                                                 | 2025             | 2024 Restated    |
|                                                                                 | \$000            | \$000            |
| <b>Accumulated comprehensive revenue and expenses</b>                           |                  |                  |
| Balance 1 July as restated                                                      | 2,456,689        | 2,416,949        |
| Surplus/(deficit) for the year                                                  | 33,184           | 38,469           |
| Share of associates other comprehensive revenue and expense                     | 14,806           | (1,994)          |
| Transfer from property revaluation reserves on disposal                         | (7,173)          | 6,294            |
| Transfers from restricted and Council created reserves                          | 7,549            | 1,269            |
| Transfers to restricted and Council created reserves                            | (12,329)         | (4,298)          |
| <b>Balance at 30 June</b>                                                       | <b>2,492,726</b> | <b>2,456,689</b> |
| <b>Restricted reserves</b>                                                      |                  |                  |
| Balance at 1 July                                                               | 43,980           | 42,137           |
| Transfers from accumulated comprehensive revenue and expense                    | 8,370            | 1,952            |
| Transfers to accumulated comprehensive revenue and expense                      | (6,576)          | (109)            |
| <b>Balance at 30 June</b>                                                       | <b>45,774</b>    | <b>43,980</b>    |
| <b>Council created reserves</b>                                                 |                  |                  |
| Balance at 1 July                                                               | 3,190            | 2,004            |
| Transfers from accumulated comprehensive revenue and expense                    | 3,959            | 2,346            |
| Transfers to accumulated comprehensive revenue and expense                      | (973)            | (1,160)          |
| <b>Balance at 30 June</b>                                                       | <b>6,176</b>     | <b>3,190</b>     |
| <b>Revaluation reserve*</b>                                                     |                  |                  |
| Balance at 1 July                                                               | 3,163,807        | 3,128,309        |
| Transfer to accumulated comprehensive revenue and expense on disposal of assets | 7,173            | (6,294)          |
| Impairment                                                                      | -                | (269)            |
| Revaluation gains/(losses) - property, plant and equipment                      | 164,867          | 48,941           |
| Revaluation gains/(losses) - shareholdings                                      | 3,971            | 438              |
| Other movements                                                                 | (2,326)          | (7,318)          |
| <b>Balance at 30 June</b>                                                       | <b>3,337,492</b> | <b>3,163,807</b> |
| <b>Total equity</b>                                                             | <b>5,882,168</b> | <b>5,667,666</b> |

\* The Revaluation reserve includes the property revaluation reserve and the fair value through other comprehensive revenue and expense reserve.

|                                                                           | Council          |                  |
|---------------------------------------------------------------------------|------------------|------------------|
|                                                                           | 2025             | 2024 Restated    |
|                                                                           | \$000            | \$000            |
| <b>Operational assets</b>                                                 |                  |                  |
| Buildings                                                                 | 228,683          | 155,416          |
| Land                                                                      | 76,834           | 74,639           |
| Parks and gardens improvement                                             | 73,040           | 73,517           |
| Parks and gardens land                                                    | 804,833          | 795,494          |
| <b>Heritage assets</b>                                                    |                  |                  |
| Museum and library                                                        | 16,615           | 16,615           |
| <b>Restricted assets</b>                                                  |                  |                  |
| Land                                                                      | -                | -                |
| <b>Infrastructure assets</b>                                              |                  |                  |
| Land                                                                      | 66,995           | 65,185           |
| Refuse                                                                    | 39,207           | 39,207           |
| Roads and traffic network                                                 | 802,480          | 802,480          |
| Stormwater                                                                | 528,833          | 529,218          |
| Wastewater system                                                         | 320,150          | 320,337          |
| Wastewater treatment plant                                                | 57,524           | 33,925           |
| Water treatment station                                                   | 83,041           | 22,972           |
| Water system                                                              | 174,661          | 174,876          |
| Airport infrastructure                                                    | 56,209           | 52,238           |
| <b>Total</b>                                                              | <b>3,329,105</b> | <b>3,156,119</b> |
| <b>Fair value through other comprehensive revenue and expense reserve</b> |                  |                  |
| Balance at 1 July                                                         | 7,688            | 7,250            |
| Transfer to property revaluation reserve                                  | 0                | 0                |
| Net change in fair value                                                  | 698              | 438              |
| <b>Balance at 30 June</b>                                                 | <b>8,386</b>     | <b>7,688</b>     |

Information about reserve funds held for a specific purpose is provided below:

| Reserve                                                     | Activities to which the reserve relates | Council        |                     |                       |                 |
|-------------------------------------------------------------|-----------------------------------------|----------------|---------------------|-----------------------|-----------------|
|                                                             |                                         | Balance 1 July | Transfers into fund | Transfers out of fund | Balance 30 June |
|                                                             |                                         | \$000          | \$000               | \$000                 | \$000           |
| <b>2025</b>                                                 |                                         |                |                     |                       |                 |
| Cemetery plot maintenance in perpetuity reserve             | Cemeteries and Crematorium              | 1,733          | 76                  | (76)                  | 1,733           |
| Domain Endowment Fund                                       | Parks and Recreation and Stormwater     | 9,038          | 404                 | -                     | 9,442           |
| Municipal Endowment Fund                                    | Strategic property investment           | 33,209         | 7,890               | (6,500)               | 34,599          |
| Waikato Art Gallery Endowment reserve                       | Visitor Attractions                     | -              | -                   | -                     | -               |
| <b>Total restricted reserves - 2025</b>                     |                                         | <b>43,980</b>  | <b>8,370</b>        | <b>(6,576)</b>        | <b>45,774</b>   |
| Bus shelter reserve                                         | Transport                               | -              | -                   | -                     | -               |
| Project Watershed operating reserve                         | Parks and Recreation and Stormwater     | 231            | 10                  | -                     | 241             |
| Hamilton Gardens reserve                                    | Parks and Recreation                    | -              | -                   | -                     | -               |
| Waste minimisation reserve                                  | Rubbish and Recycling                   | 2,959          | 3,563               | (899)                 | 5,623           |
| Zoo Conservation Reserve                                    | Hamilton Zoo                            | -              | 316                 | (74)                  | 242             |
| Zoo Sponsored Improvements Reserve                          |                                         | -              | 70                  | -                     | 70              |
| <b>Total Council created reserves - 2025</b>                |                                         | <b>3,190</b>   | <b>3,959</b>        | <b>(973)</b>          | <b>6,176</b>    |
| <b>Total Restricted and Council created reserves - 2025</b> |                                         | <b>47,170</b>  | <b>12,329</b>       | <b>(7,549)</b>        | <b>51,950</b>   |

| Reserve                                                     | Activities to which the reserve relates | Council        |                     |                       |                 |
|-------------------------------------------------------------|-----------------------------------------|----------------|---------------------|-----------------------|-----------------|
|                                                             |                                         | Balance 1 July | Transfers into fund | Transfers out of fund | Balance 30 June |
|                                                             |                                         | \$000          | \$000               | \$000                 | \$000           |
| <b>2024</b>                                                 |                                         |                |                     |                       |                 |
| Cemetery plot maintenance in perpetuity reserve             | Cemeteries and Crematorium              | 1,734          | 95                  | (96)                  | 1,733           |
| Domain Endowment Fund                                       | Parks and Green Spaces and Stormwater   | 8,624          | 414                 | -                     | 9,038           |
| Municipal Endowment Fund                                    | Strategic property investment           | 31,766         | 1,443               | -                     | 33,209          |
| Waikato Art Gallery Endowment reserve                       | Arts promotion                          | 13             | -                   | (13)                  | -               |
| <b>Total restricted reserves - 2024</b>                     |                                         | <b>42,137</b>  | <b>1,952</b>        | <b>(109)</b>          | <b>43,980</b>   |
| Bus shelter reserve                                         | Travel demand management                | -              | -                   | -                     | -               |
| Project Watershed operating reserve                         | Parks and Green Spaces and Stormwater   | 219            | 12                  | -                     | 231             |
| Hamilton Gardens reserve                                    | Parks and Green Spaces                  | -              | -                   | -                     | -               |
| Waste minimisation reserve                                  | Waste minimisation                      | 1,785          | 2,334               | (1,160)               | 2,959           |
| <b>Total Council created reserves - 2024</b>                |                                         | <b>2,004</b>   | <b>2,346</b>        | <b>(1,160)</b>        | <b>3,190</b>    |
| <b>Total restricted and Council created reserves - 2024</b> |                                         | <b>44,141</b>  | <b>4,298</b>        | <b>(1,269)</b>        | <b>47,170</b>   |

## Purpose of each reserve fund:

### Restricted reserves

**Cemetery plot maintenance in perpetuity reserve** - To maintain and provide for improvements to the cemeteries.

**Domain endowment fund reserve** - Established by the Hamilton Domain Endowment Act 1979 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.

**Municipal Endowment Fund** - To provide a capital fund for Crown endowment land vested in the council for investment in property. Rental income and interest earned from the land and property may be used for council purposes to offset rates.

**Waikato Art Gallery Endowment reserve** - To provide funds for the acquisition of works of art for the Waikato Museum of Art and History.

### Council created reserves

**Bus shelter reserve** - To manage the income generated from advertising in bus shelters to provide, maintain and enhance passenger infrastructure.

**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.

**Hamilton Gardens reserve** - To provide funds for the development of Hamilton Gardens. Funds are being sourced from a target rate over a four year period starting 2014/15.

**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.

**Zoo Conservation Reserve** - Funds conservation and related projects (per the Hamilton Zoo Conservation Fund Report 2012) to maintain the Zoo's international standing and accreditation.

**Zoo Sponsored Improvements Reserve** - Donations received from the public to make improvements at Te Kaaroro Nature Precinct.

### Capital management

The Council's capital is its equity (or ratepayers' funds), which comprises accumulated funds and reserves. Equity is represented by net assets.

The Local Government Act 2002 (the Act) requires Council to manage its revenues, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers' funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by the Council. Intergenerational equity requires today's ratepayers to meet the cost of utilising the Council's assets and not expecting them to meet the full cost of long-term assets that will benefit ratepayers in future generations. Additionally, the Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires the Council to make adequate and effective provision in its Long-Term Plan (LTP) and its Annual Plan (where applicable) to meet the expenditure needs identified in those plans. The Act also sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council's 10-Year Plan.

## Note 33: Related party transactions

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Council would have adopted in dealing with the party at arm's length in the same circumstances.

### Key management personnel compensation

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

|                                                             | Council      |              |
|-------------------------------------------------------------|--------------|--------------|
|                                                             | 2025         | 2024         |
|                                                             | \$000        | \$000        |
| <b>Mayor and Councillors</b>                                |              |              |
| Remuneration (\$000)                                        | 1,523        | 1,429        |
| Full-time equivalent members                                | 14           | 14           |
| <b>Senior Management Team including the Chief Executive</b> |              |              |
| Remuneration (\$000)                                        | 3,117        | 3,607        |
| Full-time equivalent members                                | 9            | 12           |
| <b>Total key management personnel remuneration (\$000)</b>  | <b>4,640</b> | <b>5,036</b> |
| <b>Total full-time equivalent personnel</b>                 | <b>23</b>    | <b>26</b>    |

Due to the difficulty in determining the full-time equivalent for Councillors and Directors, the full-time equivalent figure is taken as the number of Councillors and Directors.

Key management personnel include the Mayor, Councillors, Chief Executive and other members of the senior management team.

No provision has been required, or any expense recognised for impairment of receivables for any loans or other receivables to related parties.



Elected representatives’ remuneration

Elected members received the following remuneration:

|                                                    | Council          |                  |
|----------------------------------------------------|------------------|------------------|
|                                                    | 2025             | 2024             |
|                                                    | \$000            | \$000            |
| <b>Mayor</b>                                       |                  |                  |
| Paula Southgate                                    | 188,189          | 181,212          |
| <b>Councillors</b>                                 |                  |                  |
| Angela O'Leary*                                    | 121,872          | 116,737          |
| Ewan Wilson*                                       | 117,033          | 112,300          |
| Maxine van Oosten                                  | 106,517          | 102,117          |
| Kesh Naidoo-Rauf                                   | 106,517          | 101,618          |
| Sarah Thomson                                      | 106,517          | 101,511          |
| Tim Macindoe                                       | 93,060           | 31,392           |
| Anna Casey-Cox                                     | 93,016           | 88,607           |
| Moko Tauariki                                      | 93,016           | 88,607           |
| Geoff Taylor                                       | 93,016           | 83,639           |
| Emma Pike                                          | 89,150           | 83,234           |
| Louise Hutt                                        | 86,876           | 81,458           |
| Andrew Bydder                                      | 85,022           | 81,458           |
| Maria Huata                                        | 78,308           | -                |
| Mark Donovan                                       | 65,306           | 102,255          |
| Melaina Huaki                                      | -                | 69,879           |
| Ryan Hamilton                                      | -                | 2,867            |
| <b>Total elected representatives' remuneration</b> | <b>1,523,411</b> | <b>1,428,891</b> |

\*Includes remuneration for RMA Commissioner and Zone 2 roles

## Note 34: Reconciliation of net surplus / (deficit) after tax to net cash flow from operating activities

|                                                                          | Council        |                |
|--------------------------------------------------------------------------|----------------|----------------|
|                                                                          | 2025           | 2024 Restated  |
|                                                                          | \$000          | \$000          |
| <b>Net surplus/(deficit) after tax</b>                                   | <b>47,990</b>  | <b>36,474</b>  |
| <b>Add/(less) non-cash items:</b>                                        |                |                |
| Depreciation and amortisation                                            | 112,663        | 108,362        |
| (Gains)/losses in fair value of interest rate swaps                      | 19,297         | 4,664          |
| (Gains)/losses in fair value of investment properties                    | 612            | 1,831          |
| (Gains)/losses unrealised loss on investments                            | (732)          | (533)          |
| Share of associates (surplus)/deficit                                    | (14,806)       | 1,994          |
| Discount unwind and interest on community loans                          | (32)           | (39)           |
| (Gains) in fair value of Housing Infrastructure Fund                     | (602)          | (28,548)       |
| Discount unwind of HIF Loan and Long-Term Payables                       | 7,803          | 3,942          |
| Reclassification of WIP to operating expenditure                         | 12,863         | 6,352          |
| Assets vested to Waka Kotahi                                             | -              | 33,907         |
| Vested assets                                                            | (29,663)       | (55,265)       |
| <b>Total non-cash items</b>                                              | <b>107,403</b> | <b>76,667</b>  |
| <b>Add/(less) items classified as investing or financing activities:</b> |                |                |
| (Gains)/losses on disposal of property, plant and equipment              | 2,604          | 5,043          |
| (Gains)/losses on disposal of investment property                        | -              | -              |
| (Gains)/losses on disposal of investment in subsidiary                   | -              | 3,956          |
| <b>Total items classified as investing or financing activities</b>       | <b>2,604</b>   | <b>8,999</b>   |
| <b>Add/(less) movements in working capital:</b>                          |                |                |
| Trade debtors and other receivables                                      | (11,431)       | (1,439)        |
| Inventory                                                                | (62)           | (139)          |
| Prepayments                                                              | (624)          | (360)          |
| Trade creditors and other payables                                       | 7,388          | 2,641          |
| Employee entitlements                                                    | 1,494          | (747)          |
| Provisions                                                               | 1,736          | 5,720          |
| <b>Total movements in working capital</b>                                | <b>(1,499)</b> | <b>5,676</b>   |
| <b>Net cash inflow from operating activities</b>                         | <b>156,498</b> | <b>127,817</b> |

## Note 35: Financial instruments

### Financial instrument categories

The carrying amounts of financial assets and liabilities in each of the financial instrument categories are as follows:

|                                                                         | Council          |                  |
|-------------------------------------------------------------------------|------------------|------------------|
|                                                                         | 2025             | 2024             |
|                                                                         | \$000            | \$000            |
| <b>Financial assets</b>                                                 |                  |                  |
| <b>Fair value through surplus or deficit</b>                            |                  |                  |
| Derivative financial instrument assets (note 21)                        | 94               | 7,245            |
| <b>Total fair value through surplus or deficit</b>                      | <b>94</b>        | <b>7,245</b>     |
| <b>Financial assets at amortised cost</b>                               |                  |                  |
| Cash and cash equivalents (note 17)                                     | 97,056           | 95,301           |
| Receivables (note 18)                                                   | 42,563           | 35,682           |
| Other financial assets (note 22):                                       |                  |                  |
| - community loans                                                       | 8,214            | 1,869            |
| - balanced funds                                                        | 7,658            | 6,925            |
| - term deposits                                                         | 95,000           | 90,000           |
| - LGFA Borrower Notes                                                   | 22,620           | 21,250           |
| <b>Total amortised cost</b>                                             | <b>273,111</b>   | <b>251,027</b>   |
| <b>Fair value through other comprehensive revenue and expense</b>       |                  |                  |
| Other financial assets (note 22):                                       |                  |                  |
| - Unlisted shares                                                       | 10,718           | 10,021           |
| <b>Total fair value through other comprehensive revenue and expense</b> | <b>10,718</b>    | <b>10,021</b>    |
| <b>Financial liabilities</b>                                            |                  |                  |
| <b>Fair value through surplus or deficit</b>                            |                  |                  |
| Derivative financial instrument liabilities (note 21)                   | 12,521           | 375              |
| <b>Total fair value through surplus or deficit</b>                      | <b>12,521</b>    | <b>375</b>       |
| <b>Financial liabilities at amortised cost</b>                          |                  |                  |
| Creditors and other payables (note 27)                                  | 79,812           | 50,720           |
| Borrowings: (note 30)                                                   |                  |                  |
| - bank overdraft                                                        | -                | -                |
| - Housing Infrastructure Fund                                           | 122,566          | 116,197          |
| - secured loans                                                         | 1,050,000        | 980,000          |
| <b>Total financial liabilities at amortised cost</b>                    | <b>1,252,378</b> | <b>1,146,917</b> |

## Fair value hierarchy

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- Quoted market price (level 1) - Financial instruments with quoted prices for identical instruments in active markets.
- Valuation technique using observable inputs (level 2) - Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Valuation techniques with significant non-observable inputs (level 3) - Financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position:

|                                                       | Valuation technique |                     |                   |                             |
|-------------------------------------------------------|---------------------|---------------------|-------------------|-----------------------------|
|                                                       | Total               | Quoted market price | Observable inputs | Significant non- observable |
|                                                       | \$000               | \$000               | \$000             | \$000                       |
| <b>30 June 2025 - Council</b>                         |                     |                     |                   |                             |
| <b>Financial assets</b>                               |                     |                     |                   |                             |
| Shares (note 22)                                      | 10,718              | -                   | -                 | 10,718                      |
| Derivative financial instrument assets (note 21)      | 94                  | -                   | 94                | -                           |
| <b>Financial liabilities</b>                          |                     |                     |                   |                             |
| Derivative financial instrument liabilities (note 21) | 12,521              | -                   | 12,521            | -                           |
| <b>30 June 2024 - Council</b>                         |                     |                     |                   |                             |
| <b>Financial assets</b>                               |                     |                     |                   |                             |
| Shares (note 22)                                      | 10,021              | -                   | -                 | 10,021                      |
| Derivative financial instrument assets (note 21)      | 7,245               | -                   | 7,245             | -                           |
| <b>Financial liabilities</b>                          |                     |                     |                   |                             |
| Derivative financial instrument liabilities (note 21) | 375                 | -                   | 375               | -                           |

There were no transfers between the different levels of the fair value hierarchy.

## Valuation techniques with significant non-observable inputs (level 3)

The table below provides a reconciliation from the opening balance to the closing balance for the level 3 fair value measurements:

|                                                                         | Council       |               |
|-------------------------------------------------------------------------|---------------|---------------|
|                                                                         | 2025          | 2024          |
|                                                                         | \$000         | \$000         |
| <b>Balance at 1 July</b>                                                | 10,021        | 9,583         |
| Gain and (losses) recognised in the surplus or deficit                  | -             | -             |
| Gain and (losses) recognised in other comprehensive revenue and expense | 698           | 438           |
| Purchases                                                               | -             | -             |
| Sales                                                                   | -             | -             |
| Transfers into level 3                                                  | -             | -             |
| Transfers out of level 3                                                | -             | -             |
| <b>Balance at 30 June</b>                                               | <b>10,718</b> | <b>10,021</b> |

Changing a valuation assumption to a reasonably possible assumption would not significantly change fair value.

## Financial instrument risks

The Council's activities expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. The Council has a series of policies to manage the risks associated with financial instruments and seeks to minimise exposure from its treasury activities. The Council has established Council approved Investment and Liability Management policies. These policies do not allow any transactions that are speculative in nature to be entered into.

## Market risk

### • Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. Equity securities price risk arises on listed share investments, are classified as financial assets held at fair value through surplus/deficit. This price risk arises due to market movements in listed shares.

### • Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Council uses foreign currency forward exchange contracts to manage foreign currency exposure. Council's policy is that foreign currency exposure of amounts greater than \$25,000 are to be covered by way of forward exchange contracts. Council is no longer exposed to foreign currency movements.

### • Interest rate risk

#### ***Fair value interest rate risk***

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowings and investments issued at fixed rates expose Council to fair value interest rate risk. Council's Investment and Liability Management policy outlines the level of borrowing that is to be secured using fixed interest rate instruments.

### • Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowing and Investments issued at variable interest rates expose Council to cash flow interest rate risk.

Council manages its cash flow interest rate risk on borrowings by using floating-to-fixed interest rate swaps. Such interest rate swaps have the effect of converting borrowings at floating rates and swaps them into fixed rates that are known and therefore assist with forecasting future interest costs. Under the interest rate swaps, Council agrees with other parties to exchange, at specific intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

### • Credit risk

The council is exposed to credit risk as a guarantor of all of LGFA's borrowings. Information about this exposure is explained in note 30.

Credit risk is the risk that a third party will default on its obligation to Council, causing Council to incur a loss. Due to the timing of its cash inflows and outflows, surplus cash is invested into term deposits, which gives rise to credit risk. The Council also provides a financial guarantee, which gives rise to credit risk.

Council has no significant concentrations of credit risk, as it has a large number of credit customers, mainly ratepayers, and Council has powers under the Local Government (Rating) Act 2002 to recover debt from ratepayers.

The Council's Investment and Liability Management policy limits the amount of credit exposure to any one financial institution or organisation.

## Maximum exposure to credit risk

Council's maximum exposure to credit risk for each class of financial instrument is as follows:

|                               | Council        |                |
|-------------------------------|----------------|----------------|
|                               | 2025           | 2024           |
|                               | \$000          | \$000          |
| Cash and cash equivalents     | 97,056         | 95,301         |
| Debtors and other receivables | 42,563         | 35,682         |
| Community loans               | 8,214          | 1,869          |
| Term deposits                 | 95,000         | 90,000         |
| Balanced funds                | 7,658          | 6,925          |
| LGFA Borrower Notes           | 22,620         | 21,250         |
| <b>Total credit risk</b>      | <b>273,111</b> | <b>251,027</b> |

## Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to credit ratings (if available) or to historical information about counterparty default rates:

|                                           |                       | Council        |               |
|-------------------------------------------|-----------------------|----------------|---------------|
|                                           |                       | 2025           | 2024          |
| <b>Counterparties with credit ratings</b> |                       |                |               |
| Cash and cash equivalents                 | Rating                | \$000          | \$000         |
|                                           | Standard & Poor's AA- | 97,056         | 95,301        |
| <b>Total cash and cash equivalents</b>    |                       | <b>97,056</b>  | <b>95,301</b> |
| Term deposits                             | Standard & Poor's AA- | 75,000         | 90,000        |
| Term deposits                             | Fitch AA              | 20,000         | -             |
| Balanced funds                            |                       | 7,658          | 6,925         |
| <b>Total term deposits</b>                |                       | <b>102,658</b> | <b>96,925</b> |

|                                                              | Council      |              |
|--------------------------------------------------------------|--------------|--------------|
|                                                              | 2025         | 2024         |
| <b>Counterparties without credit ratings</b>                 |              |              |
| Fixed interest instruments                                   | \$000        | \$000        |
| - existing counterparty with no defaults in the past         | -            | -            |
| Community and related party loans and mortgages              |              |              |
| - existing counterparty with no defaults in the past         | 8,214        | 1,869        |
| <b>Total community and related party loans and mortgages</b> | <b>8,214</b> | <b>1,869</b> |

Receivables mainly arise from the council's statutory functions, as such there are no procedures in place to monitor or report the credit quality of receivables with reference to internal and external credit ratings.

## Liquidity risk

### Management of liquidity risk

Liquidity risk is the risk that Hamilton City Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Council aims to maintain flexibility in funding by keeping credit lines available.

Council manages its borrowings in accordance with its funding and financial policies, which includes an Investment and Liability Management Policy.

Council has a maximum amount that can be drawn down against its overdraft facility of \$0.5m (2024: \$0.5m). There are no restrictions on the use of this facility. Council also has \$1.015b (2024: \$1.04b) of committed borrowing facilities, with available headroom of \$85m (2024: \$105m) at balance date.

The Council is exposed to liquidity risk as a guarantor of all of NZLGFA's borrowings. This guarantee becomes callable in the event of the NZLGFA failing to pay its borrowings when they fall due. Information about this exposure is explained in note 30.

### Contractual maturity analysis of financial liabilities, excluding financial derivatives

The table below analyses Council's financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. Future interest payments on floating rate debt are based on the floating rate on the instrument at balance date. The amounts disclosed are the contractual undiscounted cash flows and include interest payments.



|                              | Carrying amount  | Contractual cash flows | Less than 1 year | 1-5 years      | More than 5 years |
|------------------------------|------------------|------------------------|------------------|----------------|-------------------|
|                              | \$000            | \$000                  | \$000            | \$000          | \$000             |
| <b>Council 2025</b>          |                  |                        |                  |                |                   |
| Creditors and other payables | 79,812           | 79,812                 | 79,812           | -              | -                 |
| Secured loans                | 1,050,000        | 1,201,158              | 290,996          | 713,248        | 196,913           |
| Housing Infrastructure Fund  | 122,566          | 180,300                | -                | 14,000         | 166,300           |
| Finance leases               | -                | -                      | -                | -              | -                 |
| Financial guarantees         | -                | -                      | -                | -              | -                 |
| <b>Total</b>                 | <b>1,252,378</b> | <b>1,461,269</b>       | <b>370,808</b>   | <b>727,248</b> | <b>363,213</b>    |
| <b>Council 2024</b>          |                  |                        |                  |                |                   |
| Creditors and other payables | 50,720           | 50,720                 | 50,720           | -              | -                 |
| Secured loans                | 980,000          | 1,242,758              | 183,193          | 705,166        | 354,399           |
| Housing Infrastructure Fund  | 116,197          | 178,979                | -                | 10,700         | 168,279           |
| Finance leases               | -                | -                      | -                | -              | -                 |
| Financial guarantees         | -                | -                      | -                | -              | -                 |
| <b>Total</b>                 | <b>1,146,917</b> | <b>1,472,457</b>       | <b>233,913</b>   | <b>715,866</b> | <b>522,678</b>    |

## Contractual maturity analysis of derivative financial instrument liabilities

The table below analyses the Council's derivative financial instrument liabilities into those that are settled on a net basis and those that will be settled on a gross basis into their relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

|                         | Carrying amount | Contractual cash flows | Less than 1 year | 1-5 years     | More than 5 years |
|-------------------------|-----------------|------------------------|------------------|---------------|-------------------|
|                         | \$000           | \$000                  | \$000            | \$000         | \$000             |
| <b>Council 2025</b>     |                 |                        |                  |               |                   |
| Net settled derivatives | 12,427          | 178                    | 47               | 120           | 11                |
| <b>Total</b>            | <b>12,427</b>   | <b>178</b>             | <b>47</b>        | <b>120</b>    | <b>11</b>         |
| <b>Council 2024</b>     |                 |                        |                  |               |                   |
| Net settled derivatives | (6,870)         | 126,888                | 29,449           | 81,693        | 15,746            |
| <b>Total</b>            | <b>(6,870)</b>  | <b>126,888</b>         | <b>29,449</b>    | <b>81,693</b> | <b>15,746</b>     |

## Contractual maturity analysis of financial assets

The table below analyses Council's financial assets into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows and include interest receipts.

|                                   | Carrying amount | Contractual cash flows | Less than 1 year | 1-5 years     | More than 5 years |
|-----------------------------------|-----------------|------------------------|------------------|---------------|-------------------|
|                                   | \$000           | \$000                  | \$000            | \$000         | \$000             |
| <b>Council 2025</b>               |                 |                        |                  |               |                   |
| Cash and cash equivalents         | 97,056          | 97,056                 | 97,056           | -             | -                 |
| Receivables                       | 42,563          | 42,563                 | 42,563           | -             | -                 |
| Community loans                   | 8,214           | 8,214                  | -                | 8,214         | -                 |
| Other financial assets:           |                 |                        |                  |               |                   |
| - Term deposits                   | 95,000          | 30,040                 | 30,040           | -             | -                 |
| - Balanced funds                  | 7,658           | 7,658                  | 7,658            | -             | -                 |
| - LGFA Borrower Notes             | 22,620          | 25,404                 | 2,789            | 17,740        | 4,876             |
| <b>Total</b>                      | <b>273,111</b>  | <b>210,935</b>         | <b>180,105</b>   | <b>25,954</b> | <b>4,876</b>      |
| <b>Council 2024</b>               |                 |                        |                  |               |                   |
| Cash and cash equivalents         | 95,301          | 95,301                 | 95,301           | -             | -                 |
| Receivables                       | 35,682          | 35,682                 | 35,682           | -             | -                 |
| Community and related party loans | 1,869           | 1,869                  | 455              | 1,414         | -                 |
| Other financial assets:           |                 |                        |                  |               |                   |
| - Term deposits                   | 90,000          | 86,537                 | 86,537           | -             | -                 |
| - Balanced funds                  | 6,925           | 6,925                  | 6,925            | -             | -                 |
| - LGFA Borrower Notes             | 21,250          | 23,179                 | 1,874            | 13,156        | 8,149             |
| <b>Total</b>                      | <b>251,027</b>  | <b>249,494</b>         | <b>226,774</b>   | <b>14,570</b> | <b>8,149</b>      |

## Sensitivity analysis

The tables below illustrate the potential effect on the surplus or deficit and equity (excluding accumulated funds) for reasonably possible market movements, with all other variables held constant, based on Council's financial instrument exposures at balance date.

| Council                          | 2025            |          |               |          | 2024            |          |               |          |
|----------------------------------|-----------------|----------|---------------|----------|-----------------|----------|---------------|----------|
|                                  | -100bps         |          | +100bps       |          | -100bps         |          | +100bps       |          |
|                                  | Surplus         | Equity   | Surplus       | Equity   | Surplus         | Equity   | Surplus       | Equity   |
|                                  | \$000           | \$000    | \$000         | \$000    | \$000           | \$000    | \$000         | \$000    |
| <b>Interest rate risk</b>        |                 |          |               |          |                 |          |               |          |
| <b>Financial assets</b>          |                 |          |               |          |                 |          |               |          |
| Cash and cash equivalents        | (971)           | -        | 971           | -        | (953)           | -        | 953           | -        |
| <b>Financial liabilities</b>     |                 |          |               |          |                 |          |               |          |
| Borrowings - secured loans       | 4,725           | -        | (4,725)       | -        | 6,375           | -        | (6,375)       | -        |
| Derivative financial instruments | (21,755)        | -        | 20,605        | -        | (17,575)        | -        | 16,644        | -        |
| <b>Total sensitivity</b>         | <b>(18,001)</b> | <b>-</b> | <b>16,851</b> | <b>-</b> | <b>(12,154)</b> | <b>-</b> | <b>11,222</b> | <b>-</b> |

## Explanation of interest rate risk sensitivity

The interest rate sensitivity is based on a reasonably possible movement in interest rates, with all other variables held constant, measured as a basis points (bps) movement. For example, a decrease of 100bps is equivalent to a decrease in interest rates of 1%. The sensitivity for derivatives (interest rate swaps) has been calculated using a derivative valuation model based on a parallel shift in interest rates of +/- 100bps.

## Note 36: Events after balance date

On 20 August 2025, the property at 58 Masters Avenue, sustained damage due to a fire. The damage includes the Hillcrest Library and associated commercial tenancies, owned by Hamilton City Council's Municipal Endowment Fund.

The property is insured under Hamilton City Council's Material Damage and Business Interruption Policy, and a claim has been lodged. The applicable policy excess is \$25,000, and the total value of the loss is currently unknown. The building is presently undergoing strip-out works to allow for a full assessment of the damage. The extent and value of the loss will be quantified once the assessment is completed.

## Note 37: Restatement of comparative figures

The Council has adjusted the comparative year financial statements for the year ended 30 June 2024 due to discontinuation of presenting consolidated financial statements (refer to Note 1). Previously Council has recognised the investment in Waikato Regional Airport Limited (WRAL) at cost in the parent financial statements and equity accounted the investment in the consolidated financial statements. Due to no longer presenting consolidated financial statements, the Council has restated the equity accounted value for its investment in WRAL.

|                                                                       | Reported<br>1 July 2023 | Adjustments    | Restated<br>1 July 2023 | Reported<br>30 June 2024 | Adjustments    | Restated<br>30 June 2024 |
|-----------------------------------------------------------------------|-------------------------|----------------|-------------------------|--------------------------|----------------|--------------------------|
|                                                                       | \$000                   | \$000          | \$000                   | \$000                    |                | \$000                    |
| <b>Statement of changes in equity</b>                                 |                         |                |                         |                          |                |                          |
| <b>Equity balance at 1 July</b>                                       |                         |                |                         | <b>5,479,864</b>         | 109,536        | <b>5,589,400</b>         |
| Total comprehensive revenue and expense for the year                  |                         |                |                         | 80,260                   | -1,994         | 78,266                   |
| <b>Equity balance at 30 June</b>                                      | <b>5,479,863</b>        | <b>109,536</b> | <b>5,589,399</b>        | <b>5,560,124</b>         | 107,542        | <b>5,667,666</b>         |
| <b>Accumulated comprehensive revenue and expense</b>                  |                         |                |                         |                          |                |                          |
| Balance at beginning of year as previously reported                   |                         |                |                         | <b>2,359,651</b>         | 57,298         | <b>2,416,949</b>         |
| Operating surplus/(deficit)                                           |                         |                |                         | 38,468                   | -1,994         | 36,474                   |
| Transfers (to)/from restricted and council created reserves           |                         |                |                         | -3,029                   |                | -3,029                   |
| Transfer from property revaluation reserves on disposal               |                         |                |                         | 6,294                    |                | 6,294                    |
| Balance at end of year                                                | <b>2,359,651</b>        | <b>57,298</b>  | <b>2,416,949</b>        | <b>2,401,384</b>         | <b>55,304</b>  | <b>2,456,688</b>         |
| <b>Revaluation reserves</b>                                           |                         |                |                         |                          |                |                          |
| Balance at beginning of year                                          |                         |                |                         | 3,076,071                | 52,238         | 3,128,309                |
| Total other comprehensive revenue and expense                         |                         |                |                         | 41,792                   | -              | 41,792                   |
| Transfer to accumulated comprehensive revenue and expense on disposal |                         |                |                         | (6,294)                  |                | (6,294)                  |
| Balance at end of year                                                | <b>3,076,071</b>        | <b>52,238</b>  | <b>3,128,309</b>        | <b>3,111,569</b>         | <b>52,238</b>  | <b>3,163,807</b>         |
| <b>Restricted and Council Reserves</b>                                |                         |                |                         |                          |                |                          |
| Balance at beginning of year                                          | 44,141                  | -              | 44,141                  | 44,141                   | -              | 44,141                   |
| Transfers (to)/(from) reserves                                        |                         |                |                         | 3,029                    | -              | 3,029                    |
| Balance at end of year                                                |                         |                |                         | <b>47,170</b>            | -              | <b>47,170</b>            |
| <b>Equity balance at 30 June</b>                                      |                         |                |                         | <b>5,560,124</b>         | <b>107,542</b> | <b>5,667,666</b>         |
| <b>Statement of financial position</b>                                |                         |                |                         |                          |                |                          |
| Investment in associates (Note 23)                                    |                         |                |                         | 7,430                    | 107,542        | 114,972                  |
| Other reserves                                                        |                         |                |                         | 3,111,569                | 52,238         | 3,163,807                |
| Accumulated comprehensive revenue and expense (note 32)**             |                         |                |                         | 2,401,384                | 55,304         | 2,456,688                |
| <b>Statement of comprehensive revenue and expenditure</b>             |                         |                |                         |                          |                |                          |
| Share of associates' surplus/(deficit)                                |                         |                |                         | -                        | <b>-1,994</b>  | -1,994                   |
| Surplus/(deficit) for the year                                        |                         |                |                         | 38,468                   | <b>-1,994</b>  | 36,474                   |
| Total comprehensive revenue and expense                               |                         |                |                         | 80,261                   | <b>-1,994</b>  | 78,267                   |

These restatements had a consequential impact on Note 23 Investment in Associates, Note 32 Equity, the Statement of Comprehensive Income, Statement of Financial Performance and Statement of Movements in Equity which have also been restated.

# Local government disclosures

## Rating base information

The council’s rating base information relating to preceding financial years is:

|                                         | 30 June 2024     | 30 June 2023     |
|-----------------------------------------|------------------|------------------|
| The number of rating units              | 65,076           | 62,836           |
| The total capital value of rating units | \$73,283,180,434 | \$70,697,736,950 |
| The total land value of rating units    | \$40,353,089,200 | \$39,633,106,700 |

# Insurance of assets

The following information relates to the insurance of Council assets as at 30 June.

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Council                                                                                                |                                                                                                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 2025                                                                                                   | 2024                                                                                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | \$000                                                                                                  | \$000                                                                                                  |
| <p>The values listed are the declared values Council has provided to its Insurance broker.</p> <p><b>Material Damage</b></p> <p>Council's Material Damage cover is based on a Maximum Probable Loss model (MPL) which means that its assets are insured for the value of the largest probable loss that could result from a disaster in Hamilton. Council has insured up to \$300 million consisting of two layers; a \$150 million primary layer which is shared between the Regional collective and an additional \$150 million excess layer which is shared with Waikato Regional Council due to geographic accumulation. A separate policy limit is in place which is shared by the Regional collective which provides cover of up to \$125 million for Hamilton City Council damage that is caused by fire, or fire following a natural disaster.</p> <p>The following categories are in addition to the Material Damage and each is covered with a separate policy.</p> <p><b>Fine Arts</b></p> <p>This cover is for the declared values of art, artefacts and declared outdoor sculptures owned by Council.</p> <p><b>Commercial Motor Vehicles</b></p> <p>Motor insurance up to the declared value of each individual vehicle.</p> <p><b>Infrastructure</b></p> <p>Based on risk engineering and loss modelling for the Waikato hazardscape a \$300 million shared loss limit is in place with the Regional Collective. Insurance is to the level of 40% in anticipation of 60% contribution from central government in a disaster.</p> <p><b>Boiler Explosion</b></p> <p>Policy covers the damage caused by failure of large boilers.</p> <p>In addition to the material damage cover Council has two policies that relate to Contract works and business interruption.</p> <p><b>Contract Works</b></p> <p>This policy allows Council to perform small projects relating to new builds, works to existing structures, renovations, maintenance and repair with cover up to \$3 million for any one contract.</p> <p><b>Business Interruption</b></p> <p>\$51.2 million of cover provided for loss of rent revenue and receivable. A further \$40 million for the increased cost of working at the water treatment plants.</p> | <p>2,084,720</p> <p>59,896</p> <p>12,763</p> <p>3,501,972</p> <p>1,365</p> <p>20,000</p> <p>93,727</p> | <p>1,845,949</p> <p>61,154</p> <p>12,036</p> <p>2,943,630</p> <p>1,327</p> <p>21,000</p> <p>91,204</p> |

# Whole of Council funding impact statement

For year ended 30 June 2025

|                                                                         | Annual Plan 2023-24 | Actual 2024     | Long-Term Plan 2025 | Actual 2025     |
|-------------------------------------------------------------------------|---------------------|-----------------|---------------------|-----------------|
|                                                                         | \$000               | \$000           | \$000               | \$000           |
| <b>Sources of Operating Funding</b>                                     |                     |                 |                     |                 |
| General rates, uniform annual general charges, rates penalties          | 233,227             | 233,401         | 276,506             | 277,866         |
| Targeted rates                                                          | 22,525              | 22,318          | 26,166              | 26,202          |
| Subsidies and grants for operating purposes                             | 21,788              | 27,638          | 10,854              | 18,145          |
| Fees and charges                                                        | 50,927              | 53,134          | 51,141              | 59,532          |
| Interest and dividends from investments                                 | 6,228               | 18,099          | 12,267              | 15,239          |
| Local authorities fuel tax, fines, infringement fees and other receipts | 6,658               | 8,522           | 7,034               | 8,419           |
| <b>Total operating funding</b>                                          | <b>341,352</b>      | <b>363,112</b>  | <b>383,969</b>      | <b>405,403</b>  |
| <b>Application of Operating Funding</b>                                 |                     |                 |                     |                 |
| Payments to staff and suppliers                                         | 260,523             | 272,426         | 291,362             | 274,784         |
| Finance costs                                                           | 32,208              | 55,368          | 55,746              | 55,946          |
| Other operating funding applications                                    | -                   | -               | -                   | -               |
| <b>Total applications of operating funding</b>                          | <b>292,731</b>      | <b>327,794</b>  | <b>347,108</b>      | <b>330,730</b>  |
| <b>Surplus/(deficit) of operating funding</b>                           | <b>48,622</b>       | <b>35,318</b>   | <b>36,860</b>       | <b>74,673</b>   |
| <b>Sources of capital funding</b>                                       |                     |                 |                     |                 |
| Subsidies and grants for capital expenditure                            | 81,155              | 55,020          | 64,545              | 60,601          |
| Development and financial contributions                                 | 36,605              | 31,842          | 21,174              | 18,955          |
| Increase/(decrease) in debt                                             | 142,092             | 176,729         | 212,247             | 70,148          |
| Gross proceeds from sale of assets                                      | -                   | 483             | -                   | -               |
| Lump sum contributions                                                  | -                   | -               | -                   | -               |
| Other dedicated capital funding                                         | -                   | -               | -                   | -               |
| <b>Total sources of capital funding</b>                                 | <b>259,852</b>      | <b>264,074</b>  | <b>297,967</b>      | <b>149,704</b>  |
| <b>Applications of capital funding</b>                                  |                     |                 |                     |                 |
| Capital expenditure                                                     |                     |                 |                     |                 |
| - to meet additional demand                                             | 144,432             | 200,102         | 172,025             | 118,712         |
| - to improve the level of service                                       | 90,823              | 60,537          | 60,524              | 32,644          |
| - to replace existing assets                                            | 74,709              | 76,786          | 101,834             | 86,462          |
| Increase/(decrease) in reserves                                         | (2,544)             | (19,049)        | (3,233)             | (22,461)        |
| Increase/(decrease) in investments                                      | 1,055               | (18,984)        | 3,676               | 9,020           |
| <b>Total applications of capital funding</b>                            | <b>308,474</b>      | <b>299,392</b>  | <b>334,827</b>      | <b>224,377</b>  |
| <b>Surplus/(deficit) of capital funding</b>                             | <b>(48,622)</b>     | <b>(35,318)</b> | <b>(36,860)</b>     | <b>(74,673)</b> |
| <b>Funding balance</b>                                                  | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>-</b>        |



# Reconciliation of Operating Funding to Surplus/(Deficit)

|                                                                              | Annual Plan 2024 | Actual 2024   | Long-Term Plan 2025 | Actual 2025   |
|------------------------------------------------------------------------------|------------------|---------------|---------------------|---------------|
|                                                                              | \$000            | \$000         | \$000               | \$000         |
| Operating funding surplus/(deficit) per prospective funding impact statement | 48,622           | 35,318        | 36,860              | 74,673        |
| Variance                                                                     | 0                | 0             | 0                   | 0             |
| <b>Reconciliation</b>                                                        |                  |               |                     |               |
| Operating surplus/(deficit)                                                  | 116,760          | 36,475        | 42,638              | 47,990        |
| Less Capital contributions and subsidies (Capital Revenue)                   | (37,363)         | (55,020)      | (64,545)            | (60,601)      |
| Less Development and financial contributions                                 | (80,397)         | (31,842)      | (21,174)            | (18,955)      |
| Less Vested assets                                                           | (39,353)         | (55,265)      | (36,750)            | (29,663)      |
| Add Depreciation                                                             | 94,405           | 108,362       | 112,104             | 112,663       |
| Gains/Losses                                                                 | (6,718)          | (13,587)      | (915)               | 17,379        |
| HIF - discount unwind                                                        | 1,288            | 3,942         | 5,502               | 7,803         |
| Share of associates (surplus)/Deficit                                        | -                | 1,994         | -                   | (14,806)      |
| Vested asset expenditure                                                     | -                | 33,907        | -                   | -             |
| WIP Adjustments prior year                                                   | -                | 6,352         | -                   | 12,863        |
| <b>Surplus (deficit) of operating funding</b>                                | <b>48,622</b>    | <b>35,318</b> | <b>36,860</b>       | <b>74,673</b> |



# Statement of Compliance

## Compliance

The Council of Hamilton City Council confirms that all statutory requirements in relation to the annual report, as outlined in the Local Government Act 2002, have been complied with.



Paula Southgate  
Hamilton Mayor

2 October 2025



Lance Vervoort  
Chief Executive

2 October 2025

# Disclosure Statement

## Annual report disclosure statement for year ended 30 June 2025

### 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 report 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.

### Rates affordability benchmark

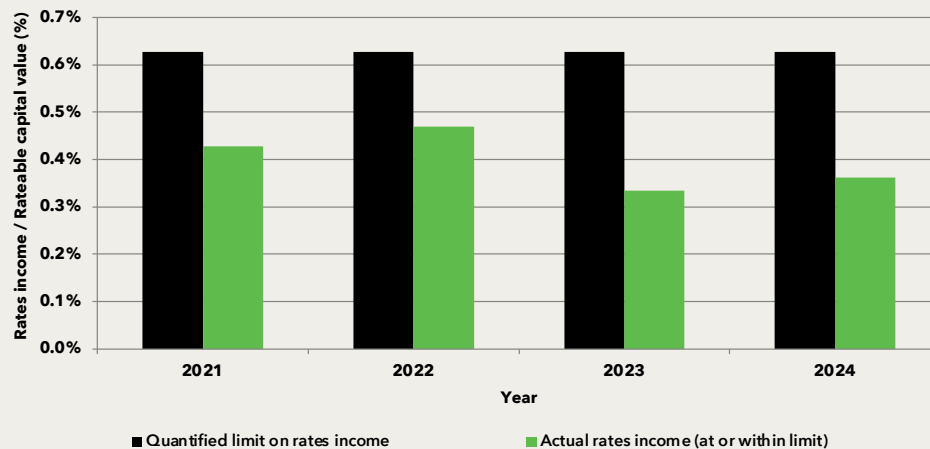
The Council meets the rates affordability benchmark if -

- its actual rates income equals or is less than each quantified limit on rates; and
- its actual rates increases equal or are less than each quantified limit on rates increases.

Rates (income) affordability

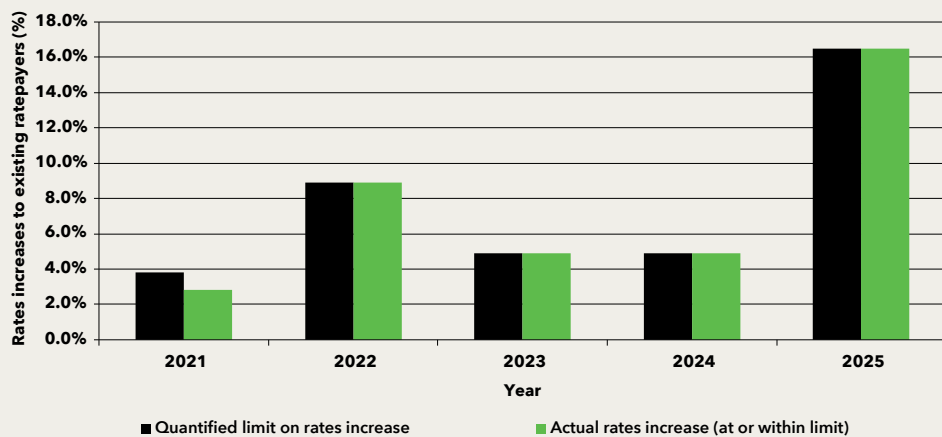
The following graph compares the Council’s actual rates income with a quantified limit on rates contained in the financial strategy included in the Council’s Long-Term Plan 2021-31. The quantified limits is that rates will not exceed 0.627% of the city’s rateable capital value.

Following an amendment to the Local Government Act 2002 in 2019, the Council has not included a quantified limit on rates (income) affordability in the financial strategy for the Long-Term Plan 2024-2034 and therefore the measure will not be reported beyond 2024 which was reported against the Long-Term Plan 2021-2031.



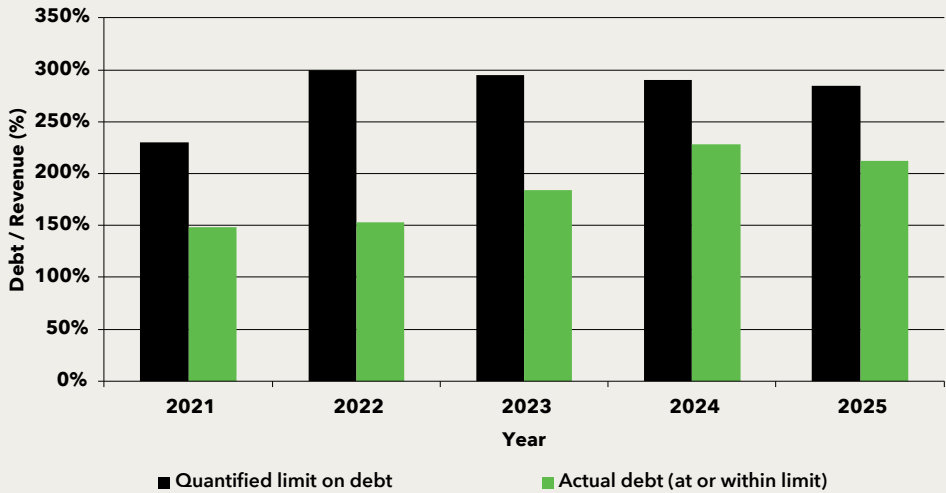
Rates (increases) affordability

The following graph compares the Council’s actual rates increases with a quantified limit on rates increases included in the financial strategy included in the Council’s Long-Term Plan. The quantified limit is that rate increases to existing ratepayers will not exceed 16.5% as adopted in the 2024-34 Long-Term Plan, and adjusted by any upward movement in LGCI, when compared with the rate assumptions adopted through the 2024-34 Long-Term Plan. The quantified limit prior was the average rate increases to existing ratepayers will not exceed 8.9% in 2022, or 4.9% thereafter.



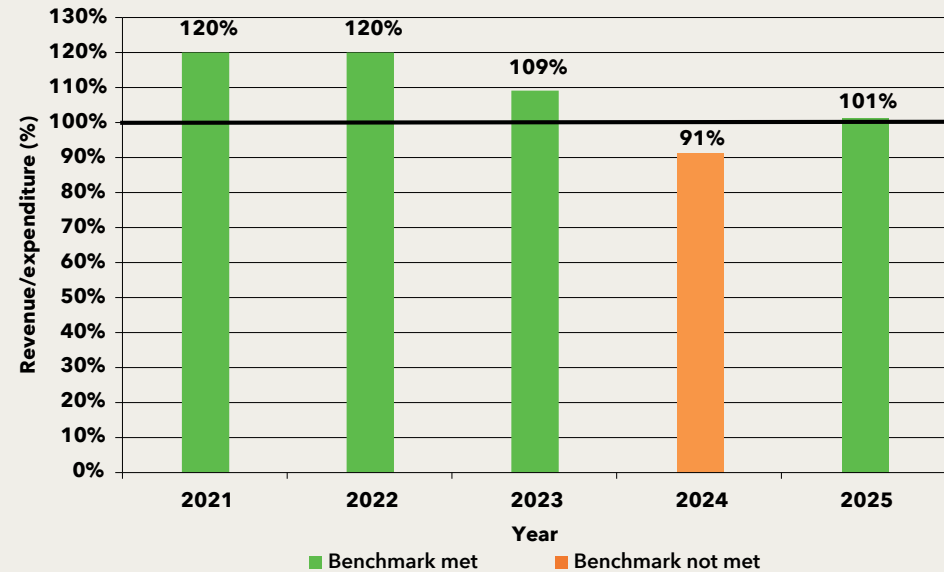
### Debt affordability benchmark

The Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing. The following graph compares the Council’s actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the Council’s long-term plan. The quantified limit is that the debt to revenue ratio will remain below 285% in 2025 and 280% thereafter. The quantified limit prior to this was the debt to revenue ratio will remain below 230% in 2021, 300% in 2022, 295% in 2023 and 290% in 2024.



### Balanced budget benchmark

The following graph displays the Council’s revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment). The Council meets this benchmark if its revenue equals or is greater than its operating expenses.



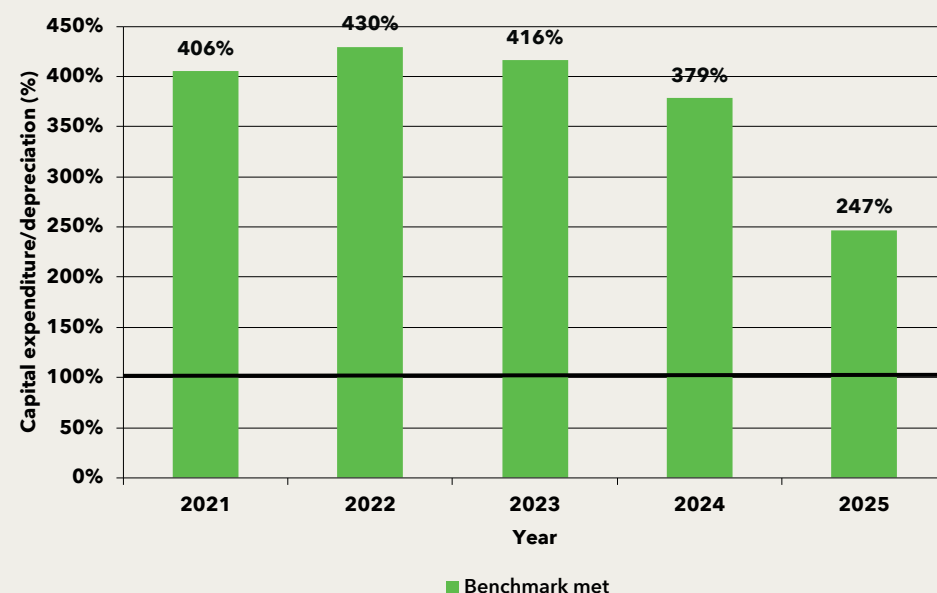
This benchmark is similar to Council’s own “Balancing the books” measure that was introduced prior to the Local Government (Financial Reporting) Regulations. Council does meet its own measure that it believes is more relevant to a growing city. There are four main differences between the measures:

- the above balanced budget includes all capital subsidies
- the above balanced budget includes gains and losses from

- disposals of assets, investment property, and associates.
- the above balanced budget includes gains and losses from investment property revaluations.
- the above balanced budget excludes all development contributions.

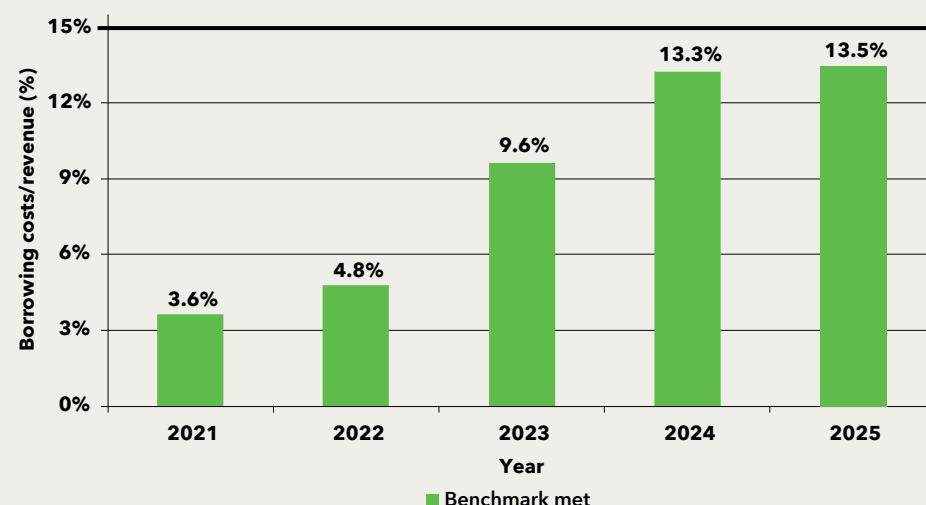
## Essential services benchmark

The following graph displays the Council's capital expenditure on network services as a proportion of depreciation on network services. The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



## Debt servicing benchmark

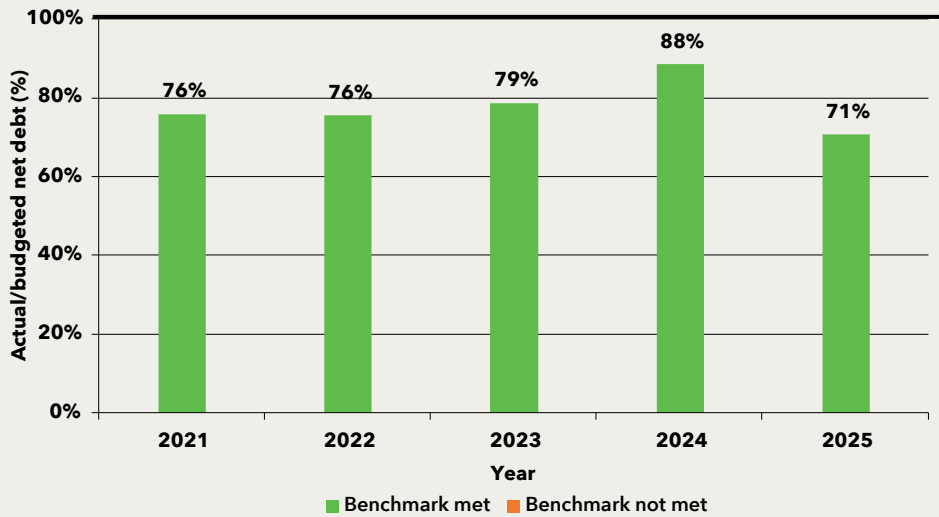
The following graph displays the Council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment). Because Statistics New Zealand projects the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





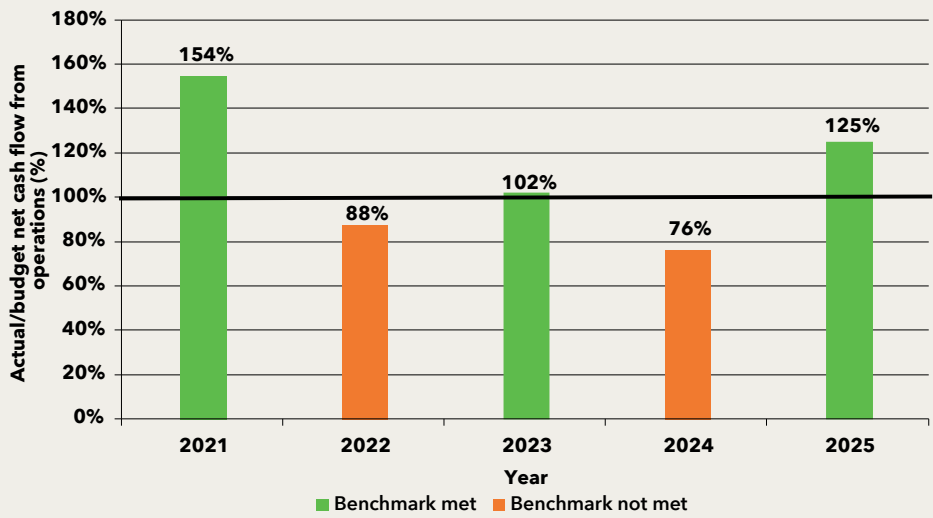
### Debt control benchmark

The following graph displays the Council’s actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables). The Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



### Operations control benchmark

This graph displays the Council’s actual net cash flow from operations as a proportion of its planned net cash flow from operations. The Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.



# Council Controlled Organisations

We are involved with and represented in a number of organisations to support the realisation of our vision for Hamilton City. Council Controlled Organisations (CCOs) are any organisation in which one or more local authorities control 50% or more of the voting rights or appoint 50% or more of the directors.

We have an interest in the following CCOs:

- Co-Lab,
- New Zealand Local Government Funding Agency Ltd,
- Waikato Regional Airport Limited and its subsidiaries, Hamilton & Waikato Tourism Ltd, Titanium Park Ltd and Waikato Regional Airport Hotel Ltd.

The following tables explain what these organisations do, our objectives in regard to ownership, nature and scope of activities, key performance targets and outcomes for 2024/25 year. We also have interests in Council Organisations details of which are available on our website.

We manage and monitor our investment in CCO's by reviewing statement of intents, six month and annual reports at our Finance Committee.

*The actual results for 2024/25 are based on draft results available at the time of preparation of the 2024/25 Annual Report.*

## Co-Lab

|                                            |                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                      |
|--------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Ownership</b>                           | 13.72% SDVS shares, 37.5% WRTM Service shares and 17.8% WRAPS shares equating to 16.02% of the total weighted value of issues shares. The balance of shares is owned by other Local Authorities. Council has only one voting right out the 12 voting Local Authorities.                                                                                                |                                                                                                                                                                                                                                                                                                                                      |
| <b>Representation (total members)</b>      | 1(6) - Co-Lab has six Directors, with five Directors each representing a shareholder Council, as well as an Independent Chair.                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                      |
| <b>Significant policies and objectives</b> | To make a regional leadership contribution and seek opportunities to operate more efficiently by participating with the region's local authorities on shared services, particularly in respect of information collection and management, with the aim of reducing the cost of those activities to the community at large.                                              |                                                                                                                                                                                                                                                                                                                                      |
| <b>Nature and scope of activities</b>      | <ul style="list-style-type: none"> <li>• Co-Lab Building Services</li> <li>• Management Training Programme</li> <li>• Waikato Water Done Well Collaboration</li> <li>• Collaborative Aerial Photography Syndicate (CAPS 2025)</li> <li>• Roding Asset Technical Accord (RATA)</li> <li>• Co-Lab Water Services</li> <li>• Co-Lab Geospatial Services (CoGS)</li> </ul> | <ul style="list-style-type: none"> <li>• Waikato Regional Transportation Model (WRTM)</li> <li>• Co-Lab Learning (CLL)</li> <li>• Waikato Building Consent Group (WBCG)</li> <li>• Co-Lab Procurement Services</li> <li>• Regional Infrastructure Technical Specifications (RITS)</li> <li>• Energy and Carbon Management</li> </ul> |

## Key performance targets

Performance targets are specified in the Co-Lab Statement of Intent for 2024/25 and are summarised with the actual results below:

| Financial Performance Measures:                            | 2024/25 targets | 2024/25 results | 2024/25 outcome |
|------------------------------------------------------------|-----------------|-----------------|-----------------|
| <b>Company forecast:</b>                                   |                 |                 |                 |
| Earnings before interest, taxation & depreciation (EBITDA) | (\$1M)          | (\$0.1M)        | Achieved        |
| Net operating cash flow                                    | (\$0.5M)        | (\$3.4M)        | Not achieved    |
| Total assets                                               | \$2.5M          | \$6.4M          | Achieved        |
| Total capital funds                                        | \$1.2M          | \$1.7M          | Achieved        |

## New Zealand Local Government Funding Agency Limited (LGFA)

|                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Ownership</b>                           | 8.3%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Representation (total members)</b>      | 1(31) - There are currently 31 shareholders comprising of the New Zealand Government at 20% and 30 local councils at 80%                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Significant policies and objectives</b> | Council's main objective for ownership in LGFA is to access shared funding at better rates and for more flexible terms.                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Nature and scope of activities</b>      | LGFA will raise debt funding either domestically and/or offshore in either NZ dollars or foreign currency and provide debt funding to New Zealand Local Authorities and CCOs, and may undertake any other activities considered by the Board to be reasonably related or incidental to, or in connection with, that business. The LGFA will only lend to local authorities that enter into all the relevant arrangements with it (Participating Local Authorities) and comply with the LGFA's lending policies. |

### Key performance targets

Performance targets are specified in the LGFA Statement of Intent for 2024/25 and are summarised with the actual results below:

| Financial Performance Measures:         | 2024/25 targets | 2024/25 results | 2024/25 outcome        |
|-----------------------------------------|-----------------|-----------------|------------------------|
| <b>Comprehensive income</b>             |                 |                 |                        |
| <b>Net interest income</b>              | <b>\$29.9M</b>  | <b>\$34.8M</b>  | <b>Achieved</b>        |
| Issuance and on-lending costs           | \$4.3M          | \$4.4M          | <b>Almost achieved</b> |
| Approved Issuer Levy                    | \$5.3M          | \$5.4M          | <b>Almost achieved</b> |
| Operating expenses                      | \$7.2M          | \$6.9M          | <b>Achieved</b>        |
| <b>Issuance and operating expenses</b>  | <b>\$16.8M</b>  | <b>\$16.7M</b>  | <b>Achieved</b>        |
| <b>P &amp; L</b>                        | <b>\$14.5M</b>  | <b>\$19M</b>    | <b>Achieved</b>        |
| <b>Financial Position</b>               |                 |                 |                        |
| Capital                                 | \$25M           | \$25M           | <b>Achieved</b>        |
| Retained earnings                       | \$106M          | \$106M          | <b>Achieved</b>        |
| Total equity                            | \$129M          | \$122M          | <b>Almost achieved</b> |
| Total assets (nominal)                  | \$26,555M       | \$26,468M       | <b>Almost achieved</b> |
| Total LG loans (nominal)                | \$23,957M       | \$22,657M       | <b>Almost achieved</b> |
| Total bills (nominal)                   | \$1,850M        | \$992M          | <b>Achieved</b>        |
| Total bonds (nominal) ex treasury stock | \$23,702M       | \$23,646M       | <b>Achieved</b>        |
| Total borrower notes (nominal)          | \$707M          | \$669M          | <b>Achieved</b>        |

| 2024/25 performance targets                                                                                                                                                 | 2024/25 results                       | Outcome             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------|
| Comply with the Shareholder Foundation Policies and the Board-approved Treasury Policy at all times.                                                                        | One breach                            | <b>Not achieved</b> |
| Maintain LGFA's credit rating equal to the New Zealand Government sovereign rating where both entities are rated by the same credit rating agency.                          | Equal rating                          | <b>Achieved</b>     |
| A succession plan be put in place for the Board and staff to be reviewed annually.                                                                                          | Achieved                              | <b>Achieved</b>     |
| LGFA total operating income for the period to June 2025 will be greater than \$31.4 million.                                                                                | \$36.3M                               | <b>Achieved</b>     |
| LGFA total operating expenditure for the period to June 2025 will be less than \$11.5 million.                                                                              | \$11.2M                               | <b>Achieved</b>     |
| Share of aggregate long-term debt funding to the Local Government sector greater than 80%.                                                                                  | 74.9%                                 | <b>Not achieved</b> |
| Total nominal lending (short and long-term) to participating councils to be at least \$23,957 million.                                                                      | \$22,657M                             | <b>Not achieved</b> |
| Conduct an annual survey of councils who borrow from LGFA and achieve at least an 85% satisfaction score as to the value added by LGFA to the council borrowing activities. | 94%                                   | <b>Achieved</b>     |
| Successfully refinance of existing loans to councils and LGFA bond maturities as they fall due.                                                                             | 100%                                  | <b>Achieved</b>     |
| Meet all lending requests from Participating Local Authorities.                                                                                                             | 100%                                  | <b>Achieved</b>     |
| Comply with the Health and Safety at Work Act 2015.                                                                                                                         | No breaches                           | <b>Achieved</b>     |
| Maintain Toitu net carbonzero certification.                                                                                                                                | Carbon-zero certification maintained. | <b>Achieved</b>     |
| Meet reduction targets outlined in our carbon reduction management plan.                                                                                                    | Reduction targets met.                | <b>Achieved</b>     |

| 2024/25 performance targets continued...                                                                                                                                                                                                                                              | 2024/25 results                    | Outcome             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|---------------------|
| Increase our GSS lending book and Climate Actions Loans. Two new GSS loans and three new borrowers approved for CAL.                                                                                                                                                                  | One new GSS loan approved.         | <b>Not achieved</b> |
| Meet all mandatory climate reporting standards.                                                                                                                                                                                                                                       | 100%                               | <b>Achieved</b>     |
| Review each participating borrower's financial position under LGFA policies.                                                                                                                                                                                                          | 100%                               | <b>Achieved</b>     |
| Arrange to meet each Participating Borrower over a 15 month period, including meeting with elected officials as required, or if requested.                                                                                                                                            | 100%                               | <b>Achieved</b>     |
| Provide input into Local Water Done Well Legislation.                                                                                                                                                                                                                                 | Achieved                           | <b>Achieved</b>     |
| Provide quarterly updates to shareholders and borrowers on sector developments that are impacting LGFA.                                                                                                                                                                               | 100%                               | <b>Achieved</b>     |
| Meet annually with Infrastructure Commission, Local Government New Zealand, Taituara, Water New Zealand, Infrastructure New Zealand, Crown Infrastructure Partners, Department of Internal Affairs, Treasury and Minister's office to discuss sector issues from an LGFA perspective. | Nine meetings across stakeholders. | <b>Achieved</b>     |

## Waikato Regional Airport Limited (WRAL) and its Subsidiaries, Hamilton & Waikato Tourism Ltd, Titanium Park Ltd and Waikato Regional Airport Hotel Ltd

|                                            |                                                                                                                                                                                                                                                                                                |
|--------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Ownership</b>                           | 50%                                                                                                                                                                                                                                                                                            |
| <b>Representation (total members)</b>      | 0(7)                                                                                                                                                                                                                                                                                           |
| <b>Significant policies and objectives</b> | Council's main objective in the ownership of WRAL (and its subsidiaries) is to support and provide economic growth to our community which can benefit from the opportunities WRAL provides.                                                                                                    |
| <b>Nature and scope of activities</b>      | <ul style="list-style-type: none"> <li>• Operate an efficient and compliant airport.</li> <li>• Enhance the traveller experience.</li> <li>• Maintain a viable aero nautical business.</li> <li>• Maximise revenue diversification through non-aeronautical business opportunities.</li> </ul> |

### Key performance targets

Performance targets are specified in the WRAL Statement of Intent for 2024/25 and are summarised with the actual results below:

| Financial Performance Measures:                                                                        | 2024/25 targets | 2024/25 results | 2024/25 outcome |
|--------------------------------------------------------------------------------------------------------|-----------------|-----------------|-----------------|
| <b>Consolidated company forecast:</b>                                                                  |                 |                 |                 |
| Earnings before interest, taxation & depreciation (EBITDA) but excluding land sales <i>of at least</i> | \$4.8M          | \$5.9M          | Achieved        |
| EBITDA including land sales <i>of at least</i>                                                         | \$8.5M          | \$10.5M         | Achieved        |
| Net profit before tax <i>no less than</i>                                                              | \$2.0M          | \$4.1M          | Achieved        |
| Net operating cash flow (excluding land sales)                                                         | \$4.0M          | \$3.7M          | Not achieved    |
| Net debt <i>a maximum of</i>                                                                           | \$39.0M         | \$31.5M         | Achieved        |
| Land sales <i>of at least</i>                                                                          | \$4.0M          | \$5.7M          | Achieved        |
| Percentage of non- landing charges revenue                                                             | 60%             | 65%             | Achieved        |
| Free Cash Flow                                                                                         | \$1.4M          | \$0.5M          | Not achieved    |



| 2024/25 performance targets                                                                                                                                                                                       | 2024/25 results                                                                                                 | Outcome             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|---------------------|
| Zero Work Safe notifiable accidents/ injuries.                                                                                                                                                                    | There were no notifiable incidents.                                                                             | <b>Achieved</b>     |
| Operate a workplace that fosters employee wellbeing and improving organisational culture, as measured by the Employee Engagement Survey.                                                                          | The annual staff engagement survey showed positive and improving results.                                       | <b>Achieved</b>     |
| To achieve airport certification standards required by the Civil Aviation Authority (CAA) as evidenced by CAA audit reports.                                                                                      | The airport continues to meet all relevant CAA certification standards.                                         | <b>Achieved</b>     |
| Ensure airport is operationally available for all scheduled passenger services (except for uncontrollable events).                                                                                                | There have been no incidences of scheduled flights being operationally impacted by controllable events.         | <b>Achieved</b>     |
| Assist airlines to identify opportunities to increase flight schedules and passenger numbers.                                                                                                                     | The airport made significant progress towards                                                                   | <b>Achieved</b>     |
| Identify and activate new development opportunities within the general aviation sector.                                                                                                                           | The airport continued to pursue opportunities to tenant the former flight school training centre.               | <b>Achieved</b>     |
| Position and protect the airport as an efficient, cost-effective international port.                                                                                                                              | The airport maintained relevant Customs and Biosecurity approvals to receive international flights.             | <b>Achieved</b>     |
| Remain collaborative with local authorities and central government agencies for joint infrastructure and transport initiatives.                                                                                   | The airport entered into agreements and joint investment around future three waters and roading infrastructure. | <b>Achieved</b>     |
| Complete construction of airport infrastructure to support property development and optimisation.                                                                                                                 | Metric not set in 2025 as the development has been deferred until at least 2027.                                | <b>Not achieved</b> |
| Develop a MOU with local iwi organisations that provides for a collaborative relationship to future developments that will embrace Te Ao Maaori principles and celebrating the rich cultural history of our rohe. | Metric not set for 2025.                                                                                        | <b>Not achieved</b> |

| 2024/25 performance targets continued...                                                                                                                            | 2024/25 results                                                                                                                                                                                             | Outcome             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| Reduce Group electricity purchases by at least 20% on prior year levels (measured in kWh used) upon commissioning of the first stage of the solar farm development. | Achieved a 23% reduction on 2024 levels in 2025.                                                                                                                                                            | <b>Achieved</b>     |
| Achieve Level 3 (Optimisation) accreditation to the Airport Council International's Airport Carbon Accreditation programme.                                         | The Airport achieved Level 4 accreditation.                                                                                                                                                                 | <b>Achieved</b>     |
| Advance application for Level 4+ accreditation to the Airport Council International's Airport Carbon Accreditation Programme.                                       | The airport did not advance its application for Level 4+ accreditation due to international air service resumption workstreams however maintains Level 4 accreditation.                                     | <b>Not achieved</b> |
| Reduce landfill waste through reduced usage of non-recyclable single-use materials and improved sustainable material usage in construction.                         | Airport food and beverage retail moved to using biodegradable and recyclable single use packaging, and construction contractors were engaged with commitments to recycle and re-use construction materials. | <b>Achieved</b>     |
| Complete detailed design for Stage One of the Northern Precinct Development.                                                                                        | Design of Precinct North Stage One was consented by local authorities and construction had commenced by 2025 year end.                                                                                      | <b>Achieved</b>     |
| Complete ecological management plan and commence development of ecological habitat compensation site.                                                               | Approval of the ecological management plan was granted by local authorities and development of the ecological compensation site had commenced by 2025 year end.                                             | <b>Achieved</b>     |

# IAWAI Flowing Waters

## Introduction

The IAWAI Flowing Waters Council-Controlled Organisation (CCO) is a jointly controlled entity established by Hamilton City Council and Waikato District Council. IAWAI – Flowing Waters Limited was officially incorporated under the Companies Act 1993 on the 26th day of June 2025. Its purpose is to provide equitable, affordable, and consistent water services across both districts. The CCO will maintain the existing level of service whilst providing for the region’s future growth, economic development, and the councils’ shared commitments to Te Ture Whaimana o Te Awa o Waikato and Te Tiriti o Waitangi.

By creating a dedicated water services entity, the councils aim to enhance financial capacity, improve investment flexibility, and strengthen the ability to safeguard the health and wellbeing of the Waikato and Waipaa rivers, and Whaaingaroa moana.

## Purpose of IAWAI Flowing Waters

The CCO will deliver a range of benefits, including:

- Enabling the faster delivery of critical infrastructure to support compliance, housing, and industrial development.
- Supporting improved environmental outcomes for the Waikato River through coordinated catchment management.

- Allowing councils to better manage costs and respond to climate change challenges.
- Improving emergency response capability through dedicated service capacity.
- Establishing a larger, specialist organisation capable of attracting and retaining skilled talent.
- Enabling cross-boundary investment and service delivery by removing current limitations tied to individual council boundaries

## Ownership Structure

- Council jointly incorporated IAWAI – Flowing Waters Limited in partnership with Waikato District Council under the Local Waters Done Well legislation. The Council holds a 50% shareholding and joint control has been established via a Shareholder Forum, with one vote per shareholder and jointly appointed board members
- The CCO will own and manage water supply infrastructure and wastewater assets, with financial and performance accountability to the shareholding councils.
- Stormwater assets will remain council-owned, with the CCO managing under contractual arrangements with councils.

## Scope of services

The CCO will own, operate, and manage:

- All water supply infrastructure and services, including abstraction, treatment, distribution, and supply of drinking water.
- All wastewater infrastructure and services, including collection, treatment, and disposal.

In addition, the CCO:

- May contract or partner with other entities to deliver parts of its services.
- May provide services to other local authorities or water service entities by agreement.
- Will deliver stormwater services on behalf of each council under contract. This includes strategy, planning, consenting, project design and delivery, operations, maintenance, and related engineering services, with an initial focus on urban areas.
- May provide non-urban stormwater services or support water-related infrastructure in parks, transport corridors, and other public assets, where aligned with council strategies and service agreements.

# Audit Opinion Whakataua aa-taatahi kaute

## Independent Auditor's Report

### To the readers of Hamilton City Council's annual report for the year ended 30 June 2025

The Auditor-General is the auditor of Hamilton City Council (the Council). The Auditor-General has appointed me, Athol Graham, using the staff and resources of Audit New Zealand, to carry out the audit on his behalf.

We have audited the annual report of the Council in accordance with the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

- whether the Council has complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations).

We refer to this information as "the disclosure requirements" in our report.

### Opinion on the audited information

#### Qualified opinion on the financial statements

In our opinion, except for the matter described in the Basis for our opinion on the audited information section of our report:

- the financial statements of the Council on page 214 and pages 216-308:

- present fairly, in all material respects:
  - its financial position as at 30 June 2025;
  - the results of its operations and cash flows for the year ended on that date; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.

### Unmodified opinion on the audited information excluding the financial statements

- the Council's service performance information (referred to as Delivering on our priorities) for the year ended 30 June 2025 on pages 44 to 210:
  - provides an appropriate and meaningful basis to enable readers to assess the Council's actual service provision for each group of activities, determined in accordance with generally accepted accounting practice in New Zealand; and
  - fairly presents, in all material respects, the Council's actual levels of service for each group of activities, including:
    - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved; and
    - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and

- complies with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards;
- the statement comparing actual capital expenditure to budgeted capital expenditure for each group of activities of the Council for the year ended 30 June 2025 on pages 54 to 196, has been prepared, in all material respects, in accordance with clause 24 of Schedule 10 to the Act;
- the funding statement for each group of activities of the Council for the year ended 30 June 2025 on pages 55 to 197 has been prepared, in all material respects, in accordance with clause 26 of Schedule 10 to the Act; and
- the funding impact statement of the Council for the year ended 30 June 2025 on page 311, has been prepared, in all material respects, in accordance with clause 30 of Schedule 10 to the Act.

## Report on the disclosure requirements

We report that:

- the Council has complied with the information disclosure requirements of Part 3 of Schedule 10 to the Act for the year ended 30 June 2025; and
- the Council's disclosures about its performance against benchmarks required by Part 2 of the Regulations for the year ended 30 June 2025 are complete and accurate.

## Date

We completed our work on 2 October 2025. This is the date on which we give our qualified opinion on the audited information and our report on the disclosure requirements.

## Basis for our qualified opinion on the audited information

### **Financial statements: Our work was limited over the carrying value of the Council's water system, wastewater system, and stormwater system assets.**

As explained in the statement of accounting policies (note 1) and note 24 to the financial statements, the City Council measures water, wastewater and stormwater system assets (three waters systems assets) at fair value. *PBE IPSAS 17 Property, Plant and Equipment* requires entities that measure assets at fair value to carry out revaluations with sufficient regularity to ensure that revalued assets are not included at a value that is materially different to fair value.

There is evidence that there may have been a material change in the fair value of the three waters systems assets since the last revaluation in 2022.

The City Council has disclosed on page 266 that it engaged a valuer to perform a revaluation of the three waters systems assets for the year ended 30 June 2025. However, due to concerns with the results of this revaluation, which could not be resolved prior to adoption of the financial statements, the City Council has not recognised the revaluation in the 2025 financial statements.

If the City Council had revalued the three waters systems assets to fair value as at 30 June 2025, and recognised the revaluation movement in the 2025 financial statements, the value of these assets in the statement of financial position as at 30 June 2025, and the revaluation movement recognised in other comprehensive revenue and expense for the year ended 30 June 2025, may have been materially affected. It is impracticable for us to determine the amount of any adjustment required.

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): The Audit of Service Performance Information issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor for the audited information and the disclosure requirements section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the audited information and our report on the disclosure requirements.

### **Emphasis of matter - future of water delivery**

Without modifying our opinion further, we draw attention to page 221, which outlines that in response to the Government's Local Water Done Well reforms, the Council has decided to establish a jointly owned water organisation with Waikato District Council to deliver the water and wastewater assets and be

responsible for delivering those services from 1 July 2026.

The financial impact of this decision is unknown because details of the exact arrangements are still being considered.

### **Responsibilities of the Council for the audited information and the disclosure requirements**

The Council is responsible for preparing the audited information and the disclosure requirements in accordance with the Act.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare the audited information and the disclosure requirements that are free from misstatement, whether due to fraud or error.

In preparing the audited information and the disclosure requirements the Council is responsible for assessing its ability to continue as a going concern.

### **Responsibilities of the auditor for the audited information and the disclosure requirements**

#### **Responsibilities for the audited information**

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists.



Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the Council's long-term plan.

We did not evaluate the security and controls over the electronic publication of the audited information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- We evaluate the appropriateness of accounting policies used and the

reasonableness of accounting estimates and related disclosures made by the Council.

- We evaluate whether the statement of service performance includes all groups of activities that we consider are likely to be material to the readers of the annual report.
- We evaluate whether the measures selected and included in the statement of service performance for groups of activities present an appropriate and meaningful basis that will enable readers to assess the Council's actual performance. We make our evaluation by reference to generally accepted accounting practice in New Zealand.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council.
- We evaluate the overall presentation, structure and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Responsibilities for the disclosure requirements**

Our objective is to provide reasonable assurance about whether the Council has complied with the disclosure requirements. To assess whether the Council has met the disclosure requirements we undertake work to confirm that:

- the Council has made all of the disclosures required by Part 3 of

- Schedule 10 to the Act and Part 2 of the Regulations; and the disclosures required by Part 2 of the Regulations accurately reflect information drawn from the Council's audited information and, where applicable, the Council's long-term plan and annual plans.

Our responsibilities for the audited information and for the disclosure requirements arise from the Public Audit Act 2001.

## Other information

The Council is responsible for the other information included in the annual report. The other information comprises all the information included in the annual report other than the audited information and the disclosure requirements, and our auditor's report thereon.

Our qualified opinion on the audited information and our report on the disclosure requirements do not cover the other information, and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the audited information and our report on the disclosure requirements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Independence

We are independent of the Council in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit we have carried out engagement in the areas of a limited assurance engagement related to the Council's debenture trust deed and probity assurance engagements, which are compatible with the independence requirements. Other than the audit, our report on the disclosure requirements, and these engagements, we have no relationship with or interests in the Council.



Athol Graham  
Audit New Zealand  
On behalf of the Auditor-General  
Auckland, New Zealand



Hamilton City Council  
Garden Place, Private Bag 3010, Hamilton

 /HamiltonCityCouncil

 @hamilton\_city\_nz

 07 838 6699

**[hamilton.govt.nz](https://www.hamilton.govt.nz)**