

Notice of Meeting:

I hereby give notice that an ordinary Meeting of the Finance Committee will be held on:

Date: Tuesday 20 September 2016
Time: 1.30pm
Meeting Room: Council Chamber
Venue: Municipal Building, Garden Place, Hamilton

Richard Briggs
Chief Executive

Finance Committee OPEN AGENDA

Membership

Chairperson	Cr R Pascoe
Deputy Chairperson	Cr G Mallett
Members	Her Worship the Mayor J Hardaker Cr G Chesterman Cr M Forsyth Cr M Gallagher Cr K Green Cr A King Cr D Macpherson Cr A O'Leary Cr L Tooman Cr E Wilson Cr P Yeung

Quorum: A majority of members (including vacancies)

Meeting Frequency: Six weekly

Becca Brooke
Committee Advisor

14 September 2016

Telephone: 07 838 6439
Becca.Brooke@hcc.govt.nz
www.hamilton.govt.nz

Terms of Reference:

- To monitor the Council's financial and non-financial performance against the Long Term Plan and Annual Plan.
- To monitor the delivery of key projects.
- To approve and monitor contracts.
- To approve acquisition or sale or lease of properties owned by the Council, or owned by the Municipal Endowment Fund and the Domain Endowment Fund with reference to the strategy developed by the Business and Investment Sub-committee, for any endowment properties.
- To consider and approve deferred capital expenditure.
- To approve changes to projects resulting from staff recommendations within the Key Projects monitoring report.
- To consider and approve business cases referred by the Senior Leadership Team.

Power to act:

- Write off outstanding accounts greater than \$10,000 (in accordance with the Debtor Management Policy).
- To approve all contractual and other arrangements for supply and services and revenue generating contracts where the term of the contract (including renewal periods) and the total value of the contract is within limits set and delegated by Council.
- To approve contracts and other arrangements where the amount of work involved in a decision not to go to public tender exceeds \$100,000 (GST excluded) or in accordance with Council's Procurement Policy.
- To approve all other matters in accordance with the terms of reference of this committee.

Sub-committees:

This Committee will be supported in its work by the:

- Events Sponsorship Sub-committee.
- External Funding Sub-committee.
- Council Controlled Organisations (CCO) Sub-committee.

ITEM	TABLE OF CONTENTS	PAGE
1	Apologies	4
2	Confirmation of Agenda	4
3	Declarations of Interest	4
4	Public Forum	4
5	End of Triennium Chairperson's Report	5
6	Accessible Properties New Zealand Limited - Q3 and Q4 Management Accounts and Activity Report	7
7	Service Delivery Review Programme 2016/17	35
8	Recommendations from the PricewaterhouseCoopers review of Hamilton Zoo – <i>To be circulated as a Late Report</i>	38
9	Business Case for Rubbish and Recycling Service Change	39
10	Election Period Infrastructure Contract Delegations	57
11	Lake Rd - Land Sale	62
12	Mangaonua Restoration Contract	67
13	Contract 15433 for a Primary Provider of Legal Services	71
14	Recommended dates for reports to Finance Committee	75
15	End of Triennium - Open Minutes to be Confirmed and Adopted	77
16	Finance Committee - Open Action List - 20 September 2016	96
17	Resolution to Exclude the Public	100

1 Apologies

2 Confirmation of Agenda

The Committee to confirm the agenda.

3 Declaration of Interest

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest they might have.

4 Public Forum

As per Hamilton City Council's Standing Orders, a period of up to 30 minutes has been set aside for a public forum. Each speaker during the public forum section of this meeting may speak for three minutes or longer at the discretion of the Chair.

Please note that the public forum is to be confined to those items falling within the terms of the reference of this meeting.

Speakers will be put on a Public Forum speaking list on a first come first served basis in the Council Chamber prior to the start of the Meeting. A member of the Council Democracy Team will be available to co-ordinate this. As many speakers as possible will be heard within the allocated time.

If you have any questions regarding Public Forum please contact Democracy by telephoning 07 838 6772.

Committee: Finance Committee

Date: 20 September 2016

Report Name: End of Triennium
Chairperson's Report

Author: Becca Brooke

Status	<i>Open</i>
---------------	-------------

Recommendation

That the report be received.

1. Attachments

- Attachment 1 - End of Triennium Chairperson's Report

Chairperson's Report



This is the final Finance Committee Meeting for 2016 and the end of the triennium.

This has been a busy 3 years for the Finance Committee.

Changes in the style of reporting to the Committee were evident on the work programme at the beginning of the triennium. It was hoped by implementing these changes the monitoring report would be easier to read and understand. The feedback from members has been positive. Going forward it is important that the style of reporting remains a work in progress so improvements can be made to ensure the reports are able to be understood and are "fit for purpose".

The City has continued adherence to its financial strategy.

Noting the achievements from this includes a return to annual operating surplus two years ahead of the target set in the Long Term Plan

City debt at 30 June 2016 was almost \$59million less than predicted in the Long Term Plan. On the same date the debt to revenue ratio was 170%, well below council's self-imposed cap of 200% and the level predicted in the Long Term Plan.

Care and good financial management is needed going forward as the city meets the challenges of population and business growth.

The high number of online viewers of this Committee suggests residents have interest in the management of Hamilton's finances.

My thanks to Deputy Chair Councillor Mallett, Her Worship the Mayor and Committee members for your contribution, commitment and support over the last 3 years.

Thanks also to Richard Briggs and the Senior Leadership Team, the Finance Team, Democracy Team and other staff who have advised and supported the Committee during this triennium.

Cr Rob Pascoe
Chairperson, Finance Committee

Committee: Finance Committee

Date: 20 September 2016

Report Name: Accessible Properties New Zealand Limited - Q3 and Q4 Management Accounts and Activity Report

Author: Tracey Musty

Report Status	<i>Open</i>
Strategy, Policy or Plan context	<i>10 Year Plan</i>
Financial status	<i>The Pensioner Housing Portfolio was sold to Accessible for \$23M on 7 March 2016. The \$18.8M balance of the purchase price is payable on 7 March 2019.</i>
Assessment of significance	<i>Having regard to the decision making provisions in the LGA 2002 and Council's Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

1. Purpose of the Report

- To present the first of Accessible Housing New Zealand Limited's quarterly management accounts and half-year activity report. The report is for information only.

3. Recommendation from Management

That the report be received.

4. Attachments

- Attachment 1 - Accessible Properties - Management Accounts and Activity Report - 30 June 2016

6. Key Issues

- Accessible Properties New Zealand Limited ("Accessible") purchased Hamilton City Council's Pensioner Housing Portfolio on 7 March 2016. The conditions of sale require Accessible to report regularly to the Council on various aspects of the performance of the Portfolio.

8. Reporting Schedule

Report	Authority	Frequency	Period	Due Date
Q3 Management Accounts	13.2 (c)	3 month	January - March	30 April
Q4 Management Accounts	13.2 (c)	3 month	April – June	31 August
Q3 & Q4 Activity Reports	Schedule 1.1&2.2.6	6 month	January – June	31 August
Q1 Management Accounts	13.2 (c)	3 month	July – September	31 October
Q2 Management Accounts	13.2 (c)	3 month	October – December	16 February
Q1 & Q2 Activity Report	Schedule 1.1&2.2.6	6 month	July – December	28 February
Audited Annual Accounts	13.2 (c)	12 month	July - June	31 October

9. Management Accounts (Clause 13.2(c))

10. Accessible is required to provide quarterly and annual management accounts:

- Clause 13.2(c) Quarterly and Annual reporting on Accessible’s financial position during the period of vendor financing (three years ending 7 March 2019)

11. The Management Accounts must contain a Profit and Loss Statement and Balance Sheet, and sufficient information to allow Council to ensure that Accessible are complying with the Financial Covenants in the Agreements for Sale and Purchase.

12. The Management Accounts appended have been audited by accounting firm KPMG.

13. Council’s Finance Unit has reviewed Accessible’s audited financial statements for the year ending 30 June 2016 and confirms that the financial statements show compliance with the agreed financial covenants and other clauses in the agreements between Council and Accessible.

Financial Covenants (banking covenants in favour of Westpac)		
Measure	Result	Compliance
<u>Quasi Equity Ratio</u> Shareholders’ funds not less than 50% of adjusted tangible assets	56%	Compliant
<u>Cash Flow Available for Debt Service (CFADS) Ratio</u> CFADS ratio at least 1.00 times the Debt Servicing Costs	7.84 times	Compliant

14. Activity Reports (Schedule 1.1&2.2.6)

15. Accessible is required to provide quarterly activity reports:

- Schedule 1 Part 1 (Encumbrance for Donny Avenue) and Schedule 1 Part 2 (Encumbrance or All Other Properties) Appendix 2 Clause 6 six monthly reporting on tenancy related matters during the lifespan of “current tenants”.

16. The activity reports must describe:

- The number of units occupied during the period;
- How many units were occupied by Current Tenants (in occupation at sale date 7 March 2016) and how many utilised for Social Housing purposes;
- The rental paid for each unit during the period;

- Any rent increases made during the period, and the basis on which such rent increases were calculated;
- The maintenance spend on the properties during the period.

17. Council’s Community Unit has reviewed Accessible’s activity report for the period ending 30 June 2016 and confirms that the report shows compliance with the agreed encumbrances and other clauses in the agreements between Council and Accessible.

Encumbrance (Utilisation and Activity)		
Measure	Result	Compliance
<u>Social Housing</u> Continue to utilize the portfolio for social housing		Compliant
<u>Minimum Number</u> No fewer than 344 social housing units available for continuous occupation	344	Compliant
<u>Current Tenants</u> Current tenants (as at date of sale) to remain in occupancy	307	Compliant
<u>Bi-Annual Reports</u> Bi-Annual Reports detailing information in 16 above		Compliant

18. Risk

19. If the Management Accounts disclose a breach of the Financial Covenants, Accessible will have seven days from the date notice of the breach is given by the Council to rectify the breach. If the breach is not rectified within seven days the full balance of the purchase price (\$18.8M) shall be immediately paid on demand.
20. The encumbrance remains in force for a term of 10 years from 7 March 2016, or the date (in respect of a particular property) that the last current tenant ceases to occupy a unit on that property, whichever period is the longer.
21. In the event of a breach of Accessible’s obligations under the encumbrance, an annual charge is payable which is equivalent to the number of social housing units on the property on which the breach has been committed, multiplied by \$10,000 plus GST if any. That figure is CPI indexed to maintain its value. The annual charge will continue to be payable until the breach is remedied.

Signatory

Authoriser	David Bryant, General Manager Corporate
------------	---

REPORT

On
**MANAGEMENT OF ACQUIRED
HAMILTON CITY COUNCIL HOUSING**
From
4 March to 30 June 2016 (4 Months)

ACCESSIBLE PROPERTIES NEW ZEALAND LTD

31 August 2016



1. Background:

Accessible Properties acquired the Housing for Older Persons portfolio from Hamilton City Council on 4 March 2016. This comprises 344 units of predominantly one-bedroom configuration that are located in 17 complexes distributed throughout the city. These units are made available for affordable rental by people on very low incomes and with few assets, with a focus on meeting the needs of the elderly and providing social support.

The terms of sale and purchase require Accessible Properties to report on the use of the properties every six months for the first ten years of ownership. This enables the Council to verify that terms of encumbrance are met.

The purchase arrangements include an interest free loan from the Council for a three year period and an associated mortgage in favour of the Council. During this three year period, Accessible Properties is required to provide quarterly management accounts and annual audited financial statements that demonstrate financial viability.

This report addresses these requirements, and also provides the Council with an update of what has happened during the first four months of ownership and management of the portfolio by Accessible Properties.

2. Progress in the First Four Months:

The arrangements are going as well as expected and tenants seem happy – Accessible Properties will verify this during its annual tenant satisfaction surveys in September.

A summary of outcomes follows:

- We have engaged two experienced tenancy managers (Linda Kelm-Handley and Sally Hammond) who are familiar with, and understand, our tenants. They are supported by an asset manager (Nigel Smith) and other in-house staff.
- We have established a Hamilton office at 14 Knox St (not far from the Council).
- We have a call centre operating for any out of working hours issues.
- All tenants were invited to on-site meetings in early March, where we talked about the new arrangements, about us, and our intentions – and we got good feedback on tenant needs. Interestingly, the upkeep of grounds and gardens was of particular interest and it proved to be a good decision to continue the services of the Council's grounds maintenance operations – as they were familiar with tenant preferences.
- We have issued a Tenants Guide to all tenants, which included key contact details. This can be found on our web site www.accessibleproperties.co.nz.
- Tenant Newsletters (once every 4 months) have been issued – one with a Hamilton focus. Copies are on our web site.
- We have tenant stories on our web site – including a recent one for one of our Hamilton tenants – the link is: <http://www.accessibleproperties.co.nz/winter-time-and-the-living-is-easy/>
- We have now made fifteen new tenant placements from the MSD social housing register and one placement that is part of the Hamilton People's Project (helping those that are

homeless). The placements off the social housing register come with government Income-Related Rent Subsidies (IRRS) which has enabled tenants to be financially better off.

- We have provided input into the development of a Hamilton Social Housing Strategy.
- We have spent the intended maintenance allocation for the year ending 30 June 2016.
- We have undertaken five full unit refurbishments – which have occurred when units have become vacant.
- We are working closely with local social support agencies on placement arrangements and support for tenants. This includes Rauawaawa Kaumatua Trust, Maori Housing Foundation, Age Concern, Centre 401 (mental health), DHB social workers, Enliven, IDEA Services, MSD, Peoples Project, Habitat for Humanity and Community Living.
- We have worked with government's Tenancy Services to resolve a few tenancy issues. At one point, there was media coverage about a tenant with a dog – who had breached formerly the Council's, and latterly our, requirements for no dogs in what was a fairly densely occupied complex. Our position was endorsed as appropriate by the Tenancy Tribunal, and this matter was satisfactorily resolved.

3. Actions Proposed in the Next Six Months:

- Maintenance inspections have been undertaken for all units, and a maintenance schedule and a capital expenditure plan has been prepared for the year beginning 1 July 2016.
- The 2016/2017 planned maintenance priority is to replace and repaint corroded roofs – identified as required during purchase due diligence.
- On-site meetings with tenants revealed a pressing need for more car parking space – this is being addressed as the priority for capital expenditure in the year beginning 1 July 2016, with the three worst-affected sites being done first. In the interim, we are making things work as best we can by allocating parks to tenants. This work will be funded from the operating surplus that has been able to be achieved.
- A Hamilton Social Housing Advisory Group is to be established to help ensure our housing meets the wider needs of the Hamilton community. Work has already started on the structure and membership of this.
- A tenant satisfaction survey is planned for September.

4. Use of Properties:

Responses below are numbered the same as in the encumbrance instruments on titles:

a) *Number of Units Occupied During the Period:*

As at 30 June 2016: 341 of 344 units were occupied (3 vacancies, 99% occupancy)
There were 17 vacancies at the date of handover.

b) *Number of Units Occupied by Original Tenants:*

As at 30 June 2016: 307 original tenants remained (tenants at time of hand-over)
There were 34 new tenant placements.

c) Rental Paid for Each Unit:

Attached is a schedule of rentals charged for units as at 30 June 2016. This shows both rentals paid by tenants and IRRS contributions from MSD.

d) Rent Increases During the Period:

- There have been no increases in rental for original tenants.
- Newly-placed tenants pay substantially less than lower quartile market rental for units, and current weekly rentals are calculated on affordability for people on beneficiary-level incomes, and are as follows:

1 Bedroom single occupancy (small unit)	\$130
1 Bedroom double single occupancy	\$135
1 Bedroom double occupancy	\$170
2 Bedroom	\$210
- MSD rent setting is based on Lower Quartile Bond data for suburb.

e) Maintenance Expenditure:

The total maintenance expenditure on the portfolio for the four months to 30 June 2016 was \$97,000.

5. Financial Information:

Attached, is:

- Quarterly management accounts.
- Audited Financial Statements for Accessible Properties New Zealand Ltd.

6. About Accessible Properties:

Accessible Properties is a Registered Community Housing Provider supplying affordable rental homes for people with social support needs, and with particular expertise in the housing needs of people with disabilities or mobility difficulties or who are elderly. It also provides housing management services for community organisations. It is a charitable organisation that has tax exempt status and is the only organisation with a three year term of accreditation against the Best Practice Guide for Community Housing in New Zealand - undertaken by Global Mark.

Accessible Properties operates nationwide and manages New Zealand's largest non-government social housing portfolio of over 1,400 household units. It also manages 195 commercial properties used by community organisations. It has been involved with social housing in Hamilton since 1954 (with the opening of Christopher House), and 105 homes are in the Waikato region. It has close links with social support agencies in Hamilton.

Accessible Properties - Hamilton City Council Portfolio - March - June 2016

Property Building name	Suburb	City	Lease Start Date	Lease Expiry Date	Property rent pa	Tenant Weekly Rental	MSD Subsidy
169 Bankwood Road, Unit 1	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
169 Bankwood Road, Unit 2	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
169 Bankwood Road, Unit 3	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
169 Bankwood Road, Unit 4	Chartwell	Hamilton	Vacant		\$0	\$0	
169 Bankwood Road, Unit 4	Chartwell	Hamilton	27-Jun-16		\$8,840	\$170	
169 Bankwood Road, Unit 5	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
169 Bankwood Road, Unit 6	Chartwell	Hamilton	7-Mar-16		\$8,268	\$159	
169 Bankwood Road, Unit 7	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
169 Bankwood Road, Unit 8	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
169 Bankwood Road, Unit 9	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
169 Bankwood Road, Unit 10	Chartwell	Hamilton	Vacant		\$0	\$0	
169 Bankwood Road, Unit 10	Chartwell	Hamilton	29-Apr-16		\$9,724	\$52	\$135
169 Bankwood Road, Unit 11	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
169 Bankwood Road, Unit 12	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
169 Bankwood Road, Unit 13	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
169 Bankwood Road, Unit 14	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
169 Bankwood Road, Unit 15	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
169 Bankwood Road, Unit 16	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
169 Bankwood Road, Unit 17	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
169 Bankwood Road, Unit 18	Chartwell	Hamilton	7-Mar-16		\$8,268	\$159	
169 Bankwood Road, Unit 19	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
16 Crosher Place, Unit 1	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 2	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 3	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 4	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 5	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 6	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 7	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 8	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 9	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 10	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 11	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 12	Silverdale	Hamilton	Vacant		\$0	\$0	
16 Crosher Place, Unit 12A	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 14	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 15	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 16	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 17	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 18	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 19	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 20	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 21	Silverdale	Hamilton	Vacant		\$0	\$0	
16 Crosher Place, Unit 22	Silverdale	Hamilton	7-Mar-16	29-May-16	\$5,876	\$113	
16 Crosher Place, Unit 22	Silverdale	Hamilton	13-Jun-16		\$6,812	\$131	transfer
16 Crosher Place, Unit 23	Silverdale	Hamilton	7-Mar-16		\$6,812	\$131	
16 Crosher Place, Unit 24	Silverdale	Hamilton	Vacant		\$0	\$0	
16 Crosher Place, Unit 25	Silverdale	Hamilton	7-Mar-16		\$6,812	\$131	
16 Crosher Place, Unit 26	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 27	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 28	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 29	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 30	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 31	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 32	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 33	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 34	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
16 Crosher Place, Unit 35	Silverdale	Hamilton	7-Mar-16		\$5,876	\$113	
187 Clarkin Road, Unit 1	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 2	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 3	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 4	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 5	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 6	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 7	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 8	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 9	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 10	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 11	Fairfield	Hamilton	7-Mar-16		\$8,268	\$159	
187 Clarkin Road, Unit 12	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 13	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 14	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 15	Fairfield	Hamilton	7-Mar-16		\$8,268	\$159	
187 Clarkin Road, Unit 16	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 17	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 18	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 19	Fairfield	Hamilton	8-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 20	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 21	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 22	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 23	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 24	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 25	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
187 Clarkin Road, Unit 26	Fairfield	Hamilton	Vacant		\$0	\$0	
187 Clarkin Road, Unit 26	Fairfield	Hamilton	4-Apr-16		\$7,020	\$135	
187 Clarkin Road, Unit 27	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
22 Stokes Crescent, Unit 1	Maeroa	Hamilton	7-Mar-16		\$6,812	\$131	
22 Stokes Crescent, Unit 2	Maeroa	Hamilton	7-Mar-16		\$6,812	\$131	
22 Stokes Crescent, Unit 3	Maeroa	Hamilton	7-Mar-16		\$6,812	\$131	
22 Stokes Crescent, Unit 4	Maeroa	Hamilton	Vacant		\$0	\$0	

22 Stokes Crescent, Unit 4	Maeroa	Hamilton	11-Apr-16		\$9,360	\$52	\$128
22 Stokes Crescent, Unit 5	Maeroa	Hamilton	7-Mar-16		\$6,812	\$131	
22 Stokes Crescent, Unit 6	Maeroa	Hamilton	7-Mar-16		\$6,812	\$131	
22 Stokes Crescent, Unit 7	Maeroa	Hamilton	7-Mar-16		\$6,812	\$131	
22 Stokes Crescent, Unit 8	Maeroa	Hamilton	7-Mar-16		\$6,812	\$131	
24 Gibson Road, Unit 1	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
24 Gibson Road, Unit 2	Dinsdale	Hamilton	Vacant		\$0	\$0	
24 Gibson Road, Unit 3	Dinsdale	Hamilton	4-Apr-16		\$5,824	\$65	\$47
24 Gibson Road, Unit 3	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
24 Gibson Road, Unit 4	Dinsdale	Hamilton	7-Mar-16	17-Apr-16	\$6,812	\$131	
24 Gibson Road, Unit 4	Dinsdale	Hamilton	25-Apr-16		\$6,136	\$86	\$32
24 Gibson Road, Unit 5	Dinsdale	Hamilton	7-Mar-16	17-Apr-16	\$6,812	\$112	
24 Gibson Road, Unit 5	Dinsdale	Hamilton	25-Apr-16		\$6,136	\$96	\$22
24 Gibson Road, Unit 6	Dinsdale	Hamilton	7-Mar-16		\$5,876	\$113	
24 Gibson Road, Unit 7	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
24 Gibson Road, Unit 8	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
24 Gibson Road, Unit 9	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
24 Gibson Road, Unit 10	Dinsdale	Hamilton	7-Mar-16		\$5,876	\$113	
24 Gibson Road, Unit 11	Dinsdale	Hamilton	7-Mar-16		\$5,876	\$113	
24 Gibson Road, Unit 12	Dinsdale	Hamilton	7-Mar-16		\$5,876	\$113	
24 Gibson Road, Unit 12A	Dinsdale	Hamilton	7-Mar-16		\$5,876	\$113	
24 Gibson Road, Unit 14	Dinsdale	Hamilton	7-Mar-16		\$5,876	\$113	
24 Gibson Road, Unit 15	Dinsdale	Hamilton	Vacant		\$0	\$0	
24 Gibson Road, Unit 15	Dinsdale	Hamilton	22-Apr-16		\$7,020	\$135	
24 Gibson Road, Unit 16	Dinsdale	Hamilton	7-Mar-16	12-Jun-16	\$6,812	\$131	
24 Gibson Road, Unit 16	Dinsdale	Hamilton	20-Jun-16		\$7,020	\$135	
24 Gibson Road, Unit 17	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
24 Gibson Road, Unit 18	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
24 Gibson Road, Unit 19	Dinsdale	Hamilton	7-Mar-16		\$5,876	\$113	
24 Gibson Road, Unit 20	Dinsdale	Hamilton	7-Mar-16		\$5,876	\$113	
24 Gibson Road, Unit 21	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
24 Gibson Road, Unit 22	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
24 Gibson Road, Unit 23	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
24 Gibson Road, Unit 24	Dinsdale	Hamilton	7-Mar-16		\$5,876	\$113	
24 Gibson Road, Unit 25	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
24 Gibson Road, Unit 26	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
30 Yvonne Street, Unit 1	Melville	Hamilton	7-Mar-16		\$6,812	\$131	
30 Yvonne Street, Unit 2	Melville	Hamilton	7-Mar-16		\$8,268	\$159	
30 Yvonne Street, Unit 3	Melville	Hamilton	7-Mar-16		\$6,812	\$131	
30 Yvonne Street, Unit 4	Melville	Hamilton	Vacant		\$0	\$0	
30 Yvonne Street, Unit 4	Melville	Hamilton	20-Jun-16		\$7,020	\$135	
30 Yvonne Street, Unit 5	Melville	Hamilton	7-Mar-16		\$6,812	\$131	
30 Yvonne Street, Unit 6	Melville	Hamilton	7-Mar-16		\$6,812	\$131	
30 Yvonne Street, Unit 7	Melville	Hamilton	7-Mar-16		\$6,812	\$131	
30 Yvonne Street, Unit 8	Melville	Hamilton	7-Mar-16		\$6,812	\$131	
30 Yvonne Street, Unit 9	Melville	Hamilton	7-Mar-16		\$6,812	\$131	
30 Yvonne Street, Unit 10	Melville	Hamilton	7-Mar-16		\$6,812	\$131	
30 Yvonne Street, Unit 11	Melville	Hamilton	7-Mar-16		\$6,812	\$131	
30 Yvonne Street, Unit 12	Melville	Hamilton	7-Mar-16		\$6,812	\$131	
30 Yvonne Street, Unit 13	Melville	Hamilton	7-Mar-16		\$8,268	\$159	
310 Peachgrove Road, Unit 1	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
310 Peachgrove Road, Unit 2	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
310 Peachgrove Road, Unit 3	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
310 Peachgrove Road, Unit 4	Fairfield	Hamilton	7-Mar-16	22-May-16	\$6,812	\$131	
310 Peachgrove Road, Unit 4	Fairfield	Hamilton	2-Jun-16		\$7,020	\$135	
310 Peachgrove Road, Unit 5	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
310 Peachgrove Road, Unit 6	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
310 Peachgrove Road, Unit 7	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
310 Peachgrove Road, Unit 8	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
310 Peachgrove Road, Unit 9	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
310 Peachgrove Road, Unit 10	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
310 Peachgrove Road, Unit 11	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
310 Peachgrove Road, Unit 12	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
310 Peachgrove Road, Unit 12A	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
310 Peachgrove Road, Unit 14	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
310 Peachgrove Road, Unit 15	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
310 Peachgrove Road, Unit 16	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
310 Peachgrove Road, Unit 17	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
310 Peachgrove Road, Unit 18	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
310 Peachgrove Road, Unit 19	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
310 Peachgrove Road, Unit 20	Fairfield	Hamilton	7-Mar-16		\$6,812	\$131	
4 Korimako Street, Unit 1	Frankton	Hamilton	7-Mar-16		\$6,812	\$131	
4 Korimako Street, Unit 2	Frankton	Hamilton	7-Mar-16		\$6,812	\$131	
4 Korimako Street, Unit 3	Frankton	Hamilton	7-Mar-16		\$6,812	\$131	
4 Korimako Street, Unit 4	Frankton	Hamilton	7-Mar-16		\$6,812	\$131	
4 Korimako Street, Unit 5	Frankton	Hamilton	7-Mar-16		\$6,812	\$131	
4 Korimako Street, Unit 6	Frankton	Hamilton	7-Mar-16		\$6,812	\$131	
4 Korimako Street, Unit 7	Frankton	Hamilton	Vacant		\$0	\$0	
4 Korimako Street, Unit 7	Frankton	Hamilton	13-Jun-16		\$7,020	\$135	
4 Korimako Street, Unit 8	Frankton	Hamilton	7-Mar-16		\$6,812	\$131	
4 Korimako Street, Unit 9	Frankton	Hamilton	7-Mar-16		\$6,812	\$131	
4 Korimako Street, Unit 10	Frankton	Hamilton	7-Mar-16		\$6,812	\$131	
4 Korimako Street, Unit 11	Frankton	Hamilton	7-Mar-16		\$6,812	\$131	
4 Korimako Street, Unit 12	Frankton	Hamilton	7-Mar-16		\$6,812	\$131	
4 Korimako Street, Unit 13	Frankton	Hamilton	7-Mar-16		\$6,812	\$131	
4 Korimako Street, Unit 14	Frankton	Hamilton	7-Mar-16		\$6,812	\$131	
4 Korimako Street, Unit 15	Frankton	Hamilton	7-Mar-16		\$6,812	\$131	
4 Korimako Street, Unit 16	Frankton	Hamilton	7-Mar-16		\$6,812	\$131	
4 Korimako Street, Unit 17	Frankton	Hamilton	7-Mar-16		\$6,812	\$131	
4 Korimako Street, Unit 18	Frankton	Hamilton	7-Mar-16		\$6,812	\$131	
41 Donny Avenue, Unit 1	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
41 Donny Avenue, Unit 2	Chartwell	Hamilton	7-Mar-16		\$8,268	\$159	

41 Donny Avenue, Unit 3	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
41 Donny Avenue, Unit 4	Chartwell	Hamilton	7-Mar-16		\$8,268	\$159	
41 Donny Avenue, Unit 5	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
41 Donny Avenue, Unit 6	Chartwell	Hamilton	7-Mar-16		\$8,268	\$159	
1 Sullivan Crescent	Claudelands	Hamilton	7-Mar-16		\$6,812	\$131	
2 Sullivan Crescent	Claudelands	Hamilton	7-Mar-16		\$6,812	\$131	
3 Sullivan Crescent	Claudelands	Hamilton	7-Mar-16		\$6,812	\$131	
4 Sullivan Crescent	Claudelands	Hamilton	7-Mar-16		\$6,812	\$131	
5 Sullivan Crescent	Claudelands	Hamilton	7-Mar-16		\$6,812	\$131	
6 Sullivan Crescent	Claudelands	Hamilton	7-Mar-16		\$6,812	\$131	
7 Sullivan Crescent	Claudelands	Hamilton	7-Mar-16		\$6,812	\$131	
8 Sullivan Crescent	Claudelands	Hamilton	7-Mar-16		\$6,812	\$131	
9 Sullivan Crescent	Claudelands	Hamilton	7-Mar-16		\$8,268	\$159	
10 Sullivan Crescent	Claudelands	Hamilton	7-Mar-16		\$6,812	\$131	
11 Sullivan Crescent	Claudelands	Hamilton	7-Mar-16		\$6,812	\$131	
12 Sullivan Crescent	Claudelands	Hamilton	7-Mar-16		\$8,268	\$159	
13 Sullivan Crescent	Claudelands	Hamilton	7-Mar-16		\$8,268	\$159	
14 Sullivan Crescent	Claudelands	Hamilton	7-Mar-16		\$6,812	\$131	
15 Sullivan Crescent	Claudelands	Hamilton	7-Mar-16	24-Apr-16	\$6,812	\$131	
15 Sullivan Crescent	Claudelands	Hamilton	2-May-16		\$7,020	\$135	
16 Sullivan Crescent	Claudelands	Hamilton	7-Mar-16		\$6,812	\$131	
17 Sullivan Crescent	Claudelands	Hamilton	7-Mar-16		\$6,812	\$131	
18 Sullivan Crescent	Claudelands	Hamilton	7-Mar-16		\$6,812	\$131	
19 Sullivan Crescent	Claudelands	Hamilton	7-Mar-16		\$6,812	\$131	
46A Matai Street, Unit 1	Maeroa	Hamilton	7-Mar-16		\$6,812	\$131	
46A Matai Street, Unit 2	Maeroa	Hamilton	7-Mar-16	22-May-16	\$6,812	\$131	
46A Matai Street, Unit 2	Maeroa	Hamilton	30-May-16		\$7,020	\$135	
46A Matai Street, Unit 3	Maeroa	Hamilton	7-Mar-16		\$6,812	\$131	
46A Matai Street, Unit 4	Maeroa	Hamilton	7-Mar-16		\$6,812	\$131	
46A Matai Street, Unit 5	Maeroa	Hamilton	7-Mar-16		\$6,812	\$131	
46A Matai Street, Unit 6	Maeroa	Hamilton	7-Mar-16		\$6,812	\$131	
46A Matai Street, Unit 7	Maeroa	Hamilton	7-Mar-16		\$6,812	\$131	
46A Matai Street, Unit 8	Maeroa	Hamilton	7-Mar-16		\$8,268	\$159	
46A Matai Street, Unit 9	Maeroa	Hamilton	7-Mar-16		\$6,812	\$131	
46A Matai Street, Unit 10	Maeroa	Hamilton	7-Mar-16		\$8,268	\$159	
46A Matai Street, Unit 11	Maeroa	Hamilton	7-Mar-16		\$6,812	\$131	
46A Matai Street, Unit 12	Maeroa	Hamilton	7-Mar-16		\$6,812	\$131	
52 Comries Road, Unit 1	Chartwell	Hamilton	7-Mar-16	15-May-16	\$5,876	\$113	
52 Comries Road, Unit 1	Chartwell	Hamilton	3-Jun-16		\$6,760	\$130	
52 Comries Road, Unit 2	Chartwell	Hamilton	7-Mar-16		\$5,876	\$113	
52 Comries Road, Unit 3	Chartwell	Hamilton	7-Mar-16		\$5,876	\$113	
52 Comries Road, Unit 4	Chartwell	Hamilton	7-Mar-16		\$5,876	\$113	
52 Comries Road, Unit 5	Chartwell	Hamilton	7-Mar-16		\$5,876	\$113	
52 Comries Road, Unit 6	Chartwell	Hamilton	7-Mar-16		\$5,876	\$113	
52 Comries Road, Unit 7	Chartwell	Hamilton	7-Mar-16	17-Jul-16	\$5,876	\$113	
52 Comries Road, Unit 7	Chartwell	Hamilton	18-Jul-16		\$6,760	\$130	
52 Comries Road, Unit 8	Chartwell	Hamilton	7-Mar-16		\$5,876	\$113	
52 Comries Road, Unit 9	Chartwell	Hamilton	7-Mar-16		\$5,876	\$113	
52 Comries Road, Unit 10	Chartwell	Hamilton	7-Mar-16		\$5,876	\$113	
52 Comries Road, Unit 11	Chartwell	Hamilton	7-Mar-16		\$5,876	\$113	
52 Comries Road, Unit 12	Chartwell	Hamilton	7-Mar-16		\$5,876	\$113	
52 Comries Road, Unit 12A	Chartwell	Hamilton	7-Mar-16		\$5,876	\$113	
52 Comries Road, Unit 14	Chartwell	Hamilton	7-Mar-16		\$5,876	\$113	
52 Comries Road, Unit 15	Chartwell	Hamilton	7-Mar-16		\$5,876	\$113	
52 Comries Road, Unit 16	Chartwell	Hamilton	Vacant		\$0	\$0	
52 Comries Road, Unit 16	Chartwell	Hamilton	11-Apr-16		\$5,876	\$113	
52 Comries Road, Unit 17	Chartwell	Hamilton	7-Mar-16		\$5,876	\$113	
52 Comries Road, Unit 18	Chartwell	Hamilton	7-Mar-16		\$5,876	\$113	
52 Comries Road, Unit 19	Chartwell	Hamilton	7-Mar-16		\$5,876	\$113	
52 Comries Road, Unit 20	Chartwell	Hamilton	7-Mar-16		\$5,876	\$113	
52 Comries Road, Unit 21	Chartwell	Hamilton	7-Mar-16		\$5,876	\$113	
52 Comries Road, Unit 22	Chartwell	Hamilton	7-Mar-16	29-May-16	\$5,876	\$113	
52 Comries Road, Unit 22	Chartwell	Hamilton	16-Jun-16		\$6,760	\$130	
52 Comries Road, Unit 23	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
52 Comries Road, Unit 24	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
52 Comries Road, Unit 25	Chartwell	Hamilton	7-Mar-16	12-Jun-16	\$5,876	\$113	
52 Comries Road, Unit 25	Chartwell	Hamilton	4-Jul-16		\$7,020	\$135	
52 Comries Road, Unit 26	Chartwell	Hamilton	Vacant		\$0	\$0	
52 Comries Road, Unit 26	Chartwell	Hamilton	2-May-16		\$7,020	\$135	
36 Chequers Ave, Unit 27	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
36 Chequers Ave, Unit 28	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
36 Chequers Ave, Unit 29	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
36 Chequers Ave, Unit 30	Chartwell	Hamilton	7-Mar-16		\$8,268	\$159	
36 Chequers Ave, Unit 31	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
36 Chequers Ave, Unit 32	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
36 Chequers Ave, Unit 33	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
36 Chequers Ave, Unit 34	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
36 Chequers Ave, Unit 35	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
36 Chequers Ave, Unit 36	Chartwell	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 1	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 2	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 3	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 4	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 5	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 6	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 7	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 8	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 9	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 10	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 11	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 12	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 12A	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 14	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	

81 Livingstone Avenue, Unit 15	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 16	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 17	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 18	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 19	Nawton	Hamilton	7-Mar-16	1-Apr-16	\$6,812	\$131	
81 Livingstone Avenue, Unit 19	Nawton	Hamilton	25-Apr-16		\$11,024	\$88	\$124
81 Livingstone Avenue, Unit 20	Nawton	Hamilton	7-Mar-16	15-May-16	\$6,812	\$131	
81 Livingstone Avenue, Unit 20	Nawton	Hamilton	6-Jun-16		\$7,020	\$135	
81 Livingstone Avenue, Unit 21	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 22	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 23	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 24	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 25	Nawton	Hamilton	7-Mar-16		\$8,564	\$165	
81 Livingstone Avenue, Unit 26	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 27	Nawton	Hamilton	7-Mar-16		\$7,108	\$137	
81 Livingstone Avenue, Unit 28	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 29	Nawton	Hamilton	7-Mar-16		\$7,108	\$137	
81 Livingstone Avenue, Unit 30	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 31	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 32	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 33	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
81 Livingstone Avenue, Unit 34	Nawton	Hamilton	7-Mar-16		\$6,812	\$131	
9 Walker Terrace, Unit 1	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
9 Walker Terrace, Unit 2	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
9 Walker Terrace, Unit 3	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
9 Walker Terrace, Unit 4	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
13 Graham Street, Unit 1	Hamilton East	Hamilton	7-Mar-16		\$5,876	\$113	
13 Graham Street, Unit 2	Hamilton East	Hamilton	7-Mar-16		\$5,876	\$113	
13 Graham Street, Unit 3	Hamilton East	Hamilton	7-Mar-16		\$5,876	\$113	
13 Graham Street, Unit 4	Hamilton East	Hamilton	7-Mar-16	6-Jun-16	\$5,876	\$113	
13 Graham Street, Unit 4	Hamilton East	Hamilton	13-Jun-16		\$6,760	\$130	
13 Graham Street, Unit 5	Hamilton East	Hamilton	7-Mar-16	10-Jul-16	\$5,876	\$113	
13 Graham Street, Unit 5	Hamilton East	Hamilton	18-Jul-16		\$6,760	\$130	
13 Graham Street, Unit 6	Hamilton East	Hamilton	7-Mar-16		\$5,876	\$113	
13 Graham Street, Unit 7	Hamilton East	Hamilton	7-Mar-16		\$10,036	\$193	
13 Graham Street, Unit 8	Hamilton East	Hamilton	7-Mar-16		\$10,036	\$193	
13 Graham Street, Unit 9	Hamilton East	Hamilton	7-Mar-16		\$5,876	\$113	
13 Graham Street, Unit 10	Hamilton East	Hamilton	Vacant		\$0	\$0	
13 Graham Street, Unit 10	Hamilton East	Hamilton	18-Apr-16		\$6,760	\$130	
13 Graham Street, Unit 11	Hamilton East	Hamilton	7-Mar-16		\$5,876	\$113	
13 Graham Street, Unit 12	Hamilton East	Hamilton	7-Mar-16		\$5,876	\$113	
13 Graham Street, Unit 14	Hamilton East	Hamilton	7-Mar-16		\$5,876	\$113	
13 Graham Street, Unit 15	Hamilton East	Hamilton	Vacant		\$0	\$0	
13 Graham Street, Unit 15	Hamilton East	Hamilton	4-Apr-16		\$9,360	\$65	\$115
13 Graham Street, Unit 16	Hamilton East	Hamilton	7-Mar-16		\$5,876	\$113	
13 Graham Street, Unit 17	Hamilton East	Hamilton	7-Mar-16		\$5,876	\$113	
13 Graham Street, Unit 18	Hamilton East	Hamilton	7-Mar-16		\$5,876	\$113	
13 Graham Street, Unit 19	Hamilton East	Hamilton	7-Mar-16		\$5,876	\$113	
13 Graham Street, Unit 20	Hamilton East	Hamilton	7-Mar-16		\$5,876	\$113	
13 Graham Street, Unit 21	Hamilton East	Hamilton	7-Mar-16		\$5,876	\$113	
13 Graham Street, Unit 22	Hamilton East	Hamilton	7-Mar-16	16-Jun-16	\$5,876	\$113	
13 Graham Street, Unit 22	Hamilton East	Hamilton	20-Jun-16		\$9,412	\$65	\$116
13 Graham Street, Unit 23	Hamilton East	Hamilton	7-Mar-16		\$5,876	\$113	
19 Graham Street, Unit 24	Hamilton East	Hamilton	7-Mar-16		\$6,812	\$131	
19 Graham Street, Unit 25	Hamilton East	Hamilton	7-Mar-16		\$6,812	\$131	
19 Graham Street, Unit 26	Hamilton East	Hamilton	7-Mar-16		\$6,812	\$131	
19 Graham Street, Unit 27	Hamilton East	Hamilton	7-Mar-16		\$6,812	\$131	
19 Graham Street, Unit 28	Hamilton East	Hamilton	7-Mar-16	23-Mar-16	\$6,812	\$131	
19 Graham Street, Unit 28	Hamilton East	Hamilton	4-Jul-16		\$7,020	\$135	
19 Graham Street, Unit 29	Hamilton East	Hamilton	7-Mar-16		\$6,812	\$131	
19 Graham Street, Unit 30	Hamilton East	Hamilton	7-Mar-16		\$6,812	\$131	
19 Graham Street, Unit 31	Hamilton East	Hamilton	7-Mar-16		\$8,268	\$159	
19 Graham Street, Unit 32	Hamilton East	Hamilton	7-Mar-16		\$6,812	\$131	
19 Graham Street, Unit 33	Hamilton East	Hamilton	7-Mar-16		\$6,812	\$131	
19 Graham Street, Unit 34	Hamilton East	Hamilton	7-Mar-16		\$6,812	\$131	
19 Graham Street, Unit 35	Hamilton East	Hamilton	7-Mar-16		\$6,812	\$131	
19 Graham Street, Unit 36	Hamilton East	Hamilton	7-Mar-16		\$6,812	\$131	
19 Graham Street, Unit 37	Hamilton East	Hamilton	7-Mar-16		\$6,812	\$131	
19 Graham Street, Unit 38	Hamilton East	Hamilton	7-Mar-16		\$6,812	\$131	
19 Graham Street, Unit 39	Hamilton East	Hamilton	7-Mar-16		\$6,812	\$131	
19 Graham Street, Unit 40	Hamilton East	Hamilton	7-Mar-16		\$6,812	\$131	
19 Graham Street, Unit 41	Hamilton East	Hamilton	7-Mar-16	22-May-16	\$6,312	\$121	
19 Graham Street, Unit 41	Hamilton East	Hamilton	26-May-16		\$9,360	\$52	\$128
20 English Street, Unit 1	St Andrews	Hamilton	7-Mar-16	8-May-16	\$6,812	\$131	
20 English Street, Unit 1	St Andrews	Hamilton	11-Jul-16		\$9,100	\$52	\$123
20 English Street, Unit 2	St Andrews	Hamilton	7-Mar-16		\$6,812	\$131	
20 English Street, Unit 3	St Andrews	Hamilton	7-Mar-16		\$6,812	\$131	
185 Sandwich Rd, Unit 1	St Andrews	Hamilton	7-Mar-16		\$5,876	\$113	
185 Sandwich Rd, Unit 2	St Andrews	Hamilton	7-Mar-16		\$5,876	\$113	
185 Sandwich Rd, Unit 3	St Andrews	Hamilton	7-Mar-16		\$8,268	\$159	
185 Sandwich Rd, Unit 4	St Andrews	Hamilton	7-Mar-16		\$6,812	\$131	
185 Sandwich Rd, Unit 5	St Andrews	Hamilton	Vacant		\$0	\$0	
185 Sandwich Rd, Unit 5	St Andrews	Hamilton	28-Apr-16	10-Jul-16	\$9,100	\$52	\$123
185 Sandwich Rd, Unit 5	St Andrews	Hamilton	18-Jul-16		\$7,020	\$135	
185 Sandwich Rd, Unit 6	St Andrews	Hamilton	7-Mar-16	30-Apr-16	\$9,464	\$52	\$130
185 Sandwich Rd, Unit 6	St Andrews	Hamilton	20-Jun-16		\$9,204	\$52	\$125
29 Dinsdale Rd, Unit 1	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
29 Dinsdale Rd, Unit 2	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
29 Dinsdale Rd, Unit 3	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
29 Dinsdale Rd, Unit 4	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
29 Dinsdale Rd, Unit 5	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
29 Dinsdale Rd, Unit 6	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
29 Dinsdale Rd, Unit 7	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	

29 Dinsdale Rd, Unit 8	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
29 Dinsdale Rd, Unit 9	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
29 Dinsdale Rd, Unit 10	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
29 Dinsdale Rd, Unit 11	Dinsdale	Hamilton	7-Mar-16	20-Mar-16	\$6,812	\$131	
29 Dinsdale Rd, Unit 11	Dinsdale	Hamilton	11-Apr-16		\$8,840	\$170	
29 Dinsdale Rd, Unit 12	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
29 Dinsdale Rd, Unit 12A	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
26 Rothwell Street, Unit 1	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
26 Rothwell Street, Unit 2	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
26 Rothwell Street, Unit 3	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
26 Rothwell Street, Unit 4	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	
26 Rothwell Street, Unit 5	Dinsdale	Hamilton	7-Mar-16		\$6,812	\$131	

Accessible Properties Rent Setting

1 Bedroom single occupancy (small unit)	\$130.00
1 Bedroom double single occupancy	\$135.00
1 Bedroom double occupancy	\$170.00
2 Bedroom	\$210.00

MSD rent setting is based on Lower Quartile Bond data for suburb

Vacancies at time of Possession	17
Vacancies at 30/6/16	3
Remaining HCC Clients	307
New tenants	35
Total Amount of current tenancies	342

ACCESSIBLE PROPERTIES NEW ZEALAND LTD
 FINANCIAL RESULTS
 MONTHLY
 For the Period Ended
 HAMILTON PENSIONER HOUSES PORTFOLIO

June 2016

	Q4
	Quarterly \$000
Rent Received	610
Fees Income	0
TOTAL INCOME	610
Employee Costs	31
Insurance	27
Management, Professional & Legal Fees	6
Office Occupancy Costs	2
R&M	97
Rates	0
Body Corporate Expenses	0
Registration, Accreditation & Compliance	0
Travel and Transport Costs	5
TOTAL DIRECT EXPENDITURE	167
OPERATING SURPLUS/(DEFICIT) BEFORE INTEREST & DEPRECIATION	443
Notional Interest Expenses HPH	182
Depreciation	80
OPERATING SURPLUS/(DEFICIT)	181
Gain on sale of assets revenue	0
NET SURPLUS / (DEFICIT)	181



Accessible Properties New Zealand Limited Financial Statements

FOR THE YEAR ENDED 30 JUNE 2016

<u>Index</u>	<u>Page</u>
Statement of Comprehensive Revenue and Expense	1
Statement of Changes in Equity	2
Statement of Financial Position	3
Cash Flow Statement	4
Notes to the Financial Statements	5 - 14
Auditor's Report	15



Accessible Properties New Zealand Limited
Statement of Comprehensive Revenue and Expense
 For the year ended 30 June 2016

	Notes	2016 \$000	2015 \$000
Revenue			
Property Management Fees	2	1,650	1,492
Rental Income	2	3,450	1,708
Other Revenue	2	13	10
		5,113	3,210
Expenses			
Personnel	3	1,160	699
Accommodation		1,047	572
Transport & Travel		158	188
Administration		465	414
Interest		1,373	943
Depreciation	3	1,065	593
		5,268	3,409
Net (Deficit) from Operations		(155)	(199)
NON OPERATING			
Other Income			
Government Grants	2	2,724	10,604
Other Expenses			
Net change in Fair Value of Interest Rate Swaps used for Hedging		551	814
Net Non Operating Surplus		2,173	9,790
TOTAL COMPREHENSIVE INCOME & EXPENSE FOR THE YEAR		2,018	9,591



The accompanying notes form part of these accounts



Accessible Properties New Zealand Limited
Statement of Changes in Equity
 For the year ended 30 June 2016

	Notes	2016 \$000	2015 \$000
EQUITY AT 1 JULY		39,793	27,402
TOTAL COMPREHENSIVE INCOME & EXPENSE		2,018	9,591
Shares Issued	10	5,300	2,800
EQUITY AT 30 JUNE		<u>47,111</u>	<u>39,793</u>



The accompanying notes form part of these accounts

Page 2



Accessible Properties New Zealand Limited
Statement of Financial Position
 As at 30 June 2016

	Notes	2016 \$000	2015 \$000
ASSETS			
Current Assets			
Cash and Cash Equivalents	4	1,139	2,500
Receivables from Exchange Transactions	5	166	145
Recoverables from Non-Exchange Transactions	5	-	1,605
		<u>1,305</u>	<u>4,250</u>
Non Current Assets			
Property, Plant & Equipment	6	84,996	56,128
		<u>84,996</u>	<u>56,128</u>
TOTAL ASSETS		<u>86,301</u>	<u>60,378</u>
LIABILITIES			
Current Liabilities			
Payables under Exchange Transactions	7	831	407
Employee Benefits	9	63	69
Borrowings	8,14	1,044	119
		<u>1,938</u>	<u>595</u>
Non Current Liabilities			
Employee Benefits	9	34	29
Borrowings	8,14	35,852	19,147
Derivative Liabilities	8	1,366	814
		<u>37,252</u>	<u>19,990</u>
TOTAL LIABILITIES		<u>39,190</u>	<u>20,585</u>
NET ASSETS		<u>47,111</u>	<u>39,793</u>
EQUITY	10	<u>47,111</u>	<u>39,793</u>

On behalf of the Board of Governance


 PAUL ADAMS, Chair


 RALPH JONES, Director
 Wellington, 17 August 2016



The accompanying notes form part of these accounts



Accessible Properties New Zealand Limited

Cash Flow Statement

For the year ended 30 June 2016

	Notes	2016 \$000	2015 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Operations		5,093	3,230
Payments to Suppliers & Employees		(2,407)	(2,067)
Interest Paid		(1,142)	(943)
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	11	<u>1,544</u>	<u>220</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant & Equipment		(13,415)	(20,321)
Cash Advance Intercompany		-	(2,896)
Government Grants received		4,329	12,249
NET CASH (OUTFLOW) USED IN INVESTING ACTIVITIES		<u>(9,086)</u>	<u>(10,968)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in Borrowings		881	9,958
Cash Proceeds from Issuing Shares		5,300	2,800
NET CASH INFLOW FROM FINANCING ACTIVITIES		<u>6,181</u>	<u>12,758</u>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		<u>(1,361)</u>	<u>2,010</u>
Add Opening Cash and Cash Equivalents Brought Forward		2,500	490
Ending Cash and Cash Equivalents Carried Forward		1,139	2,500





NOTES TO THE FINANCIAL STATEMENTS

Note 1 About these financial statements

Accessible Properties New Zealand Limited (the Company) is a company incorporated and domiciled in New Zealand and registered under the Companies Act 1993.

The Company is primarily involved in property management for the disability sector, in particular the intellectual disability sector within New Zealand, and as a community housing provider.

Basis of Preparation

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with Public Benefit Entity (PBE) Standards issued by the External Reporting Board (XRB) or the New Zealand Accounting Standards Board of the XRB, as applicable for Tier 2 not-for-profit entities.

These financial statements are the first financial statements presented in accordance with Tier 2 PBE Accounting Standards and PBE FRS 46 First-time Adoption of PBE Standards by Entities Previously Applying NZ IRFSs has been applied. The transition to Tier 2 PBE Accounting Standards has not affected the reported financial position, financial performance and cash flows of the Company. Comparative figures have been reclassified to correspond with current year's presentation.

The Company has elected to early adopt Disclosure Initiative (Amendments to PBE IPSAS 1) issued in July 2015, that apply for reporting periods beginning on or after 1 January 2016. The early adoption of these amendments only affects the presentation and disclosure of the financial statements.

The financial statements have been prepared on the historical cost basis except for Interest Rate Swaps, which are measured at fair value. The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any objective evidence of impairment. An impairment loss is recognised in the Statement of Comprehensive Revenue and Expense.

These financial statements are presented in New Zealand dollars and are rounded to the nearest thousand.

The financial statements have been prepared exclusive of GST.

The Company is exempt from income tax under section CW 42(1) (a) of the Income Tax Act 2007. The Entities have been granted tax exempt status and is registered as charities under the Charities Act 2005.

Estimates and judgements are made in applying IHC's accounting policies. The areas of significant estimation and judgements are:

- Note 9 – Employee Benefits





Note 2 Revenue

Exchange Revenue

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Company and revenue can be reliably measured.

Non-exchange Revenue

Government grants are recognised as revenue in the Statement of Comprehensive Revenue and Expense only to the extent which conditions associated with the transfer have been met. Grants received whereby the conditions of transfer have not been met is recognised as a liability, and is subsequently recognised as revenue on a proportional basis as conditions are satisfied.

Revenue included the following:

	2016	2015
	\$000	\$000
Revenue from exchange transactions		
Property management fees	1,650	1,492
Rental income	3,450	1,708
Other revenue	13	10
	<u>5,113</u>	<u>3,210</u>
Revenue from non-exchange transactions (transfers)		
Government Grants		
Social Housing Unit Growth Fund	2,043	9,488
Social Housing Unit Niche Fund	310	-
Social Housing Unit Canterbury	-	374
Canterbury Community Trust	371	742
	<u>2,724</u>	<u>10,604</u>
	<u>7,837</u>	<u>13,814</u>

Accessible Properties has secured grants totalling \$29.98m for the development of new social housing units (total \$68.2m). The Company has recognised \$2.724m of this in the current financial year (2015: \$10.604m). It is expected the remaining funds will be received prior to 30 June 2017. These grants represent 40% to 50% of the total costs of the projects.



Note 3 Expenses

Expenses included the following:

	2016	2015
	\$000	\$000
Personnel costs		
Salaries and wages	1,094	639
Accident Insurance and Death & Disablement	18	21
KiwiSaver employer contribution	20	16
Staff travel reimbursements	3	3
Other employee costs	25	20
	<u>1,160</u>	<u>699</u>
Other expenses		
Rental and operating lease costs	140	114
Depreciation:		
Freehold Buildings	1,061	589
Furniture and fittings	4	4

Note 4 Cash and Cash Equivalents

Cash at bank earns interest at floating rates based on daily bank deposit rates. The carrying amounts of cash and cash equivalents represent fair value and for accounting are classified as loans and receivables.

	2016	2015
	\$000	\$000
Cash at bank and in hand	<u>1,139</u>	<u>2,500</u>

Note 5 Accounts Receivable

Receivables from exchange and recoverables from non exchange transactions, which generally have 30-90 day terms, are recognised at cost less impairment losses. Exchange transactions for accounting are classified as loans and receivables.

	2016	2015
	\$000	\$000
Receivables from exchange transactions		
Trade receivables	120	145
Prepayments and other debtors	46	-
	<u>166</u>	<u>145</u>
Recoverables from non-exchange transactions		
Social Housing Unit grants	-	1,605
	<u>-</u>	<u>1,605</u>
	<u>166</u>	<u>1,750</u>





Note 6 Property, Plant & Equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Subsequent expenditure that increases the economic benefits derived from the asset are capitalised.

Depreciation of property, plant and equipment, other than freehold land, is calculated on a straight-line basis over the estimated useful life of the asset.

The estimated useful lives for the current and comparative periods are as follows:

	Freehold Buildings	40 years			
	Furniture and Fittings	5 years			
			2016 \$000		
	Furniture and fittings	Freehold land	Freehold buildings	Work in progress	Total
At 1 July 2015 net of accumulated depreciation	9	19,881	31,842	4,396	56,128
Additions	5	10,242	20,846	-	31,093
Disposals	-	-	-	-	-
Transfer of Work in Progress to Freehold Land and Buildings	-	-	-	1,160	1,160
Depreciation charged for the year	4	-	1,061	-	1,065
At 30 June 2016 net of accumulated depreciation	10	30,123	51,627	3,236	84,996
At 30 June 2016					
Cost	24	30,123	53,633	3,236	87,016
Accumulated depreciation	14	-	2,006	-	2,020
Net carrying amount	10	30,123	51,627	3,236	84,996
			2015 \$000		
	Furniture and fittings	Freehold land	Freehold buildings	Work in progress	Total
At 1 July 2014 net of accumulated depreciation	11	17,104	11,256	8,029	36,400
Additions	2	2,777	21,356	-	24,135
Disposals	-	-	181	-	181
Transfer of Work in Progress to Freehold Land and Buildings	-	-	-	3,633	3,633
Depreciation charged for the year	4	-	589	-	593
At 30 June 2015 net of accumulated depreciation	9	19,881	31,842	4,396	56,128
At 30 June 2015					
Cost	19	19,881	32,786	4,396	57,082
Accumulated depreciation	10	-	944	-	954
Net carrying amount	9	19,881	31,842	4,396	56,128





Note 7 Accounts Payable

Payables under exchange transactions are stated at amortised cost and for accounting are classified as other financial liabilities.

	2016	2015
	\$000	\$000
Payables under exchange transactions		
Trade liabilities	581	51
Other liabilities	213	331
Employee entitlements	37	25
	831	407

Note 8 Borrowings

Subsequent to initial recognition term borrowings are measured at fair value using the effective interest method and for accounting are classified as other financial liabilities.

Derivative financial instruments comprise interest rate swaps to manage interest rate risk exposure. Derivatives are recognised initially at fair value; attributable transaction costs are recognised in surplus or deficit as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised immediately in surplus or deficit.

Interest rate swaps are classified for accounting as fair value hedging instruments.

	2016	2015
	\$000	\$000
Current		
Intercompany Loan (Note 14)	1,010	85
Housing Innovation Fund Loan	34	34
	1,044	119
Non current		
Intercompany Loan (Note 14)	431	441
Housing Innovation Fund Loan	672	706
Hamilton City Council Loan	16,749	-
Term Loans	18,000	18,000
Derivative Liabilities	1,366	814
	37,218	19,961





	2016 \$000	2015 \$000
Total		
Intercompany Loan (Note 14)	1,441	526
Housing Innovation Fund Loan	706	740
Hamilton City Council Loan	16,749	-
Term Loans	18,000	18,000
Derivative Liabilities	1,366	814
	38,262	20,080
Total minimum payments due:		
Less than two years	4,088	3,162
Later than two years and not later than five years	26,251	8,949
Later than five years	7,923	7,969
	38,262	20,080

Westpac

The Company has entered into a Multi Option Credit Facility (MOCL) with Westpac New Zealand, with a credit limit of \$24.5 million (2015: \$24.5 million) and an expiry date of 30 June 2019. This facility is secured by a first registered General Security Agreement with the Company in favour of Westpac New Zealand, together with registered first mortgages over the Company's assets to at least \$28.7 million. At 30 June 2016, \$18 million of this facility was drawn down (2015: \$18 million). The Company has drawn down three tranches, each hedged with an interest rate swap in order to fix the loans with the right to break each swap after three years. The interest rate applying to each swap is the effective interest rate for each tranche drawn down under the MOCL.

Westpac	2016 \$000	Swap Term	Swap Maturity Date	Interest Rate	2015 \$000	Interest Rate
Tranche 1	8,000	5 years	9 May 2019	6.35%	8,000	6.35%
Tranche 2	7,000	7 years	2 Sep 2021	6.47%	7,000	6.47%
Tranche 3	3,000	3 years	2 Jun 2018	5.365%	3,000	5.365%
	18,000				18,000	



Housing Innovation Fund Term Loan

The Housing Innovation Fund Term Loan is a 25 year loan received in June 2012 from Housing New Zealand and is interest free for the first 10 years with monthly repayment amounts of \$2,800 before the interest commencement date.

Hamilton City Council Loan

The Company purchased a social housing portfolio from the Hamilton City Council (HCC) during the year ended 30 June 2016. The HCC provided an \$18.8 million interest free Term Loan, repayable in full on 7 March 2019.

This loan has been discounted at 4.41% in order to determine the fair value of the Term Loan on acquisition. The fair value of the Term Loan as at 30 June 2016 is \$16.75 million. Nominal interest expense is charged to the Statement of Comprehensive Revenue and Expense over the term of the loan.

Note 9 Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised and are measured at the amounts expected to be paid when the liabilities are settled.

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees based on a projection of historical trends. Expected future payments are discounted using the average bank lending rates.

	2016 \$000	2015 \$000
Current		
Long service leave	3	7
Annual leave	56	58
Sick Leave	4	4
	63	69
Non current		
Long service leave	34	29
	34	29
Total		
Long service leave	37	36
Annual leave	56	58
Sick Leave	4	4
	97	98

Page 11





Note 10	Equity	2016	2015
		\$000	\$000
	Share Capital	19,871	14,571
	Retained Earnings	27,240	25,222
		47,111	39,793

	2016	2015
	\$000	\$000
Share Capital		
Ordinary Shares (19,150,850) 2015:(13,850,850)	19,871	14,571

100 shares issued June 4, 2010 amount to \$720,000
 5,960,000 shares issued August 30, 2012 amount to \$5,960,000
 5,090,750 shares issued June 26, 2014 amount to \$5,090,750
 2,800,000 shares issued December 19, 2014 amount to \$2,800,000
 5,300,000 shares issued December 15, 2015 amount to \$5,300,000

Fully paid ordinary shares carry one vote per share, carry the right to dividends, and rank equally on wind-up.

	2016	2015
	\$000	\$000
Retained Earnings		
Balance 1 July	25,222	15,631
Total Comprehensive Income and Expense	2,018	9,591
Balance 30 June	27,240	25,222





Note 11 Reconciliation of Net Surplus with Net Cash Inflow / (Outflow) from Operating Activities

	2016 \$000	2015 \$000
Reported Net Surplus	2,018	9,591
Add non cash items:		
Depreciation	1,065	593
Net change in Fair Value of Interest Rate Swaps used for Hedging	551	814
Notional Interest	231	-
Add / (less) item classified as investing activities:		
Increase in Government Grants	(4,329)	(12,249)
Movements in working capital:		
Decrease in accounts receivable	1,584	1,666
Increase / (Decrease) in accounts payable	425	(213)
Increase / (Decrease) in provisions and other liabilities	(1)	18
	<u>2,008</u>	<u>1,471</u>
Net cash inflow / (outflow) from operating activities	<u>1,544</u>	<u>220</u>

Note 12 Leasing and Capital Commitments

Payments made under operating leases are recognised in surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Lease commitments under non-cancellable operating leases:

	2016 \$000	2015 \$000
Payable:		
Not later than one year	129	56
Later than one year and not later than five years	225	79
Later than five years	-	-
	<u>354</u>	<u>135</u>

The outstanding balance for contracts entered into for capital expenditure during the year not completed by 30 June 2016 is \$938,000 (2015: \$8,021,000). There are commitments to capital expenditure under the Social Housing Units Grants over the next two years as disclosed in Note 2 to a total of \$3.784m (2015: \$9.907m).





Note 13 Contingent Liabilities

The Company has no contingent liabilities. (2015: Nil)

Note 14 Transactions with Related Parties

The Company is charged certain expenses relating to motor vehicle leases, administration, and audit fees by its controlling entity, IHC New Zealand Incorporated. All transactions are made at normal market prices and on normal commercial terms.

	2016	2015
	\$000	\$000
Motor Vehicle Lease	45	45
Administration Overheads	638	421
	<u>683</u>	<u>466</u>

The Inter-Company Fixed Term Loan \$441,000 (2015: \$451,000) is a 30 year table loan. Interest is charged at the rate of 4.5% per annum.

An Inter-Company Short Term Advance of \$1 million (2015: Nil) is repayable on demand. Interest is charged at 2.25% per annum.

At year end inter-company balances are payable to related entities. These balances are repayable on demand with no interest payable.

The Company charges its controlling entity, IHC New Zealand Incorporated and its controlled entity certain expenses relating to property management. All transactions are made at normal market prices and on normal commercial terms.

	2016	2015
	\$000	\$000
Property Management Fees	1,650	1,492
	<u>1,650</u>	<u>1,492</u>

The total value of Directors Fees payable during the year was \$12,000 (2015: nil)

Note 15 Events Subsequent to Balance Date

Accessible Properties have submitted a bid to purchase 1,124 properties in Tauranga comprising almost all of the Housing New Zealand stock in the region. It has been announced that Accessible Properties are the preferred bidder. If the contract is successfully completed it is expected that ownership would take place on 31 March 2017.

There have been no other events subsequent to balance date and up to time of approval of these financial statements that materially affect the position as it existed at that date.



Committee: Finance Committee

Date: 20 September 2016

Report Name: Service Delivery Review
Programme 2016/17

Author: Graham Pollard

Report Status	<i>Open</i>
Strategy, Policy or Plan context	<i>Section 17A Local Government Act 2002</i>
Financial status	<i>There is budget allocated Amount \$380,000</i>
Assessment of significance	<i>Having regard to the decision making provisions in the LGA 2002 and Council's Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

1. Purpose of the Report

- To provide the Council with an update on the Service Delivery Review Programme previously reported to Council on 28 April 2016.

Recommendation from Management

That the report be received.

3. Attachments

- There are no attachments for this report.

5. Background

- In accordance with requirements in the Local Government Act, Council is testing that its services are being delivered in the most cost effective way. Seven services were identified for reviews in 2016-17, as reported to Council in April. An update on the status of these reviews is shown below:

7. Update

- Events Management (H3) – Due February 2017
- Horwarth HTL (Ltd) were appointed in late May 2016 with the expectation that the review would be completed to enable a report to be presented to Council in September 2016. Unfortunately unforeseen personal circumstance meant the target reporting date cannot be met. Work is continuing so that a report will be available February 2017.

10. City Parks and Parks and Open Spaces – Due February 2017
11. Previously it was indicated that these were two reviews. It was decided that as City Parks provide the majority of their services to Parks and Open Spaces these two reviews would be completed more efficiently if combined.
12. PwC were appointed in mid June 2016 with the intention that the report would be presented to Council in September 2016. During their work PwC identified that further understanding of the fleet requirements and use of support services was required to better assess cost effectiveness. As such staff are undertaking a review of these matters. Furthermore, the benchmarking of parks services has proven to be challenging owing to factors such as climate, topography, geography, park size and distribution. PwC need better data to conclude which option is the most cost effective. Work is continuing so that a report will be available February 2017.
13. Building Control – Deferred to LASS
14. Staff undertook a review of the current status of building control and identified significant shared services activities are already being delivered through the Waikato Building Cluster. It quickly became apparent that a review of the Cluster as a whole was a more effective use of resources. The LASS working group has identified building control as a priority for a regional service delivery review and will be progressing this. Staff worked with the LASS who have agreed to investigate this opportunity.
15. Planning Guidance – Deferred to LASS
16. Staff undertook a review of the current status of the activity and identified that the Waikato Plan has an aligned planning work stream that has looked at opportunities for efficiencies in resource consenting. A recently received report from GMD Consultants provided a suite of recommendations for process improvements, and concluded:
17. “Significantly, the investigation has demonstrated that there are a considerable number of potential efficiency and effectiveness gains to be made through shared services, collaboration and alignment of practices throughout the region. In essence, it has proven that there is considerable room for improvement in the system.”
18. The recommendations from this report, along with a ‘Phase 2’ plan to look at the wider policy and legislative planning framework at a regional level will be progressed by LASS.
19. Aquatics – Due February 2017
20. Staff have brought forward this review from 2017 and are currently seeking an external provider to undertake the review. It is planned for the review to be completed and reported to Council in February 2017.
21. Community Facilities – Scheduled for 2017
22. This review is scheduled to start in 2017.

23. Financial and Resourcing Implications

24. The original budget for completing these reviews was \$380,000 of external costs and staff time. The programme is currently tracking to budget.

25.

Summary of costs	Budget \$	Spent \$	Estimated Remaining \$	Revised Forecast \$	Under/(over) \$
External costs	330,000	93,000	158,000	251,000	79,000
Staff time @ \$100 per hour	50,000	60,000	60,000	120,000	(70,000)
TOTAL	\$380,000	\$153,000	\$218,000	\$371,000	\$9,000

Signatory

Authoriser	Sean Hickey, General Manager Strategy and Communications
------------	--

Committee: Finance Committee**Date:** 20 September 2016**Report Name:** Recommendations from the
PricewaterhouseCoopers
review of Hamilton Zoo**Author:** Debbie Lascelles

Status	<i>Open</i>
---------------	-------------

The report will be circulated to the Committee Members under separate cover as a Late Report.

Committee: Finance Committee

Date: 20 September 2016

Report Name: Business Case for Rubbish and Recycling Service Change

Author: Emily Botje

Report Status	<i>Open</i>	
Strategy, Policy or Plan context	<i>Waste Management and Minimisation Plan</i>	
Financial status	<i>There is budget allocated</i>	
		\$(000's)
	2016/29 net budget (13 years) ¹	71,289
	2016/29 proposed net expenditure (13 years) ²	92,714
	Unfunded	21,425
Assessment of significance	<i>Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance.</i>	

1. Purpose of the Report

- To obtain Council approval to proceed with public engagement through a special consultation process over a proposed change to the level of service for rubbish and recycling services to allow a comprehensive business case to be presented to Council in early 2017.

3. Executive Summary

- Rubbish and recycling services are a core activity of Council and the current long term contracts for these services expire 30 June 2019 and it is necessary to commence the tendering of new services now due to the long lead in time required by the suppliers.
- The current level of service provided to the community will not allow Council to meet its vision in the adopted 2012 Waste Minimisation and Management Plan.
- Since 2012 Council has undertaken a comprehensive waste review and a business case looking at all of the options available for the new contracted service.
- The following links give access to the Draft Business Case and Appendices:
<http://www.hamilton.govt.nz/our-council/meetings-and-minutes/Pages/default.aspx>

¹ The budgets within the 2015 10-Year Plan have been extrapolated to 2029 to enable comparison.

² Total proposed net expenditure excludes income and service delivery expenditure for the current contract, during the period of 2016/17 to 2018/19.

Item 9

7. The costs to provide the current level of service will increase in future years as government incentivise councils to manage waste more sustainably together with expected market increases associated with the waste management business.
8. The business case has identified an option that is very cost effective when compared to retaining the current level of service, which significantly increases the expected diversion of household waste from landfill.
9. The reason it is cost effective is largely because of the expected future costs to dispose waste to landfill.
10. The preferred kerbside levels of service option as recommended by the business case includes:
 - a 120 L wheeled bin for rubbish, collected weekly
 - a 240 L wheeled bin for recycling : paper, tin, aluminum and plastics (excluding film and polystyrene). This service is collected fortnightly
 - the existing crate for glass. This service is collected fortnightly
 - a 23 L bin for food, collected weekly.



11. In order to complete the business case it is necessary to carry out community engagement using a special consultation process as outlined in this report.
12. The only decision requested of Council in this report is to approve the attached business case including the above recommended level of service option, for the purposes of undertaking community engagement and to then commence that public engagement.
13. Staff will report back to the new Council in early 2017 with the outcomes of that public engagement and request Council to approve a final business case for the purposes of implementing an agreed level of service.
14. In the interim period it is necessary to commence the procurement process and Staff will initiate a Registration of Interest process to determine the potential tenderers for the work. This does not commit Council to any matter.
15. There will be many issues that will require future Council approval such as how to provide an appropriate level of service to the different types of housing that are being provided in Hamilton. These decisions will be informed by a housing review to be undertaken and it is not necessary to consider this at this stage.

Recommendations from Management

That:

- a) the report be received; and
- b)
 - (i) the draft business case for a rubbish and recycling service change is approved for the purposes of undertaking community engagement;
 - (ii) engagement with the community using a special consultation process is carried out during November 2016; and
 - (iii) that staff report back to Council in February 2017 to request approval of a final business case incorporating the outcome of the public engagement.

16. Attachments

17. Attachment 1 - Time line

18. Background

19. Waste Management and Minimisation Plan (WMMP)
20. It is a legal requirement for Councils to have a WMMP. The HCC 2012 WMMP has the vision "Hamilton City becomes recognised as a national leader in the minimisation of waste and ensures that innovative and sound waste management practices underpin the City's environment, social, economic and cultural wellbeing"
21. In order to achieve the vision, a kerbside service change will be required which meets or exceeds services provided by other councils in New Zealand.
22. Current contract and service provision
23. In 2001 Council called public tenders for and entered into a number of 15 year Contracts with Waste Management for the collection, disposal and operations of the kerbside collections and transfer station.
24. The contracts and lease agreement were due to expire on the 30th June 2017 but have been extended to now expire on 30 June 2019. The extensions allow for engagement with the community and sufficient lead in time for the incoming contractor to secure the appropriate collection fleet.
25. The current services are rate funded and include:
 - kerbside rubbish and recycling
 - 2 x 60 L rubbish bags (black bags)
 - crate for recycling glass, tin, aluminum and plastics (1 and 2's only)
 - paper bundled separately
 - city wide services
 - refuse transfer station
 - organic center.
26. The cost to provide the existing level of service in the future will increase due to a number of factors including ;
 - increased market cost (current contract rates are competitive and 17 years old)

Item 9

- increased Emission Trading Scheme and Waste Disposal Levy charges (as government incentivizes better waste management by increasing the cost to dispose to landfill)
 - other increased compliance costs for new operator (eg Health and Safety)
27. National benchmarking (refer to section 2.3 Business Case appendices)
28. The most common service provided by city councils in New Zealand is a bagged rubbish service funded through user-pays and a wheeled bin for all recyclables including plastics 1 to 7's (excluding film and polystyrene). Generally as long term contracts come up for renewal Councils are considering improved levels of service and options for collection.
29. Christchurch and Auckland are leading nationally with their services;
- Christchurch provides a rate funded service
 - 120 L wheeled bin for rubbish collected weekly
 - 240 L wheeled bin for all recycling collected fortnightly
 - 80L wheeled bin for all food and garden wastes collected weekly
 - residents can request small size bins for all services and larger bins for recycling and organics only.
 - Auckland is rolling out a new service which includes
 - user-pays rubbish wheeled bin service, where the customer can choose the size of the bin and collected fortnightly
 - wheeled bin service for all recycling, where the customer can choose the size of the bin, rate funded and collected fortnightly
 - food collection in a small kerbside bin.
30. The Hamilton City service that is currently provided by Council does not meet the performance standard of the most common service as not all plastics are collected, nor that of the leading service providers in New Zealand (who include food recycling).
31. Opportunities for increased waste diversion
32. The accepted metric for measuring success is percentage diversion, which is the percentage of household waste that is diverted from landfill. Council's current kerbside diversion rate is 29 per cent. The city's diversion rate has been in steady decline since 2008, when 34 per cent diversion was achieved.
33. In 2014 the contents of over 500 rubbish bags randomly selected across the city were analysed (refer to section 2.1 of business case appendices). It was found that;
- 37 per cent of the rubbish in the black bags put out at the kerb is food waste, which can be recycled
 - 15 per cent of the rubbish is recyclable materials that can already be recycled such as paper, glass, tin, aluminum and plastics.
34. Existing Amenity and Social Issues
35. The current kerbside rubbish and recycling service results in unwanted litter through animals damaging rubbish bags and windblown plastics from the recycling crate and unsecured paper. Council spends approximately \$66,000 per annum removing litter associated with the kerbside collection service.
36. As our city's population ages, there will be a greater proportion of our residents who will need assistance to put out their rubbish and recycling at the kerb on collection day. Assisted

collections are provided by a number of councils in New Zealand to help those whose disability, impairment or frailty prevents the resident from using the service and where there is no other household or community support available to the resident. The details of such a system are yet to be developed however it is intended that this is part of the new level of service. An example of a service is attached from Rotorua Lakes Council.

http://www.rotorualakescouncil.nz/ourservices/rubbish_and_recycling/bins/Documents/21001%20RLC%20Assisted%20Delivery%20letter.pdf

37. The amount of rubbish generated by a household is influenced by the number of residents. The following figure shows the variation in family sizes. 86 per cent of the households / families in Hamilton have four or less people.

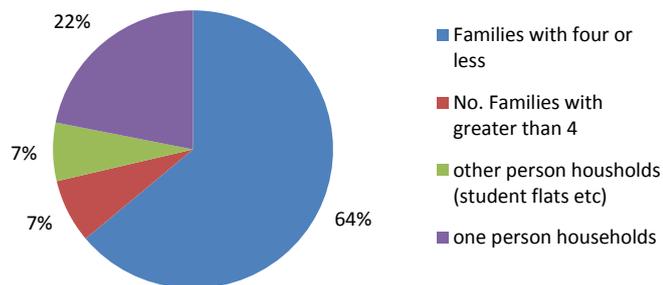


Figure 1: Household sizes

38. Up to 14 per cent of families and households (families with greater than four residents and other person households) have four or more residents. These households may currently find the current service restrictive as they produce a greater amount of rubbish. Alternately 22 per cent of households have only one resident, these households may not require the level of service currently provided.

39. Business Case Options

40. In October 2015, Council formed a waste working group (consisting of her worship the Mayor, Councillor's Forsyth, Gallagher, King and Macpherson) to work with staff to develop a business case to consider new waste collection service options.
41. The purpose of the Waste Working Group was to maintain political oversight of the development of the business case and options. The working group adopted the following key outcomes to assess the options;
- To provide an efficient and effective service for the customer.
 - To obtain the best long-term value for money for the community.
 - To maximise waste diversion.
42. The first option that was considered and discarded was whether Council should even provide a kerbside collection service. There is no requirement for Council to provide a kerbside rubbish and recycling service, under the Waste Minimisation Act Council is responsible for the promotion of waste minimisation practices.
43. Removing the Council provided service, will require the community to enter into user-pays services with private contractors. Council will be able to influence the service in part, through a Bylaw but this influence is likely to be limited by way of collection days and containers (type and size).

44. This option does not meet any of the outcomes adopted by the waste working group and is not recommended due to (amongst others):

- The service will become less efficient, with multiple service providers operating in a single location. The number of trucks will increase.
- Market rates will dictate the user-pays cost of the service, however this will likely to be greater than a council provided service due to economies of scale.
- There are no city councils in New Zealand that do not provide a rubbish service to their communities.
- Tauranga is the only city council in New Zealand that does not provide a rate funded recycling service. Their diversion rate is estimated to be 20 per cent, which is less than our current 29 per cent.

45. No Change to current level of service- Option 1

46. This option is not recommended due to (amongst others):

- It does not meet the vision of the Waste Management and Minimisation Plan nor the outcomes set by the waste working group.
- It has been determined that through additional education and marketing of the service a maximum diversion rate of 32 per cent is achievable through the current level of service, which does not maximise the opportunities to divert waste from landfill.
- Street litter caused by animal strikes to bags and windblown rubbish and recycling will remain at current levels.
- The use of bags has been identified by the incumbent contractor as having a health and safety risk, due to cuts and muscle strain. Comments from the wider industry suggest that there is a drive towards wheeled bins for rubbish collection to mitigate the health and safety risks.
- The cost of disposing of rubbish to landfill will increase over time, largely through increases in the Emissions Trading Scheme and Waste Disposal Levy. The financial model forecasts that the annual cost of these charges will increase from \$99/tonne in 2019 to \$156/tonne in 2029 (based on industry expert opinion on what central government may do)

47. Increased Level of Services; Options 2,6,9,13,16,19,20 and 24

48. The business case then carried out financial modeling of 24 different service options (refer section 2.2b of the business case). The options included combinations of:

- rubbish bags verses wheeled bins for rubbish
- rate funded verses user pays rubbish service
- increasing the number of crates to enable an increase in plastic recycling.
- introducing a wheeled bin for recycling and using the crate for glass recycling.
- introduction of a food collection service.

49. The figure below shows the summary results of the financial model for selected options. It is presented so that the benefits of each option, as measured through waste diversion, are compared against the service cost to the householder.

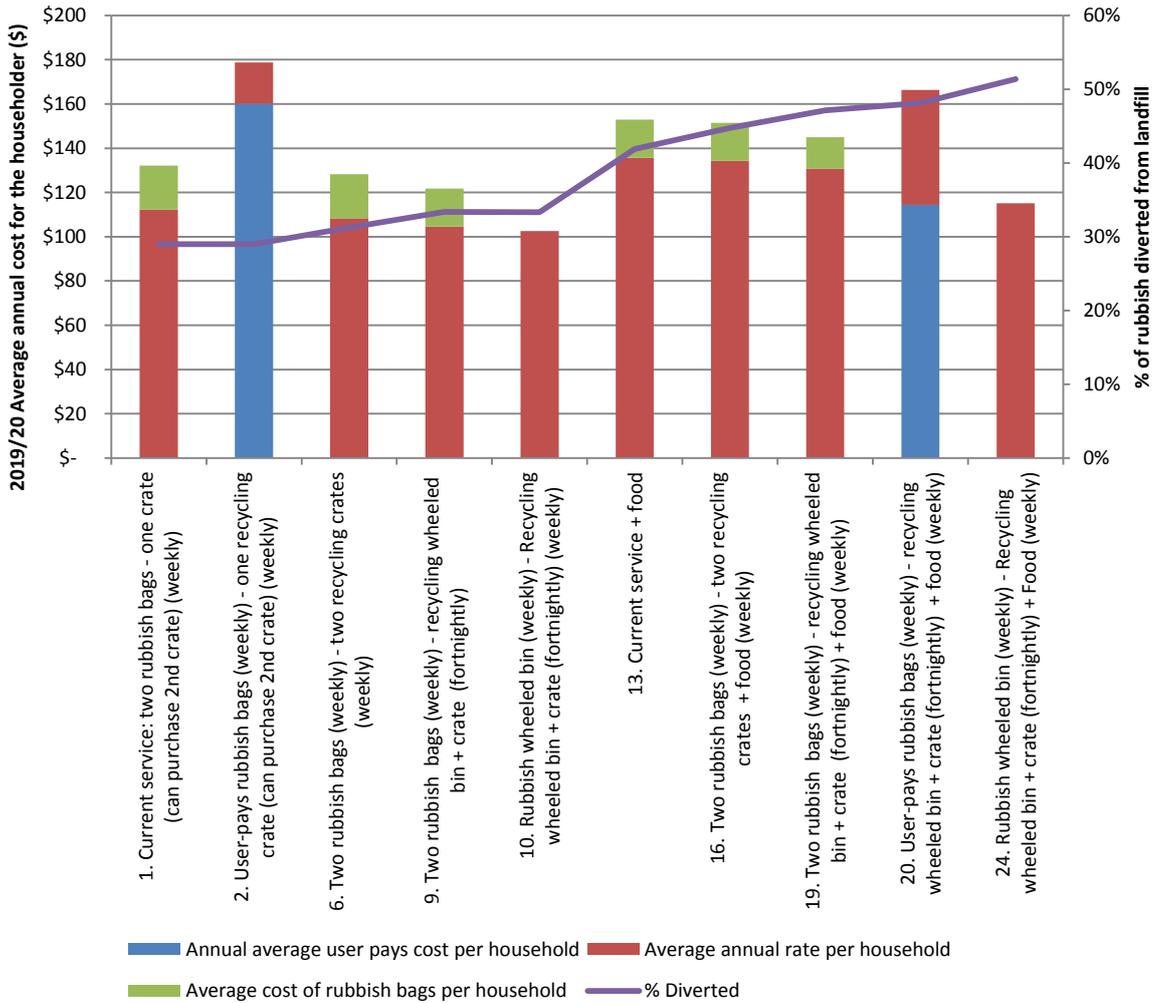


Figure 2: Annual costs to households for each modeled kerbside service option (including GST). Excludes interest and overheads.

50. The cost for the householder is a combination of

- the general rate cost (brown colour)
- the user pays cost if applicable (blue colour)
- direct costs for supply of black bags if applicable (green colour)

51. The direct cost to the household of purchasing black rubbish bags is significant in the context of the financial modeling of options. The total cost to all households of black bags using conservative assumptions is \$1.15M per year (4.3 million bags and 206 tonnes of plastic to landfill in 2019/20).

52. The current level of service is shown on the left as option 1, which diverts 29%, and cost the average householder \$132 per year, including the direct costs of \$20 for the black bags. Option 24 on the right hand side shows a diversion rate of 50% at a cost of \$115 per year for the average household. This option has additional costs however for the provision of containers which is discussed later in this report.

53. Preferred Option 24

54. The preferred kerbside levels of service option as recommended by the business case includes:

- a 120 L wheeled bin for rubbish, collected weekly

Item 9

- a 240 L wheeled bin for recycling : paper, tin, aluminum and plastics (excluding film and polystyrene). This service is collected fortnightly
- the existing crate for glass. This service is collected fortnightly
- a 23 L bin for food, collected weekly.



55. This option provides the best fit with the outcomes set by the waste working group. The option achieves a 50 per cent kerbside waste diversion rate at approximately the same cost for the average household, taking into account the fact that no black rubbish bags need to be directly purchased by the householder.
56. In 2019, diversion at 50 per cent will reduce the amount of rubbish going to land fill by 8,700 tonnes. Over 10 years, and taking into account anticipated growth, this equates to 103,000 tonnes of recyclable material not going to landfill.
57. The proposed service provides 73 per cent more container volume per annum than the current service. For those larger families who currently put out more than two bags per week, the additional recycling will help reduce their rubbish down to the 120 L per week.
58. The service will require containers to be purchased at an additional estimated cost of \$7.4 million. The containers can be funded through various rating methodologies as described in the financial section.

59. Features, Issues and Benefits of the Preferred Option 24

60. Refuse Collection

- the proposed 120L wheeled bin replicates the current volume entitlement that each household has (2 x 60 L black bag)
- the wheeled bins will significantly reduce health and safety concerns that face the waste industry and which may affect the ongoing viability of bags as a way to dispose of rubbish
- the wheeled bin will significantly reduce litter issues associated with the current services
- replacement of the rubbish bag with a wheeled bin will:
 - remove 4.3 million rubbish bags from landfill, or 206 tonnes of plastic in 2019/20 or 50 million bags and 2,432 tonnes of plastic over the ten year period
 - save the community about \$1.15 million in 2019/20 in bag purchase costs or \$13 million over the ten year period.
- cost comparisons between the wheeled bin and rubbish bag are:
 - a wheeled bin costs approx. \$58 each including GST

- rubbish bags cost approx. \$20 per year including GST (based on 1.4 bags per week at \$0.27 each)
- payback period for the householder is approximately three years.

61. *Recycling Collection*

- proposed to pick up all grades of plastic (except film and polystyrene)
- all recycling except glass will be put into the 240L wheeled bin (plastics, cans, cardboard including pizza boxes)
- the existing recycling crate will be retained for glass to avoid contamination of recyclable material with broken glass (the cost of retaining this container verses putting all glass in the 240L wheeled bin will be explored through the procurement process).
- the wheeled bin will significantly reduce litter issues associated with the current services and paper and light plastics in particular.

62. *Food Collection*

- national leaders in waste minimisation in New Zealand provide a kerbside food collection service
- food collection will increase the waste diversion from 33 per cent for the same service without food (rubbish in a 120 L bin, recycling in a 240 L bin and glass in a crate), to 50 per cent
- the cost of the food collection adds an additional \$637,000 in 2019/20 to the cost of the service, this takes into account the savings of disposing to landfill and the additional costs of collection and processing of food (the financial model indicates that with increases in cost for landfill the food collection service will be cost neutral by 2024/25).
- the food collection service will remove 6,500 tonnes from landfill in 2019/20 and 69,000 tonnes over the ten year period (2019-29)

63. *Other issues*

64. A number of issues will arise from the proposed option that will need to be addressed, through the public engagement and education process. Expected issues include:

- Alternative weekly collection for recyclables could be confusing for the customer. To mitigate this, Council will provide key information to the householder. Auckland, Christchurch, Wellington, Dunedin, Palmerston North, New Plymouth and Invercargill all provide successful recycling fortnightly collection services.
- Congestion at the kerbside. Every second week there could be up to four containers per household, for those who live in a right-of-way property, or units, congestion at the kerb could be an issue. This can be managed through education and advice on how to set out containers. It is noted that other cities deal effectively with this issue
- Alternative solutions will be found for areas where there is insufficient kerb space. In particular Business Case Appendix Section 21 sets out intent to undertake a Housing Review for multi-unit developments in the latter half of 2016/17. This review will consider the types of housing we have and their location throughout the city, together with which developments will require bespoke services.
- Larger households could find it difficult to restrict their rubbish to the 120L container provided. This volume is the same as the current service; however it does not allow households the option to put a bag outside the neighbours. This is unlikely to be a

widespread issue as less than 14 per cent of the households in the city have greater than four residents. The proposal includes an improved recycling service, which will provide these households with 73 per cent more container space at the kerb to dispose of waste. For those who still find it difficult, households will be able to apply to Council for a larger wheeled bin, subject to certain criteria being met.

- Elderly or physically impaired persons may not be able to manoeuvre large wheeled bins. It is proposed to include provision for an assisted collections service, where customers can apply to Council for collection within their properties, subject to certain criteria being met.

65. Community engagement and education

66. It is proposed to carry out public engagement on the proposed service over four weeks in November 2016 using a Special Consultative Process. This process will explain the proposed rubbish and recycling options to the community encouraging them to have their say and will use a variety of mechanisms to reach as many people as possible.

67. The mechanisms will include

- A summary Document (Statement of proposal) delivered to every letterbox in Hamilton which will include a submission form that can be removed and posted to Council or dropped at boxes at the libraries
- Social media, billboards, bus backs, posters, online advertising, radio advertising all driving people to complete an on-line submission form on a dedicated website (Fightthelandfill.co.nz)
- Pull up banners at libraries
- Roadshow tour for the public to have an opportunity to speak to staff and ask questions

68. The engagement will consist of asking the public a series of questions based around their preference for continuation of the current service or the proposed service. The questions to be asked will include, but not limited to:

- preference of current service vs proposed improved level of service
- preference on how to fund the containers (targeted rate or general rate).

69. Staff will report back to Council in February 2017 with the results of the public engagement survey and present any changes to the business case necessary to reflect the community views.

70. Programming and Procurement Issues

71. It is proposed to report back to the new council in February 2017 with the outcome of the public engagement and any revisions that may be required to the business case as a result of the engagement. Approval of the final business case will be sought from Council at this time.

72. A timeline showing key steps is provided as attachment three. The existing services are contracted to 30 June 2019. Procurement of a new service provider needs to commence immediately due to the long lead in times required to secure the necessary plant and equipment to deliver the new kerbside services.

73. It should be noted that the first stage of the procurement process is a registration of interest phase which does not require Council to commit to any service; rather this is a process to determine who the potential tenderers will be.

74. Key contract procurement milestones are as follows:

- registration of interest response period – February 2017
- report back to Council April 2017 for approval to invite tenders for next phase
- request for tender response period – June 2017
- report back to Council in August for approval to negotiate with preferred tenderer
- contract awarded December 2017
- 18 month lead in time for contractor to procure all necessary containers, plant and equipment (December 2017-June 2019)
- new service commencing 1 July 2019.

75. Financial Implications

76. The following table provides a breakdown of the costs (including growth allowances) associated with Option 1 to retain the current level of service.

	2016/17	2017/18	2018/19	2019/20
	Current contractor provides service. New contractor procurement, public education			New contract rates commence
Budget 2015-25 10 Year Plan (Net Expenditure)	4,102	7,156	4,443	4,605
Proposed Income	695	695	695	720
Proposed Expenditure (excl. interest and overheads)				
Consultant support for development of tender documents	60			
Legal review	20			
Probity Auditor	20			
Current Contract	4,505	4,697	4,847	
New contract				5,465
Additional compliance member	0	70	70	70
University area drop off points	10	10	10	10
Litter collection	66	66	66	66
Maintenance of refuse transfer station and organic center	16	14	15	14
Waste levy works <ul style="list-style-type: none"> • Education • New waste minimisation officer 	100	200	200	225
Contingency 10%	29	36	36	585
Total Expenses	4,826	5,092	5,244	6,435
Net Expenditure (expenses less income)	4,131	4,397	4,549	5,715
Difference between net expenditure budget and proposed	(29)	2,759	(106)	(1,110)

77. Notes to the above table

- income includes that received from lease revenue at the refuse transfer station and organic centre, transportation activity funding for litter collection and waste levy funding

Item 9

- the \$25,000 increase in income in 2019/20 is due to additional works funded through the waste levy, this is offset by an increase in expenditure
- in 2017/18 there is \$2.759 million in savings largely reflecting the current budgets allow a one off operational budget of \$2.9 million for wheelie bins that will not be required for the status quo level of service option
- in 2019/20 the cost of the additional service will be \$1.110 million greater than budgeted for, noting however that additional market cost assumptions have been made for the new contract rates as well as an additional contingency allowance of \$585k to reflect the market price uncertainty.

78. The following table provides a breakdown of the costs (including growth allowances) associated with Option 24 to increase the current level of service.

	2016/17	2017/18	2018/19	2019/20
	Current contractor provides service. New contractor procurement, public education and purchase / delivery of new containers to take place.			New service commences
Budget 2015-25 10 Year Plan (Net Expenditure)	4,102	7,156	4,443	4,605
Proposed Income	695	695	805	797
Proposed Expenditure (excl. interest and overheads)				
Consultant support for development of tender documents	60			
Legal review	20			
Probity auditor	20			
Housing type review	40			
support for call center			30	30
Litter collection	66	66	66	33
Additional compliance team member	0	70	70	70
Drop off points at University	10	10	10	10
Maintenance of the sites	16	14	15	14
Current Contract	4,505	4,697	4,847	
Purchase of containers			7,442	26
Proposed collection contract costs				5,514
Waste levy works				
• Education	100	200	310	335
• New waste minimisation officer				
Contingency 10%	33	36	794	603
Total Expenses	4,870	5,092	13,585	6,635
Net expenditure (expenses less income)	4,175	4,397	12,780	5,838
Difference between net expenditure budget and proposed	(73)	2,759	(8,337)	(1,233)

79. Notes to the above table

- income includes that received from lease revenue at the refuse transfer station and organic centre, transportation activity funding for litter collection and waste levy funding
- the fluctuations in income are due to works funded through the waste levy
- in 2017/18 there is \$2.759 million in savings largely reflecting that the one off operational budget for wheelie bins that will not be required until 2018/19
- the additional costs in 2018/19 are for the purchase of the containers including a 10% contingency on the purchase estimate

- in 2019/20 the cost of the additional service will be \$1.2 million greater than budgeted for noting that additional market cost assumptions have been made as well as an additional contingency allowance of \$603k to reflect the market price uncertainty.
- While the additional service will be \$1.233 million greater than budgeted for it is worth noting that this is only marginally higher than the expected increase for Option 1 to maintain the existing level of service and it does not take account of the direct community savings in not having to purchase black bags

80. The following table compares the cost to the average household for the current level of service today (Option 1- 2016/17) ,the current level of service under renewed contract rates (Option 1-2019/20) and the improved level of service (Option 24-2019/20).Note- this is worked out by simply dividing the total net expenditure by the expected number of households (refer to section 22.1.1 of Business Case Appendices for more detailed information)

Cost (all costs exclude interest and overheads)	2016/17 Option 1-Existing service provided under existing contract	2019/20 Option 1 - Existing service provided under new contract	2019/20 Option 24 – Increased level of service under new contract
Waste diversion	29%	29%	50%
Number households	56,181	58,576	58,576
Council cost- net expenditure (excl. GST)	\$4,102,000	\$5,715,000	\$5,838,000
Household cost-through rates (incl. GST)	\$84	\$112	\$115
Household cost-black bags (incl. GST)	\$20	\$20	0
Total household cost	\$104	\$132	\$115

81. *Purchasing the containers*

82. Containers will need to be purchased and distributed throughout the community in the fourth quarter of 2018/19. The total cost of the containers is expected to be \$7.4 million plus contingency, and there is current budget allocation of \$2.9 million in 2017/18 for these.

83. There are several financial options for the purchase of the containers as outlined below (refer business case section 2.6).

- Council purchases and funds via a targeted rate
- Council purchases and funds via the general rate.
- Contractor purchases and recovers costs through contract rates throughout the life of the contract. This option is the least favorable, as it adds an additional \$3.1 million to the cost of the containers.

84. The preferred option is for Council to purchase the containers through a targeted rate of approximately \$22.50 for four years. This provides the least financial impact to Council.

- 85. *Impact on debt*
- 86. It is proposed to fund the service through debt which will affect Council’s overall plan to manage debt and balance the books by reducing reliance on borrowing.
- 87. The following table shows the two options (with sub-options for funding the wheelie bins) and the impact on Council’s debt. Retaining the current level of service through a new contractor will add an additional \$20 million to Council’s debt in 2029. This will increase Council’s debt to revenue ratio by 7 per cent, and reduce council forecasted surplus in 2029 by \$4 million. However retaining the current service requires the community to continue to purchase rubbish bags, which over the ten year period will cost approximately \$13 million.
- 88. The proposed service can be funded in two ways, using a targeted rate for the container purchase or entirely through the general rate. The targeted rate provides the best financial outcome for Council.

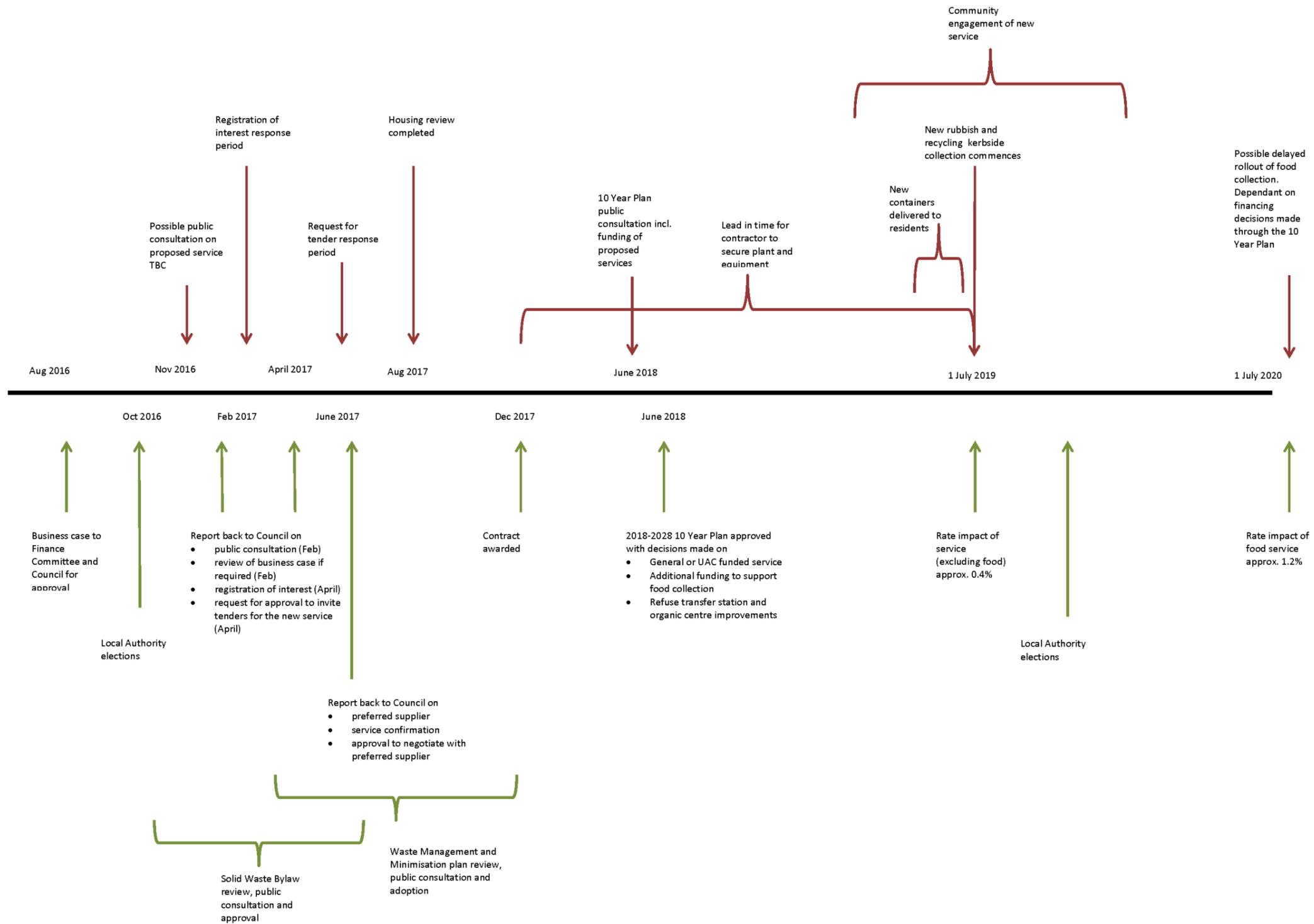
	Option 1	Option 24	
	Retain current levels of service	Provide improved levels of service	
		Targeted Rate	General Rate
Change in total overall debt (Cumulative from 2019 – 2029)	\$20 million	\$28million	\$37 million
Change in Debt / Revenue % (Cumulative from 2019 – 2029)	7%	10%	13%
Change in balancing the books 2029 (Cumulative from 2019 – 2029)	-\$4 million	-\$4 million	-\$4 million
Community costs for rubbish bags (Cumulative from 2019 – 2029)	\$13 million	-	-

89. Risk

- 90. The business case identifies the project risks associated with the works (section 1.12 of Business Case), residual ratings for these risks are either medium or low. Risks with a medium residual rating are summarised below.
- 91. The tender price received for the new service is greater (or less) than that determined through financial modeling resulting in a greater cost to Council. This risk is mitigated by the additional contingency allowances
- 92. The cost of rubbish disposal is greater (or less) than forecasted due to cost increases in the waste disposal levy and emission trading scheme assumptions over time.

Signatory

Authoriser	Chris Allen, General Manager City Infrastructure Group
------------	--



Committee: Finance Committee

Date: 20 September 2016

Report Name: Election Period Infrastructure
Contract Delegations

Author: Andrew Parsons

Report Status	<i>Open</i>
Strategy, Policy or Plan context	<i>2015-25 10 Year Plan Hamilton Plan: - Providing Outstanding Infrastructure The Third City Economy in New Zealand Hamilton Urban Growth Strategy</i>
Financial status	<i>There is budget allocated or foreshadowed as indicated within the report.</i>
Assessment of significance	<i>Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

1. Purpose of the Report

- To seek delegation to the Chief Executive to award contracts and approve agreements for planned projects during the local government election period.

3. Executive Summary

- Two key infrastructure capital works projects, the Rotokauri Far Western Wastewater Interceptor and Hamilton South Water Reservoir Bulkmain Duplication are planned for physical works commencement in the 2016/17 construction season.
- The projects are funded within the 2015-25 10 Year Plan, and are in accordance with previously approved project business cases. All works will be procured in accordance with HCC procurement policy and procedures.
- The Hamilton South Water Reservoir Bulkmain Duplication is a key component of the Water Treatment Plant Upgrade project and provides enhanced water network resilience and operation. A contract for the supply of pipes and installation to create a second dedicated water supply pipeline from the Water Treatment Plant to the Hamilton South Water Reservoir is about to be tendered and will need to be awarded in October/November 2016.
- The Far Western Wastewater Interceptor is required to enable continued residential development in Rotokauri. A contract for the installation for the Rotokauri Far Western Waste Water Interceptor will be tendered as soon as land access is available. It is anticipated that the contract will need to be awarded in October/November 2016.
- In order to install the wastewater pipe, land purchase of the wastewater / stormwater swale corridor will be required. Purchase of the Wintec land component is ahead of the timing

previously envisioned, however financial requirements for this land purchase were foreshadowed as part of 2016/17 Annual Plan approval process.

9. It is important that contract awards are not delayed and therefore delegation to the chief executive is being sought to award the contracts and to enter into land purchase agreements outlined in this report subject to them being within the budgets indicated.

Recommendations from Management

That:

- a) the report be received;
- b) the Chief Executive is delegated to:
 - i. award Contract 16036 for the supply of pipes and installation for the Hamilton South Water Reservoir Bulkmain Duplication project subject to the total Approved Contract Sum not exceeding \$8,000,000;
 - ii. award Contract 15424 for the supply of pipes and installation for the Rotokauri Far Western Waste Water Interceptor project subject to the Approved Contract Sum not exceeding \$7,574,000;
 - iii. approve a land purchase agreement for the Gower land to be used for the Rotokauri Stormwater swale as shown on Attachment 1 up to a maximum of \$1,834,000 including costs subject to the costs being supported by property valuation;
 - iv. approve a land purchase agreement for the Wintec land to be used for the Rotokauri Stormwater swale and Te Wetini Drive Extension as shown on Attachment 1 up to a maximum of \$5,500,000 including costs subject to the costs being supported by property valuation; and
 - v. approve and execute any associated agreements or documentation to facilitate and implement the Gower and Wintec land procurement.

10. Attachments

11. Attachment 1 - Rotokauri Far Western Wastewater Interceptor Concept Plan

12. Key Issues

13. Background
14. Two planned infrastructure capital works projects (Rotokauri Far Western Wastewater Interceptor and the Hamilton South Water Reservoir Bulkmain Duplication) are currently under development and planned for implementation over the 2016/17 summer construction season.
15. In order to deliver these projects, land purchase, pipe supply and construction/installation contracts will be required during the period between October 2016 and January 2017.
16. Rotokauri Far Western Wastewater Interceptor
17. This project provides wastewater infrastructure necessary to provide additional wastewater network capacity on the western side of the city, as well as to service and facilitate residential development in the Rotokauri stage 1 area (refer Attachment 1).
18. The project Business Case was approved by Finance Committee on 19 November 2015, and the total project budget is \$7,656k excluding land purchase.

19. The pipe alignment has been designed in accordance with the Rotokauri Structure Plan and utilises future road corridors or the future stormwater floodway corridor.
20. The pipe supply and physical works procurement will be via public tender, in accordance with approved HCC procurement policy and procedures.
21. At the time of developing the 10 Year Plan and the 2016/17 Annual Plan it was envisioned that no storm water land purchase would be required to install the waste water interceptor but this has not proved to be the case.
22. As part of the 2016/17 Annual Plan, \$2.364m was brought forward and approved in the 2016/17 year for Gower land purchase and Te Wetini Drive Extension, and it was foreshadowed that an additional \$5m would potentially need to be brought forward from 2023/24 for Wintec land purchase.
23. It is now necessary to bring the Wintec land purchase forward to 2016/17 allow the full length of the pipe to be installed. It has been confirmed that inclusion of the additional \$5m capital expenditure in 2016/17 would not breach Councils financial strategy.
24. Delegation to the chief executive is sought to enter into required Gower and Wintec property purchase agreements, noting that the final price will be agreed through the Public Works Act property valuation process.
25. Hamilton South Water Reservoir Bulkmain Duplication
26. Duplication of the Hamilton South Water Reservoir Bulkmain is a key component of the Waioira 2 Water Treatment Plant Capacity Upgrade project.
27. The overall Water Treatment Plant Upgrade project Business Case was approved by Council on 10 December 2015, and the total project budget is \$28,746,000. Of this, a total of \$8,000,000 has been allocated for Contract 16036 - Hamilton South Water Reservoir Bulkmain Duplication.
28. This component of the project, to provide a second dedicated water supply line from the Water Treatment Plant to the Hamilton South Reservoir, will critically improve resilience in the operation of the Water Treatment Plant in order to meet city growth forecasts.
29. Procurement of the pipe material supply and physical installation will be via public tender, in accordance with HCC procurement policy and procedures.

30. Financial and Resourcing Implications

31. Rotokauri Far Western Wastewater Interceptor
32. Current budget allocations for this project are outlined below:

	2016/17	2017/18	Total	
CE15111 – Increase Wastewater Network Capacity	\$4,372k	\$3,202k	\$7,574k	Pipe Supply & Installation
CE15060 – Rotokauri Stage 1 Stormwater Infrastructure	\$1,834k		\$1,834k	Gower Land Purchase
CE15090 – Rotokauri Stage 1 Roothing	\$500k		\$500k	Wintec Land Purchase (Te Wetini Dr)
CE15060 – Rotokauri Stage 1 Stormwater Infrastructure		\$5,000*	\$5,000k	Wintec Land Purchase (Stormwater Swale)
			\$14,908k	

*Foreshadowed to be brought forward from 2022/23 as part of 2016/17 Annual Plan approval in June 2016.

33. Hamilton South Water Reservoir Bulkmain Duplication

34. Current budget allocations for this component of the Waiora 2 Water Treatment Plant Upgrade project are outlined below:

	2016/17	2017/18	Total	
CE15144 – Upgrade Water Treatment Plant	\$3,374k	\$4,626k	\$8,000k	Pipe Supply & Installation

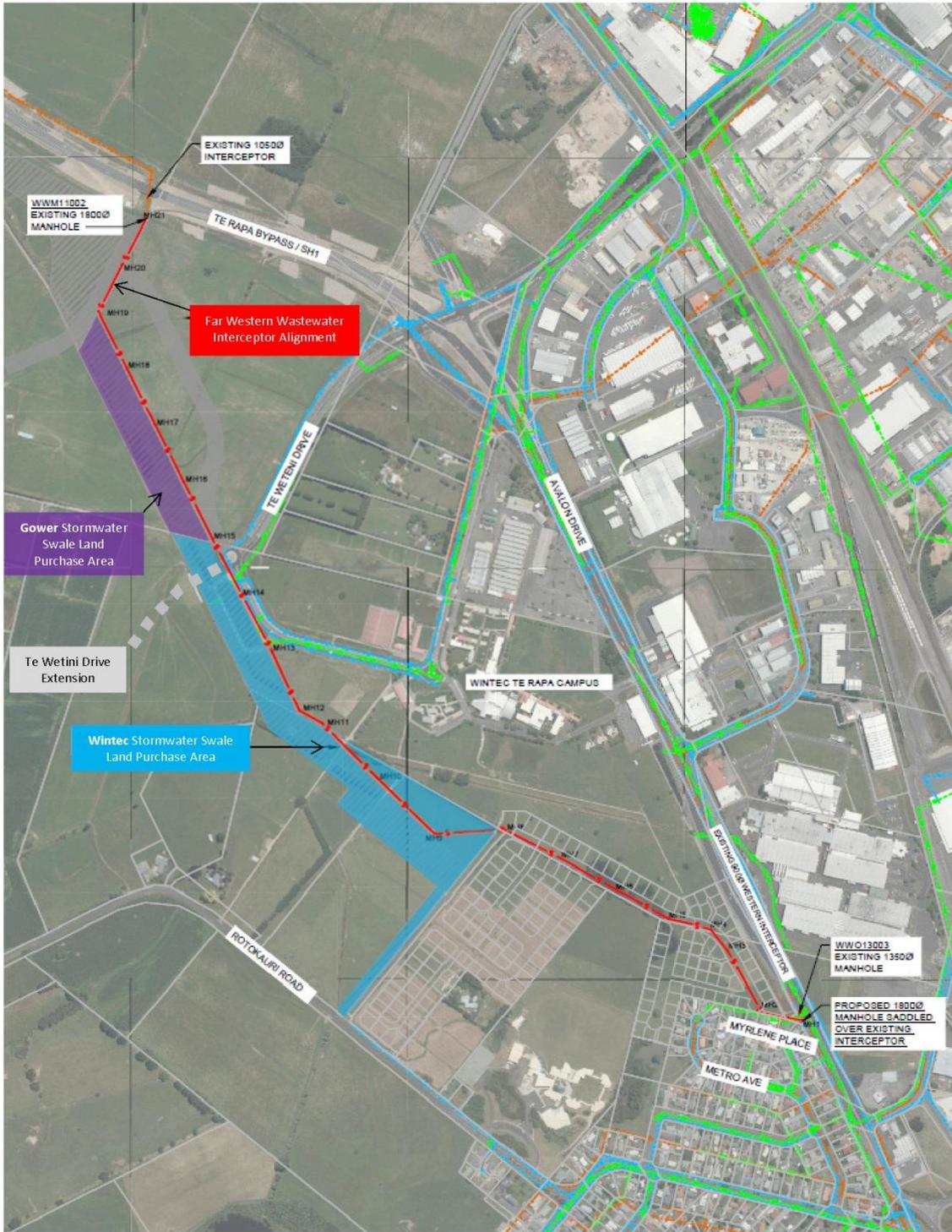
35. Risk

- 36. Budget allocations and recommended approved contract sum delegations are based on current cost estimates. Final land valuations or market pricing of supply and physical works tenders could exceed the project budget allocations and contract delegations.
- 37. The timing of the Rotokauri Far Western Wastewater Interceptor physical works will be dependent on the timing of the approved land purchase agreements.
- 38. It will become increasingly difficult to service land in the Rotokauri Stage 1 residential area in the event that the land purchases are not able to proceed or do not proceed in a timely manner.

Signatory

Authoriser	Chris Allen, General Manager City Infrastructure Group
------------	--

Rotokauri Far Western Wastewater Interceptor



Committee: Finance Committee

Date: 20 September 2016

Report Name: Lake Rd - Land Sale

Author: Ken Cunningham

Report Status	<i>Open</i>
Strategy, Policy or Plan context	Economic Development, Urban Growth
Financial status	<i>There is no budget allocated.</i> Costs to be the responsibility of the applicant.
Assessment of significance	<i>Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

1. Purpose of the Report

2. To obtain Council resolution to the sale of 43m² of Council owned land at Lake Road (Allot 463, Te Rapa Parish) to the adjoining property owners, Brian Wallace, Noeleen Wallace and Grant Mackintosh.

3. Executive Summary

4. Council is the owner of 43m² of land at the northern end of Lake Road.
5. The land parcel was created in 1965 when part of Councils road network at Lake Road Frankton was stopped.
6. The adjoining property owner has approached Council to purchase this land, which has a portion of their industrial building situated upon it.
7. The land has no benefit to Council and will tidy up an encroachment that has been in place for many years.

Recommendations from Management

That:

- a) the report be received;
- b) the Council owned property, legal description Allot 463 Te Rapa Parish, is sold to the owner of the adjoining property (legal description Lot 1 DPS 8955) subject to:
 - (i) All costs relating the sale and purchase being met by the purchaser.
 - (ii) The purchase price being agreed to.
 - (iii) The two properties being amalgamated into one certificate of title.
- c) the Chief Executive be delegated authority to:
 - (i) Sign all documentation relating to the sale and purchase of the property.
 - (ii) Negotiate the purchase price subject to it being supported by a valuation report obtained from a Council appointed independent registered valuer.

8. Attachments

- 9. Attachment 1 - Aerial plan showing location of property, 7 Lake Rd
- 10. Attachment 2 - Street view (Google Maps) of 7 Lake Road

11. Key Issues

12. Background

- A request has been received from the owners of 7 Lake Rd (Brian & Noeleen Wallace and Grant Mackintosh) to purchase Council owned land adjoining their property.
- The Council land, which has the legal description Allotment 463 Te Rapa Parish, is of irregular shape and has an area of 43m². It was created in 1965 when a section of Lake Road, no longer required by Council as road, was stopped and a separate land parcel created. Refer Attachment 1.
- A building extension at 7 Lake Road has encroached on the Council owned property, which appears to have occurred in 1973 when a building consent was granted for an extension to an existing building.
- The current owners purchased the property in December 1997. Attempts were made in 2007 to have the owners of 7 Lake Road purchase or lease the Council land. That approach was rejected with the owners relying on advice given by their solicitors that the encroachment had been in place for many years and that as Council had accepted a building extension over the Council land it was the solicitors position that an acceptance of the land use had occurred.

13. Strategic alignment

- The Council land is not required for roading purposes and is surplus to requirements.
- The only logical purchaser is the property owner at 7 Lake Road due to the nature of the building encroachment

14. Consultation

- No consultation is required for the sale of this property.

15. Financial and Resourcing Implications

- 16. All costs associated with the sale process will be met by the purchaser.

17. Risk

- 18. There is no risk in selling the property.

Signatory

Authoriser	Kelvyn Eglinton, General Manager City Growth
------------	--







Committee: Finance Committee

Date: 20 September 2016

Report Name: Mangaonua Restoration
Contract

Author: Jeremy Froger

Report Status	<i>Open</i>
Strategy, Policy or Plan context	<i>Project Watershed</i>
Financial status	<i>There is budget allocated Amount \$433,800 from Project Watershed Fund</i>
Assessment of significance	<i>Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

1. Purpose of the Report

- The purpose of this report is to seek approval for the direct appointment of Ngati Haua Mahi Trust (Trust) to complete restoration works within the Mangaonua Gully, with funding received from Waikato Regional Council's (WRC) Project Watershed Fund (PWS) – Operating Reserve.

3. Executive Summary

- HCCs Procurement Policy requires Committee approval for direct appointments above \$100,000.
- WRC Central Waikato Catchment Committee resolved to utilise HCC PWS - Operating Reserve to continue environmental restoration work in the Mangaonua Gully.
- The Trust has previously undertaken restoration works in this area, and the WRCs Central Waikato Catchment Committee supported their proposal and direct appointment to complete the restoration works.
- The direct appointment would ensure the continuity of knowledge and engagement with the local community, stakeholders and volunteers that has been built up over several years.
- To deliver the restoration works sought by the WRC, Committee approval is sought to directly appoint the Trust the contract to undertake these works.

Recommendations from Management

That:

- a) the report be received;
- b) authority be delegated to the Chief Executive to directly appoint Ngati Haua Mahi Trust to complete the restoration works within the Mangaonua Gully from Hamilton City Councils Project Watershed Fund Operating Reserve for a sum up to but not exceeding \$433,800 over 3 years.

9. Attachments

10. Attachment 1 - Site Map

11. Key Issues

12. Background
13. WRC is responsible for the overall management and coordination of river and catchment management activities, consistent with its legislative responsibilities (Soil Conservation and Rivers Control Act 1941). In the Waikato River catchment, WRC has established PWS to provide an integrated river and catchment programme across the whole Waikato River catchment.
14. Both WRC and HCC have agreed it is more effective for an integrated approach to be taken towards the management of flood protection, river and catchment works, and to the management of the storm water system within the city. To achieve this, a service level agreement has been established between the two councils.
15. The PWS budgets are administered by WRC's Central Waikato Catchment Committee. HCC delivers the associated works.
16. At its 22 February and 5 May 2016 meeting, the WRC's Central Waikato Catchment Committee considered a proposal to utilise PWS operating reserve to continue environmental restoration work in the Mangaonua gully system – near the intersection of Silverdale and Morrinsville Roads. The proposal sought to re-engage the Trust and complete restoration works that began in 2013 with Waikato River Authority funding.
17. On 5 May 2016 the WRC's Central Waikato Catchment Committee resolved (CWC16/14):

THAT expenditure of \$433,800 over 3 years from the Hamilton City Council Project Watershed Operating Reserve to realise the proposed Mangaonua Restoration project be approved.
18. High value biodiversity
19. The Mangaonua Gully system contains the highest proportion of indigenous vegetation and the highest number of key ecological sites in Hamilton. As a site for restoration initiatives, the gully offers the greatest potential benefits as a natural zone due to existing native vegetation and proximity to other areas of high ecological value.
20. New Zealand's Long-Tailed Bat is an endemic mammal that has persisted in Hamilton, despite its disappearance from other cities in New Zealand. Echo-location detection has allowed surviving pockets of bats to be identified, particularly in Mangaonua Gully, Mangakotukutuku Gully, Hammond Bush and surrounding areas (Le Roux 2010).

21. Investment already made
22. In 2013 a 3-year restoration project was initiated within the Mangaonua Gully by the Trust with significant funding from the Waikato River Authority. The project also received assistance from WRC and HCC.
23. With changing priorities, the Waikato River Authority did not continue funding of the project in 2014-15. The project was consolidated into HCC's maintenance schedule, whereby the site is visited only a few times a year to 'release' plantings and ensure their continued growth. Proactive restoration ceased at this time.
24. Iwi collaboration
25. In the spirit of continuing to foster partnerships between the Trust and Council's, the WRC's Central Waikato Catchment Committee saw it appropriate that restoration works would continue to be a collaboration between these partners. Therefore, detail on the Trust's proposal was presented to the 5 May Committee meeting and funding for the project was endorsed.
26. The Trust has a well-established network with stakeholders, nearby schools and adjoining residents. They know the site intimately, have a vested interest in ensuring the environmental potential of the area and have a proven track record for delivering this work on this site for WRC, HCC and the Waikato River Authority.

27. Financial and Resourcing Implications

28. WRC administers PWS and have resolved to utilise some of the operating reserve for the Mangaonua Restoration project.
29. Upon resolving to undertake the restoration work in Mangaonua Gully, HCC is required to deliver the works in accordance with the Section 7.1(c) Unscheduled works of the PWS SLA.
30. Despite utilising WRC monies, approval is required as per HCC's Procurement Policy by Committee resolution to directly appoint a contract over \$100,000 in order to deliver the restoration works.
31. The appointment of the Trust to complete the restoration of the Mangaonua gully with PWS presents an opportunity for HCC to leverage off its agreement with WRC to enhance and protect one of the city's sensitive environments. The inherent skills and proven performance of the Trust is such that their direct appointment would be consistent with HCC's Procurement Policy.

32. Risk

33. The appointment of this contract is consistent with Councils other work programmes and does not present any additional risks.

Signatory

Authoriser	Lance Vervoort, General Manager Community
------------	---



Mangaonua Gully
(subject site)

Attachment 1, Site location

Committee: Finance Committee

Date: 20 September 2016

Report Name: Contract 15433 for a Primary Provider of Legal Services

Author: Scott Copeland

Report Status	<i>Open</i>
Financial status	<i>Approximately \$4,500,000 over the initial three years of the contract period Within budget allocated</i>
Assessment of significance	<i>Having regard to the decision making provisions in the LGA 2002 and Council's Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

1. Purpose of the Report

2. The purpose of this report is to seek approval to award Contract 15433 for a Primary Provider of Legal Services.
3. Approval of the Committee is sought because the contract value exceeds the Chief Executive's delegation.

4. Executive Summary

5. On 18 February 2016 the Finance Committee resolved to proceed with a public tender process to appoint a primary, but not exclusive, provider of legal services.
6. Following this resolution a public Request for Proposal (RFP) process to award a contract for a primary provider of legal services has been undertaken.
7. Peter Doolin from Lodestone Consulting Limited was engaged to support preparing Councils RFP and contract requirements for legal services and to provide probity of the evaluation process.
8. Following the evaluation of tenders the recommendation is to award Contract 15433 for a Primary Legal Provider to Tompkins Wake who was the highest ranked respondent against the evaluation criteria listed in the RFP.

9. Recommendations from Management

That:

- a) the report be received;
- b) the tender submitted by Tompkins Wake for Contract 15433 for a Primary Legal Provider is accepted by Hamilton City Council;
- c) the Chief Executive is delegated to negotiate and approve final contract terms with Tompkins Wake; and
- d) the Approved Contract Term is set at three years with one right of renewal of two years at Council's sole discretion.

14. Attachments

15. There are no attachments for this report.

16. Background

17. Council's current contract for legal services is provided by Tompkins Wake Lawyers. This is an exclusive arrangement with a high threshold for using alternative suppliers.
18. With the current contract for legal service due to expire on 1 July 2016 planning started in early 2016 to renew the legal services contract. It should be noted the current contract has been operating under a holding over arrangement until Council concludes this RFP process.
19. Due to the strategic importance of the legal services arrangement to Council guidance was sought by the Finance Committee on their preference around the proposed contract delivery model for legal services prior to engaging in a public tender process.
20. On 18 February 2016 the Finance Committee resolved that Council:
 - a) proceed with a public tender for a primary, but not exclusive, legal services provider;
 - b) authorise the Chief Executive, within his current delegations, to execute any necessary contracts for the provision of legal services;
 - c) recommend to the Council to increase the Chief Executive's financial delegation for Legal Services by an additional \$250,000.00 without going to public tender; and
 - d) require the Chief Executive to resource an appropriate department, to provide an in-house service for legal co-ordination, guidance and direction within the existing budget.
21. As well as proceeding with the public tender for a primary legal services provider Council has commenced the appointment process of a Legal Services and Governance Officer in the Democracy team to help manage and provide oversight for the legal services arrangement. This role will help in managing the hours spent on legal engagements and in obtaining up front cost estimates to help drive savings.

22. Purpose and Structure of Contract

23. Council engaged Peter Doolin from Lodestone Consulting Limited to provide professional services around the development of the RFP, contract terms and to provide expert advice and probity guidance to the tender evaluation team during the evaluation of RFP responses.
24. The RFP and draft contract were developed to meet Council's requirements for a primary, but not exclusive, provider of legal services.
25. The RFP allowed for bids by consortiums of legal firms, and the issuing of the RFP documents was marketed through the law society, to try and enable as much exposure as possible to Council's RFP process.
26. The proposed contract term was for three years with one right of renewal of two years at Councils sole discretion.
27. The contract is a bespoke contract developed in conjunction with Lodestone Consulting Limited to enable a better structure for managing legal services engagements. The structure of the agreement allows for a more strategic relationship with the primary legal services provider.

Some features of the agreement include an added value service plan, a clear relationship management structure and relevant key performance indicators.

28. The RFP document and proposed contract with the primary provider confirmed that Council may use other legal service providers to meet its needs. It will be at Council's discretion as to when secondary providers are approached, though this could be where:
- Specialist knowledge or skills are required which are not available through the Primary Provider;
 - There is a conflict of interest;
 - Staff believe the Primary Provider does not have the capacity to undertake a specific piece of work.
29. The Council would be able to instruct secondary providers without notifying or obtaining the permission of the Primary Provider. The Democracy team, which has responsibility for the relationship management of the Council's legal service providers, will assist staff with this process and oversee instructions to other providers.
30. Following the appointment of the Primary Provider a database of law firms that Council can call upon as secondary providers, and their respective areas of expertise, will be developed. This aligns with feedback received during the RFP process from a range of law firms, which signalled an interest in providing specialist support to Council when required.
31. This will also enable Council to test the cost effectiveness of the primary provider against the market for significant pieces of work.

32. Evaluation Process

33. Council issued a public RFP for Contract 15433 for a Primary Provider of Legal Services.
34. There were three parties who responded to this RFP - Brookfield Lawyers, DLA Piper and Tompkins Wake.
35. Tenders were evaluated using the quality evaluation method as outlined in the RFP documents.
36. Members of the Tender Evaluation Team (TET) were Brendan Stringer (Committee Advisor), David Bryant (General Manager Corporate), Eeva-Liisa Wright (Business Manager City Infrastructure), Julie Clausen (Programme Manager Strategy) and Kelvyn Eglinton (General Manager City Growth).
37. All three respondents provided presentations on their proposal to the TET.
38. The final non priced attribute scores were:

Non Priced Attribute	Weighting	Brookfield Lawyers	DLA Piper	Tompkins Wake
<i>Relevant Experience and Track Record</i>	35%	28.7%	29.4%	31.5%
<i>Relevant Skills</i>	25%	20.3%	22.3%	22.8%
<i>Methodology and Resources</i>	35%	26.7%	26.0%	30.1%
<i>Local Impact</i>	5%	2.9%	3.2%	4.4%
Total Non Priced Attributes		78.5%	80.8%	88.8%
Ranking		3	2	1

39. The highest ranked respondent on the non-priced attributes was Tompkins Wake.
40. Some of the key benefits that the TET saw in the Tompkins Wake proposal were that it was a more tailored proposal to alignment with Council's requirements for legal services, a clear understanding of where Council wanted to head with its legal services arrangements and how to meet those requirements and greater accessibility to Council.

41. Preferred Tenderer and Contract Term

- 42. Following non priced attributes evaluation, and as per the quality evaluation method, the pricing tenderbox of the highest ranked respondent, Tompkins Wake, was opened and benchmarking of the pricing supplied by Tompkins Wake was undertaken with the assistance of Lodestone Consulting Limited.
- 43. Negotiation of the pricing submitted, and additional due diligence, was undertaken with Tompkins Wake which has proved satisfactory.
- 44. Benchmarking results showed pricing provided by Tompkins Wake is in line with the rates expected from the marketplace. Under the terms and conditions of this contract hourly rates will be fixed for the initial three year contract term.
- 45. Savings will be made through utilising the Legal Services and Governance Officer to better manage the engaging of legal services providers.
- 46. The authorisation of individual legal instructions resulting from Contract 15433 for a Primary Legal Provider will be managed in accordance with normal delegations and the operating protocols being put in place for engaging legal services providers.
- 47. The Approved Contract Term is set at three years with one right of renewal of two years at Council’s sole discretion.

Signatory

Authoriser	David Bryant, General Manager Corporate
------------	---

Committee: Finance Committee

Date: 20 September 2016

Report Name: Recommended dates for reports to Finance Committee

Author: Jessica Ashworth

Status	<i>Open</i>
---------------	-------------

Recommendation

That the report be received.

1. Attachments

- Attachment 1 - Timing of reports to Finance Committee

3. Purpose

- This report provides detail of the regular reports that will be presented to this committee as well as estimated timing. Any new reports requested can be added to the attached list.

Signatory

Authoriser	David Bryant, General Manager Corporate
------------	---

Reports to Finance Committee	Frequency/Timing 2016							Comments
	February	April	May	July	August	September	Post-Election	
Standard Monitoring Reports								
Minutes & Action Lists	x	x	x	x	x	x	x	Both open and PX
List of standard monitoring reports	x	x	x	x	x	x	x	
Key Projects Status Report	Q2 15/16 (Dec15)	Q3 15/16 (Mar16)	Apr-16	May-16	YE 15/16 (Jun16)		Q1 16/17 (Sep16)	
Quarterly/Six Monthly/Annual Reports								
10-Year Plan Monitoring Report - Quarterly	Q2 15/16 (Dec15)	Q3 15/16 (Mar16)			YE 15/16 (Jun16)		Q1 16/17 (Sep16)	Includes R&O, procurement and other quarterly content
10 Year Plan Monitoring Report - Summary			Apr-16	May-16			Oct-16	Excludes R&O and other quarterly content
Weathertight Buildings Update - financial summary		Q3 15/16 (Mar16)					Q1 16/17 (Sep16)	Audit & Risk consider risk elements
Claudelands Update	Q2 15/16 (Dec15)	Q3 15/16 (Mar16)			YE 15/16 (Jun16)		Q1 16/17 (Sep16)	Includes financial, non-financial and forward bookings
6 Monthly Subcommittee Chairperson's Reports to the Finance Committee			x				Nov-16	
One Victoria Trust Annual Report (Meteor)				x				Annual report
Gallagher Academy of Performing Arts Report			x					Annual report
Waterworld Operations Report			x		x			Quarterly report
Confidential Reports								
Overdue Debtors/Bad Debt Writeoffs	x	x	x	x	x		x	
Development Contributions Remissions	x	x			x		x	Aligned with quarterly reporting
Offline Reports								
Claudelands summary financials								Analysis in Group of Activities reports
Procurement information								To 'probity' portion of HCC website

Post election meetings are likely in October and November

As At 05/09/16 D-41462

Committee: Finance Committee

Date: 20 September 2016

Report Name: End of Triennium - Open
Minutes to be Confirmed and
Adopted

Author: Emily Acraman

Status	<i>Open</i>
---------------	-------------

Recommendations:

- 1) **Finance Committee Open Minutes - 18 August 2016.**
That the Committee confirm and adopt as a true and correct record the Open Minutes of the Finance Committee Meeting held on 18 August 2016.
- 2) **Council Controlled Organisations (CCO) Subcommittee Open Minutes – 9 August 2016.**
That the Committee confirm and adopt as a true and correct record the Open Minutes of the Council Controlled Organisations (CCO) Subcommittee Meeting held on 9 August 2016.
- 3) **Event Sponsorship Subcommittee Open Minutes – 26 August 2016.**
That the Committee confirm and adopt as a true and correct record the Open Minutes of the Events Sponsorship Subcommittee Meeting held on 26 August 2016.

1. Attachments

2. Attachment 1 - Finance Committee - Open Minutes - 18 August 2016
3. Attachment 2 - Council Controlled Organisations (CCO) Subcommittee - Open Minutes - 9 August 2016
4. Attachment 3 - Event Sponsorship Subcommittee - Open Minutes - 26 August 2016

Finance Committee

OPEN MINUTES

Minutes of a Meeting of the Finance Committee held in Council Chamber, Municipal Building, Garden Place, Hamilton on Thursday 18 August 2016 at 1:30pm.

PRESENT

Chairperson	Cr R Pascoe
Deputy Chairperson	Cr G Mallett
Members	Cr G Chesterman
	Cr M Forsyth
	Cr M Gallagher
	Cr A King
	Cr D Macpherson
	Cr A O'Leary
	Cr L Tooman
	Cr E Wilson
	Cr P Yeung

In Attendance	Richard Briggs – Chief Executive
	David Bryant – General Manager Corporate
	Lance Vervoort – General Manager Community
	Sean Murray – Executive Director H3 & Events
	Helen Paki – Group Business Manager, Community
	Andy Mannering – Acting Manager Community Development & Leisure
	Peter Sergel – Hamilton Gardens Manager
	Tracey Musty – Financial Controller
	Nicolas Wells – Strategic Property Manager
	Sally Sheedy – Parks and Open Spaces Manager
	Jamie Sirl – Acting Team Leader Planning & Assets

Committee Advisors	Brendan Stringer and Deborah Smith
--------------------	------------------------------------

1. Apologies

Resolved: (Crs Yeung/Mallett)

That apologies be received and accepted from her Worship the Mayor Hardaker and Cr Green.

2. Confirmation of Agenda

Resolved: (Crs Pascoe/Mallett)

That the Agenda be confirmed noting that:

- a) Item 10 (Proposed Easements over Recreation Reserve) be taken immediately following Item 4 (Public Forum) to accommodate members of the public in attendance; and
- b) several missing pages to the agenda for Item 6 (10-Year Plan Monitoring Report), to be inserted immediately prior to page 57, were provided in hard copy to Elected Members at the commencement of the Meeting.

3. Declarations of Interest

No members of the Council declared a Conflict of Interest.

4. Public Forum

Ben Wheatley – *Spoke in relation to Item 10 (Proposed Easements over Recreation Reserve).*

Mr Wheatley spoke briefly to his papers circulated to Elected Members prior to the Meeting, noting the following in response to questions:

- Access to his property at 34 Morris Road had always been via a small side street off Morris Road, which also formed the access to a field which later became Jansen Park. The side street had been designated as reserve, creating issues of access to Mr Wheatley's property.
- A new easement over the park entranceway had been proposed to allow access to Mr Wheatley's property and the neighbouring property at 34A Morris Road. Mr Wheatley had been advised that he would be responsible for the legal costs of this easement and for resurveying the area.
- He did not believe that re-surveying was necessary, nor that it was fair that he be required to pay for the new easement.

Item 10 was taken at this time as agreed by the Committee.

10. Proposed Easements over Recreation Reserve

The Parks and Open Spaces Manager and Acting Team Leader Planning & Assets took the report as read and noted the following:

- **Jansen Park Easement**

It was agreed by the Committee that all costs relating to the Jansen Park encroachment easement would be paid by Council.

- **Embassy Park Easement**

The granting of an easement at Embassy Park would be for the purposes of infrastructure maintenance by WEL Networks Ltd. Typically such easements would be granted in advance of works but in this instance a retrospective easement was required due to the urgency under which the works were originally undertaken.

Resolved: (Crs Macpherson/Wilson)

Recommendation to Council

That:

- a) the report be received;
- b) Council grant an easement pursuant to section 48(1)(f) of the Reserves Act 1977 in favour of the owner of 34 and 34A Morris Road, for the purposes of vehicle access, over that part of the land classified as Recreation Reserve and legally described as Lot 85 DPS 7196 (part of Jansen Park) subject to:
 - (i) Ministerial consent being obtained from an authorised council officer under delegation from the Minister of Conservation;
 - (ii) Council meeting all costs of the preparation and registration of the easement against appropriate certificates of title, and the reasonable legal costs (including survey) and all other costs agreed to within the easement instrument;
- c) Council grant an easement pursuant to section 48(1)(d) of the Reserves Act 1977 in favour of WEL Networks Ltd, for the right to convey electricity in, through and below that part of the land vested in Council as Recreation Reserve and legally described as Lot 1 DP 9845 ("Embassy Park"), subject to:
 - (i) Ministerial consent being obtained from an authorised council officer under delegation from the Minister of Conservation; and
- d) the Chief Executive be delegated the power to negotiate the terms of the easement with Dennis Wheatley, and WEL Networks Ltd; and to sign all documents and do all things necessary to enable the easement to be granted and registered.

5. Key Projects Monitoring Report - June 2016

The General Manager Corporate introduced the report and noted the following in response to questions:

- **Hamilton Ring Road Upgrade and Extension**
The risks reported were correct as at the end of the financial year. The project scope had since fundamentally changed and analysis of risks was being undertaken accordingly.
- **Waioira 2 Water Treatment Plant Upgrade**
Development work was still underway on this project. An updated assessment and description of risks would be included as part of preparation for the next 10-Year Plan.

It was possible that the higher than forecast growth curve for Hamilton had impacted on project costs and that the actual costs of work could have increased following approval of the original business case. In some instances there had been challenges in meeting consent compliance which had impacted on project costs.

- **District Plan Review**
One District Plan Review appeal remained to be settled; this was pending a consent order from the Courts. Updated information, including budget implications, would be brought to Council once the order had been received.

Resolved: (Crs Pascoe/Mallett)

That the report be received.

6. 10-Year Plan Monitoring Report - For the year ended 30 June 2016

The Financial Controller spoke to the report, noting and responding to questions on the following:

- **Year End results**

Council completed the 2015/16 financial year in a favourable financial position. A summary of the results was provided.

Deferrals of capital work programmes were in part due to third party contractual challenges; where possible other capital projects had been brought forward in order to balance the capital expenditure.

The results were under review by Audit New Zealand and should be considered draft until that process had been finalised. The final audited results would be presented to the Council meeting scheduled for 29 September 2016.

- **Water Supply**

Although commercial users had drawn significantly more water over the year than had been anticipated, the existing resource consent allowed for higher consumption rates again by both domestic and non-domestic users, even allowing for accelerated growth.

Growth forecasts were being rationalised across the sub-region (that included Waipa and Waikato Districts) to provide one set of reference data; this could include water usage although it was unlikely that this information would be ready within this term of Council.

- **Derivative Financial Liabilities**

Derivative financial instrument liabilities of approximately \$48 Million were further to the total debt of \$348 Million.

A drop in interest rates had occurred over the last month; a report with updated figures would be presented to the Council meeting scheduled for 25 August 2016.

- **Development Contributions**

An increased number of building consent fees and development contributions had been received over the year. Some of these funds appeared to be in surplus as the related works had not yet been undertaken.

Contributions might only be charged at cost; fees were under review to ensure that the charges remained fair and reflective of actual costs. Currently a greater amount of consultancy work was required due to challenges recruiting staff in this area.

It was believed that infrastructure investment was proceeding at an appropriate pace. Projects had been brought forward when considered necessary and appropriate to meet demand.

- **Tenancy Inducement Renewals**

Tenancy Inducement Renewals were not currently required as no properties were vacant.

Action: A report would be brought back to the incoming Council comparing the maximum consented water take to actual and projected water consumption for Hamilton City and, separately, the sub-region (i.e. including Waipa and Waikato Districts).

Action: Staff to assess the mechanics and time costs of producing a quarterly assessment of Development Contribution revenue to expected expenditure.

- **City News**

The Chief Executive responded to queries from Elected Members on the publication and distribution of the City News.

The following motion was put to the Committee.

Motion: (Cr King/ Cr Mallett)

That City News is no longer published and distributed effective immediately.

This motion was withdrawn with the agreement of the Committee, contingent on a report being brought to the Council meeting scheduled for Thursday, 25 August 2016.

The report would include historical and or currently held information on the following:

- the process for preparing articles;
- any recent adjustments made to the process for preparing articles;
- distribution and uptake of the publication;
- the costs relating to the publication including printing and distribution;
- the stated objectives of the City News and whether they are being achieved;
- any costs of cancelling the current contract (for publication distribution); and
- any staff impacts incurred by a cancellation of City News.

The report would also attach the LGOIMA response relating to a proposed article on Claudelands in July 2016, circulated to Elected Members by the Chief Executive on 1 August 2016.

As the report to the Council meeting of 25 August would only cover historical and currently held information, it was proposed by elected members that a further comprehensive report on the City News be brought to the 29 September 2016 Council meeting.

Resolved: (Crs Forsyth/O'Leary)

That staff present a report to the Council Meeting on September 29 2016 on the costs, effectiveness and value of City News to Council and the public.

Those for the Motion: Councillors Wilson, Forsyth, Chesterman, Yeung, Tooman and O'Leary

Those against the Motion: Councillors King, Gallagher, Pascoe, Mallett and Macpherson

Resolved: (Crs Chesterman/O'Leary)

That:

- a) the report be received; and
- b) capital expenditure of \$21.4m representing 31 projects is deferred into 2016/17.

The Meeting adjourned from 3:45pm to 4:00pm.

7. Claudelands - Quarter 4 and Year End Report 2015-16

The Executive Director H3 & Events spoke to the staff report, and responded to questions concerning:

- **Financial overview**

The fourth financial quarter had performed more strongly than the second and third quarters with regards to revenue. The new financial year had started well with excellent event attendance numbers to date.

The one millionth customer had been welcomed to Claudelands Event Centre ('Claudelands') earlier than had been forecast; promotional photographs were taken and preferential treatment was provided to the family in question.

- **Sports Events**

It had been expected that sports organisations would form a stronger base to the bookings at Claudelands than had been the case, although an positive relationship had been built with Netball. It was not anticipated that the restructuring of the trans-tasman Netball Conference would have significant negative impacts on events bookings.

Claudelands staff had been working to create a variety of user friendly packages for sports organisations. It was recognised that the size of the venue as well as cost could be barriers to school and community sports groups using Claudelands.

- **Hospitality**

The current hospitality contract was longstanding with an automatic right of renewal at the decision of the vendor. The venue was extremely large with particular demands and, should the contract be reviewed, any new vendor would need to provide adequate evidence that all requirements would be met.

Council received a proportion of the revenue from hospitality. Comparative benchmarking undertaken against other similar venues suggested that the type, quality and pricing of food and drink was appropriate. Business events in particular had received excellent reviews for the hospitality provided.

- **Asset Management and Depreciation**

The Claudelands building had been independently assessed as having greater usable life expectancy than had originally been forecast.

No major maintenance costs were expected in the near future; smaller maintenance was undertaken in alignment with the asset management plan.

Revenue growth had been budgeted for in the year to June 2017; the final result was forecast to be a \$7.1m gross loss, noting that some depreciation was still to be factored into this figure.

Resolved: (Crs Pascoe/Chesterman)

That the report be received.

8. External Funding Subcommittee Triennial Report

The General Manager Community and Acting Manager Community Development & Leisure spoke to the staff report, and responded to questions concerning:

- **Revenue**

\$9.4m had been raised in total from grants and funding sources applied for through the External Funding Subcommittee.

- **Prioritisation of Projects**

The Subcommittee prioritised projects for funding applications in accordance with the Hamilton Plan. Generally larger funding bodies were approached first due to the size of the projects in question.

Where external parties approached Council with a view to fundraising on behalf of a project any resulting funds were captured in the revenue report. However, the fundraising itself was not included in any prioritisation processes of the Subcommittee.

- **Vibrant Hamilton Trust**

The Vibrant Hamilton Trust was required to fund projects aligned with Council strategies. While non-Council projects had received funding from the Trust previously, recent funding had been allocated to Council led projects.

Action: A table would be circulated by email to Elected Members itemising funding that had been applied for, the fund applied to (i.e. the name and type of fund), the amount requested and any amount received.

Resolved: (Crs Forsyth/Tooman)

That the report be received.

9. Hamilton Gardens Development Project Progress Report

The Group Business Manager, Community and Hamilton Gardens Manager spoke to the staff report, and responded to questions concerning:

- **Visitor Statistics**

Visitation and social media statistics were very positive. Visitor numbers to the themed gardens were tracked at the garden entrance; general recreational use of the wider space was estimated on vehicle numbers.

- **Funding**

A further \$670,000 had been raised in external funding since the previous report of April 2016.

All tenders for the destination playground had come in with higher costs than had been budgeted for. The unique nature of the playground had meant it was difficult for quantity surveyors to entirely accurately quantify costs prior to final design; there had also been some changes in the market since the original business case approval.

A re-design had been considered but the particular elements of the playground were considered critical to its appeal, although some flexibility had been identified in the production of some items.

Approval was sought to apply for a further \$206,000 from external funding sources.

Applications had been made for capital sponsorship from the larger Trusts; donations had already been received from gaming trusts and it was anticipated that further funding may be sought from this sector.

The targeted rate for the Development was due to end in 2018.

Resolved: (Crs Chesterman/Wilson)

That:

- a) the report be received; and
- b) an additional \$206,306 be raised through external sources for the completion of the Hamilton Gardens destination playground and that the total budget for the Hamilton Gardens Development Project be increased to \$7,239,306.

Cr Macpherson Dissenting

11. Municipal Endowment Lease - Freeholding - 92 Clyde Street

The Strategic Property Manager to the staff report, and responded to questions, noting that:

- The annual income from the Municipal Endowment lease was \$12,600; and
- The lease was perpetual with a review cycle of 21 years; the next review was due in 2032.

Resolved: (Crs Pascoe/Mallett)

That:

- a) the report be received;
- b) Council sells the freehold interest in the land described in the Schedule to the lessee for a price of \$220,000 (Two hundred and Twenty Thousand Dollars) including GST (if any) plus all Council's costs associated with the sale; and

SCHEDULE

ALL THAT LAND described as an Estate in Fee Simple comprising Lot 6 Deposited Plan 35296 contained in Computer Freehold Register Identifier SA9D/1066 of 559 square meters more or less and physically located at 92 Clyde Street, Hamilton.

- c) Council authorises the Chief Executive Officer to (1) prepare and execute an Agreement for Sale and Purchase and (2) any other instruments required to give effect to this resolution.

12. Recommended dates for reports to Finance Committee

Resolved: (Crs Mallett/Tooman)

That the report be received.

13. Finance Committee - Open Minutes - 14 July 2016

Action: Item 10 of the 14 July 2016 Minutes would be updated to:

- note that the One Victoria Trust Board representative confirmed in response to questions that art was being sold at 20% commission; and
- record that works were to start in January 2017, not 2016.

Resolved: (Crs Pascoe/Wilson)

That the Committee confirm and adopt as a true and correct record the Open Minutes of the Finance Committee Meeting held on 14 July 2016, subject to the noted changes above.

14. Finance Committee Action List - Open - 18 August 2016

Resolved: (Crs Chesterman/Yeung)
That the Report be received.

15. Resolution to Exclude the Public

Section 48, Local Government Official Information and Meetings Act 1987

Resolved: (Crs Pascoe/Chesterman)

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Report on overdue debtors as at 30 June 2016 & Bad Debts Writeoffs 2015/16	) Good reason to withhold information exists under Section 7 Local Government	Section 48(1)(a)
C2. Development Contributions Report	) Official Information and Meetings Act 1987	
C3. Hamilton Gardens Development Project - Procurement of Tronite Tendrils for the Surrealist Garden)	
C4. Variation to Contract 15318 - Acting Chief Information Officer		
C5. Finance Committee - Public Excluded Minutes - 14 July 2016		
C6. Finance Committee Action List - Public Excluded - 18 August 2016		

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to protect the privacy of natural persons	Section 7 (2) (a)
Item C2.	to maintain legal professional privilege	Section 7 (2) (g)
Item C3.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h)
Item C4.	to protect the privacy of natural persons	Section 7 (2) (a)
Item C5.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C6.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)

Cr Wilson retired from the Meeting at the conclusion of the above Item (5.36pm). He was present when the matter was voted on.

The Meeting went into a Public excluded session at 5.37pm.

The Meeting was declared closed at 6.30pm.

Council Controlled Organisations Subcommittee

OPEN MINUTES

Minutes of a Meeting of the Council Controlled Organisations Subcommittee held in Committee Room 1, Municipal Building, Garden Place, Hamilton on Tuesday 9 August 2016 at 1.00pm.

PRESENT

Chairperson	Cr G Mallett
Members	Her Worship the Mayor J Hardaker Cr A King Cr R Pascoe Cr P Yeung

In Attendance:	Blair Bowcott – Executive Director Special Projects Renee Doughty – Treasury/Financial Accountant
----------------	--

Committee Advisor:	Emily Acraman and Mary Birch
--------------------	------------------------------

1. Apologies

There were no apologies.

2. Confirmation of Agenda

Resolved: (Crs Mallett/Pascoe)

That the Agenda be confirmed.

3. Declarations of Interest

No members of the Subcommittee declared a Conflict of Interest.

4. Waikato Innovation Park Ltd – Directors’ Remuneration to be considered at AGM
(Recommendation to Council)

This Report was presented by the Executive Director Special Projects which included an Independent Peer Review by the Everest Group, who provided an assessment of Directors’ Remuneration with recommendations to consider a rate increase to be approved at the 22 September 2016 Waikato Innovation Park Ltd AGM.

Staff responded to questions from Subcommittee members concerning:

a) Information Provided in the Everest Group Report

Council had not conducted an independent assessment of the information provided by the Everest Group. However, remuneration comparisons were made against the Airport and Wel Energy. Research on central government remuneration was also conducted which found the Report was a good mark of Directors’ fees.

b) Remuneration Increase

The proposed rate increase will be given in two parts; one of which will be an increase in the Directors’ base fee, the second will be an additional duties fee which will be based on what responsibilities the Directors hold.

Resolved: (Crs Mallett/Pascoe)

That:

- a) the Report be received, and
- b) the directors’ fee increase of \$22,500 (from \$137,500 to \$160,00 in total, outlined in Attachment 2) be approved at the Waikato Innovation Park Ltd AGM on 22 September 2016 effective from 1 October 2016.

5. Council Controlled Organisations (CCO) Subcommittee Open Minutes 6 July 2016

Resolved: (Crs Mallett/Yeung)

That the Subcommittee confirm and adopt as a true and correct record the Open Minutes of the CCO Subcommittee Meeting held on 6 July 2016.

6. CCO Subcommittee - Open Action List - 9 August 2016

Resolved: (Crs Mallett/King)

That the Report be received.

7. Resolution to Exclude the Public

Resolved: (Crs Mallett/Yeung)

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Council Organisations Subcommittee Excluded Minutes 6 July 2016	Controlled (CCO) Public))))	Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987
C2. Council Organisations Subcommittee Excluded Action List - 9 August 2016	Controlled (CCO) - Public	

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

- | | | |
|----------|--|-------------------|
| Item C1. | to prevent the disclosure or use of official information for improper gain or improper advantage | Section 7 (2) (j) |
| Item C2. | to prevent the disclosure or use of official information for improper gain or improper advantage | Section 7 (2) (j) |

The Meeting went into a Public Excluded session at 1:30pm

The Meeting was declared closed at 1:41pm

Event Sponsorship Subcommittee

OPEN MINUTES

Minutes of a Meeting of the Event Sponsorship Subcommittee held in Committee Room 1, Municipal Building, Garden Place, Hamilton on Friday 26 August 2016 at 1.30am.

PRESENT

Chairperson Deputy Mayor Gordon Chesterman
Members Cr K Green
Cr E Wilson
Cr P Yeung

In Attendance: Sean Murray - Executive Director H3 and Events
Jennie Lavis – Executive Assistant
Tracey Wood – City Events Manager

Committee Advisor: Becca Brooke

Deputy Mayor Gordon Chesterman noted that a resolution to change the Event Sponsorship Subcommittee quorum to read '3 members' had been passed at the 25 August 2016 Council Meeting.

1. Apologies

Resolved: (Crs Chesterman/Yeung)

That the apologies from Sandra Peek be received and accepted.

2. Confirmation of Agenda

Resolved: (Crs Chesterman/Yeung)

That the Agenda be confirmed.

3. Declarations of Interest

No members of the Subcommittee declared a Conflict of Interest.

4. Events Sponsorship Subcommittee - Open Minutes - 30 March 2016

Resolved: (Crs Yeung/Wilson)

That the Subcommittee confirm and adopt as a true and correct record the Open Minutes of the Events Sponsorship Subcommittee Meeting held on 30 March 2016.

5. Resolution to Exclude the Public

Resolved: (Crs Chesterman/Green)

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Executive Director's Report	) Good reason to withhold	Section 48(1)(a)
C2. Post Event Reports	) information exists under	
C3. Event Sponsorship Fund Applications - 2016/17	) Section 7 Local Government Official Information and Meetings Act 1987	
C6. Event Sponsorship Fund Applications - 2016/17)	
C4. Events Sponsorship Subcommittee - Public Excluded Minutes - 30 March 2016		
C5. Events Sponsorship Subcommittee - Public Excluded Action List - 21 July 2016		

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C2.	to enable Council to carry out negotiations	Section 7 (2) (i)

Item C3.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C6.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C4.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C5.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)

The Meeting moved into a Public Excluded session at 9.05am.

The Meeting was declared closed at 12.25pm.

Committee: Finance Committee**Date:** 20 September 2016**Report Name:** Finance Committee - Open
Action List - 20 September
2016**Author:** Becca Brooke

Status	<i>Open</i>
---------------	-------------

Recommendation

That the report be received.

1. Attachments

- Attachment 1 - Finance Committee - Open Action List - 20 September 2016

FINANCE

Action List - 2015/16

OPEN

Ref.	Meeting Date/Item #	GM Responsible	Action	DUE DATE for reporting back	Status (relative to due by date)	Notes
99	Finance Committee Meeting 19 May 2016	GM Strategy & Communications	Fees and Charges Report Chief Executive to investigate and review the accessibility and ease of use of the fees and charges information on the Hamilton City Council Website.	14-Jul-16	Completed	Fees and charges have been reviewed as part of a website audit which is now completed. All fees and charges have been updated on the website and the links checked.
104	Finance Committee Meeting 18 August 2016	GM Corporate	10-Year Plan Monitoring Report Report to come to the incoming council comparing the maximum consented water take to actual and projected water consumption for Hamilton City and separately, the sub-region.	Feb-17	Not started	
105	Finance Committee Meeting 18 August 2016	GM Corporate	Development Contributions Staff to assess the mechanics and time costs of producing a quarterly assessment of Development Contribution revenue to expected expenditure.	20-Sep-16	In progress	Functionality to produce quarterly assessment does not currently exist. The Development Contribution module is being revamped and this functionality will be included in the scope.
106	Finance Committee Meeting 18 August 2016	GM Strategy & Communications	A report on the City News publication to be brought to the 25 August Council Meeting. Report is to include the process for preparing articles, any recent adjustments made to the process for preparing articles, distribution and uptake of the publication, the costs relating to the publication including printing and distribution, the stated objectives of the City News and whether they are being achieved, any costs of cancelling the current contract (for publication distribution), and any staff impacts will be incurred by a cancellation of City News. Report to include LGOIMA response relating to a proposed article on Claudelands in July 2016.	25-Aug-16	Completed	Report went to the 25 August Council Meeting.
107	Finance Committee Meeting 18 August 2016	GM Community	External Funding Subcommittee Report Table to be circulated via email to Elected Members itemising funding that had been applied for, the fund applied to and the amount requested and any amount received.	20-Sep-16	Completed	Information emailed to Elected Members on 23 August 2016
108	Finance Committee Meeting 18 August 2016	GM Corporate	Finance Committee Minutes - 14 July 2016 Amendments to Item 10 of the 14 July 2016 Finance Committee Minutes to be made as below: Date correction to January 2017 concerning earthquake works starting, and note that One Victoria Trust Board representative confirmed that art was being sold at 20% commission.	20-Sep-16	Completed	Amendments have been made to the 14 July 2016 Finance Committee Minutes.

Item 16

Attachment 1

Resolution to Exclude the Public

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Waikato Innovation Park Ltd - Update	) Good reason to withhold information exists under	Section 48(1)(a)
C2. End of Triennium - Public Excluded Minutes to be Confirmed and Adopted	) Section 7 Local Government Official Information and Meetings Act 1987	
C3. Finance Committee - Public Excluded Action List - 20 September 2016)	

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item C1.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C2.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C3.	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)