

## Notice of Meeting:

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

**Date:** Tuesday 28 February 2017  
**Time:** 9.30am  
**Meeting Room:** Council Chamber  
**Venue:** Municipal Building, Garden Place, Hamilton

Richard Briggs  
Chief Executive

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## Finance Committee OPEN AGENDA

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### Membership

Chairperson	Cr G Mallett
Deputy Chairperson	Cr R Pascoe
Members	Mayor A King Deputy Mayor M Gallagher Cr M Bunting Cr J R Casson Cr S Henry Cr D Macpherson Cr A O'Leary Cr P Southgate Cr G Taylor Cr L Tooman Cr P Yeung

**Quorum:** A majority of members (including vacancies)

**Meeting Frequency:** Six weekly

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Ian Loiterton  
Committee Advisor

**21 February 2017**

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## **Purpose:**

The Finance Committee is responsible for:

1. Monitoring Council's financial strategy, and financial performance against the Long Term Plan and Annual Plan.
2. Determining financial matters within its delegations and Terms of Reference and making recommendations to Council on financial matters outside its authority.
3. Guiding and monitoring Council's interests in its Council Controlled Organisations (CCOs), Council Organisations (COs) and subsidiaries.

***In addition to the common delegations the Finance Committee is delegated the following Terms of Reference and powers:***

## **Terms of Reference:**

1. To monitor Council's financial strategy, and performance against that strategy.
2. To approve deferred capital expenditure.
3. To develop and monitor policy related to the following matters:
  - a) financial management;
  - b) revenue generation;
  - c) procurement and tendering; and
  - d) the appointment and remuneration of directors of CCOs and COs.
4. To monitor the probity of processes relating to policies developed by the Finance Committee.
5. To provide clear direction to Council's CCOs and COs on Council's expectations, including feedback on draft statements of intent.
6. To receive six-monthly reports of Council's CCOs and COs, including on board performance.
7. To undertake any reviews of CCOs and agree CCO-proposed changes to their governance arrangements, except where reserved for Council's approval by Council.
8. To monitor Council's investments in the Municipal Endowment Fund and the Domain Endowment Fund.

## **The Committee is delegated the following powers to act:**

- Approval of:
  - Appointments to, and removals from, CCO and CO boards; and
  - A mandate on Council's position in respect of remuneration proposals for CCO and CO board members to be presented at Annual General Meetings.
- Approval of letters of expectation for each CCO and CO.

- Approval of statements of intent for each CCO and CO.
- Approval of proposed major transactions of CCOs and COs.
- Approval or otherwise of any proposal to establish, wind-up or dispose of any holding in, a CCO or CO.
- Approval of Private Development Agreements recommended by the Growth and Infrastructure Committee.
- Approval of acquisition or sale or lease of properties owned by the Council, or owned by the Municipal Endowment Fund or the Domain Endowment Fund consistent with the Municipal Endowment Fund Investment Policy, for any endowment properties.
- Approval to write-off outstanding accounts greater than \$10,000 (in accordance with the Debtor Management Policy).

### **The Committee is delegated the following recommendatory powers:**

- The Committee may make recommendations to Council.
- The Committee may make recommendations to other Committees.

### **Oversight of Policies:**

- *Appointment and Remuneration of Board Members of COs, CCOs and CCTOs Policy*
- *Freeholding of Council Endowment Land Policy*
- *Funding Needs Analysis Policy*
- *Investment and Liability Management Policy*
- *Municipal Endowment Fund Investment Policy*
- *Rates Remissions and Postponements Policy*
- *Rating Policy*
- *Revenue and Financing Policy*

<b>ITEM</b>	<b>TABLE OF CONTENTS</b>	<b>PAGE</b>
1	<b>Apologies</b>	5
2	<b>Confirmation of Agenda</b>	5
3	<b>Declarations of Interest</b>	5
4	<b>Public Forum</b>	5
5	<b>10-Year Plan Monitoring Report - For the seven months ended 31 January 2017</b>	6
6	<b>Key Projects Monitoring Report - January 2017</b>	61
7	<b>Overview and Update on Council Assets</b>	67
8	<b>Waikato Local Authority Shared Services - Appointment of Director (Recommendation to Council)</b>	127
9	<b>H3 Update - Quarter 2 Report to 31 December 2016</b>	129
10	<b>Local Authority Shared Services - Annual Report 2016 (Attachments Under Separate Cover)</b>	142
11	<b>Innovation Waikato Ltd and Group - Annual Report 2016 (Attachments Under Separate Cover)</b>	144
12	<b>Vibrant Hamilton Trust - Annual Report 2016 (Attachments Under Separate Cover)</b>	147
13	<b>NZ Local Government Funding Agency - Annual Report 2016 (Attachments Under Separate Cover)</b>	150
14	<b>Waikato Regional Airport Ltd - Annual Report 2016 (Attachments Under Separate Cover)</b>	152
15	<b>Civic Assurance - Half Year Report to 30 June 2016 (Attachments Under Separate Cover)</b>	154
16	<b>Resolution to Exclude the Public</b>	156

**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 6983.

**Committee:** Finance Committee

**Date:** 28 February 2017

**Report Name:** 10-Year Plan Monitoring  
 Report - For the seven months  
 ended 31 January 2017

**Author:** Tracey Musty

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>2015-25 10 Year Plan 2016-17 Annual Plan</i>
<b>Financial status</b>	<i>Not Applicable</i>
<b>Assessment of significance</b>	<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 inform the Committee on the financial performance for Council against the 2016-17 Annual Plan for the seven months ended 31 January 2017.

## 3. Executive Summary

- Council has an operating surplus of \$38.2m for the seven months ended 31 January 2017. This result is \$31.6m favourable to the year to date budget.
- The significant items that cause the result are: unrealised gains from interest rate swaps at \$21.0m, vested asset revenue at \$4.2m and additional capital revenue at \$4.5m. Swaps and vested assets are excluded from the balancing the books measure.
- The balancing the books result is a surplus of \$8.5m. This is \$6.9m favourable to the year to date budget.
- Balancing the books measure is a subset of the operating result; it eliminates items that in Council's view would distort the true operational surplus/deficit.
- The \$6.9 favourable variance is due to: higher user pays revenue of \$0.9m, higher capital contributions of \$4.5m and lower expenditures on consultants \$1.6m and electricity \$0.4m.
- Capital expenditure totalled \$39.4m for the seven months ended 31 January 2017. This result is slightly behind the year to date budget of \$42.0m.
- Seventeen (17) capital expenditure projects have been identified (details listed in the table on page 5) as being potentially deferred. These have an indicative value of \$15.9m. Deferrals relate to approved projects that will not be completed this financial year. These projects are still required and need their budget to be carried forward into a future financial year.
- Overall debt for the seven months ended 31 January 2017 is \$363.3m against an annual budget of \$404.1m. The debt to revenue ratio is 173% against an annual target of 198%.

- 12. Council is compliant across all treasury policy measures.

**Recommendations from Management**

That the Finance Committee receives the report.

**13. Attachments**

- 14. Attachment 1 - Financial Statements
- 15. Attachment 2 - Activity Summary Report
- 16. Attachment 3 - Capital Expenditure Report
- 17. Attachment 4 - Treasury Report
- 18. Attachment 5 - Service Performance Measures

**19. Discussion**

- 20. The structure of this report includes the following sections:
  - a) Summary of the operating result
  - b) Summary of capital expenditure
  - c) Summary of risks and opportunities
  - d) Summary of debt and treasury management
  - e) Summary of service performance measures
- 21. Attachments to this report provide more detailed analysis and explanation of the results.

**22. Operating Result**

- 23. The operating result relates to the surplus or deficit position for Council from its normal day to day operating activities. The overall result is referred to as at the Accounting result. This is compliant with accounting standards. A subset of the accounting result is the balancing the books result.
- 24. This section summaries both the accounting result and the balancing the books result.
- 25. **The Accounting Result**
- 26. The accounting result for the seven months ended 31 January 2017 is a surplus of \$38.2m. This is \$31.6m favourable as the budget was expecting a surplus of \$6.6m.

Actual year to date	Budget year to date	Variance year to date
<b>\$38.2m</b>	<b>\$6.6m</b>	<b>\$31.6m</b>

27. **Balancing the Books**

28. The balancing the books result for the seven months ended 31 January 2017 is a surplus of \$8.5m, this is \$6.9m favourable as the budget was a surplus of \$1.6m.

Actual year to date	Budget year to date	Variance year to date
<b>\$8.5m</b>	<b>\$1.6m</b>	<b>\$6.9m</b>

29. The balancing the books result is more conservative than the accounting result as it excludes non-cash items such as gains or losses from the valuation of financial instruments, vested assets and capital subsidies on the Ring Road project. It does include development contributions.

30. The *Financial Statements* (attachment 1) show the accounting result, balancing the books reconciliation and balance sheet. Variances are explained in this attachment.

31. *Group of Activities Financial Reports* (attachment 2) – contains an individual operating statement for each of the 13 activities Council externally reports. These include comments that explain variances between year to date actual results and year to date budgets where they exceed \$100k.

32. A high level view of the major contributors to the overall variance of \$31.6m are:

**Revenue variances:**

- Higher revenue from building consents and planning guidance
- Higher 3<sup>rd</sup> party capital contributions.
- Higher NZTA capital subsidy. Western Rail trail is a major contributor.
- Higher rates penalties received and lower hardship remissions issued.
- Higher revenue through vested assets

**Expenditure variances:**

- Lower finance costs due to lower debt and interest rates.
- Lower expenditure on consultants due to timing.
- Lower expenditure on maintenance (buildings and both treatment plants).
- Lower expenditure on electricity and gas.
- Higher depreciation due to asset revaluations. The current forecast predicts depreciation to exceed budget by \$3.5m.

**Losses and Gains variances:**

- Gain on interest rate swaps due to higher market interest rates.

33. More detailed explanations can be found in the notes in attachment 1 and attachment 2.

### 34. Summary of Capital Expenditure

#### 35. The Capital Expenditure Result

36. Total spent on capital expenditure for the seven months ended 31 January 2017 is \$39.4m. The budget had expected \$42.0m.

Actual year to date	Budget year to date	Variance year to date
<b>\$39.4m</b>	<b>\$42.0m</b>	<b>\$2.6m</b>

37. The *Capital Expenditure Report* (attachment 3) provides a full list of all projects and year to date variances to budget.

#### 38. The Capital expenditure Programme

39. The capital expenditure programme for 2016/17 comprises the approved Annual Plan programme of \$90.7m plus a deferred project from 2014/15 of \$3.0m along with deferred projects from 2015-16 of \$6.9m. This gives a total programme of \$100.6m.

#### 40. 2015-16 Deferrals

41. The \$21.3m of deferrals that were approved by Council from the 2015-16 financial year have been forecast into the year that the expenditure is expected to occur.

<b>Capital Expenditure Deferrals from 2015-16</b>		<b>\$000</b>
2016-17		6,902
2017-18		13,461
2018-19		1,022
<b>Total Capital Expenditure Deferrals</b>		<b>21,385</b>

#### 42. 2016-17 Deferrals

43. Management have identified seventeen (17) projects that potentially will not be completed this year. These projects will require the budget to be carried forward into a future year.
44. As we move through the year this list may increase in quantity and amount as we will gain more certainly over the delivery of the capital expenditure programme.
45. A full deferred project as at 31 January 2017 is contained in the following table, along with the amount and the month originally identified.

<b>Indicative Capital Expenditure Deferrals from 2016-17</b>		<b>\$000</b>	<b>\$000</b>
<b>Project</b>	<b>Month</b>	<b>Total Budget</b>	<b>Indicative Deferral</b>
CE10008 - Museum asset renewal	Jan	147	50
CE10012 - Founders Theatre plant and equipment renewals	Jan	353	353
CE10014 - Founders Theatre building renewals	Jan	152	152
CE15033 - Land purchase future reserves	Jan	822	428
CE16001 - Victoria on the River	Jan	4,900	2,200
CE10001 - Aquatic facilities building renewals	Oct	2,340	2,200
CE10003 - Waterworld operational asset renewals	Oct	3,096	2,900
CE15060 - Rotokauri stormwater infrastructure stage 1	Dec	1,834	1,300
CE15088 - Roothing upgrades and development in Peacocke stage 1	Jan	653	453
CE15089 - Roothing upgrades and development in Peacocke stage 2	Jan	500	200
CE15090 - Roothing upgrades and development in Rotokauri stage 1	Oct	1,284	600
CE15092 - Roothing upgrades and development in Rototuna	Jan	3,661	1,000
CE15107 - Increase capacity of network in Rotokauri stage 1	Jan	441	265
CE15111 - Increase capacity of network throughout the city	Oct	4,372	3,000
CE15128 - Upgrade/build new watermains in Rotokauri stage 1	Jan	391	114
CE15140 - Rototuna reservoir and associated bulk mains	Oct	16,574	150
CE15158 - Water model	July	1,014	554
<b>Total Indicative Expenditure Deferrals</b>		<b>42,535</b>	<b>15,919</b>

**46. Pipeline Projects**

47. Pipeline projects relate to approved projects that have been brought forward from a future financial year.
48. Management have identified one project as at 31 January 2017. This is listed in the following table.

<b>Indicative Capital Expenditure Pipelines to 2016-17</b>		<b>\$000</b>	<b>\$000</b>		
<b>Project</b>	<b>Month</b>	<b>Total Budget F19</b>	<b>Total Budget F20</b>	<b>Indicative Pipeline to F16/17</b>	<b>Indicative Pipeline to F17/18</b>
CE10048 - Stadia building renewals	Jan	200	200	200	200
<b>Total Indicative Expenditure Pipelines</b>		<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>

**49. Risks and Opportunities for 2016-17**

**50. Risks and Opportunities**

51. The Risks and Opportunity schedule is used to report to the elected members any significant changes from the approved budget. The changes are notes only as the approved budget is not amended to reflect them.
52. While the approved budget is not amended to reflect these changes the schedule serves to track these changes and ensure they have the appropriate visibility.
53. As at 31 January 2017 five items have been approved by Council:
- \$5m capital expenditure for the WINTEC land purchase. This is not additional expenditure but has been brought forward from the 2023/24 financial year.
  - \$302k has been allowed for additional staff at Hamilton Zoo. Note this is a partial year, the annual amount is \$515k.

- Funding of \$1.515m was approved to implement the Growth Model and DC Funding Model. The budget came from a reallocation of the Authority Replacement project (CE15157).
- \$150k in operating expenditure has been approved to prepare an “Authority Replacement Feasibility Study”.
- The Western Rail trail project will require additional Council funding of \$1.3m.

54. In addition to the approved items above, the following are other items that Council should have awareness of:

- It is now expected that depreciation will exceed budget by \$3.5m. This is primarily driven from the upward movement in asset values after undertaking asset revaluations.
- The Rototuna Reservoir project has potential to deliver savings this year of \$3.5m

## 55. Debt and Treasury Management

### 56. Treasury Management

57. *The Treasury Report* (attachment 4) contains further detail around the treasury compliance measures of which Council is compliant with against all measures. There is also a debt summary table along with graphical analysis on debt and cash investments and interest rate movements as they relate to the SWAP liability.

### 58. Total Overall Debt

59. Total Overall Debt for the seven months ended 31 January 2017 is \$363.3m, which is \$40.8m less than the year end budget target of \$404.1m.

Actual year to date	Annual Budget	Amount Remaining	Debt to Revenue
<b>\$363.3m</b>	<b>\$404.1m</b>	<b>\$40.8m</b>	<b>173%</b>

### 60. Interest Rate SWAPS

61. The gains on interest rate SWAPs continue to have a material impact on Councils operating result, as at 31 January the gain was \$21.0m. These gains are a calculated value at a “point in time”. These are based on Councils total external debt and the difference between actual interest rates and the rates that Council has locked in. They can be referred to as unrealised, because as long as the debt is allowed to reach its maturity then any gain (or loss) will never be realised.

**62. Summary of Service Performance Measures**

- 63. The 2015-25 10-Year Plan contains 65 performance measures across Council’s 13 activities. These are collected on a quarterly basis and are reported in 2016/17 Annual Report.
- 64. This Service Performance Measures Report (attachment 5) includes a high level graph of the results and an exceptions report that provides more detail for the measures that are reported as being off track and need corrective action to meet this year’s target or have no data available yet.

**Signatory**

Authoriser	David Bryant, General Manager Corporate
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## STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR THE SEVEN MONTHS ENDED 31 JANUARY 2017

	Note	Actual YTD	Budget YTD	Variance favourable/ (unfavourable)	Annual Budget	Actual Jan 2016
		\$000	\$000	\$000	\$000	\$000
<b>Revenue</b>						
Rates	1	88,984	88,834	150	153,747	85,652
Revenue from activities	2	24,657	23,723	934	40,022	25,536
Subsidies and grants	3	3,087	3,246	(159)	5,479	2,839
Development and financial contributions	4	5,932	6,432	(500)	11,027	11,542
Interest revenue	5	1,185	1,167	18	2,000	1,211
Other revenue	6	9,934	5,745	4,189	9,744	19,010
Capital revenue	7	8,575	4,072	4,503	6,389	4,300
<b>Total revenue</b>		<b>142,354</b>	<b>133,219</b>	<b>9,135</b>	<b>228,408</b>	<b>150,090</b>
<b>Expenses</b>						
Personnel costs	8	39,997	39,989	(8)	68,390	36,281
Depreciation and amortisation	9	36,000	34,655	(1,345)	59,412	32,974
Finance costs	10	11,440	12,983	1,543	22,257	12,574
Other expenses	11	36,967	39,018	2,051	67,259	35,677
<b>Total expenses</b>		<b>124,404</b>	<b>126,645</b>	<b>2,241</b>	<b>217,318</b>	<b>117,506</b>
<b>Operating surplus/(deficit)</b>		<b>17,950</b>	<b>6,574</b>	<b>11,376</b>	<b>11,090</b>	<b>32,584</b>
Gains	12	21,063	-	21,063	-	27
Losses	12	(842)	-	(842)	-	(8,192)
<b>Surplus/(deficit)</b>		<b>38,171</b>	<b>6,574</b>	<b>31,597</b>	<b>11,090</b>	<b>24,419</b>

## BALANCING THE BOOKS MEASURE FOR THE SEVEN MONTHS ENDED 31 JANUARY 2017

	Note	Actual YTD	Budget YTD	Variance favourable/ (unfavourable)	Annual Budget	Actual Jan 2016
		\$000	\$000	\$000	\$000	\$000
<b>Surplus/(deficit) before tax</b>		<b>38,171</b>	<b>6,574</b>	<b>31,597</b>	<b>11,090</b>	<b>24,419</b>
<b>Adjustments for balancing the books measure</b>						
Gains		21,063	-	21,063	-	27
Losses		(842)	-	(842)	-	(8,192)
Vested assets (included in Other revenue)		9,191	4,976	4,215	8,531	18,299
Ring Road subsidy (included in Capital revenue)		234	-	234	-	68
<b>Total adjustments</b>		<b>29,646</b>	<b>4,976</b>	<b>24,670</b>	<b>8,531</b>	<b>10,202</b>
<b>Balancing the books surplus/(deficit)</b>		<b>8,525</b>	<b>1,598</b>	<b>6,927</b>	<b>2,559</b>	<b>14,217</b>

Attachment 1

## Operating Variance Analysis

For the seven months ended 31 January 2017

Notes		YTD Jan-17
	<b>Revenue variances:</b>	
1	Rates	\$0.43m
	Revenue from rates will meet budget. The current favourable position is due to higher revenue from penalties on overdue rates and the cost of remissions are lower than was forecast. It is expected that this favourable position will carry through until year end.	
1	Water by Meter	(\$0.28m)
	This is due to lower than anticipated water demand.	
2	Revenue from Activities	\$0.93m
	Building control revenues are ahead of budget but are offset by reduced revenue at H3.	
3	Subsides and Grants	(\$0.16m)
	Subsidies from NZTA are unfavourable YTD but this is a result of underspend on the associated operating expenditure. This is partially offset by higher revenue from the waste minimisation levy.	
4	Development contributions	(\$0.50m)
	Currently below budget but indicators and trend data suggest a strong third and fourth quarter. The timing of this source of revenue is unpredictable.	
5	Vested assets	\$4.22m
	Currently above budget due to strong development within the City.	
6	Other (excluding vested)	(\$0.01m)
	Minor Variance	
7	Capital Revenue	\$4.50m
	Currently above budget largely due to NZTA Subsidy received for the Western Rail Trail. This project is not part of the approved programme and will be reported through Risks and Opportunities.	
	<b>Total Revenue variance</b>	<b>\$9.14m</b>

## Operating Variance Analysis

For the seven months ended 31 January 2017

Notes			YTD Jan-17
	<b>Expenditure variances:</b>		
8	Personnel Costs	Personnel cost budgets are tracking to budget.	(\$0.01m)
9	Depreciation	Depreciation will exceed budget. This is due to rising asset values from revaluations. Current forecast expects depreciation to exceed budget by \$3.5m.	(\$1.34m)
10	Finance Costs	Interest costs are favourable due to the debt being lower than was forecast coupled with lower interest rates.	\$1.54m
11	Other Expenses	Across all activities expenditure is largely favourable. Key areas are professional fees, planned maintenance and electricity. Detailed explanations of variances are explained in the <i>Group of Activities Financial Report</i> (attachment 2).	\$2.05m
<b>Total Expenditure variance</b>			<b>\$2.24m</b>
	<b>Gains and Losses Variances</b>		
12	Gain on SWAPS	This is due to an increase in market interest rates in comparison to when Council's fixed interest rate contracts were entered into. Refer graph on attachment 5.	\$20.96m
12	Loss on asset sales	As assets are replaced or renewed any financial value still being held is written down at the time the replacement occurs.	(\$0.74m)
<b>Total Expenditure variance</b>			<b>\$20.22m</b>
<b>Total variance</b>			<b>\$31.60m</b>

## STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2017

	Note	Actual \$000	Annual Budget \$000	Actual Jan 2016 \$000
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	1	12,938	45,000	4,874
Receivables	2	45,356	17,614	43,949
Prepayments		2,509	1,663	2,090
Inventory		142	244	109
Other financial assets	1	-	107	50,010
Derivative financial instruments	6	87	-	-
<b>Total current assets</b>		<b>61,032</b>	<b>64,628</b>	<b>101,032</b>
<b>Non-current assets</b>				
Property, plant and equipment	3	3,575,738	3,470,927	3,247,752
Intangible assets		18,629	20,520	18,280
Investment property		19,420	22,478	24,139
Investment in associates		7,430	7,430	7,430
Other financial assets	1	25,191	25,907	8,569
Investment in subsidiaries		8,422	10,150	10,150
Derivative financial instruments	6	558	-	-
<b>Total non-current assets</b>		<b>3,655,388</b>	<b>3,557,412</b>	<b>3,316,320</b>
<b>Total assets</b>		<b>3,716,420</b>	<b>3,622,040</b>	<b>3,417,352</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Employee entitlements		6,180	5,053	5,517
Payables and deferred revenue	4	44,560	15,017	46,939
Provisions		1,781	1,074	1,462
Borrowings	5	98,429	73,036	93,251
Derivative financial instruments	6	1,075	-	-
<b>Total current liabilities</b>		<b>152,025</b>	<b>94,180</b>	<b>147,169</b>
<b>Non-current liabilities</b>				
Employee entitlements		1,068	886	881
Provisions		12,559	8,072	8,478
Borrowings	5	241,340	346,863	285,851
Derivative financial instruments	6	26,143	40,000	34,037
<b>Total non-current liabilities</b>		<b>281,110</b>	<b>395,821</b>	<b>329,247</b>
<b>Total liabilities</b>		<b>433,135</b>	<b>490,001</b>	<b>476,416</b>
<b>Net assets</b>		<b>3,283,285</b>	<b>3,132,039</b>	<b>2,940,936</b>
<b>Equity</b>				
Accumulated funds		1,680,270	1,597,166	1,634,886
Other reserves	7	1,603,015	1,534,873	1,306,050
<b>Total equity attributable to Hamilton City Council</b>		<b>3,283,285</b>	<b>3,132,039</b>	<b>2,940,936</b>
<b>Total equity</b>		<b>3,283,285</b>	<b>3,132,039</b>	<b>2,940,936</b>

Attachment 1

## Notes to the Statement of financial position

### Note 1: Cash and financial assets

		Actual	Annual budget	Prior YTD
		\$000	\$000	\$000
Cash and short-term deposits		12,938	45,000	4,874
Other financial assets - current	Term deposits	-	-	50,000
	Loan investments	-	107	10
		<u>12,938</u>	<u>45,107</u>	<u>54,884</u>
Other financial assets - non-current	Term deposits	4,160	4,000	3,600
	Loan investments	16,514	16,930	99
	Shares	4,517	4,977	4,870
		<u>25,191</u>	<u>25,907</u>	<u>8,569</u>
<b>Total cash and financial assets</b>		<b>38,129</b>	<b>71,014</b>	<b>63,453</b>

### Note 2: Rates and debtors receivables

	Actual			Prior YTD		
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Rates</b>	<b>Rates</b>	<b>Arrears</b>	<b>Total</b>	<b>Rates</b>	<b>Arrears</b>	<b>Total</b>
Balance as at 1 July	(2,107)	3,072	965	(1,885)	3,829	1,944
Instalments 1-3	127,859		127,859	121,300		121,300
Penalties, adjustments & postponed	639		639	705		705
Remissions and govt rebates instalments 1-4	(3,821)		(3,821)	(3,009)		(3,009)
Rates receipts	(88,065)	(2,649)	(90,713)	(83,843)	(3,362)	(87,205)
<b>Balance as at 31 January</b>	<b>34,505</b>	<b>423</b>	<b>34,928</b>	<b>33,267</b>	<b>467</b>	<b>33,734</b>
<b>Water by meter</b>			<b>1,067</b>			<b>1,104</b>
<b>Sundry debtors</b>						
Debtors			1,659			2,829
Rentals			374			307
Rates rebates Internal Affairs			79			120
NZTA			0			750
H3 debtors			595			444
			<u>2,707</u>			<u>4,451</u>
Debtor accruals			5,767			3,905
Parking			3,960			3,998
Provision for doubtful debts			(3,074)			(3,244)
<b>Total Rates and debtors receivables</b>			<b>45,356</b>			<b>43,949</b>

	Actual \$000	Prior YTD \$000
<b>Debtors ageing</b>		
<b>Rates</b>	<b>as at 30 Jun 2016</b>	<b>as at 30 Jun 2015</b>
2013/14	34	2013/14 74
2014/15	60	2014/15 3,755
2015/16	<u>2,977</u>	
	<u>3,072</u>	<u>3,829</u>
<b>Sundry debtors</b>	<b>as at 31 Jan 2017</b>	<b>as at 31 Jan 2016</b>
Current	1,515	Current 2,104
0-30 days	253	0-30 days 250
30-60 days	405	30-60 days 197
60-90 days	90	60-90 days 77
>90 days	<u>444</u>	>90 days <u>1,822</u>
	<u>2,707</u>	<u>4,451</u>

**Note 3: Fixed assets work in progress**

	Balance 1 July 2016 \$000	New WIP 2016/17 \$000	WIP capitalised 2016/17 \$000	Balance 31 Jan 2017 \$000
Operational Land	100	1924	(1,030)	994
Restricted Land	29	-	-	29
Parks & Gardens Land	1,143	339	(178)	1,304
Heritage	25	-	(8)	17
Land under Roads	88	-	(7)	81
Operational Buildings	4,599	1132	(3,849)	1,882
Parks & Gardens Improvements	3,061	1,956	(1,244)	3,773
Refuse	650	102	(136)	616
Wastewater	7,613	5,098	(1,670)	11,041
Stormwater	2,596	1,623	(1,188)	3,031
Transportation	14,099	12,190	(8,008)	18,281
Water Supply	16,072	9,267	(360)	24,979
Wastewater Treatment Plant	3,203	1423	(2,452)	2,174
Water Treatment Station	3,071	1154	(2,568)	1,657
Operational Plant & Equipment	3,693	2,256	(1,544)	4,405
Intangible Assets	3,658	445	(189)	3,914
Other	17	509	(418)	108
	<u>63,717</u>	<u>39,418</u>	<u>(24,849)</u>	<u>78,286</u>
Fixed Assets Vested	5,538	9,191	(4,234)	10,495
<b>Total Fixed assets work in progress</b>	<b>69,255</b>	<b>48,609</b>	<b>(29,083)</b>	<b>88,781</b>

Work in progress is a part of Council Property, plant and equipment non-current assets. Costs are recorded as work in progress until an asset becomes operational.

**Note 4: Payables**

	Actual	Annual Budget	Prior YTD
	\$000	\$000	\$000
Payables	44,560	15,017	46,939
<b>Total Payables</b>	<b>44,560</b>	<b>15,017</b>	<b>46,939</b>

**Note 5: Borrowings**

	Actual	Annual Budget	Prior YTD
	\$000	\$000	\$000
Borrowings - current	98,429	73,036	93,251
Borrowings - non-current	241,340	346,863	285,851
<b>Total external debt</b>	<b>339,769</b>	<b>419,899</b>	<b>379,102</b>

The calculation for Net External Debt and Total Overall Debt is shown in the Treasury Report (attachment 5). Total Overall Debt is the Financial Strategy benchmark.

**Note 6: Derivative financial instruments**

	Actual	Annual Budget	Prior YTD
	\$000	\$000	\$000
Interest rate SWAPS - held for trading (current asset)	(87)	-	-
Interest rate SWAPS - held for trading (non-current asset)	(558)	-	-
Interest rate SWAPS - held for trading (current liability)	1,075	-	-
Interest rate SWAPS - held for trading (non-current liability)	26,143	40,000	34,037
<b>Total net derivative financial instrument liabilities</b>	<b>26,660</b>	<b>40,000</b>	<b>34,037</b>

The Council's unrealised losses position on interest rate SWAPS has reduced by \$20.9m this financial year. From 1 July 2016 the liability has decreased from \$52.4m to \$26.7m as at 31 January 2017. The favourable movement is due to lower market interest rates than when we entered into the fixed rate SWAP contracts.

**Note 7: Other Reserves**

	Balance 1 July 2016	Transfers into fund	Transfers out of fund	Balance 31 Jan 2017
	\$000	\$000	\$000	\$000
Total Restricted reserves	32,475	130	-	32,605
Total Council created reserves	5,005	751	(425)	5,331
Total Revaluation and fair value through equity reserves	1,519,394	46,034	(349)	1,565,079
<b>Total restricted and Council created reserves</b>	<b>1,556,874</b>	<b>46,915</b>	<b>(774)</b>	<b>1,603,015</b>

Transfers into the revaluation reserve are due to the revaluation of transportation assets such as roads and footpaths.

## Attachment 2

**ARTS AND CULTURE**  
Theatres | Libraries | Museum | Arts | Active Communities  
for the 7 months ended 31 January 2017

Prior YTD Actual 2014/15 \$000	Year to Date		Variance Favourable/ (Unfavourable) \$000	Annual Budget \$000
	Actual \$000	Budget \$000		
<b>Revenue</b>				
(2) Rates	(3)	(1)	(2)	(2)
0 Water by Meter	0	0	0	0
1,058 Revenue from activities	572	633	(61)	1,084
5 Subsidies and grants	0	21	(21)	39
0 Development Contributions	0	0	0	0
13 Vested and Other Revenue	12	12	0	20
0 Capital revenue	0	0	0	0
<b>1,073 Total revenue</b>	<b>580</b>	<b>664</b>	<b>(84)</b>	<b>1,141</b>
<b>Expenses</b>				
3,676 Personnel costs	3,608	3,775	167	6,448
1,509 Depreciation and amortisation	2,066	1,597	(469)	2,738
117 Finance costs	98	108	10	185
Other Expenses				
1,242 - Operating & Maintenance costs	1,105	1,188	83	1,967
176 - Professional costs	141	210	69	538
2,353 - Administrative costs	2,355	2,432	77	4,131
553 - Property costs	466	548	82	940
<b>9,627 Total expenses</b>	<b>9,839</b>	<b>9,858</b>	<b>19</b>	<b>16,948</b>
<b>(8,553) Operating surplus/(deficit)</b>	<b>(9,259)</b>	<b>(9,194)</b>	<b>(65)</b>	<b>(15,807)</b>
0 Gains and losses	(116)	0	(116)	0
<b>(8,553) Surplus/(deficit)</b>	<b>(9,375)</b>	<b>(9,194)</b>	<b>(180)</b>	<b>(15,807)</b>

**The comments below explain the variance between year to date actual results and year to date budgets where they exceed \$100k.**

**Personnel costs - \$167k favourable.** Library - \$45k favourable. Due to vacant positions, some of which will be recruited after the completion of the Central Library seismic upgrade. Museum \$43k favourable. Three vacancies, one of which has been filled, the other two in the process of being recruited. Theatres - \$79k favourable. Vacancies associated with the Founders Theatre closure.

**Depreciation - \$469k unfavourable.** This variance is due to the useful lives of the building assets being reassessed as part of the latest revaluation carried out June 2016. The revaluation was completed after budgets were set.

**Gains and losses - \$116k unfavourable.** The loss is due to the write off of existing Library and Museum building fixtures and fittings which have been replaced.

## Attachment 2

	RECREATION			
	Pools   Indoor Recreation   Zoo			
	for the 7 months ended 31 January 2017			
Prior YTD	Year to Date		Variance	Annual
Actual	Actual	Budget	Favourable/ (Unfavourable)	Budget
2014/15	5000	5000	5000	5000
<b>Revenue</b>				
0 Rates	0	0	0	0
0 Water by Meter	0	0	0	0
2,624 Revenue from activities	2,691	2,659	32	4,367
203 Subsidies and grants	181	187	(6)	279
0 Development Contributions	0	0	0	0
16 Vested and Other Revenue	16	17	(1)	28
0 Capital revenue	0	0	0	0
<b>2,843 Total revenue</b>	<b>2,889</b>	<b>2,863</b>	<b>25</b>	<b>4,674</b>
<b>Expenses</b>				
2,935 Personnel costs	3,159	2,994	(165)	5,077
821 Depreciation and amortisation	844	925	81	1,585
168 Finance costs	141	156	15	267
<b>Other Expenses</b>				
955 - Operating & Maintenance costs	1,006	990	(16)	1,657
117 - Professional costs	146	101	(46)	172
1,081 - Administrative costs	1,185	1,198	13	2,106
513 - Property costs	470	525	55	873
<b>6,589 Total expenses</b>	<b>6,951</b>	<b>6,889</b>	<b>(62)</b>	<b>11,737</b>
<b>(3,746) Operating surplus/(deficit)</b>	<b>(4,062)</b>	<b>(4,025)</b>	<b>(37)</b>	<b>(7,063)</b>
0 Gains and losses	(119)	0	(119)	0
<b>(3,746) Surplus/(deficit)</b>	<b>(4,181)</b>	<b>(4,025)</b>	<b>(156)</b>	<b>(7,063)</b>

**The comments below explain the variance between year to date actual results and year to date budgets where they exceed \$100k.**

**Personnel costs - \$165k unfavourable.** \$134k of the variance is due to the increase in the number of full-time zoo keeper positions and other operational support. Additional staff costs of \$302k was approved by Council on 20/09/16. Personnel costs at the pools tracks \$31k above budget but is expected to be on budget at year end.

**Gains and losses - \$119k unfavourable.** The loss is due to the write down of existing building fixtures and fittings which have been replaced.

**The following commentary specifically addresses the Financial position for Aquatic Facilities**

**Aquatic Services - \$72k unfavourable.** Club Aqua income is \$195k unfavourable as budgets were overly optimistic but contributes a \$89k profit year to date towards pool operations (\$61k achieved year to date January 2016.) It is proposed that the 2017/18 revenue budget is reduced to bring revenue into line with what is achievable. Income from other programmes tracks \$123k favourable as budgets were reduced to accommodate a 12 week closure to complete pool renewal works. These works have been delayed and will not proceed until the outcome of the seismic and fire assessments are known in March. Realistically the work will not commence this year and revenue will be unaffected by the closure and available to offset the Club Aqua income shortfall. Year to date income has been impacted by a cooler summer which has resulted in reduced visitor numbers. While overall income is expected to meet budget, it tracks \$110k below the amount received year to date January 2016. Expenditure is \$28k unfavourable with salaries tracking \$30k above budget but it is expected to be on target at year end.

## Attachment 2

**PLANNING AND DEVELOPMENT**  
 City Planning | Planning Guidance & Compliance | Building Control  
 for the 7 months ended 31 January 2017

Prior YTD Actual 2014/15 5000	Year to Date		Variance Favourable/ (Unfavourable) 5000	Annual Budget 5000
	Actual 5000	Budget 5000		
<b>Revenue</b>				
0 Rates	0	0	0	0
0 Water by Meter	0	0	0	0
5,865 Revenue from activities	5,392	4,466	926	7,764
0 Subsidies and grants	0	0	0	0
0 Development Contributions	0	0	0	0
0 Vested and Other Revenue	0	0	0	0
0 Capital revenue	0	0	0	0
<b>5,865 Total revenue</b>	<b>5,392</b>	<b>4,466</b>	<b>926</b>	<b>7,764</b>
<b>Expenses</b>				
3,234 Personnel costs	3,541	3,667	126	6,272
0 Depreciation and amortisation	0	0	(0)	0
0 Finance costs	0	0	0	0
Other Expenses				
750 - Operating & Maintenance costs	800	665	(135)	1,144
1,212 - Professional costs	849	1,235	386	1,895
1,371 - Administrative costs	1,694	1,676	(17)	2,943
7 - Property costs	8	8	1	14
<b>6,574 Total expenses</b>	<b>6,891</b>	<b>7,251</b>	<b>361</b>	<b>12,269</b>
<b>(709) Operating surplus/(deficit)</b>	<b>(1,498)</b>	<b>(2,785)</b>	<b>1,287</b>	<b>(4,505)</b>
0 Gains and losses	0	0	0	0
<b>(709) Surplus/(deficit)</b>	<b>(1,498)</b>	<b>(2,785)</b>	<b>1,287</b>	<b>(4,505)</b>

The comments below explain the variance between year to date actual results and year to date budgets where they exceed \$100k.

**Revenue from activities - \$926k favourable.** This is due to increased activity for Building Control and Planning Guidance.

**Personal costs - \$126k favourable.** This is due to vacancies in the City Planning Unit.

**Operating & Maintenance costs - \$135k unfavourable.** This variance is due to the online building consents project, which is within overall project budget and is offset by additional revenue.

**Professional costs - \$386k favourable.** The majority of this variance relates to an increase in expenditure on consultants. These have been partially off set by legal services required for the District Plan hearings.

## Attachment 2

## ECONOMIC DEVELOPMENT

Economic Initiatives | Strategic Property Investment | Claudelands | Stadiums  
for the 7 months ended 31 January 2017

Prior YTD Actual 2014/15 \$000	Year to Date		Variance Favourable/ (Unfavourable) \$000	Annual Budget \$000
	Actual \$000	Budget \$000		
<b>Revenue</b>				
(115) Rates	(118)	(158)	40	(317)
0 Water by Meter	0	0	0	0
4,571 Revenue from activities	4,886	5,111	(225)	8,794
26 Subsidies and grants	0	0	0	0
0 Development Contributions	0	0	0	0
312 Vested and Other Revenue	310	306	5	524
0 Capital revenue	0	0	0	0
<b>4,793 Total revenue</b>	<b>5,078</b>	<b>5,258</b>	<b>(180)</b>	<b>9,002</b>
<b>Expenses</b>				
1,618 Personnel costs	2,952	2,858	(95)	4,906
2,918 Depreciation and amortisation	3,036	2,864	(172)	4,910
2,952 Finance costs	2,467	2,729	262	4,679
Other Expenses				
2,912 - Operating & Maintenance costs	3,035	2,786	(249)	4,615
213 - Professional costs	216	311	95	534
2,682 - Administrative costs	2,937	3,119	182	4,584
926 - Property costs	820	948	129	1,610
<b>14,221 Total expenses</b>	<b>15,463</b>	<b>15,616</b>	<b>153</b>	<b>25,838</b>
<b>(9,428) Operating surplus/(deficit)</b>	<b>(10,384)</b>	<b>(10,358)</b>	<b>(26)</b>	<b>(16,836)</b>
0 Gains and losses	(9)	0	(9)	0
<b>(9,428) Surplus/(deficit)</b>	<b>(10,393)</b>	<b>(10,358)</b>	<b>(35)</b>	<b>(16,836)</b>

The comments below explain the variance between year to date actual results and year to date budgets where they exceed \$100k.

**Revenue from activities - \$225k unfavourable.** Revenue across H3 for January was in line with budget with a YTD fav variance of \$24k. iSite activities lower, being \$67k unfav on revenue, however \$100k favourable to operating budget.

Reduction in revenue received from Strategic Property due to the sale of properties (\$212k unfavourable).

**Depreciation and amortisation - \$172k unfavourable.** This variance is due to the useful lives of the building assets being reassessed as part of the latest revaluation carried out June 2016. The revaluation was completed after budgets were set.

**Finance costs - \$262k favourable.** Due to the favourable debt position for Council.

**Operating and Maintenance Costs - \$249k unfavourable.** Strategic Property unfavourable variance which includes Domain Endowment Fund Internal expenditure (\$301k). This was due to the budget set in the LTP incorrectly accounting for library income of \$345k, therefore this variance will continue until the year end. The 17/18 budget will be corrected accordingly.

Venues, Tourism & Major Events minor variances, relating to timing of budget.

**Administrative costs - \$182k favourable.** H3 \$40k favourable, relates to the timing of our budget vs actual costs in marketing and advertising costs. Tracking on Budget by end of year.

Tourism & Events \$124k fav - relates to difference between phasing of budget and actuals.

**Property costs - \$129k favourable.** This variance is partially due to a reduction in property costs (\$70k) following sale of properties. \$59k relates to H3. Cleaning and Insurance costs currently tracking below due to timing. Expected that this will be on budget by end of year.

## Attachment 2

## SAFETY

Animal Control | Environmental Health and Public Safety  
for the 7 months ended 31 January 2017

Prior YTD Actual 2014/15 \$000	Year to Date		Variance Favourable/ (Unfavourable) \$000	Annual Budget \$000
	Actual \$000	Budget \$000		
<b>Revenue</b>				
0 Rates	0	0	0	0
0 Water by Meter	0	0	0	0
1,821 Revenue from activities	1,762	1,754	8	2,164
9 Subsidies and grants	0	0	0	0
0 Development Contributions	0	0	0	0
2 Vested and Other Revenue	2	2	1	3
0 Capital Revenue	0	0	1	0
<b>1,832 Total revenue</b>	<b>1,763</b>	<b>1,755</b>	<b>9</b>	<b>2,167</b>
<b>Expenses</b>				
1,279 Personnel costs	1,566	1,390	(176)	2,377
54 Depreciation and amortisation	48	45	(3)	77
14 Finance costs	12	13	1	23
<b>Other Expenses</b>				
735 - Operating & Maintenance costs	716	732	16	1,264
95 - Professional costs	70	73	2	124
459 - Administrative costs	496	489	(7)	850
333 - Property costs	199	410	211	699
<b>2,970 Total expenses</b>	<b>3,107</b>	<b>3,152</b>	<b>45</b>	<b>5,414</b>
<b>(1,138) Operating surplus/(deficit)</b>	<b>(1,344)</b>	<b>(1,397)</b>	<b>54</b>	<b>(3,247)</b>
0 Gains and losses	0	0	0	0
<b>(1,138) Surplus/(deficit)</b>	<b>(1,344)</b>	<b>(1,397)</b>	<b>54</b>	<b>(3,247)</b>

**The comments below explain the variance between year to date actual results and year to date budgets where they exceed \$100k.**

**Personel costs - \$176k unfavourable.** This variance is largely due to the City Safe Operations being brought inhouse (\$223k) which is offset by a reduction in Security costs (\$215k). There is also vacancies in Animal Control and Tagbusters.

**Property costs - \$211k favourable.** Security in City Safe Operations brought inhouse mostly offset by the unfavourable variance in Personnel costs.

Attachment 2

**COMMUNITY SUPPORT**  
Community Development | Emergency Management | Housing  
for the 7 months ended 31 January 2017

Prior YTD Actual 2014/15 5000	Year to Date		Variance Favourable/ (Unfavourable) 5000	Annual Budget 5000
	Actual 5000	Budget 5000		
<b>Revenue</b>				
(83) Rates	(0)	(0)	(0)	(1)
0 Water by Meter	0	0	0	0
1,269 Revenue from activities	49	47	2	88
0 Subsidies and grants	0	0	0	0
0 Development Contributions	0	0	0	0
1 Vested and Other Revenue	1	1	0	1
0 Capital revenue	0	0	0	0
<b>1,187 Total revenue</b>	<b>49</b>	<b>47</b>	<b>2</b>	<b>88</b>
<b>Expenses</b>				
766 Personnel costs	702	765	63	1,314
448 Depreciation and amortisation	101	102	1	175
7 Finance costs	6	7	1	11
Other Expenses				
676 - Operating & Maintenance costs	331	443	112	746
65 - Professional costs	91	62	(30)	82
1,029 - Administrative costs	1,227	1,163	(64)	2,081
183 - Property costs	118	105	(13)	179
<b>3,174 Total expenses</b>	<b>2,576</b>	<b>2,645</b>	<b>68</b>	<b>4,588</b>
<b>(1,987) Operating surplus/(deficit)</b>	<b>(2,527)</b>	<b>(2,598)</b>	<b>71</b>	<b>(4,500)</b>
0 Gains and losses	(1)	0	(1)	0
<b>(1,987) Surplus/(deficit)</b>	<b>(2,528)</b>	<b>(2,598)</b>	<b>69</b>	<b>(4,500)</b>

**The comments below explain the variance between year to date actual results and year to date budgets where they exceed \$100k.**

**Operating & Maintenance costs - \$112k favourable.** This variance is due to the timing of building maintenance work in the Enderley Community Centre and Garden Place Activation events. Both are expected to be on target at year end.

Attachment 2

	Governance			
	Governance and Public Affairs			
	for the 7 months ended 31 January 2017			
Prior YTD	Year to Date		Variance	Annual
Actual	Actual	Budget	Favourable/ (Unfavourable)	Budget
2014/15	5000	5000	5000	5000
5000				
<b>Revenue</b>				
0 Rates	0	0	0	0
0 Water by Meter	0	0	0	0
14 Revenue from activities	15	86	(71)	219
0 Subsidies and grants	0	0	0	0
0 Development Contributions	0	0	0	0
0 Vested and Other Revenue	10	5	5	5
0 Capital Revenue	0	0	0	0
<b>14 Total revenue</b>	<b>24</b>	<b>90</b>	<b>(66)</b>	<b>224</b>
<b>Expenses</b>				
275 Personnel costs	203	354	151	600
0 Depreciation and amortisation	0	0	0	0
0 Finance costs	0	0	0	0
Other Expenses				
59 - Operating & Maintenance costs	102	95	(7)	166
121 - Professional costs	140	254	114	727
2,339 - Administrative costs	2,524	3,010	486	5,149
1 - Property costs	0	12	12	13
<b>2,795 Total expenses</b>	<b>2,969</b>	<b>3,726</b>	<b>757</b>	<b>6,654</b>
<b>(2,781) Operating surplus/(deficit)</b>	<b>(2,945)</b>	<b>(3,636)</b>	<b>691</b>	<b>(6,431)</b>
0 Gains and losses	0	0	0	0
<b>(2,781) Surplus/(deficit)</b>	<b>(2,945)</b>	<b>(3,636)</b>	<b>691</b>	<b>(6,431)</b>

**The comments below explain the variance between year to date actual results and year to date budgets where they exceed \$100k.**

**Personnel costs - \$151k favourable.** This variance is due to the Chief of Staff vacancy in Mayoral Support Services.

**Professional costs - \$114k favourable.** This variance is predominantly due to timing of the Election budget. Payment of costs have been held until the electoral officer can confirm the final cost allocation, this will be done in February 2017.

**Administrative costs - \$486k favourable.** Overhead allocations are favourable due to favourable professional service variances from support areas.

## PARKS AND GREEN SPACES

Hamilton Gardens | Community Parks | Sports Parks | Cemeteries and Crematorium  
for the 7 months ended 31 January 2017

Prior YTD Actual 2014/15 5000	Year to Date		Variance Favourable/ (Unfavourable) 5000	Annual Budget 5000
	Actual 5000	Budget 5000		
<b>Revenue</b>				
0 Rates	0	0	0	0
0 Water by Meter	0	0	0	0
1,498 Revenue from activities	1,505	1,254	251	2,317
5 Subsidies and grants	5	7	(1)	7
2 Development Contributions	2	0	2	0
82 Vested and Other Revenue	86	91	(5)	152
1,019 Capital revenue	1,850	1,597	253	1,597
<b>2,606 Total revenue</b>	<b>3,449</b>	<b>2,949</b>	<b>500</b>	<b>4,073</b>
<b>Expenses</b>				
1,312 Personnel costs	1,338	1,327	(11)	2,276
2,013 Depreciation and amortisation	2,170	1,918	(252)	3,288
895 Finance costs	792	876	84	1,502
Other Expenses				
5,578 - Operating & Maintenance costs	6,515	5,868	(647)	10,758
127 - Professional costs	100	115	15	253
1,551 - Administrative costs	1,635	1,608	(27)	2,877
393 - Property costs	412	421	8	727
<b>11,869 Total expenses</b>	<b>12,964</b>	<b>12,134</b>	<b>(830)</b>	<b>21,680</b>
<b>(9,263) Operating surplus/(deficit)</b>	<b>(9,515)</b>	<b>(9,185)</b>	<b>(330)</b>	<b>(17,607)</b>
<b>(112) Gains and losses</b>	<b>(319)</b>	<b>0</b>	<b>(319)</b>	<b>0</b>
<b>(9,375) Surplus/(deficit)</b>	<b>(9,834)</b>	<b>(9,185)</b>	<b>(650)</b>	<b>(17,607)</b>

The comments below explain the variance between year to date actual results and year to date budgets where they exceed \$100k.

**Revenue from activities - \$251k favourable.** Cemetery revenue is \$94k favourable due to an increased number of cremations and cemetery plot sales. Other variances include \$125k Hamilton Gardens shop revenue which is offset by unbudgeted stock purchases. The remainder is due to the timing of park rentals and project watershed recoveries.

**Capital revenue - \$253k favourable.** This variance is driven by capital contributions received from external parties. The two projects in question being the Dominion Park Playground and the Hamilton Gardens Development.

**Depreciation and amortisation - \$252k unfavourable.** This variance is due to the useful lives of the building assets being reassessed as part of the latest revaluation carried out June 2016. The revaluation was completed after budgets were set.

**Operating & Maintenance costs - \$647k unfavourable.** \$189k of the variance is due to items included in 2015/16 capital work in progress that have been expensed as they were not capital in nature. Also included are expenses that have been recovered from external parties \$102k and maintenance costs tracking \$183k ahead of target that are expected to be on track at year end. Allocations from support services are also tracking \$173k unfavourable due to a timing variance in the phasing of the budgets.

**Gains and losses - \$319k unfavourable.** The loss is due to the write off of existing building fixtures and fittings which have been replaced.

## Attachment 2

**RUBBISH AND RECYCLING**Refuse Collection | Waste Minimisation | Landfill Site Management  
for the 7 months ended 31 January 2017

Prior YTD Actual 2014/15 \$000	Year to Date		Variance Favourable/ (Unfavourable) \$000	Annual Budget \$000
	Actual \$000	Budget \$000		
<b>Revenue</b>				
0 Rates	0	0	0	0
0 Water by Meter	0	0	0	0
246 Revenue from activities	247	259	(12)	345
389 Subsidies and grants	418	313	105	418
0 Development Contributions	0	0	0	0
7 Vested and Other Revenue	7	8	(0)	13
0 Capital revenue	0	0	1	0
<b>642 Total revenue</b>	<b>673</b>	<b>580</b>	<b>94</b>	<b>776</b>
<b>Expenses</b>				
1 Personnel costs	3	0	(3)	0
195 Depreciation and amortisation	224	221	(3)	379
74 Finance costs	68	75	7	129
<b>Other Expenses</b>				
3,113 - Operating & Maintenance costs	3,190	3,240	50	5,577
144 - Professional costs	115	368	253	635
478 - Administrative costs	515	479	(36)	821
19 - Property costs	25	21	(4)	36
<b>4,023 Total expenses</b>	<b>4,140</b>	<b>4,405</b>	<b>265</b>	<b>7,576</b>
<b>(3,381) Operating surplus/(deficit)</b>	<b>(3,468)</b>	<b>(3,825)</b>	<b>358</b>	<b>(6,800)</b>
0 Gains and losses	(16)	0	(16)	0
<b>(3,381) Surplus/(deficit)</b>	<b>(3,484)</b>	<b>(3,825)</b>	<b>342</b>	<b>(6,800)</b>

**The comments below explain the variance between year to date actual results and year to date budgets where they exceed \$100k.**

**Subsidies and grants - \$105k favourable** due to higher than anticipated levy income. Any additional funds received will be held in the Waste Minimisation Reserve for future use.

**Professional costs - \$253k favourable** due to:

- Waste Minimisation Initiatives - \$154k favourable due to a variance in the timing of planned works and expenditure budgeted in professional services but incurred in Operating and Maintenance Costs.
- Resource consent compliance - \$100k due to a variance in the timing of works.

## Attachment 2

## STORMWATER

Stormwater Network | Catchment Management

for the 7 months ended 31 January 2017

Prior YTD Actual 2014/15 \$000	Year to Date		Variance Favourable/ (Unfavourable) \$000	Annual Budget \$000
	Actual \$000	Budget \$000		
<b>Revenue</b>				
0 Rates	0	0	0	0
0 Water by Meter	0	0	0	0
64 Revenue from activities	41	108	(68)	212
0 Subsidies and grants	0	0	0	0
0 Development Contributions	0	0	0	0
23 Vested and Other Revenue	18	20	(2)	32
68 Capital revenue	116	30	86	51
<b>154 Total revenue</b>	<b>174</b>	<b>157</b>	<b>17</b>	<b>295</b>
<b>Expenses</b>				
0 Personnel costs	0	0	0	0
3,283 Depreciation and amortisation	4,944	4,466	(479)	7,656
265 Finance costs	261	289	28	496
<b>Other Expenses</b>				
990 - Operating & Maintenance costs	1,057	1,035	(22)	1,747
166 - Professional costs	103	100	(2)	182
193 - Administrative costs	206	207	1	355
168 - Property costs	190	192	2	192
<b>5,064 Total expenses</b>	<b>6,762</b>	<b>6,289</b>	<b>(473)</b>	<b>10,627</b>
<b>(4,910) Operating surplus/(deficit)</b>	<b>(6,588)</b>	<b>(6,132)</b>	<b>(456)</b>	<b>(10,332)</b>
0 Gains and losses	(20)	0	(20)	0
<b>(4,910) Surplus/(deficit)</b>	<b>(6,608)</b>	<b>(6,132)</b>	<b>(476)</b>	<b>(10,332)</b>

The comments below explain the variance between year to date actual results and year to date budgets where they exceed \$100k.

**Depreciation and amortisation - \$479k unfavourable.** This is due to the revaluation that occurred in the previous financial year. The full impact of the revaluation on depreciation was not realised until after budgets were set.

## Attachment 2

**TRANSPORTATION**  
Transport Network | Parking Management  
for the 7 months ended 31 January 2017

Prior YTD Actual 2014/15 \$000	Year to Date		Variance Favourable/ (Unfavourable) \$000	Annual Budget \$000
	Actual \$000	Budget \$000		
<b>Revenue</b>				
(67) Rates	(69)	(65)	(5)	(130)
0 Water by Meter	0	0	0	0
3,296 Revenue from activities	3,312	3,124	188	5,363
2,204 Subsidies and grants	2,482	2,718	(236)	4,737
0 Development Contributions	0	0	0	0
990 Vested and Other Revenue	1,021	1,011	11	1,731
2,739 Capital revenue	6,099	2,386	3,713	4,640
<b>9,162 Total revenue</b>	<b>12,845</b>	<b>9,174</b>	<b>3,671</b>	<b>16,341</b>
<b>Expenses</b>				
427 Personnel costs	433	529	95	903
10,602 Depreciation and amortisation	10,365	10,565	201	18,113
4,640 Finance costs	4,128	4,566	438	7,829
<b>Other Expenses</b>				
6,572 - Operating & Maintenance costs	6,907	7,131	224	12,048
213 - Professional costs	407	479	72	915
2,494 - Administrative costs	2,540	2,671	131	4,595
1,170 - Property costs	1,193	1,299	106	2,293
<b>26,118 Total expenses</b>	<b>25,973</b>	<b>27,240</b>	<b>1,267</b>	<b>46,696</b>
<b>(16,956) Operating surplus/(deficit)</b>	<b>(13,129)</b>	<b>(18,067)</b>	<b>4,938</b>	<b>(30,355)</b>
(141) Gains and losses	14	0	14	0
<b>(17,097) Surplus/(deficit)</b>	<b>(13,115)</b>	<b>(18,067)</b>	<b>4,952</b>	<b>(30,355)</b>

**The comments below explain the variance between year to date actual results and year to date budgets where they exceed \$100k.**

**Revenue from activities - \$188k favourable.** There are a number of activities that are trending ahead of revenue forecasts in the areas of Transport Network (\$19k), On Street Parking (\$93k) and Off Street Parking (\$73k). These activities continue to be monitored.

**Subsidies and grants - \$236k unfavourable.** There are a number of expenses for operating and maintenance activities that have not been incurred to date, these directly impact on subsidy that can be claimed. Budget holders are being followed up to confirm expenditure patterns over Q3.

**Capital Revenue - \$3.7m favourable.** The key contributors are projects where projected revenue was not included in the FY 2016-17 budget. This includes:

- Rototuna School Collector \$100k
- Western Rail Trail (WRT) \$3,555k

**Depreciation and amortisation - \$201k favourable.**

**Finance costs - \$438k favourable.** Due to the debt amount being less than was budgeted.

**Operating & Maintenance costs - \$224k favourable.** Series of Transportation Network activity codes have overs and unders this will continued to be followed up with the budget holders and monitored in Q3.

**Administrative costs - \$131k favourable.** This position is being driven by lower than forecast costs to date for On Street Parking Management.

**Property costs - \$106k favourable.** Currently electricity and cleaning costs are lower than expected for the Transport Centre; there is also budgeted Body Corp expenditure showing against the Garden Place carpark however that won't be incurred until the end of the financial year.

	<b>SEWERAGE</b>			
	Sewerage Collection   Sewerage Treatment and Disposal			
	for the 7 months ended 31 January 2017			
Prior YTD Actual 2015/15 \$000	Year to Date		Variance Favourable/ (Unfavourable) \$000	Annual Budget \$000
	Actual \$000	Budget \$000		
<b>Revenue</b>				
0 Rates	0	0	0	0
0 Water by Meter	0	0	0	0
1,516 Revenue from activities	1,819	1,799	20	3,290
0 Subsidies and grants	0	0	0	0
0 Development Contributions	0	0	0	0
193 Vested and Other Revenue	190	205	(15)	338
226 Capital revenue	270	30	240	51
<b>1,934 Total revenue</b>	<b>2,278</b>	<b>2,033</b>	<b>245</b>	<b>3,680</b>
<b>Expenses</b>				
21 Personnel costs	2	0	(2)	0
4,764 Depreciation and amortisation	5,401	4,971	(431)	8,521
1,984 Finance costs	1,842	2,037	195	3,493
<b>Other Expenses</b>				
3,683 - Operating & Maintenance costs	3,788	4,437	650	7,873
152 - Professional costs	73	149	76	383
1,003 - Administrative costs	1,078	1,083	5	1,856
1,147 - Property costs	1,193	1,268	75	2,079
<b>12,753 Total expenses</b>	<b>13,376</b>	<b>13,945</b>	<b>569</b>	<b>24,204</b>
<b>(10,819) Operating surplus/(deficit)</b>	<b>(11,097)</b>	<b>(11,912)</b>	<b>814</b>	<b>(20,524)</b>
0 Gains and losses	(73)	0	(73)	0
<b>(10,819) Surplus/(deficit)</b>	<b>(11,171)</b>	<b>(11,912)</b>	<b>741</b>	<b>(20,524)</b>

**The comments below explain the variance between year to date actual results and year to date budgets where they exceed \$100k.**

**Capital revenue - \$240k favourable.** Due to unbudgeted 3rd party contributions to physical works being received and higher than anticipated paid connections. Increased revenue from paid connections is offset by a corresponding increased capital expenditure.

**Depreciation and amortisation - \$431k unfavourable.** This is due to the revaluation that occurred in the previous financial year. The full impact of the revaluation on depreciation was not realised until after budgets were set.

**Finance costs - \$195k favourable.** Due to the debt amount being less than was budgeted.

**Operating & Maintenance costs - \$650k favourable.** Primarily due to:

- Shared Services costs are \$137k favourable due to a variance in the planned timing of works programmes. Budget is anticipated to be fully spent by year end.

- Maintenance is \$125k favourable due to a variance in the timing of planned works and lower than anticipated reactive failures.

- Non Contractual Services, Materials and Sampling costs are \$85k favourable due to lower than anticipated reactive works and delays in the timing of works.

- Contractual services and Chemicals are \$230k favourable due to the timing of biosolids collection and chemical deliveries.

## Attachment 2

**WATER SUPPLY**

Water Treatment and Storage | Water Distribution

for the 7 months ended 31 January 2017

Prior YTD Actual 2014/15 \$000	Year to Date		Variance Favourable/ (Unfavourable) \$000	Annual Budget \$000
	Actual \$000	Budget \$000		
<b>Revenue</b>				
0 Rates	0	0	0	0
4,936 Water by Meter	4,585	4,868	(283)	8,169
107 Revenue from activities	104	67	37	160
0 Subsidies and grants	0	0	0	0
0 Development Contributions	0	0	0	0
164 Vested and Other Revenue	149	160	(11)	265
248 Capital revenue	241	30	211	51
<b>5,455 Total revenue</b>	<b>5,079</b>	<b>5,125</b>	<b>(45)</b>	<b>8,645</b>
<b>Expenses</b>				
(1) Personnel costs	2	0	(2)	0
4,110 Depreciation and amortisation	4,146	4,058	(88)	6,956
1,861 Finance costs	1,882	2,082	200	3,569
Other Expenses				
2,494 - Operating & Maintenance costs	3,051	3,267	216	5,652
78 - Professional costs	95	177	81	422
700 - Administrative costs	772	776	5	1,338
1,204 - Property costs	1,112	1,287	175	2,093
<b>10,446 Total expenses</b>	<b>11,060</b>	<b>11,647</b>	<b>587</b>	<b>20,031</b>
<b>(4,991) Operating surplus/(deficit)</b>	<b>(5,981)</b>	<b>(6,522)</b>	<b>541</b>	<b>(11,386)</b>
0 Gains and losses	(45)	0	(45)	0
<b>(4,991) Surplus/(deficit)</b>	<b>(6,025)</b>	<b>(6,522)</b>	<b>497</b>	<b>(11,386)</b>

The comments below explain the variance between year to date actual results and year to date budgets where they exceed \$100k.

**Water Rates - \$283k unfavourable** due to lower than anticipated water demand.

**Capital Revenue - \$211k favourable.** Due to higher than anticipated paid connections. Increased revenue is offset by a corresponding increase in capital expenditure.

**Finance costs - \$200k favourable.** Due to the debt amount being less than was budgeted.

**Operating & Maintenance costs - \$216k favourable** primarily due to:

- Maintenance \$303k favourable due to a variance in the timing of planned works and lower than anticipated reactive failures. The budget is anticipated to be fully spend by year end.
- Tradewaste fees - \$117k unfavourable due to the impact of planned renewal works.
- Leak detection, process trials and chemicals - \$122k favourable due to a variance in the timing of the works programme to align with capital works projects and timing of chemical deliveries.
- WIP reclassification - \$65k is due to items included in 2015/16 capital work in progress that have been expensed as they were not capital in nature.

**Property costs - \$175k favourable.** Primarily due to electricity being less than expected due to some assets being out of service for planned maintenance or renewal.

**CAPITAL EXPENDITURE**  
for the seven months ended 31 January 2017

PROJECT TYPE KEY	
R	Renewal
LOS	Level of Service
G	Growth

Type	Year To Date			Annual Budget			Notes
	Actual	Budget	Variance	Approved 2016/17	Approved Deferred	Total	
	\$000	\$000	\$000	\$000	\$000	\$000	
<b>ARTS AND CULTURE</b>							
<b>Libraries</b>							
CE10005 - Library collection purchases	R	590	628	37	1,068	1,068	
CE10006 - Library asset renewal	R	4	4	0	4	4	
CE10007 - Library building asset renewal programme	R	10	19	8	70	70	
<b>Total libraries</b>		<b>605</b>	<b>651</b>	<b>46</b>	<b>1,142</b>	<b>0</b>	<b>1,142</b>
<b>Museum</b>							
CE10008 - Museum asset renewal	R	39	107	68	147	147	1
CE10010 - Public art support fund	R		18	18	31	31	
CE10011 - Museum activity building renewals	R	109	52	(57)	209	209	
<b>Total Museum</b>		<b>148</b>	<b>177</b>	<b>29</b>	<b>387</b>	<b>0</b>	<b>387</b>
<b>Hamilton City Theatres</b>							
CE10012 - Founders Theatre plant and equipment renewals	R		149	149	256	97	353 2
CE10013 - Technical services equipment renewals	R	122	180	58	308	308	
CE10014 - Founders Theatre building renewals	R		0	-		152	152 3
CE10159 - Founders Theatre stage house renewal	R	10	0	(10)			
<b>Total Hamilton City Theatres</b>		<b>132</b>	<b>329</b>	<b>197</b>	<b>564</b>	<b>249</b>	<b>813</b>
<b>TOTAL ARTS AND CULTURE</b>		<b>884</b>	<b>1,156</b>	<b>272</b>	<b>2,093</b>	<b>249</b>	<b>2,342</b>
<b>ECONOMIC DEVELOPMENT</b>							
<b>Claudelands and Stadia</b>							
CE10041 - Claudelands plant and equipment	R	3	136	133	234	234	
CE10042 - Seddon Park plant and equipment	R	14	21	7	36	70	106
CE10043 - FMG Stadium Waikato plant and equipment	R	89	78	(11)	134	134	
CE10044 - Turf services plant and equipment	R	0	32	32	55	55	
CE10045 - Claudelands property renewals	R	112	140	28		140	140
CE10046 - Seddon Park property renewals	R	67	47	(19)	21	35	56
CE10047 - FMG Stadium Waikato property renewals	R	57	227	170	389	389	
CE10048 - Stadia building renewals	R	0	246	246	421	421	
CE10049 - Claudelands building renewals	R	39	0	(39)			0
CE15051 - Stadia capital improvement function	LOS		104	104	179	179	
<b>Total Claudelands and Stadia</b>		<b>381</b>	<b>1,031</b>	<b>651</b>	<b>1,468</b>	<b>245</b>	<b>1,713</b>
<b>Strategic Property</b>							
CE10052 - Strategic property renewals	R		45	45	76	76	
CE10053 - Tenancy inducement renewals	R		12	12	21	21	
<b>Total Strategic Property</b>		<b>0</b>	<b>57</b>	<b>57</b>	<b>97</b>	<b>0</b>	<b>97</b>
<b>TOTAL ECONOMIC DEVELOPMENT</b>		<b>381</b>	<b>1,088</b>	<b>708</b>	<b>1,565</b>	<b>245</b>	<b>1,810</b>
<b>PARKS AND GREEN SPACES</b>							
<b>Cemeteries and Crematorium</b>							
CE10021 - Building renewals cemeteries	R		10	10	10	10	
CE10022 - Renewal of crematorium assets	R	124	132	8	132	132	
CE10023 - Hamilton Park east and west cemeteries renewals	R	35	5	(31)	46	46	
CE15024 - Hamilton Park cemetery, burial and ash lawn extension	G		0	-	21	21	
<b>Total Cemeteries and Crematorium</b>		<b>159</b>	<b>147</b>	<b>(13)</b>	<b>209</b>	<b>0</b>	<b>209</b>
<b>Hamilton Gardens</b>							
CE10026 - Hamilton Gardens renewals	R	13	29	16	51	51	
CE10028 - Hamilton Gardens building renewals	R	47	90	43	131	131	

Attachment 3

	Type	Year To Date			Annual Budget			Notes
		Actual	Budget	Variance	Approved 2016/17	Approved Deferred	Total	
		\$000	\$000	\$000	\$000	\$000	\$000	
CE15027 - Proposed development programme	G	1,511	1,663	152	2,608		2,608	
<b>Total Hamilton Gardens</b>		<b>1,571</b>	<b>1,782</b>	<b>211</b>	<b>2,790</b>	<b>0</b>	<b>2,790</b>	
<b>Parks</b>								
CE10029 - Toilet and changing room renewals	R	25	50	25	82		82	
CE10030 - Building renewals parks and open spaces	R	99	123	24	236		236	
CE10032 - Parks and open spaces assets and playgrounds renewals	R	455	465	10	1,241	115	1,356	
CE15033 - Land purchase future reserves	G	164	156	(8)	224	598	822	4
CE15034 - Destination playground public toilets	LOS	290	277	(13)	255	127	382	
CE15035 - Rototuna Park development	G	13	15	2		233	233	
CE15036 - Playground development programme	G	793	509	(284)	509		509	5
CE16001 - Victoria on the River	LOS	177	150	(27)	4,900		4,900	6
<b>Total Parks</b>		<b>2,015</b>	<b>1,745</b>	<b>(270)</b>	<b>7,449</b>	<b>1,073</b>	<b>8,522</b>	
<b>Sports Parks</b>								
CE10031 - Sports area renewals	R	12	10	(2)	119		119	
<b>Total Sports Parks</b>		<b>12</b>	<b>10</b>	<b>(2)</b>	<b>119</b>	<b>0</b>	<b>119</b>	
<b>TOTAL PARKS AND GREEN SPACES</b>		<b>3,758</b>	<b>3,684</b>	<b>(74)</b>	<b>10,567</b>	<b>1,073</b>	<b>11,640</b>	
<b>RECREATION</b>								
<b>Aquatic Facilities</b>								
CE10001 - Aquatic facilities building renewals	R	196	290	94	2,340		2,340	7
CE10003 - Waterworld operational asset renewals	R	381	516	135	3,096		3,096	8
CE10004 - Gallagher Aquatic Centre operational asset renewal	R	3	51	47	197		197	
<b>Total Aquatic Facilities</b>		<b>581</b>	<b>857</b>	<b>276</b>	<b>5,632</b>	<b>0</b>	<b>5,632</b>	
<b>Hamilton Zoo</b>								
CE10015 - Zoo animal enclosure renewals	R	75	80	5	139		139	
CE10016 - Zoo building renewals	R	300	267	(34)	362		362	
CE10017 - Property renewals	R	1	11	10	11		11	
CE10019 - Zoo quarantine replacement	R	8	0	(8)			0	
CE10020 - Zoo animal replacement	R	1	40	39	41		41	
CE15018 - Zoo browse plantation	LOS		0	-	21		21	
<b>Total Hamilton Zoo</b>		<b>386</b>	<b>398</b>	<b>12</b>	<b>573</b>	<b>0</b>	<b>573</b>	
<b>TOTAL RECREATION</b>		<b>966</b>	<b>1,254</b>	<b>288</b>	<b>6,205</b>	<b>0</b>	<b>6,205</b>	
<b>SAFETY</b>								
CE10037 - CCTV renewals	R		20	20	41		41	
<b>TOTAL SAFETY</b>		<b>0</b>	<b>20</b>	<b>20</b>	<b>41</b>	<b>0</b>	<b>41</b>	
<b>RUBBISH AND RECYCLING</b>								
CE10054 - Replacement of closed landfill assets	R	34	0	(34)	160		160	
CE10056 - Replacement of RTS & HOC assets	R	52	0	(52)	2		2	
CE15055 - Closed landfill management	LOS	15	0	(15)	257		257	
<b>TOTAL RUBBISH AND RECYCLING</b>		<b>102</b>	<b>0</b>	<b>(102)</b>	<b>419</b>	<b>0</b>	<b>419</b>	
<b>STORMWATER</b>								
CE10058 - Replacement of Stormwater assets	R	303	342	39	573		573	
CE15059 - Rototuna Stormwater infrastructure	G	527	570	43	330	513	843	
CE15060 - Rotokauri stormwater infrastructure stage 1	G	21	10	(11)	1,834		1,834	9
CE15062 - Peacocke stormwater infrastructure stage 1	G	0	0	(0)			0	

Attachment 3

	Type	Year To Date			Annual Budget			Notes
		Actual	Budget	Variance	Approved 2016/17	Approved Deferred	Total	
		\$000	\$000	\$000	\$000	\$000	\$000	
CE15064 - Stormwater pipe upgrade - growth	G	103	90	(13)	127	61	188	
CE15066 - Existing network improvements in new areas	G	62	7	(55)	102		102	
CE15068 - Stormwater customer connections to the network	G	59	30	(30)	51		51	
CE15162 - Integrated catchment management plan	LOS	549	852	303	806	600	1,406	10
C9600015 - Project Watershed	R	2	0	(2)			0	
<b>TOTAL STORMWATER</b>		<b>1,626</b>	<b>1,900</b>	<b>274</b>	<b>3,822</b>	<b>1,174</b>	<b>4,996</b>	
<b>TRANSPORT</b>								
<b>Parking Management</b>								
CE10070 - Replacement of parking enforcement equipment	R	31	264	233	367	328	695	
CE10071 - Parking building renewal	R	5	15	10	26		26	
<b>Total Parking Management</b>		<b>36</b>	<b>279</b>	<b>243</b>	<b>393</b>	<b>328</b>	<b>721</b>	
<b>Transportation Network</b>								
CE10072 - Replacement of footpath	R	1,181	1,445	263	2,558		2,558	11
CE10073 - Replacement of street furniture	R		31	31	62		62	
CE10074 - Replacement of drainage (kerb and channel)	R	696	774	79	1,300		1,300	
CE10075 - Replacement of road base	R	261	498	237	1,061		1,061	
CE10076 - Road resurfacing	R	2,886	2,837	(50)	5,148		5,148	
CE10077 - Replacement of bridges and culverts	R	8	20	12	103		103	
CE10078 - Replacement of retaining walls and structures	R	3	5	2	5		5	
CE10079 - Replacement of environmental controls	R		0	-	0		0	
CE10080 - Replacement of lighting	R	74	150	76	310		310	
CE10081 - Replacement of traffic equipment	R	130	166	36	282		282	
CE10082 - Replacement of street signs	R		0	-	0		0	
CE10098 - Building and property renewals	R	1,030	80	(950)	104		104	12
CE15085 - Minor improvements to transport network	LOS	92	70	(22)	650		650	
CE15086 - Bus stop infrastructure	LOS	10	51	41	114		114	
CE15087 - Network upgrades to allow new development	G	32	7	(25)	179		179	
CE15088 - Roading upgrades and development in Peacocke stage 1	G	21	70	49	153	500	653	13
CE15089 - Roading upgrades and development in Peacocke stage 2	G	137	169	32	500		500	14
CE15090 - Roading upgrades and development in Rotokauri stage 1	G	57	35	(22)	1,284		1,284	15
CE15092 - Roading upgrades and development in Rototuna	G	862	1,125	263	3,071	590	3,661	16
CE15093 - Roading upgrades and development in Ruakura	G	805	583	(222)	1,000		1,000	
CE15094 - Traffic signal improvements	LOS	33	168	135	306		306	
CE15095 - Integrated transport initiatives	LOS	4,214	240	(3,974)	916		916	17
PIF12005 - Hamilton Ring Road Completion	LOS	652	575	(77)		1,000	1,000	
<b>Total Transportation Network</b>		<b>13,185</b>	<b>9,099</b>	<b>(4,086)</b>	<b>19,105</b>	<b>2,090</b>	<b>21,195</b>	
<b>TOTAL TRANSPORT</b>		<b>13,221</b>	<b>9,378</b>	<b>(3,843)</b>	<b>19,498</b>	<b>2,418</b>	<b>21,916</b>	
<b>SEWERAGE</b>								
CE10100 - Replacement of wastewater pump stations	R	397	507	110	1,015		1,015	
CE10101 - Replacement of wastewater assets	R	2,584	1,308	(1,277)	3,701		3,701	18
CE15103 - Increase capacity of wastewater pump stations	LOS	20	199	179	376		376	
CE15104 - Wastewater pipe upgrade - growth	G		70	70	306		306	
CE15105 - Increase capacity of wastewater network - Rototuna	G	317	305	(12)	272	100	372	
CE15106 - Wastewater network upgrades to allow development	G	20	7	(13)	81		81	
CE15107 - Increase capacity of network in Rotokauri stage 1	G	24	20	(4)	441		441	19
CE15109 - Increase capacity of network in Peacocke stage 1	G	95	0	(95)	69		69	
CE15111 - Increase capacity of network throughout the city	G	263	191	(72)	4,088	284	4,372	20
CE15112 - Increase capacity of network (far east interceptor)			1,000	1,000	2,038		2,038	21
CE15114 - Increase capacity of network (bulk storage)	G	22	185	163	467	134	601	
CE15161 - Wastewater master plan	R	300	145	(155)	153		153	
CE10115 - Replacement of wastewater treatment plant assets	G	851	539	(312)	1,875		1,875	22
CE15116 - Upgrade wastewater treatment plant systems	LOS	34	153	119	153		153	
CE15117 - Upgrade wastewater treatment plant (Puketekē 3)	G	206	308	102	737	102	839	
CE15120 - Wastewater treatment plant compliance	LOS	308	146	(161)	509		509	
CE15121 - Wastewater customer connections to the network	G	172	30	(143)	51		51	
<b>TOTAL SEWERAGE</b>		<b>5,614</b>	<b>5,113</b>	<b>(501)</b>	<b>16,332</b>	<b>620</b>	<b>16,952</b>	

	Type	Year To Date			Annual Budget		Notes
		Actual	Budget	Variance	Approved 2016/17	Approved Deferred	
		\$000	\$000	\$000	\$000	\$000	\$000
<b>WATER SUPPLY</b>							
CE10123 - Replacement of watermains	R	1,844	1,877	33	3,339		3,339
CE10124 - Replacement of water meters, valves and hydrants	R	166	162	(4)	360		360
CE15126 - Upgrade or build new watermains in Rototuna	G	75	154	79	511	50	561
CE15127 - Water pipe upgrade - growth	G	0	70	70	306		306
CE15128 - Upgrade/build new watermains in Rotokauri stage 1	G	277	277	-	114	277	391 23
CE15130 - Upgrade/build new watermains in Peacocke stage 1	G	0	0	-	104		104
CE15132 - Water network upgrades to allow new development	G	5	7	2	81		81
CE15133 - Water demand management - network water loss	LOS	253	288	35	407		407
CE15136 - Water demand management - Dinsdale reservoir zone	LOS	40	30	(10)	474		474
CE10138 - Replacement of treatment plant and reservoir assets	R	501	246	(255)	855		855 24
CE15139 - Water treatment plant compliance - minor upgrades	LOS	427	295	(132)	1,026		1,026
CE15140 - Rototuna reservoir and associated bulk mains	G	6,913	12,450	5,537	13,574	3,000	16,574 25
CE15141 - Water demand management - Hillcrest reservoir zone	LOS	50	52	2	306		306
CE15144 - Upgrade water treatment plant	G	316	120	(196)	3,337		3,337
CE10145 - Tools of trade renewals	R	47	30	(17)	51		51
CE15146 - Water customer connections	G	169	30	(139)	51		51
CE15148 - Upgrade or build new watermains in Ruakura	G	3	0	(3)			0
CE15158 - Water model	R	44	310	266	1,014		1,014 26
CE15159 - Water master plan	G	94	70	(24)	76		76
CE15166 - Fluoride free water source	LOS	64	53	(11)		53	53
PIF12031 - New structure to extract water from the Waikato River	LOS	46	0	(46)			0
C9400064 Chlorine Scrubber Installation WTP	LOS	0	0	-			0
<b>TOTAL WATER SUPPLY</b>		<b>11,333</b>	<b>16,519</b>	<b>5,186</b>	<b>25,986</b>	<b>3,380</b>	<b>29,366</b>
<b>CORPORATE SERVICES</b>							
<b>Corporate Buildings</b>							
CE10151 - Renewals program	R	68	74	6	127		127
<b>Total Corporate Buildings</b>		<b>68</b>	<b>74</b>	<b>6</b>	<b>127</b>	<b>0</b>	<b>127</b>
<b>Information Services</b>							
CE10152 - Network and infrastructure	R	211	250	39	601		601
CE10153 - Core business applications	R	92	399	307	958		958 27
CE10154 - Minor applications	R		9	9	21		21
CE15155 - Mobility and eservices	LOS	136	144	8	346		346
CE10156 - Lease funding of equipment	R	353	324	(30)	776	243	1,019
CE15157 - Authority replacement	LOS		220	220	528	500	1,028 28
<b>Total Information Services</b>		<b>792</b>	<b>1,346</b>	<b>554</b>	<b>3,230</b>	<b>743</b>	<b>3,973</b>
<b>Performance</b>							
CE10158 - Replacement of fleet vehicles	R	617	512	(105)	878		878
<b>Total Performance</b>		<b>617</b>	<b>512</b>	<b>(105)</b>	<b>878</b>	<b>0</b>	<b>878</b>
<b>DC Funding Model and DC Assessment Tool and Growth Model</b>							
CE16002 - DC Funding Model and DC Assessment Tool and Growth Model	G	59	0	(59)			0
<b>Total DC Funding Model and DC Assessment Tool and Growth Model</b>					<b>0</b>		
<b>TOTAL CORPORATE SERVICES</b>		<b>1,535</b>	<b>1,932</b>	<b>397</b>	<b>4,235</b>	<b>743</b>	<b>4,978</b>
<b>TOTAL COUNCIL</b>		<b>39,420</b>	<b>42,045</b>	<b>2,625</b>	<b>90,763</b>	<b>9,902</b>	<b>100,625</b>

Attachment 3

**Capital Expenditure Variance Explanations: Variances greater than \$250k and/or deferrals indicated for the seven months ended 31 January 2017**

	YTD Variance \$000	Potential Deferral \$000
<p><b>1 CE10008 - Museum asset renewal</b> The balance of the museum \$50k acquisitions budget will be deferred to next financial year if between now and 30 June no suitable artwork/purchase has been identified. This deferment will enable a more substantial acquisition should something come on to the market in FY 17/18.</p>		50
<p><b>2 CE10012 - Founders Theatre plant and equipment renewals</b> The Founders capital is to be deferred pending decisions around the building of a new theatre.</p>		353
<p><b>3 CE10014 - Founders Theatre building renewals</b> The Founders capital is to be deferred pending decisions around the building of a new theatre.</p>		152
<p><b>4 CE15033 - Land purchase future reserves</b> Request for \$428k to be deferred to 17/18 for unresolved purchases. Efforts will be made to work to resolve these purchases however, timing is out of our control. Allocated funding was based on predicted timing of subdivision development. Based on discussions with developers, we are confident the remaining will be resolved in the next financial year.</p>		428
<p><b>5 CE15036 - Playground development programme</b> The overspend of \$284k is offset by \$250k external contributions received towards the playground construction. There will however be an overall \$67k overspend for unbudgeted lighting and CCTV.</p>	(284) unfav	
<p><b>6 CE16001 - Victoria on the River</b> Deferral of \$2.2m anticipated as original tender responses came back well above budget. Staff are in negotiations with preferred supplier and works are due to start in April.</p>		2,200
<p><b>7 CE10001 - Aquatic facilities building renewals</b> The Aquatic Facilities renewals project has been deferred pending seismic and fire assessment work which is due for completion March 2017.</p>		2,200
<p><b>8 CE10003 - Waterworld operational asset renewals</b> The Aquatic Facilities renewals project has been deferred pending seismic and fire assessment work which is due for completion March 2017.</p>		2,900
<p><b>9 CE15060 - Rotokauri stormwater infrastructure stage 1</b> Gower land easement agreement progressed rather than \$1.3m land purchase. Will require deferral for future land purchase. Council approved additional funding of \$5m for additional stormwater sale land purchase from Wintec this FY - refer Finance Committee 20 Sept 2016. Potential risk pending third party land purchase agreements.</p>		1,300
<p><b>10 CE15162 - Integrated catchment management plan</b> On track. Delivery slightly behind baseline cash flow due to work program reallocation.</p>	303 fav	
<p><b>11 CE10072 - Replacement of footpath</b> On track. Timing of expenditure has varied from budget.</p>	263 fav	
<p><b>12 CE10098 - Building and property renewals</b> Unbudgeted expense associated with the sale and purchase of land relating to the Genesis Development on Bryce Street and the Transport Centre</p>	(950) unfav	-

Attachment 3

13	<b>CE15088 - Roading upgrades and development in Peacocke stage 1</b> Potential deferral of up to \$453k of contractually committed works relating to Dixon/Ohaupo intersection as part of Southern Link investigations.		453
14	<b>CE15089 - Roading upgrades and development in Peacocke stage 2</b> Potential deferral of up to \$200k of contractually committed works relating to Southern Links pre-construction works.		200
15	<b>CE15090 - Roading upgrades and development in Rotokauri stage 1</b> Potential deferral of up to \$600k regarding the Ruffell Rd / Onion Rd / Koura Dr upgrade pending confirmation of scope and third party land agreements.	-	600
16	<b>CE15092 - Roading upgrades and development in Rototuna</b> Potential deferral of up to \$1,000k subject to third party land agreement for the Borman Road West extension to Kay Rd.	263 fav	1,000
17	<b>CE15095 - Integrated transport initiatives</b> This is being driven by the Western Rail Trail (WRT) project. Included in the Transportation Activity report under revenue (i.e. Capital revenue) there is \$3,561k received for the WRT project.	(3,974) unfav	-
18	<b>CE10101 - Replacement of wastewater assets</b> On-track. Delivery slightly ahead of baseline cashflow due to work program reallocation and successful completion of wastewater relining projects.	(1,277) unfav	-
19	<b>CE15107 - Increase capacity of network in Rotokauri stage 1</b> Potential deferral of up to \$265k in accordance with third party agreements and subject to development timing.		265
20	<b>CE15111 - Increase capacity of network throughout the city</b> Potential deferral of Rotokauri Far Western Wastewater Interceptor due to delays with Third Party land agreements (Gower & Wintec).	-	3,000
21	<b>CE15112 - Increase capacity of network (far east interceptor)</b> On-track. Delays to paying first instalment of development cost-share agreement - subject to Ruakura PDA.	1,000 fav	
22	<b>CE10115 - Replacement of wastewater treatment plant assets</b> Delivery of works is ahead of schedule and expected to delivered on budget.	(312) unfav	
23	<b>CE15128 - Upgrade/build new watermains in Rotokauri stage 1</b> Delays with contractually committed works by third party (developer). Developer agreement in place for service upsizing, physical works delivery delayed from forecast program.		114
24	<b>CE10138 - Replacement of treatment plant and reservoir assets</b> Delivery of works is ahead of schedule and expected to delivered on budget.	(255) unfav	
25	<b>CE15140 - Rototuna reservoir and associated bulk mains</b> Project on-track. Currently forecast overall underspend of approx \$3.4m against allocated budget (offset against \$2.4m overspend in 2015/16). Potential deferral of up to \$150k required to complete reservoir commissioning in 2017/18.	5,537 fav	150
26	<b>CE15158 - Water model</b> Project is spread over 2 financial years. Deferral amount will be spent in 2017/18.	266 fav	554
27	<b>CE10153 - Core business applications</b>	307 fav	-

Attachment 3

The planned schedule of corporate systems upgrades was delayed due the deployment of the GoDaaS Desktop. Projects have now commenced in February with expectation that upgrades and associated budget will be caught up by year end.

**28 CE15157 - Authority replacement**

This project has had the funds reallocated to implement the Growth Model and DC Funding Model.

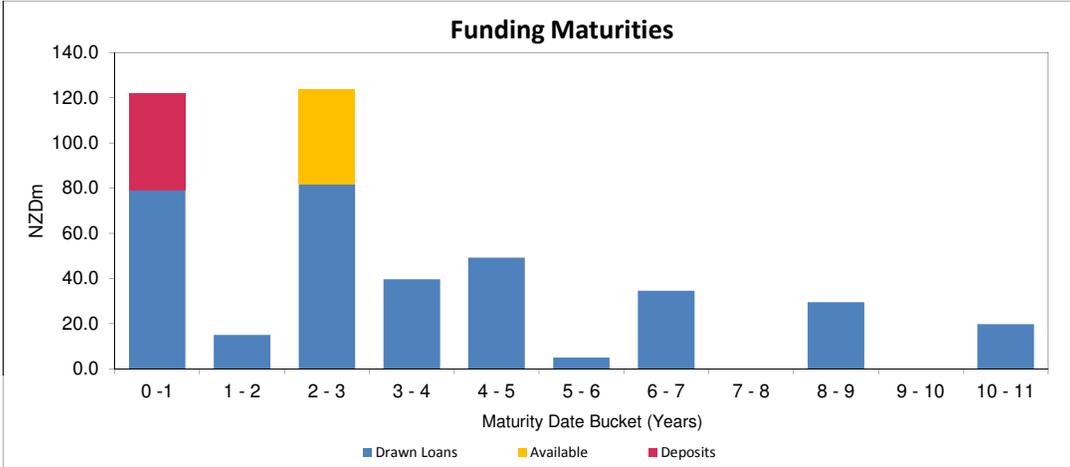
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**Policy Compliance**

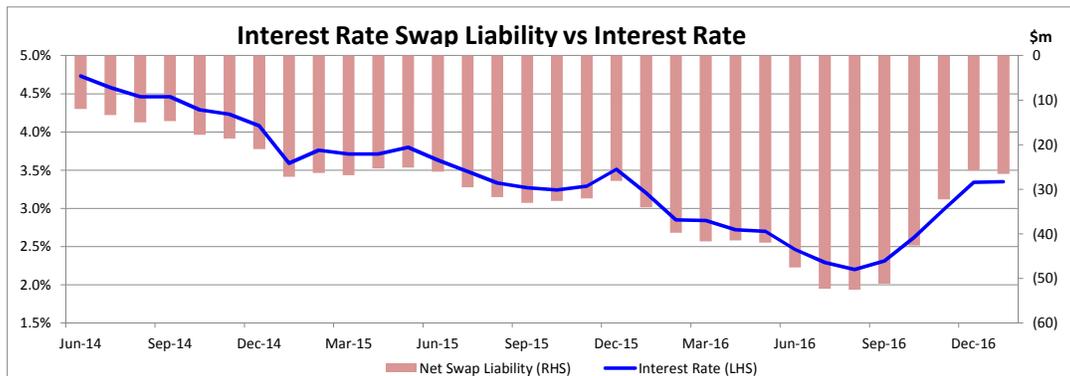
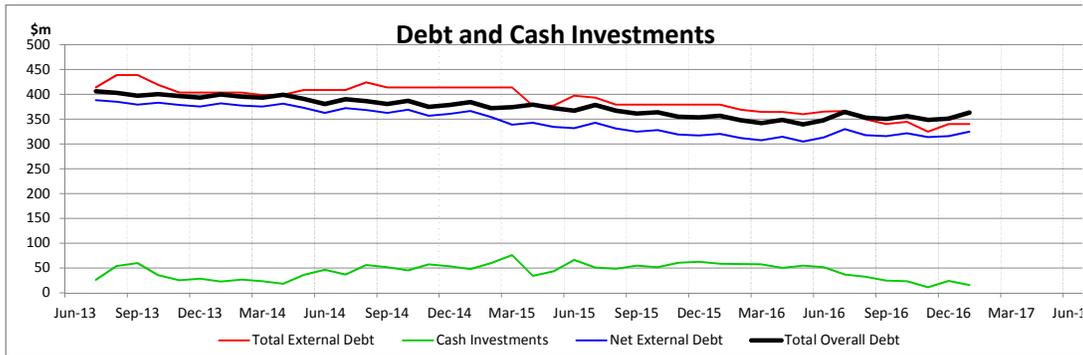
	Policy	Result @ 31-Jan-17	Policy Compliance	
Fixed rate maturity	all years within annual parameters	achieved for all years	✓	
Funding maturity	0 - 3 years	15% - 60%	60%	✓
	3 - 5 years	15% - 60%	20%	✓
	5 years plus	10% - 60%	20%	✓
Liquidity ratio	minimum	110%	124%	✓
Counterparty credit risk	maximum	\$75m per bank	achieved	✓

**Comments on policy breaches**

There are no breaches of policy.



Debt and Cash Investments (\$'000's)	Result @ 31-Jan-17	Budget @ 30-Jun-17	Variance Fav. / (Unfav.)
External debt	339,767	419,899	80,132
less Cash investments	(15,145)	(49,000)	(33,855)
Net external debt	324,622	370,899	46,277
add Cash-backed reserves	38,644	33,183	(5,461)
<b>Total overall debt</b>	<b>363,266</b>	<b>404,082</b>	<b>40,816</b>



The above graph shows how the movements in interest rates impact HCC's swap position in the balance sheet. If interest rates decrease the liability increases. Recent months have seen an increase in interest rates leading to a reduction in liability.

## 2015-25 10-Year Plan Service Performance Report (Year 2)

for the Quarter ended 30 December 2016

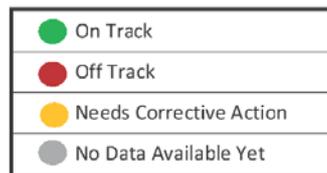
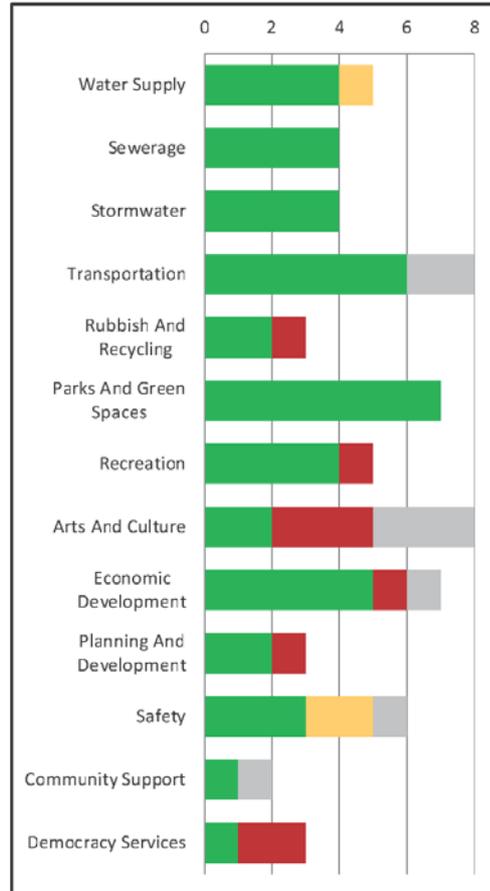
There are 65 Performance Measures contained in the 2015-25 10-Year Plan.

The results alongside show that, overall, 45 (69%) are on track to meet the annual target, 9 (14%) are off track, 3 (5%) need corrective action to meet the target by year end and 8 (12%) have no data available yet.

Measures that do not have data available are due to the external providers of data or being an annual measure.

The Service Performance Exceptions Report provides details of the measures that are off track, need corrective action or have no data available yet.

From Quarter 3 onwards the 10-Year Plan performance measures will be reported separately to the 10-Year Plan Financials and instead be reported to their relevant committee, either Community and Services or Growth and Infrastructure.



# 2015-25 10 Year Plan Service Performance Exceptions Report - Year 2 (2016/17)

Quarter 2 Summary Results  
 On Track: **69%**    Off Track: **14%**    Action Needed: **5%**    No Data: **12%**

#	LEVEL OF SERVICE	MEASURE	ANNUAL TARGET	YEAR TO DATE		QUARTER 2		QUARTER 1	
				Result	Status	Result	Status	Result	Status

## WATER SUPPLY

1	A timely response if there is a problem with the water supply.	The median response times for the following when the Council attends a call-out in response to a fault or unplanned interruption to its water reticulation system: C) Attendance for non-urgent call-outs: From the time that Council receives notification to the time that service personnel reach the site.	No more than 5 days	Median of 6 Days	4.1	Action Needed	While urgent call outs are prioritised, improvements over Quarter 2 have improved response and resolution times for non-urgent water issues. Monitoring will continue to ensure targets are achieved.	6.8
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## TRANSPORTATION

2	A Transport network that is safe to use	The change from the previous financial year in the number of fatalities and serious injury crashes on Hamilton's local road network.	Two less deaths or serious injuries than the previous financial year	-	No Data	Data is collected annually. The data for 2016/17 is not available and reported in Quarter 1 of 2017/18. Year to date there have been 17 deaths/ serious injuries.	-
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Previous Data:  
 2015/16 = 34  
 2014/15 = 27  
 2013/14 = 30

#	LEVEL OF SERVICE	MEASURE	ANNUAL TARGET	YEAR TO DATE		QUARTER 2			QUARTER 1	
				DATE	Result	Result	Status	Comment	Jul-Sept	Result
3	The Council will invest in making biking safer	The change from the previous financial year in the number of deaths and serious injuries involving cyclists on Hamilton's roads.	Decreasing trend	-	-	No Data		Data is collected annually. The data for 2016/17 is not available and reported in Quarter 1 of 2017/18. Year to date there have been 2 deaths/ serious injuries involving cyclists. Previous Data: 2015/16 = 6 2014/15 = 4 2013/14 = 3		

### Rubbish and Recycling

4	The Council will promote and encourage recycling and reuse.	The percentage of waste recovered for recycling through the kerbside collection.	At least 30%	28%	28%	Off Track	Further significant improvements in the percentage of waste recovered for recycling are not anticipated to be observed until proposed improvements are implemented. These improvements include the long term waste education, communication, marketing and engagement strategy and any future changes to expand the level of service of the kerbside recycling collection.	28%	
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### Recreation

5	Council pools will provide opportunities for recreation, learning and leisure.	The number of visits to Waterworld and Gallagher Aquatic Centre each year.	At least 580,000	256,833 visits	137,698	Off Track	Quarter 2 result is below target. Visitor numbers are expected to rise over Quarter 3 during the busy summer season.	119,135	
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#	LEVEL OF SERVICE	MEASURE	ANNUAL TARGET	YEAR TO DATE		QUARTER 2			QUARTER 1	
				DATE	Result	Result	Status	Comment	Jul-Sept	Result

### Arts and Culture

6	A modern and relevant library service	The number of physical and online visits to the libraries each year	1% increase each year	-8.3%	-11.9%	<b>Off Track</b>	296,235 visitors during quarter 2 in 2015/16 and 261,076 visitors during quarter 2 in 2016/17. Contributing factors include relocation of Central Library to Pop up Library, a 2 week closure period and delay in installation of door counters.	-5.1%	
7	A modern and relevant library service	Use of the Library Collections, both Print and Electronic	1% increase each year	-8%	-9.4%	<b>Off Track</b>	348,484 issues during quarter 2 in 2015/16 and 315,578 issues during quarter 2 in 2016/17. Contributing factors include relocation of Central Library.	-6.7%	
8	A modern and relevant library service	The ratio of e-books to print books purchased	14% e-Books	0%	-	No Data	This is an annual measure and will be reported on in Q4.	-	
9	Waikato museum to share and celebrate our region's history, creative and diversity	The number of children and students visiting the museum for education each year	At least 8,000	1,333 students	613	<b>Off Track</b>	Quarter 2 results are 12% below KPI target of 700 (based on exhibitions calendar, programmes, season). To address this, initiatives have been put in place in Quarter 2 that have resulted in 3,000+ students booked so far for the 2017 blockbusters Sunlight in Quarter 3 and Permian Monsters in Quarter 4.	720	
10	Theatres will be well used	The total number of people attending events at Founders each year	At least 70,000	-	-	No Data	Founders Theatre was closed on 1 March 2016. Audit NZ confirmed that as the measure is included in the 2015-2025 10-Year Plan, a result in 2016/17 must be recorded.	-	

# LEVEL OF SERVICE	MEASURE	ANNUAL TARGET	YEAR TO DATE		QUARTER 2			QUARTER 1	
			Result	Status	Result	Status	Comment	Result	Result
11	Theatres will be well used The total number of hire days across Founders theatre	At least 180	-	No Data	-	-	-	-	-

Founders Theatre was closed on 1 March 2016. Audit NZ confirmed that as the measure is included in the 2015-2025 10-Year Plan, a result in 2016/17 must be recorded.

**Economic Development**

12	Our venues should be well used The total number of hire days across the stadium facilities each year	At least 420	166 hire days	80	Off Track	86	-	-
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A long standing system error has been identified that would have inflated target setting expectations. As a result the number of stadia hire days is anticipated to be well below the target that has been set. However, attendance and financial results are ahead of budget and indicate higher yielding events are taking place.

This is an annual expenditure figure provided by Ministry of Business, Innovation and Employment (MBIE) and isn't available quarterly. The results for year end March 2017 will be available in November 2017. MBIE have recast growth figures so Hamilton and Waikato Tourism have decreased their target to 2.7%.

**Planning and Development**

14	Planning and building consents will be processed on time The percentage of non-notified resource consent applications processed within statutory timeframes.	100%	99.3%	99%	Off Track	99%	-	99%
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One extremely complex and complicated application took it over time.

#	LEVEL OF SERVICE	MEASURE	ANNUAL TARGET	YEAR TO DATE		QUARTER 2			QUARTER 1	
				DATE	Result	Result	Status	Comment	Jul-Sept	Result

### Safety

15	The Council will work with others to improve perceptions of safety in the central city.	The percentage of central city users surveyed who feel very safe or reasonably safe in the central city during the daytime	Improvement on the previous year's result	0%	-	No Data	Survey not yet undertaken.	-	-
16	A reliable response to requests for graffiti, excessive noise and dog control	The percentage of complaints about excessive noise responded to within 30 minutes.	95%	93.8%	94%	Action Needed	New issues with the noise control contractors tasking system resulted in a 90% response rate during October bringing the average down. The response rate has been over 95% since that time.	94%	94%
17	A reliable response to requests for graffiti, excessive noise and dog control	The percentage of urgent requests for dog control responded to within 60 minutes.	100%	99.2%	94%	Action Needed	Job was incorrectly sent to AEC team as routine instead of urgent via Call Centre. Unaware that AEC actioned the next day.	100%	100%

### Community Support

18	The Council to always be ready for an emergency	Hamilton's overall capability for an emergency event, assessed against the Ministry of Civil Defence criteria	75%	-	-	No Data	Capability measurements are under review as a consequence of entering into a CDEM contract delivery model involving Waikato Regional Council.	-	-
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### Democracy Services

19	Timely and open access to public information	The percentage of official information requests responded to within 20 working days	100%	94.3%	98.1%	Off Track	A full LGOIMA response was 1 working day over the standard 20 working day timeframe due to an avoidable delay.	92.3%	92.3%
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#	LEVEL OF SERVICE	MEASURE	ANNUAL TARGET	YEAR TO DATE	QUARTER 2	QUARTER 1
				Result	Result	Result
20	Timely and open access to public information	The percentage of Council meeting agendas circulated at least two working days prior to the meeting	100%	88.9%	66.7%	100%
					Status: <b>Off Track</b> Comment: 3 agendas were distributed during this quarter. There was 1 unavoidable late item for the meeting of 30 November 2016 due to legal process. This meant technically the full agenda was not available in the required timeframe.	

**Committee:** Finance Committee

**Date:** 28 February 2017

**Report Name:** Key Projects Monitoring  
Report - January 2017

**Author:** Natalie Young

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>2015-2025 10-Year Plan</i>
<b>Financial status</b>	<i>There is budget allocated on a per project basis, as per attachment 1.</i>
<b>Assessment of significance</b>	<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/is not considered to have a high degree of significance</i>

## 1. Purpose of the Report

To inform Council of the status of key projects underway at Hamilton City Council for the January 2017 period.

### Recommendation from Management

That the Finance Committee receives the report.

## 2. Attachments

- Attachment 1 - Key Projects Status Summary Report - January 2017

## 4. Discussion

- A project is determined as a key project by Council. Council can request for a project to be included in the key project reporting when they require regular visibility of the project's status and progress.
- The following four projects have a green status indicating that they are on track to be delivered within scope, budget and schedule;
  - Hamilton Gardens Development
  - North City Road Urban Upgrade
  - Rototuna Reservoir and Bulk Watermains Development
  - Rototuna Town Centre – New Agreement Phase

7. The following five projects have an amber status indicating that they are at risk of exceeding, scope, budget or schedule. These projects require close monitoring by management to ensure that any issues are identified and addressed.

**8. Hamilton Ring Road Upgrade and Extension**

9. There is a remaining budget of \$8.8m (gross). In order to deliver the revised scope for this project as per the resolution by Council on 28 July 2016, additional HCC funding of approximately \$9-\$14m (\$18-\$28m gross additional cost) is required. Additional costs will be required primarily in 2018/19 and 2019/20, which will be considered as part of the 2018-28 10 year plan process, however the project may also require up to \$5m (\$10m gross cost) of this funding in the 2017/18 Annual Plan.

**10. Pukete 3 Wastewater Treatment Plant Upgrade**

11. Designs for the Wastewater Treatment Plant Capacity Upgrade are progressing well.  
12. The project has an amber status due to the additional funds that may be required in excess of the existing 2015/25 10 Year Plan. Final costs will be influenced by further design and market pricing at the time of tender.

**13. Waiora 2 Water Treatment Plant Upgrade**

14. The contract for phase 1 of the physical works has been awarded. Phase 1 will involve the installation of a new bulk watermain and works will commence in February 2017.  
15. The project has an amber status due to the risk identified that additional funds may be required in excess of the existing 2015/25 10 Year Plan. Final costs will be influenced by further design and market pricing at the time of tender.

**16. Victoria on the River Stage 2 Works**

17. The project is currently showing an amber status due to delays caused by issues raised during the Public Tender process. Staff are currently working through these issues with the preferred tenderer. A paper is being taken to the 28 February 2017 Finance Committee for approval which if successful will allow works to commence in early April 2017.

**18. Western Rail Trail**

19. The project is currently showing an amber status due to the potential risk relating to the schedule and project dependencies with KiwiRail. This will not impact on the delivery of the project but may delay the final commissioning of traffic/rail signals on Killarney Road. A back up plan for this is being developed.  
20. The full key projects report is available on One Drive.

**21. Risk**

22. Project risks are identified on a project specific basis and are actively managed and monitored by the assigned project manager in conjunction with the relevant project governance/GM project sponsor.  
23. Any change to risk profile or risk rating is included in the key projects status summary report for each project.  
24. There has been no change to the risk status of projects in January 2017.

**Signatory**

Authoriser	David Bryant, General Manager Corporate
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## Key Projects Status Summary Report - January 2017 (full report D-2324054)

Total Number of Projects	Count	Project Status	Risk Ratings
Project Status – On Track	4	Green	Increased = ↑
Project Status – Needs to be Monitored	5	Amber	Unchanged = →
Project Status – Needs urgent management attention	0	Red	Decreased = ↓

Project/ Programme Name	Project Sponsor	Project Manager	Start date	Expected completion date	Total project budget	Total project cost TD	2016/17 budget	YTD spend 2016/17	Project Status	Project Exception Report	Risks
Hamilton Gardens Development	Lance Vervoort	Helen Paki	02-Jun-14	31-Dec-18	\$ 7,580,686	\$ 4,345,433	\$ 3,315,995	\$ 1,510,674	Green	No change to risks or risk ratings	→
Hamilton Ring Road Upgrade and Extension	Chris Allen	Chris Barton	01-Jul-03	30-Jun-20	\$ 84,270,900	\$ 76,171,115	\$ 1,000,000	\$ 722,116	Amber	As previously reported: The project currently shows an amber status. As indicated in the July 2016 report to Council: In addition to the remaining allocated budget of \$8.8m (gross), the revised scope will require additional HCC funding of approximately \$9m-\$14m (\$18m-\$28m gross additional cost). Additional costs will be required primarily in 2018/19 and 2019/20, which will be considered as part of the 2018-28 10 year plan process, however may also require HCC funding of up to \$5m (\$10m gross cost) in the 2017/18 Annual Plan. Completion of the Wairere Drive extension to Cobham Drive including construction of the grade separated intersection is estimated by mid-2020, and the key milestone baseline completion date has been updated accordingly.	→
North City Road Urban Upgrade	Tony Denton	Chris Barton	01-Jul-15	23-Dec-21	\$ 8,126,000	\$ 501,491	\$ 531,000	\$ 277,106	Green	No change to risks or risk ratings	→
Pukete 3 Wastewater Treatment Plant Upgrade	Andrew Parsons	Barry Hu	01-Jul-15	30-Jun-20	\$ 18,356,000	\$ 1,053,710	\$ 839,336	\$ 205,615	Amber	As previously reported: The project is showing an amber status due to the project cost risk profile, where additional funds may be required in excess of existing 2015/25 10 Year Plan project budget allocations in relation to project contingency provisions. Further investigation as part of the preferred option identification and scope rationalisation has confirmed the nominal cost to deliver the preferred option is within existing budget allocations, however risk still remains in regard to contingency provisions. Final costs will be influenced by further design and market pricing at the time of tender.	→
Rototuna Reservoir and Bulk Watermains Development	Tony Denton	Chris Barton	01-Mar-15	30-Aug-17	\$ 21,989,000	\$ 17,105,481	\$ 13,632,000	\$ 6,331,612	Green	No change to risks or risk ratings	→
Rototuna Town Centre – New Agreement Phase	Lance Vervoort	Helen Paki	02-Apr-13	31-Jul-17	\$ 3,839,300	\$ 3,286,376	\$ 0.00	\$ 0.00	Green	No change to risks or risk ratings	→

D-2324429

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<b>Victoria on the River (VOTR) Stage 2 works</b>	Lance Vervoort	Gina Hailwood	01-May-16	31-Aug-17	\$ 7,000,000	\$ 1,275,197	\$ 4,900,000	\$ 172,000		As previously reported: This project has been placed into amber as a result of delays caused by issues raised during Public Tender. Staff are currently working through these issues with the preferred tenderer. This will lead to delays in the awarding of a contract and the commencement of works.  No change to risks or risk ratings	→
<b>Waioira 2 Water Treatment Plant Upgrade</b>	Andrew Parsons	Barry Hu	01-Jul-15	30-Jun-21	\$ 28,746,000	\$ 871,884	\$ 3,337,431	\$ 315,741		As previously reported: This project is showing an amber status due to the project cost risk profile, where additional funds may be required in excess of existing 2015/25 10 Year Plan project budget allocations in relation to project contingency provisions. Further investigation as part of the preferred option identification and scope rationalisation has confirmed the nominal cost to deliver the preferred option is within existing budget allocations, however risk still remains in regard to contingency provisions. Final costs will be influenced by further design and market pricing at the time of tender.  No change to risks or risk ratings	→
<b>Western Rail Trail</b>	Chris Allen	Simon Crowther	01-Jul-15	31-Mar-17	\$ 7,146,000	\$ 5,024,145	\$ 6,221,000	\$ 4,099,145		As previously reported: This project is now in an amber status due to time and cost.  Forecast completion date - Currently is 17 March 2017, however this is being challenged by HEB who believe it should be 31 March 2017. Opus are conducting and internal review of the Engineers Decision. Expected project costs are forecast to be delivered within the upper bound of the revised project budget.  The Approved Contract Sum for Contract 15363 has been re-baselined to \$5,200,000 (previously \$4,280,000) following Council resolution (13 Dec). The report also outlined the additional funding requirements for the project and range from \$734,000 to \$1,326,000 (the upper bound is considered to be a worst case scenario).	→

**Committee:** Finance Committee

**Date:** 28 February 2017

**Report Name:** Overview and Update on Council Assets

**Author:** Paul Gower

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>The asset management programme of work is central to the development and delivery of Council's 30-Year Infrastructure Strategy / 2-18-28 10-Year Plan.</i>
<b>Financial status</b>	<i>There is budget allocated for asset management planning across the organisation. This report highlights asset challenges that may require funding through the 2018-28 10-Year Plan.</i>
<b>Assessment of significance</b>	<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

- The purpose of this report is to inform elected members of the current knowledge on the state of Council assets.

## 3. Executive Summary

- This report is to give elected members an overview of Council assets and currently known key asset challenges and issues that will likely to form the basis of the 10-Year Plan discussions and prioritisation.
- Staff knowledge and understanding of assets is continually improving through:
  - maintenance undertaken on assets,
  - renewal / replacement of assets,
  - observations and complaints / feedback on asset and related service performance,
  - consultant / external reports commissioned and received, and
  - visual condition assessments being updated.
- Information on asset condition is held in the relevant asset information systems and used for analysis and planning of future asset requirements.
- Data and information on many assets is currently being updated to enable the update of baseline Activity Management Plans (AMPs) for the 2018-28 10-Year Plan and the related 30-Year Infrastructure Strategy.

8. Updated baseline AMPs will be prepared by June 2017. Key findings from these plans will be presented to and discussed with Council as part of the 2018-28 10-Year Plan development later in 2017.
9. It is expected that data and recommendations on actions required to manage the assets could change as a result of updated of information available over the coming few months.
10. Tradeoffs in the 10-Year Plan prioritisation will need to balance the desired levels of service, risk to provide the service and cost.

### **Recommendation from Management**

That the Finance Committee receives the report.

### **11. Attachments**

12. Attachment 1 - Asset management summaries for activities with significant assets

### **13. Key Issues**

14. Preparing for the 10-Year Plan
15. This report is provided to the Finance committee to provide updated contextual information on the state of Council's key infrastructural and building assets. This reports timing is early in the triennium and before substantive work and any key decisions are made on the 2018-28 10-Year Plan.
16. This information will identify the known asset challenges that will need consideration as part of the 10-Year Plan. The themes contained in the report will be useful as elected members start to consider the direction and challenges for the 10-Year Plan over coming months.
17. Updated information on these asset challenges (with forecast financials) will be provided to Council in the middle of 2017 - once baseline AMPs are updated and completed.
18. To develop the 10-Year Plan, Council will need to make prioritising decisions on matters raised in the Baseline AMPs. Trade-offs will likely need to be made between levels of service, risk and cost.

### **19. Summary of assets and information**

20. Basis of data in summaries
21. Attachment 1 contains asset management summaries for 14 activities that have AMPs.
22. The summaries are provided to give an early indication of matters that will need consideration and decision through the upcoming 2018-28 10-Year Plan development process.
23. The summaries are based on the current information that is readily available as at February 2017.
24. Other information may be new information. New information can be gained through a number of sources or due to different reasons including:
  - Undertaking maintenance on assets – as maintenance activities are undertaken issues with performance and / or condition can be updated

- Renewing (replacing an asset that is worn out) – data will be updated in the asset system to reflect the improved condition and anticipated life
  - Observations and / or complaints on asset condition or performance – in many cases this may result in reactive maintenance or renewal. However in other cases there may not be physical work undertaken and the asset remains in a deteriorating condition and asset data is updated to reflect the change in asset condition
  - Consultant or external reports – reports on condition or asset performance may be commissioned that inform the assessment of the asset
  - A visual asset condition assessment may have been undertaken – many of Council assets are reviewed on a three yearly cycle. A broad programme of asset condition assessments is currently being undertaken on Council owned buildings and other assets
  - Modelling of asset data to give a predicted condition or performance – assumptions are made on asset condition for assets that may be hard to access (underground) and/or there is a high degree of predictability
25. Each of the 14 activity asset summaries include standardised information outlining:
- The rationale for the activity - What we do and why we do it
  - Functions, services and mode of delivery
  - Sections on operational and building assets
    - Key assets and their condition
    - The key asset challenges and actions
    - Capital projects funded in the current 10-Year Plan
26. Attachment 1 also includes information for the interpretation of the asset summaries. The summaries should be read in conjunction with this information as it describes the criteria for data behind the various scales used in the summaries. It also explains what the information includes and in some cases excludes and therefore the limits on its use.

## **27. Emerging asset themes from known AM challenges**

28. The asset summaries contain a number of common themes that will need to be discussed and considered as part of developing the upcoming 2018-28 10-Year Plan and 30-Year Infrastructure Strategy. These are included in this report as a summary for elected members to be aware of early in the triennium and at the beginning of any long-term planning process.
29. Investing in backlog of community infrastructure for growing city
30. There is a shortage of community infrastructure in some new areas of the city. Plans have been in place for new facilities / assets for a number of years. However funding has not been available to construct these new assets and ongoing budget to operate and maintain them.
31. New sports grounds have not been developed in Rototuna. Where land has been purchased and held for future development, this is still generally undeveloped and leased for agricultural activities.
32. Built infrastructure in Rototuna (such as an indoor pool and library) that has previously been included in Council plans has been deferred in the current 10-Year Plan. Council will need to determine the relative priority for these facilities.

33. Increasing resilience and performance of Council buildings
34. Over recent years, Council has developed and approved a number of plans and strategies that describe changes to services provided to the community. These changes to services often result in changes or investments in existing or new assets in order to deliver the changed and desired service levels.
35. In many cases Council's buildings are not at modern standards. While the condition of these building assets may be assessed as being in good condition, the configuration or nature of the assets are often considered inadequate for delivery of the desired service levels to the community. This 'lack of performance' of assets will be a theme that is likely to feature in a number of baseline AMPs.
36. In recent years, Hamilton has been reclassified as being in a seismic risk zone of medium (increased from low). More focus is required on ensuring good seismic performance of building and infrastructure assets. In many cases this means that additional assessments are required and where the performance is already known, strengthening of some assets will be required or recommended. The preparation of a Seismic risk reduction policy will help to guide the seismic assessment and upgrade programme. This policy is currently programmed and proposed for consideration by Council in the 28 March 2017 Growth and Infrastructure Committee meeting.
37. Appropriate asset data and information investments
38. Council should continue investing in processes for collecting data, staff to manage and analyse the data and the systems to hold and report on assets.
39. There will be a need to continue to invest in the asset management system – particularly improving asset data and associated modelling and planning. Over time, this will increase assurance over planning and long-term sustainability and resilience of assets. Council has been catching up over recent years from budget reductions that had been made in years prior.
40. It is likely that recent improvements in asset data and information will be lost without continued investment in the processes and tools for quality asset management. Ongoing investment will consolidate the work that is being done across the business and make improvements to areas that have yet to have a major focus. In doing so asset management performance and assurance will be able to increase.
41. Continued investment in mobile applications to create seamless, effective and efficient flows of asset data is a particular focus. These investments will allow better tracking and data confidence when creating, maintaining or assessing condition or performance of assets in the field.
42. Continuing investment in core network infrastructure
43. Meeting the needs for new core network infrastructure for a growing city remains a critical challenge for Council. Hamilton is currently growing faster than anticipated and planned for in the 2015-25 10-Year Plan. Baseline AMPs and the 10-Year Plan will need to update growth assumptions and consider the asset implications and funding. It is already understood that funding current levels of growth in the future will require new growth cells in the next 10-Year Plan period to be opened up and this will challenge the existing financial strategy limits.
- 44. Financial and Resourcing Implications**
45. There are no known financial implications from this report for the Committee to consider at this stage.

46. Options and financial forecasts/estimates to address the matters raised in this summary report will be provided as part of the baseline AMP updates and 2018-28 10-Year Plan process later in 2017. However it is likely that the total of the financial forecasts in the baseline AMPs currently being prepared will be in excess of the current budgeted expenditure in the 10-Year Plan and require trade-offs to be made.
47. The outputs from the updated baseline AMPs should be reported and workshopped with elected members in mid-2017. This will assist elected members to have a fuller understanding of the implications on service levels and risks from trade-offs that may be required as part of the prioritisation of the 10-Year Plan.

#### **48. Risk**

49. The Asset summaries identify a number of specific asset or activity related risks. The Committee is not being asked in this report to make any decisions in relation to these risks. The baseline AMPs (as part of the upcoming 2018-28 10-Year Plan process) will provide recommendations and options for the management of risk associated with delivery of activities.
50. If at any stage, new information is received that increases the risk associated with delivery of the activity / operation of the asset to a level that requires decisions to be made by elected members, this matter will be brought to Council for a decision.

#### **Signatory**

Authoriser	Chris Allen, General Manager City Infrastructure Group
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# Interpretation information for Asset Summaries

**SOLID WASTE FACILITIES**  
As at 1 July 2015

Legend:  
■ Closed Landfill  
■ Refuse Transfer Station  
■ Organic Centre  
■ Other

**Solid Waste Asset Summary**

**WHAT WE DO**  
Council is responsible for the collection, safe disposal and minimisation of domestic refuse, recycling, and litter. Weekly refuse and recycling collections are provided to residential properties in the city (including the city centre). From 2020 to 2028 Council also provided landfills for the city's use at Rototuna, Colburn Drive, Witherby and Harouti. These landfills are now closed and Council must manage these sites in perpetuity. The Refuse Transfer Station and Hamilton Organic Centre are owned by Council. The operation of these facilities is contracted to privately owned businesses.

**WHY WE DO IT**  
**Benefits to the Community**  
To protect people's health and our environment by minimising the production of waste and promoting recycling and reuse.  
**Legislative Requirements**  
The Local Government Act 2002 states that we have an obligation to ensure that the city has a solid waste collection service but we are not required to provide it. While Council is not required to provide 20th century waste collection services directly, the Health Act 1955 requires Council to ensure a solid waste collection is available for residents and also requires Council to protect public health. The Waste Minimisation Act 2008 states that we must promote effective and efficient waste management and minimisation within the city, but not necessarily provide for it. Council is also required to produce and implement a waste management and minimisation plan. Resource Management Act 1991 (RMA) requires Council to protect and minimize the effect on the environment.

**FUNCTIONS, SERVICES AND MODE OF DELIVERY**

Function	Service	Statutory	Non-statutory	Mode of Delivery
Kerbside Refuse Collection	Collection and disposal of residential solid waste on a weekly cycle, two days per fortnight (excluding near city apartments and the commercial and industrial sector)	✓		Under Contract
Recycling Collection	Collection of residential recyclables on a weekly cycle (including near city apartments and the commercial and industrial sector). Kerbside recycling collected includes plastics (1-8 litre only), aluminium and tin cans, glass and paper.		✓	Under Contract
Closed Landfill Management	Operation and management of closed landfills (Rototuna, Colburn Drive, Witherby and Harouti) to achieve regulatory compliance with local waste and resource consents.	✓		Physical works carried out by in-house and external contractors. Monitoring and reporting carried out by consultants.
Customer Service	Responding to requests for service and enquiries relating to the activity.		✓	In-house / contracted
Under contract	Public toilets at a range of reserves as well as in civic spaces.		✓	In-house / contracted
Information and Education	Provision of information (through pamphlets at the various centres and information on Council's website) about ways to reduce the waste, reuse, recycle, and recover solid waste.		✓	In-house

What we do, why we do it and Functions, services and mode of delivery is included to give the context of the services that are provided to the community.

Legislative Requirements are the key pieces of legislation that mandate or require Council to undertake the activity.

Mode of delivery describes how particular functions are delivered. In many cases this may be a mix of in-house (Council staff) and external providers (contractors / consultants).

Further information / maps are provided for some of the Asset summaries to give spatial information on location and condition of some asset types.

The assessment as to whether a function is **Statutory or Non-statutory** is based on whether the function needs to be provided (Statutory) or whether the function is at the discretion of Council (Non-statutory). In some cases while the entire activity may not be required, if Council chooses to deliver the activity at all, some functions may then become a statutory requirement.

**Our key assets and their condition**  
information on the main assets / asset types that are required to deliver the activity and its services. Information may include a description, quantity of assets the value of the assets and an assessment of their condition.

**OPERATIONAL ASSETS**

**Our key assets and their condition**

Asset	Condition	Total Value (Valuation Year)
Refuse Transfer Station, Lincoln Street	The Refuse Transfer Station (RTS), located at Lincoln Street, was constructed in 1983. Key component of RTS include a weigh bridge, pit floor, recycling service and associated buildings and structures. Approximately 48% of assets (2013) are in a fair to good condition based on age and visual assessment.	\$3.5M (2013)
Hamilton Organic Centre	Hamilton Organic Centre (HOC), located at Wickham Street, was constructed in 1999. Key components include a weighbridge, pit floor, stormwater ponds and associated buildings and structures. Approximately 60% of non-building assets are in fair to very good condition.	\$22M (indicative 2016)
Closed Landfills (Horotiu, Rototuna, Willoughby and Cooham Drive)	Council is responsible for four closed landfills at Cooham Drive, Willoughby, Rototuna and Horotiu. These sites were used by the city to dispose of municipal waste from 1920 to 2007. Assets including landfill gas and liner, monitoring zones, gas and leachate extraction and treatment. More robust asset data is required to determine asset condition.	\$50M (2013)

Note: All values are exclusive of land values

**Key asset challenges and actions**

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Ensuring the delivery of refuse services including kerbside rubbish and recycling services, the Refuse Transfer Station and Hamilton Organic Centre meet community expectations, are safe and respond to growth.	Review of waste services including kerbside refuse and recycling collection, Refuse Transfer Station and Hamilton Organic Centre. Waste Management and Minimisation Planning.	<ul style="list-style-type: none"> <li>Implementation of decision on future waste and recycling kerbside service.</li> <li>Installation of recycling drop off points.</li> </ul>
To enable immediate asset management more robust data for assets is required.	Ongoing improvement programme to enhance asset information for the assets. This includes a review of asset structures and data attributes in Maintenance Connection.	
Maintaining existing assets in a suitable condition (and to enable service delivery including ensuring health and safety and response to asset requirements are met).	Ongoing renewal programmes to replace poor condition assets based on best available information. Ongoing capital improvement programmes to enhance asset performance. Regular monitoring of environment and management of asset in line with plans for management of the assets.	<ul style="list-style-type: none"> <li>Renewal programmes based on improved asset knowledge.</li> <li>Review of asset surfaces at the refuse transfer station.</li> <li>Understanding the actions required to meet new discharge standards in the Waikato Regional Healthy Rivers Plan Change.</li> </ul>

**Capital projects funded in the current 10-year plan**

Renewals in 2015-25 10 Year Plan		
Project	Ten year plan budget	Timing

**New Works in 2015-25 10 Year Plan**

Project	Ten year plan budget	Timing

**Future actions for Baseline AMP** are the activities, programmes and projects that will be included in the baseline AMPs to address these known asset challenges.

**Capital projects funded in the current 10-Year Plan** gives details of the approved remaining (2017/18 - 2024/25) capital budget from the 10-Year Plan. Budgets have been updated for any Council decisions from the 2016/17 Annual Plan. Budgets are expressed as gross costs and inflation applied.

**Main asset challenges** the key asset issues associated with delivery of the activity and its services.

**Current actions** are the ways that the challenges are currently being addressed. These are the current funded interventions.

**Buildings** – the key buildings for the delivery of the activity and age of construction

**Condition**– latest available information on the condition of the Council owned building. The condition is based on formally undertaken assessments and recorded in the corporate building asset management system. The condition information will not necessarily reflect issues of ‘performance’ or ‘obsolescence’ of the building and its assets. Therefore the condition can be rated as being of good condition but the assets / building may not be adequate to deliver the level of service.

**Seismic information** has been included for relevant structures and buildings. The importance levels stated are the levels that are suggested for use with any future seismic assessment and are in line with the building type category as specified by NZS 1170:2002 or subsequent standard.

**Average condition grade**– the average condition of the assessed assets that make up the building – weighted based on the value of the component assets. This will mean that not all assets in this building are of this condition. There are likely assets in both better and worse condition than this average.

Condition	General Description
Very Good	Sound physical condition. No work required.
Good	Minor defects only.
Moderate	Significant deterioration evident. Maintenance required to return to accepted level of service.
Poor	Failure likely in short term. Consider renewal.
Very Poor	Failed or failure imminent. Renewal required as a priority.

BUILDINGS						
What the assets are and condition						
Building	Construction Year	Current Condition Grade	Last Formal Condition Date	Confidence in condition information	Importance Level	Seismic Risk based on NBS%
ETS - Council Offices, Recycling Centre	1998	Moderate	2018	Uncertain	2	Medium Risk
ETS - Computer Office	1979	Poor	2018	Uncertain	4	High Risk
ETS - Concrete Pit & Carport	1978	Good	2018	Uncertain	3	Medium Risk
ETS - Garage		Moderate	2018	Uncertain	2	Medium Risk
ETS - Access Building		Moderate	2018	Uncertain	2	Medium Risk
ETS - Cook		Poor	2018	Uncertain	3	Medium Risk
ETS - Recycling Building		Poor	2018	Uncertain	3	Medium Risk

Importance Level	Description of Building Type
Level 1	Buildings posing low risk to human life or the environment, or a low economic cost, should the building fail. These are typically small non-habitable buildings, such as sheds, barns, and the like, that are not normally occupied, though they may have occupants from time to time.
Level 2	Buildings posing normal risk to human life or the environment, or a normal economic cost, should the building fail. These include single family dwellings and carpark buildings.
Level 3	Buildings of a higher level of societal benefit or importance, or with higher levels of risk-significant factors to building occupants. These buildings have increased performance requirements because they may house large numbers of people (more than 300), vulnerable populations, or occupants with other risk factors, or fulfil a role of increased importance to the local community or to society in general.
Level 4	Buildings that are essential to post-disaster recovery or associated with hazardous facilities.
Level 5	Buildings whose failure poses catastrophic risk to a large area (e.g., 100 km <sup>2</sup> ) or a large number of people (e.g., 100 000).

**Last formal condition date**– date of last comprehensive assessment on which this data is summarised from. Individual assets and component data may have been updated since this time through maintenance and renewal activities.

**Assessment type** – ISA – Initial Seismic assessments are a basic qualitative assessment by an independent structural engineer.  
 DSA – Detailed Seismic Assessments involved review of plans, modelling of building performance and may include intrusive physical testing.

**Confidence in condition information** – has been generally graded using industry standard scale from NAMS / IPWEA. – Institute of Public Works Engineering Australasia..

Category	Criteria
Highly Reliable	Data based on sound records, procedure, investigations and analysis which is properly documented and recognised as the best method of assessment.
Reliable	Data based on sound records, procedure, investigations and analysis which is properly documented but has minor shortcomings. Data recently assessed.
Uncertain	Data based on sound records, procedures, investigation and analysis which are incomplete or unsupported, or extrapolations from limited sample for which grade Highly reliable or Reliable data is available. Data more than 4yrs old.
Very Uncertain	Data base on unconfirmed verbal report and/or cursory inspection and analysis.

The **Relative Risk based on NBS%** is stated where known in line with the following table:

Percentage of New Building Standard (%NBS)	Relative Risk (approximately)
>100	Low risk
80 – 100	Low risk
67 – 80	Low to medium risk
33 – 67	Medium risk
20 – 33	High risk
<20	Very high risk

# Water Supply Asset Summary



## WHAT WE DO

Council is responsible for the treatment, distribution and management of Hamilton’s water supply. Raw water is drawn from the Waikato River into the Water Treatment Plant, where it is treated to provide potable water for households, non-residential properties in Hamilton and some properties outside the city.

## WHY WE DO IT

### Benefits to the Community

To provide Hamilton’s residents and businesses with a safe, high-quality, reliable and sustainable water supply.

### Legislative Requirements

The Local Government Act 2002 (LGA) requires Council to continue to provide water supply services. Council must not divest interest in a water service, except to another local government organisation.

The Health Act 1956 requires Council to protect the health and safety of people and communities.

## FUNCTIONS, SERVICES & MODE OF DELIVERY

Function	Service	Statutory	Non-statutory	Mode of Delivery
Water Treatment and Storage	Production and storage of high quality, safe, potable water to achieve regulatory compliance with Drinking Water Standards of New Zealand, Council’s Water Safety Plan, trade waste consents and resource consents.	✓		In-house Shared Services
Water Distribution	Delivery of a reliable, continuous supply of water at a pressure that is suitable for its intended use, and achieves regulatory compliance with Drinking Water Standards of New Zealand and Council’s Water Safety Plan.	✓		In-house Shared Services
Facilitate Growth	Provision of key infrastructure includes pipes, reservoirs and treatment plant upgrades to meet future demand.	✓		In-House Consultants Contractors
Customer Service	Respond and resolve interruptions to supply.	✓		In-house
Information and Education	Provision of information about the sustainable use and conservation of water and general water quality information.		✓	In-house Shared Services
Demand Management	Manage summer demand in conjunction with Waipa and Waikato District Council’s utilising the Smart Water campaign.	✓		In-house Shared Services

## WATER SUPPLY ASSETS

### Our key assets and their condition

Assets	Condition	Total Value
Treatment plant including civil, structural, mechanical, electrical and automation.	A review of the performance of the current treatment plant assets was undertaken in 2015 and key upgrades identified to meet future demand. Approximately 50% of the recorded treatment and storage assets are in fair or better condition based primarily on asset age.	\$61M (2013)
7 operational and 1 non-operational reservoirs	Based on age, about 50% of assets are considered in fair or better condition.	\$33M (2013)
Pipes (1,161km), and service connections (50,000+)	Based on age, more than 85% of the pipeline assets and 70% of service connections are in fair or better condition.	\$327M (2015)
Valves (10,081)	Based on age and condition assessment where known, approximately 70% of the valves are in fair or better condition.	\$20M (2015)
Hydrants (6,532)	Based on age and condition assessment where known, approximately 65% of assets are in fair or better condition.	\$17M (2015)
Meters (3,691) and Backflow Preventers (284)	Based on age and condition assessment where known, approximately 36% of metered assets and 80% of backflow assets are in fair or better condition.	\$2.8M (2015)

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Improving available information on treatment plant and reservoir assets to enable advanced asset management.	Ongoing programme to capture and improve asset data information for all treatment plant and reservoir assets in the corporate asset management system. Undertaking Building Information Modelling (BIM) to capture and improve treatment plant's asset data information.	Accelerate the BIM project for earlier completion, identify any funding and resourcing issues and prepare an achievable programme.
Reliance on a single source of water supply and a single water treatment plant.	Investigations into provision of a new water treatment plant on the Waipa River.	Consider land acquisition and resource consent planning.
Maintaining existing water reticulation network assets in a suitable condition to enable service delivery including: <ul style="list-style-type: none"> <li>minimising network leakage.</li> <li>maintaining adequate pressures for water supply and fire-fighting.</li> <li>maintaining service reliability.</li> </ul>	Ongoing renewal programmes to replace poor condition assets based on best available information. Ongoing improvement programme to enhance asset condition and performance information. Continued development and implementation of preventative maintenance programmes to maintain asset life across the activity. Implementation of a leak detection programme to identify and minimise water losses where possible.	Realignment of renewal programmes to replace critical and poor condition assets based on best available information. Further expand condition and performance programme for hydrants to ensure compliance with the Fire Code of Practice. Continue existing programme to identify and address leakage in the network.
Improving resilience of the water storage and supply network.	Master planning to optimise the resilience of water supply network during normal operation as well as unplanned events. Reconfiguration of bulk water mains and establishment of Water Demand Management Areas (DMA's) to enable enhanced monitoring. Assessment of seismic risk for structures.	Assess and identify network criticality and incorporate programme to undertake required investigations and physical works for improving long-term resilience. Introduce water demand management interventions by 2030 to defer requirement of a new water treatment plant. Programme of funding for seismic strengthening works.
Providing good quality new assets to enable the continued provision of services as the city grows.	Identifying key assets required to ensure services are maintained as the city grows. Construction of new assets to ensure services are maintained as the city grows such as the new Rototuna Reservoir and capacity upgrades at the Water Treatment Plant. Inclusion of Safety in Design considerations when renewing assets.	Realignment of capital programmes with master plan objectives and land use planning. Development of best practice Technical Specifications.

## Capital projects funded in the current 10-Year Plan

### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE10138 Replacement of Treatment Plant and Reservoir Assets	\$11.0 million	17/18-24/25
CE15158 Water Model	\$1.0 million	20/21-21/22
CE10123 Replacement of watermains	\$31.4 million	17/18-24/25
CE10124 Replacement of water meters valves & hydrants	\$2.3 million	17/18-24/25
CE10145 Tools of trade renewals	\$468k	17/18-24/25

### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE15140 Rototuna Reservoir and associated bulk mains	\$53k	17/18
CE15144 Upgrade Water Treatment Plant	\$23.1 million	17/18-20/21
CE15133 Water Demand Management – network water loss	\$566k	17/18-18/19
CE15134 Water Demand Management – Pukete Reservoir Zone	\$3.2 million	17/18-20/21
CE15136 Water Demand Management – Dinsdale reservoir zone	\$11k	17/18
CE15137 Water Demand Management – Newcastle reservoir zone	\$7.2 million	22/23-24/25
CE15139 Water treatment plant compliance – minor upgrades	\$9.0 million	17/18-24/25
CE15141 Water demand management – Hillcrest reservoir zone	\$10.5 million	17/18, 20/21-24/25
CE15126 Upgrade or build new watermains in Rototuna	\$9.6 million	17/18-24/25
CE15127 Water pipe upgrade/growth	\$2.8 million	17/18-24/25
CE15128 Upgrade/Build new watermains in Rotokauri Stage 1	\$3.0 million	17/18, 21/22-24/25
CE15130 Upgrade/Build new watermains in Peacocke stage 1	\$2.8 million	17/18-22/23
CE15132 Water Network Upgrades to allow new development	\$748k	17/18-24/25
CE15135 Upgrade/Build distribution watermains in Peacockes	\$97k	24/25
CE15146 Water customer connections	\$468k	17/18-24/25
CE15148 Upgrade or build new watermains in Ruakura	\$709k	18/19-19/20, 23/24
CE15159 Water Master Plan	\$182k	22/23

## BUILDING ASSETS

### Our key assets and their condition

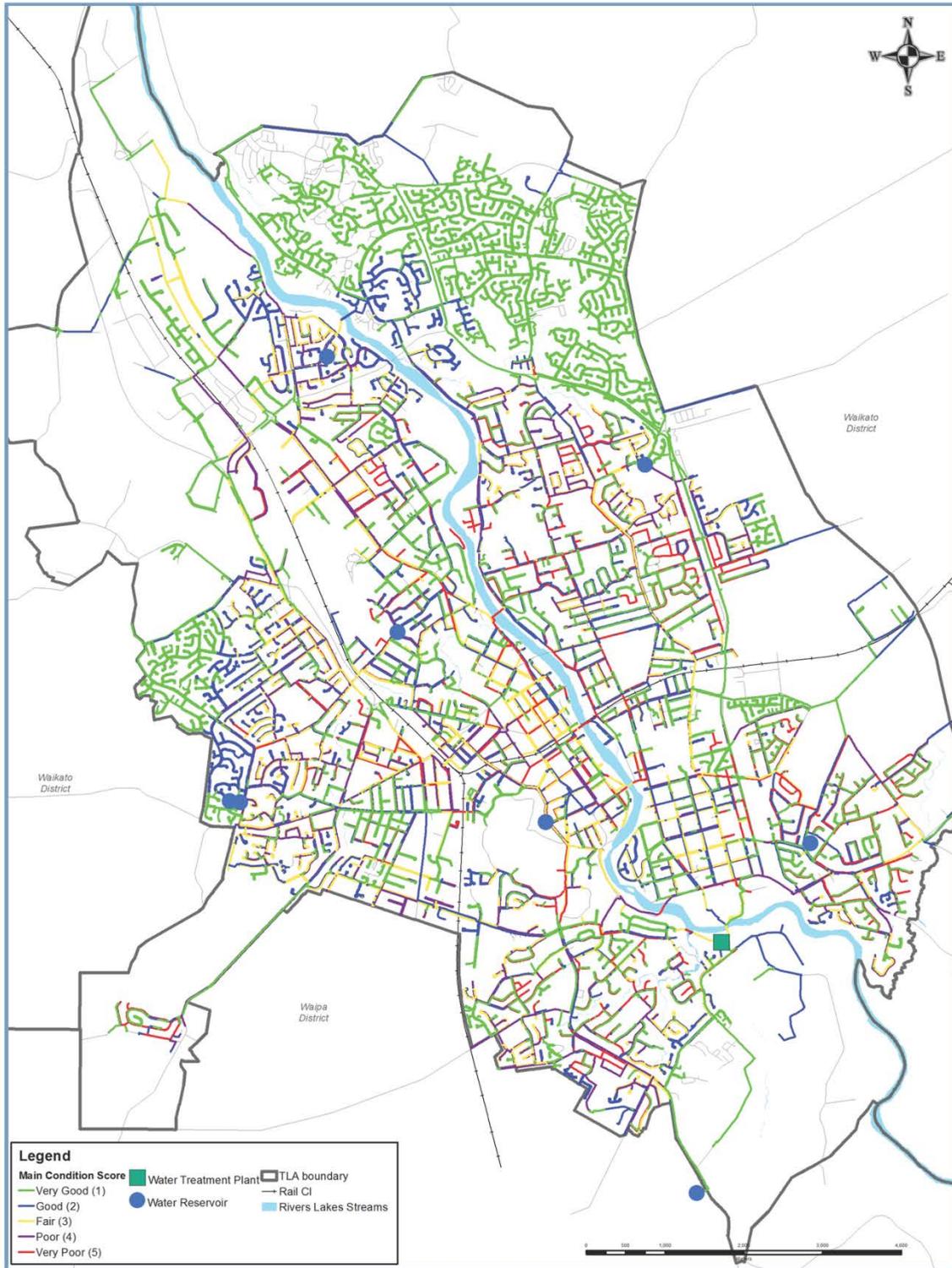
Building	Construction Year	CONDITION			SEISMIC		
		Average Condition Grade	Last formal condition date	Confidence in Condition Information	Importance Level	Relative Risk based on NBS%	Assessment Type
WTP – Admin Building	1971	Good	2016	Reliable	4	High to Very High	DSA – 2016 Review recommendations and plan capital works
WTP – Chemical Building	1971	Good	2016	Reliable	4	Very High	DSA – 2016 Review recommendations and plan capital works
WTP – GAC Building	1971	Good	2016	Reliable	4	High	ISA – 2015
WTP – Lime and Chlorine Building	1971	Good	2016	Reliable	4	Medium	ISA – 2015
WTP – Low Lift Building	1971	Good	2016	Reliable	4	Very High	DSA – 2016 Review recommendations and plan capital works
WTP – Storage Building	1971	Good	2016	Reliable	4	High	ISA – 2015
WTP – Weir Building	1971	Good	2016	Reliable	4	Medium	ISA – 2015
Dwelling – 18a Ruakiwi Road	1930	Good	2016	Reliable	2	Not assessed	ISA by June 2017

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Seismic risk associated with some treatment plant buildings.	Detailed costing on requirements for seismic upgrades to buildings.	Programming required seismic upgrades for identified earthquake prone buildings at the water treatment plant.

# WATER SUPPLY NETWORK CONDITION

As at 1 July 2015



Water Supply Asset Summary | February 2017

## Stormwater Asset Summary



### WHAT WE DO

Rainwater that flows from houses and buildings roofs, footpaths, roads etc. is called stormwater. The stormwater system consists of pipes, ponds, wetlands and open watercourses, which release untreated or treated water into the city's streams, lakes and the Waikato River. Council is responsible for the collection, transfer and treatment of Hamilton's stormwater.

### WHY WE DO IT

#### Benefits to the Community

Council provides stormwater services to protect people and properties from flood damage and to minimise the pollution of waterways.

#### Legislative Requirements

Section 130 of the Local Government Act 2002 (LGA) requires Council to carry out and maintain storm water services.

The Health Act 1956 requires Council to improve, promote and protect public health.

The Land Drainage Act 1908 requires Council to maintain and repair existing drainage systems.

The Resource Management Act 1991 (RMA) requires Council to protect and minimise effects on the environment.

### FUNCTIONS, SERVICES AND MODE OF DELIVERY

Function	Service	Statutory	Non-statutory	Mode of Delivery
Stormwater collection, transfer, treatment and discharge	Cleaning and maintenance of the stormwater system to prevent flooding and establishment of pest species.	✓		In-house
	Operation and management of stormwater system to achieve regulatory compliance with resource consents.	✓		
	Emergency response to local flooding and spill events.	✓		
Facilitate Growth	Provision of key infrastructure assets to facilitate infill, intensification and greenfield development as per Hamilton's Urban Growth Strategy.	✓		In-house Consultants Contractors
Customer Service	Responding to requests for service and enquiries relating to the stormwater system.	✓		In-house
Information and Education	Provision of information and education about stormwater and property owner responsibilities to ensure environmental protection and flood hazard mitigation.		✓	In-house
Demand Management and Environmental Protection	Requiring source control of quantity (detention, re-use) and quality (treatment) through development requirements.	✓		In-house
Flood Hazard identification	Identification of flood hazards in a 1 in 100 year event.	✓		Consultants

## STORMWATER NETWORK ASSETS

### Our key assets and their condition

Assets	Condition	Total Value (Year of valuation)
Pipes (669km)	80% of network assets are in fair or better condition.	\$587 million (2015)
Manholes (12,859)	Condition is determined through sample surveying with CCTV and core sample analysis.	\$85 million (2015)
Service connections (42,034)	Lifespan can be affected by localised ground conditions e.g. tree roots, acidic soil etc.	\$63 million (2015)
Stormwater Channels (104KM)	Stormwater channels are maintained in a condition to enable the free flow of stormwater.	\$5.2 million (2015)
Treatment and attenuation devices – Ponds and wetlands (24) (plants are not considered assets)	Assets associated with treatment and attenuation devices, such as inlets and outlets, are in a very good to good condition based on asset age.	\$2.9 million (2015)

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
To enable advanced asset management more robust data for stormwater assets is required.	Asset information on piped assets are maintained in the corporate asset management system.	Improved understanding of existing stormwater infrastructure.
Maintaining existing assets in a condition to enable service delivery and meet customer expectations.	Ongoing renewal programmes to replace poor condition assets based on best available information. Levels of service associated with drainage reserves and treatment devices are being determined. Ongoing improvement programme to enhance asset condition and performance information. Implementation of the Stormwater Bylaw and associated education programmes to ensure stormwater discharges do not negatively impact the stormwater network.	Revise renewal programmes based on improved asset knowledge.
Improving resilience of the stormwater network including managing the effects of climate change.	Detailed flood hazard mapping for at risk areas of the city including factors for climate change.	Understanding of community expectations and determination of levels of service for flood hazard mitigation. Further development and updating of flood hazard modelling.
Providing good quality new assets to enable the continued timely provision of services as the city grows.	Ongoing development of Integrated Catchment Management Plans to understand and mitigate the effects of growth on stormwater quality and quantity. Continual discussion and negotiation with developers to provide long-term optimal assets for the city. Updating and consistent application of Infrastructure Technical Specifications for development	Consideration of a full piped stormwater network model to enable prediction of future capacity needs. Consider designation of land and land use planning for the purpose of enabling future stormwater infrastructure needs. Realignment of Capital and O&M programmes to meet the objectives of the stormwater master plan, including recommendations to investigate the retrofitting of existing devices to improve stormwater quality treatment to enable growth.
Providing good quality new assets to enable the continued provision of services as discharge quality expectations change.	Master planning to understand opportunities to improve stormwater quality and treatment. Contamination load modelling to understand the likely impact of landuse planning.	Understanding of the risks and potential mitigations as a result of the Waikato Regional Healthy Rivers Plan Change and revised standards. Realignment of Capital and O&M programmes to meet the objectives of the stormwater master plan, including recommendations to investigate the retrofitting of existing devices to improve stormwater quality treatment. Development of a forward programme to mitigate the causes and effects of erosion and establish appropriate funding sources.
Managing Public Health and Safety risk associated with Stormwater assets.	Progressive quantification of Health and Safety Risk associated with Stormwater assets. Asset improvements to mitigate public health and safety risks associated with Stormwater assets.	Determine the level of service associated with public stormwater safety.

### Capital projects funded in the current 10-Year Plan

#### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE10058 – Replacement of Stormwater assets	\$7.5 million	17/18-24/25

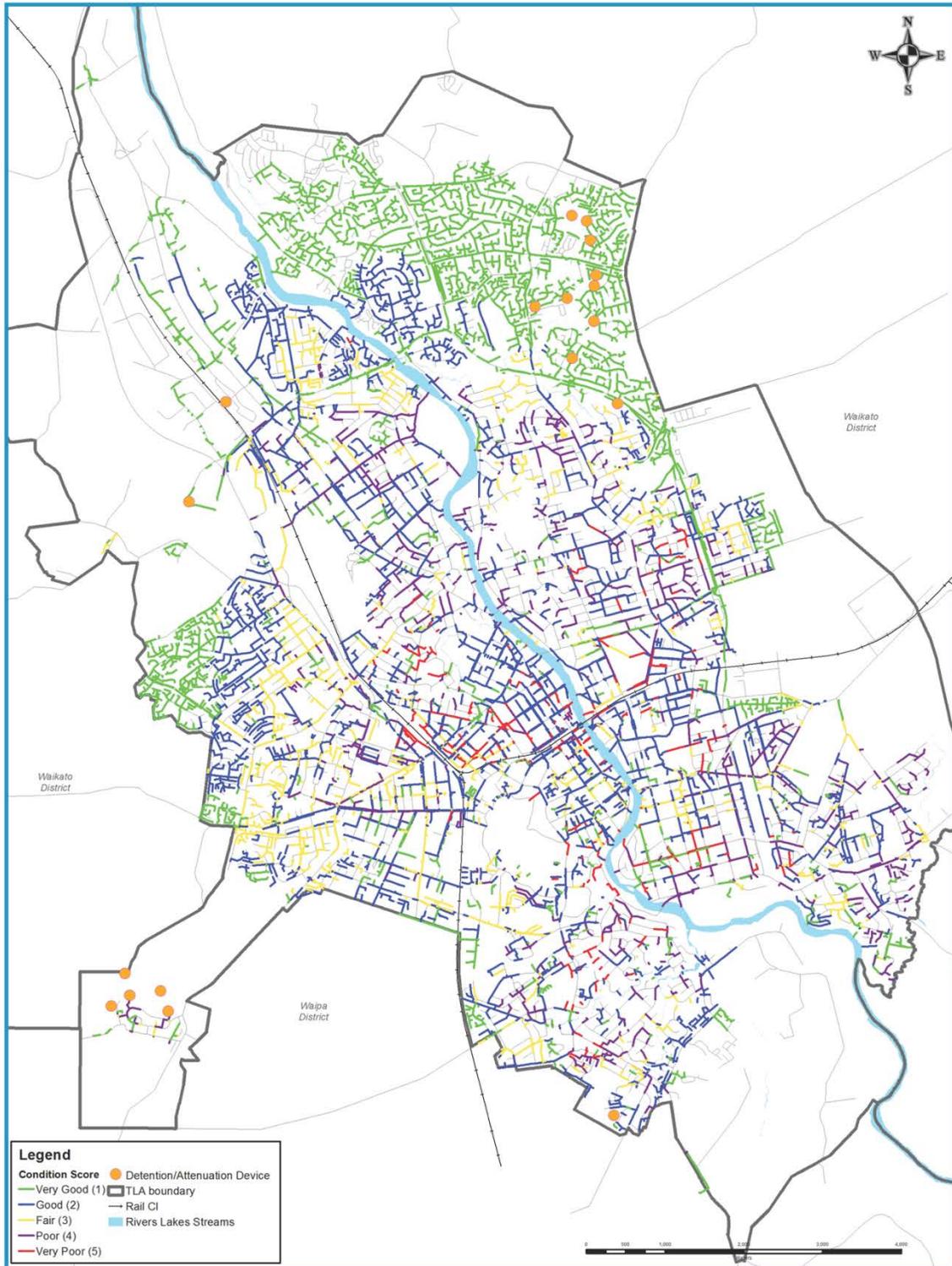
#### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE15067 – Comprehensive Stormwater Consent Implementation	\$1.9 million	17/18-24/25
CE15162 – Integrated Catchment Management Plan	\$3.3 million	17/18-24/25
CE15059 – Rotoruna stormwater Infrastructure	\$7.5 million	17/18-24/25
CE15060 – Rotokauri stormwater infrastructure stage 1	\$29.2 million	17/18, 21/22, 24/25
CE15062 – Peacocke stormwater infrastructure stage 1	\$2.2 million	17/18-21/22, 23/24
CE15063 – Peacocke stormwater infrastructure stage 2	\$474k	24/25
CE15064 – Stormwater pipe upgrade – growth	\$1.2 million	17/18-24/25
CE15066 – Existing network improvements in new areas	\$934k	17/18-24/25
CE15068 – Stormwater customer connections to the network	\$468k	17/18-24/25

There are no building assets relating to the Stormwater activity.

# STORMWATER NETWORK CONDITION

As at 1 July 2015



## Wastewater Asset Summary



### WHAT WE DO

Council is responsible for the collection, transfer and treatment of Hamilton's wastewater, which includes trade waste. Wastewater is discharged from properties into a network of gravity and pressure pipelines and conveyed to the treatment plant.

At the treatment plant, wastewater undergoes primary, secondary and tertiary treatment resulting in effluent which is clean enough to be discharged into the Waikato River. Solid waste (biosolids) removed as part of the treatment process are treated on site, and then vermin-composted off site for reuse.

### WHY WE DO IT

#### Benefits to the Community

To provide the city with wastewater services that are reliable and which protect people's health and our waterways.

#### Legislative Requirements

Section 130 of the Local Government Act 2002 (LGA) requires Council to continue to provide wastewater services. Council must not divest its ownership or interest in a water service, except to another local government organisation.

The Health Act, 1956 also requires Council to improve, promote and protect public health by providing a wastewater service.

### FUNCTIONS, SERVICES AND MODE OF DELIVERY

Function	Service	Statutory	Non-statutory	Mode of Delivery
Wastewater collection	Provision of a reliable wastewater and trade waste collection service for households, businesses and industry.	✓		In-house Shared Services
Wastewater Treatment and Disposal	Treatment of wastewater / trade waste and discharge of tertiary treated effluent to the Waikato River to achieve regulatory compliance with resource consents.	✓		In-house Shared Services
	Biogas produced by the digesters at the treatment plant is reused as an alternate energy source.		✓	In-house
	Biosolids are vermicomposted off site. The resulting material is used for land rehabilitation		✓	Contracted
Facilitate Growth	Provision of key infrastructure including pipes, reservoirs and treatment plant upgrades to meet future demand.	✓		In-house Consultants Contractors
Customer Service	Respond and resolve interruptions to supply.	✓		In-house
Information and Education	Provision of general information to the public about the wastewater system and tradewaste processes.		✓	In-house.

## WASTEWATER ASSETS

### Our key assets and their condition

#### Treatment plan (non-building) assets – including structural, mechanical and electrical assets

- Approximately 50% of the recorded treatment and storage assets are in moderate or better condition based on asset age.
- A review of the performance of the current treatment plant assets was undertaken in 2015 and key upgrades identified to meet future demand.

**Total Value** – \$77 million (2013)

#### Pump station assets

- More than 70% of our pump station assets are in fair or better condition, based on age of assets and asset performance monitoring.

**Total Value** – \$24 million (2015)

#### Pipes (810km), Service connections (55,485) and Manholes (15,370)

- Approximately 65% of network assets are in fair or better condition, primarily based on age.
- Where possible condition is all determined using sample surveys of CCTV inspection, core sample analysis and visual inspections.

**Total Value** – \$423 million (2015)

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
To enable advanced asset management more robust data for treatment plant is required.	Ongoing improvement programme to enhance asset information for the treatment plant. This includes the Building Information Modelling (BIM) project, currently underway, to capture and improve treatment plant's asset data information.	Accelerate the BIM project for earlier completion, identify any funding and resourcing issues and prepare an achievable programme.
Maintaining existing assets to a suitable condition to optimise service delivery.	Ongoing renewal programmes to replace poor condition assets based on best available information. Ongoing improvement programme to enhance asset condition and performance information. Implementation of Infiltration and Inflow reduction programmes to maintain the life of existing assets. Continued development and implementation of preventative maintenance programmes to maintain asset life across the activity Assessment of seismic risk.	Realign renewal and minor capital programmes based on improved asset knowledge. Inclusion of funding for strengthening works. Programme for seismic strengthening works.
Improving resilience of the wastewater system.	Master planning to optimise the wastewater network, improve asset resilience and identify key assets required to ensure services are maintained as the city grows. Implementation of the Wastewater Bylaw to ensure longevity of assets, reduction of inflow into the wastewater network and thus reduce occurrences of overflows. Education programmes to ensure that only permitted wastes are discharged to the system.	Assess and identify network criticality and incorporate programme to undertake required investigations and physical works for improving long-term resilience.
Providing good quality and timely new assets to enable the continued provision of services as the city grows	Master planning to optimise the wastewater network, improve asset resilience and identify key assets required to ensure services are maintained as the city grows. Construction of new assets to ensure services are maintained as the city grows such as: <ul style="list-style-type: none"> <li>• Staged upgrades of the Wastewater Treatment Plant to meet growth demands and resource consent compliance.</li> <li>• Capacity upgrades of pipes and pump stations.</li> <li>• Installation of network storage to improve resilience in wet weather and emergency events.</li> <li>• Continued implementation of Developer Agreements to ensure infrastructure development is in line with growth.</li> </ul> Inclusion of Safety in Design considerations when renewing assets.	Realign capital programme with master planning outcomes.
Preparing for the renewal of the wastewater discharge consent for the wastewater treatment plant and providing infrastructure to meet changing discharge standards.	Development and implementation of a consenting strategy, consideration of the Vision and Strategy of the Waikato River and the Waikato Regional Council's Healthy Rivers Plan Change.	Lodging and securing discharge consents.

Wastewater Asset Summary | February 2017

## Capital projects funded in the current 10-Year Plan

### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE15160 – Wastewater Model	\$1.1 million	20/21-21/22
CE10101 – Replacement of Wastewater assets	\$41.0 million	17/18-24/25
CE10100 – Replacement of Wastewater pump station assets	\$14.0 million	17/18-24/25
CE10115 – Replacement of wastewater treatment plant assets	\$6.7 million	17/18-24/25

### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE15107 – Increase capacity of network in Rotokauri Stage 1	\$6.0 million	17/18-24/25
CE15109 – Increase capacity of network in Peacocke Stage 1	\$60k	20/21
CE15111 – Increase capacity of network throughout the city	\$12.2 million	17/18-20/21, 24/25
CE15112 – Increase capacity of network (Far East Inteceptor)	\$9.6 million	17/18, 23/24-24/25
CE15113 – Increase capacity of network (South Inteceptor)	\$392k	24/25
CE15114 – Increase capacity of network (Bulk storage)	\$34.4 million	17/18-23/24
CE15161 – Wastewater Master Plan	\$261k	17/18, 22/23
CE15117 – Upgrade wastewater treatment plant (Pukete 3)	\$18.3 million	17/18-19/20
CE15118 – Upgrade wastewater treatment plant (Pukete 4)	\$654k	24/25
CE15103 – Increase capacity of Wastewater pump stations	\$6.1 million	17/18-24/25
CE15116 – Upgrade wastewater treatment plant systems	\$2.8 million	17/18-24/25
CE15120 – Wastewater Treatment Plant compliance	\$4.7 million	17/18-24/25

## BUILDING ASSETS

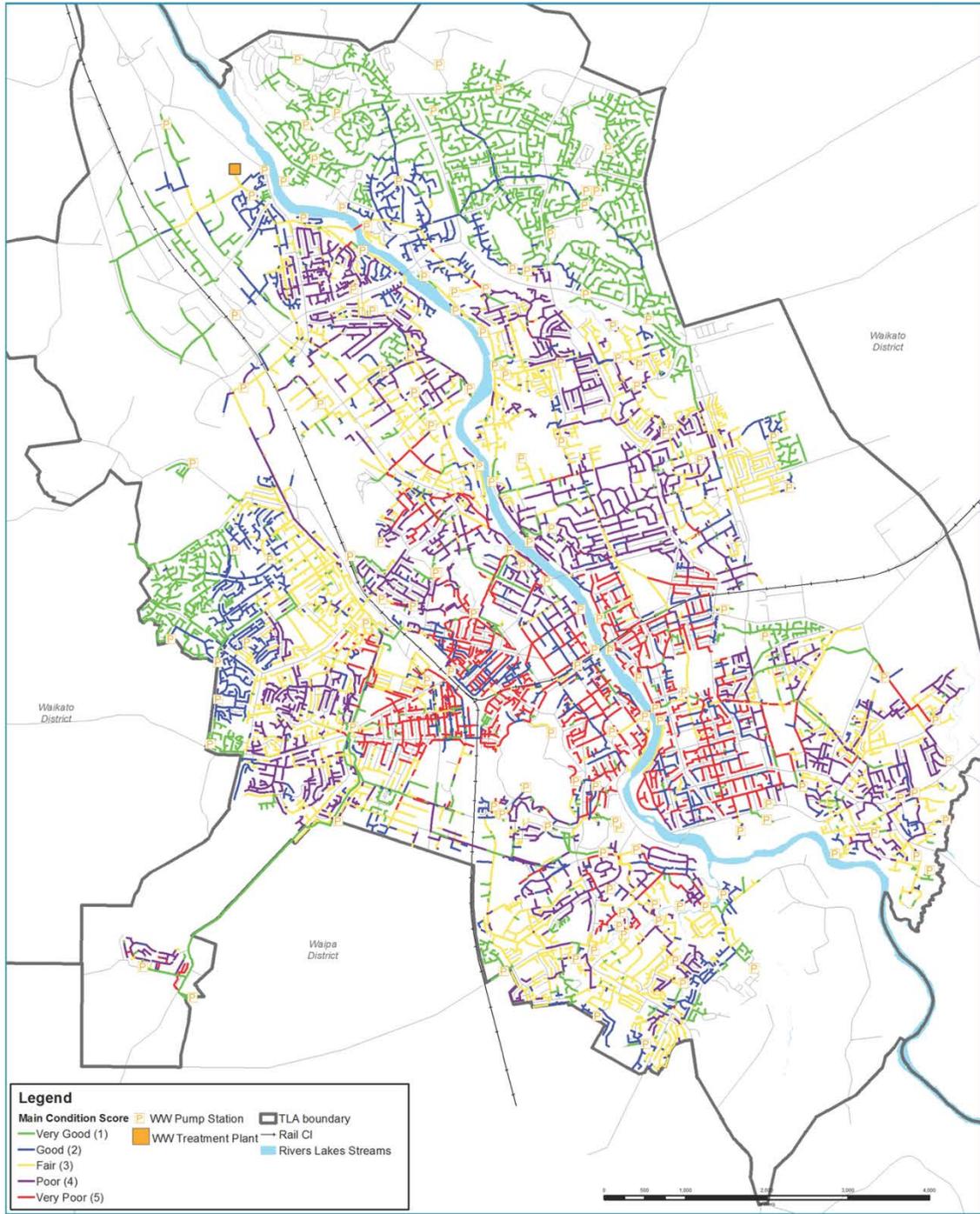
### Our key assets and their condition

Building	Construction Year	CONDITION			SEISMIC		
		Average Condition Grade	Last formal condition date	Confidence in Condition Information	Importance Level	Relative Risk based on NBS%	Assessment Type and date
WWTP – Admin Building	1976	Good	2016	Reliable	4	Extremely high	DSA – 2016
WWTP – Blower RAS Building	1976	Good	2016	Reliable	4	Medium	DSA – 2016
WWTP – Screenings/Co-gen building)	1976	Good	2016	Reliable	4	High	DSA – 2016
WWTP – DeWatering Building	1976	Good	2016	Reliable	4	High	ISA – 2015
WWTP – Digester Galleries Building	1976	Good	2016	Reliable	4	Low	DSA – 2016
WWTP – GBT Building	1976	Good	2016	Reliable	4	Low	DSA – 2016
WWTP – Primary Sedimentation Structure	1976	Moderate	2016	Reliable	4	High	DSA – 2016
WWTP – Workshops	1976	Good	2016	Reliable	4	High	DSA – 2016

**Key asset challenges and actions**

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Seismic risk associated with some treatment plant buildings.	Peer review findings of the recent DSAs. Preparation of detailed estimates for seismic strengthening works for inclusion.	Programme required for seismic upgrades of identified earthquake prone buildings at the wastewater treatment plant.

**WASTEWATER NETWORK CONDITION** As at July 2015



Wastewater Asset Summary | February 2017

## Transportation Asset Summary



### WHAT WE DO

This activity comprises the management and operation of the city's transport network. The network provides for all journeys to and from residences, businesses, essential services, parks and all other destinations. The travel modes catered for include heavy freight vehicles, buses, cars, cycles and walking.

We manage on-street parking, clearways and Council-owned parking buildings and car parks. We work with the community to raise awareness of travel options, promote safety, and encourage sustainable travel behaviour to optimise road capacity.

Our services include planning and providing for future city development and growth. We seek and receive funding from the New Zealand Transport Agency (NZTA) for approved programmes and projects.

### WHY WE DO IT

#### Benefits to the Community

To provide an effective, safe and reliable network for our residents and visitors; and to support access, mobility and transport choices for our growing city. Transport plays a key role in the economic growth of the city and makes Hamilton a place that's easy to get around.

#### Legislative Requirements

The Local Government Act 1974, Part 21, places roads within the Hamilton City boundary (excluding state highways) under the control of Council. There are numerous other pieces of legislation that have a direct effect on the way Council manages the road corridor and transport network.

### FUNCTIONS, SERVICES AND MODE OF DELIVERY

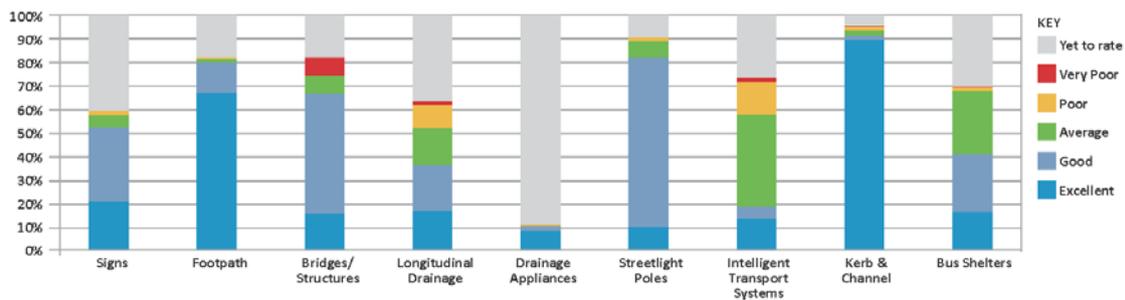
Function	Service	Statutory	Non-statutory	Mode of Delivery
Construction of new or improved infrastructure	Provision of new arterial transport corridors, subdivisions and associated infrastructure to facilitate green field development (growth).	✓		In-house Consultants
	Provision of new or upgraded infrastructure within existing network for capacity, access, safety and mode choice.	✓		Contractors
Maintenance, operation and renewal of transportation assets	Maintenance and operation of roading assets; including carriageway, drainage, footpaths, verges, cycleways, structures, street furniture, lighting, signs and markings.	✓		Infrastructure Alliance
	Keeping the city looking attractive, clean and tidy, including landscaping, mowing, weedspraying, street sweeping, removing litter, footpath cleaning.		✓	
	Renewal of existing transportation assets.	✓		
Public Transport Infrastructure	Provision of infrastructure to facilitate bus patronage, e.g. bus shelters, bus stops, signage, bus priority.	✓		In-house Contractors
	Maintenance and cleaning of bus shelters.	✓		Infrastructure Alliance
	Management and maintenance of Transport Centre.		✓	In-house
Community education and travel demand management	Community awareness, travel planning, working in partnership with the Police, NZTA and regional council providing and promoting choices and programmes for behaviour change.		✓	In-house Consultants
Road Safety	Road safety improvement programmes to contribute to reducing serious and fatal crashes in the city.	✓		In-house Consultants
	Road safety education provided to schools and adult learners.		✓	In-house
Parking	Management of on street and off street parking facilities including legal enforcement for compliance and maintenance of Parking buildings .	✓		In-house

## OPERATIONAL ASSETS

### Our key assets

Asset type	Description and value#
Road Carriageway	669 km of sealed roads and 1.9km unsealed. 619 km is urban and 51 km is rural. State Highways are not managed by Council. Value – \$470 million (2016).
Footpaths	1,028 km of footpaths – for use by pedestrians and selected low speed vehicles such as mobility scooters. Some are designated for ‘shared use’ by both pedestrians and cyclists. There are 2km of off-road cycleways that are dedicated to cyclists as well as pedestrians and 100km of on-road cycle lanes. Value – \$115 million (2016).
Structures	30 bridges, 24 bridge culverts, 169 retaining walls, 168 bus shelters (excl Adshel) and 12km of guard rails, 29 sign gantries and 31 underpasses. Value – \$71 million (2016).
Road Drainage	1,176 km of kerb and channel used to drain water from the roads into the city’s stormwater system. The network also includes 12,800 catchpit locations, 7.3 km of culverts, 20 km of open drains, 4 stormwater pump stations and 22 rain gardens. Value – \$66 million (2016).
Traffic Control Devices	15,991 signs, 78 signalised intersections and pedestrian crossings, 17,800 streetlight poles, 980 parking meters, and 140 electronic signs. Value – \$18 million (2016).
Streetscapes	35ha of grassed area and 43 ha of planted areas in berms and traffic islands. The asset group also includes 557 litter bins, 163 cycle racks, 131 seats and 15 km of guard rails and barriers and 11km of safety fences.
Buildings	Various properties owned by Council for transportation purposes. This asset group includes the Transport Centre building and the Garden Place underground carpark building.

### Condition summary of asset groups



#### Carriageways

Condition and roughness surveys are carried out biennially on all streets.

Data surveys from 2011 to 2015 indicate a slow but steady increase in roughness levels for the Hamilton carriageway network.

All classes of roads on the network are performing in the range of roughness and ride comfort they should be as set by NZTA’s One Network Road Classification system.

#### Signs

58% of signs are in either excellent or good/average condition, 41% of signs are in the process of being condition rated.

#### Footpaths

Roughly 80% of the footpath network is in good or excellent condition with 2% in average condition. 18% of the footpath network has not yet been rated.

#### Bridges and Other Structures

Bridges are inspected every two years by a bridging consultant engineer in accordance with the NZTA inspection procedures. Large culverts (i.e. culverts of

diameter 600mm to 2100mm) are inspected annually and their condition updated.

About 90% of bridges and other structures are in excellent or good/average condition. The condition of 7% (primarily small retaining walls and minor gantry structures) has not yet been rated.

#### Other Longitudinal Drainage Assets

Longitudinal drainage assets, are assets such as small culverts (less than 600mm diameter) and subsoil drains. 39% of these assets are yet to be condition rated.

#### Drainage Appliances

Drainage appliances such as catchpits, manholes and rain gardens remove and discharge surface water from the road carriageway. Condition rating is difficult for these assets as they are not easily visible or accessible and to date only 10% have been rated. Of those, the condition is generally good or excellent.

#### Streetlight Poles

Visual condition assessment is carried out for streetlight poles every five years. 89% of the poles rate as excellent or good/average condition. 10% of poles are yet to be rated.

### Intelligent Transport Systems

Intelligent Transport systems include electronic speed signs, cycle detection loops, and other components such as CCTV. This asset group tends to be comprised of relatively new equipment and so routine condition rating is a lower priority than other asset groups. A basic condition inspection of traffic signals is completed annually. Condition rating for 28% of these assets is yet to be undertaken.

### Kerb and Channel

Kerb and channel assets are in very good condition with more than 90% of the asset by length in an excellent or good condition.

### Bus Shelters

Bus shelters are inspected and condition rated at least once every three years. Bus shelter numbers increase by 10% every year, contributing towards the 30% of the current stock that have yet to be rated.

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
There is a high demand for new infrastructure and for the upgrading of existing infrastructure to facilitate increased traffic loading and improve safety of the network.	New works are being carried out as per the 2015/25 10-Year Plan.	Inclusion of the necessary infrastructure to meet projected growth and the significant consequential opex impacts arising from new infrastructure.
Three of our river bridges are historic structures, aged between 80 and 133 years.	Two yearly inspections of bridges by bridging consultant engineer.	Significant component renewal costs will be incurred in upcoming years.
Six bridges in the city were identified in a high level screening as requiring a detailed seismic assessment.	The necessary assessments are in progress.	Inclusion of any resultant strengthening costs – these may be significant.
The extent and impact of long term asset maintenance strategies cannot be confidently gauged until asset data is complete.	Asset condition data is still being collected and analysed.	Inclusion of ongoing investment in asset management data collection and analysis.
Ensuring that the current approach to carriageway resurfacing is optimal and sustainable.	Historically, 8% of the network was resurfaced each year. The current 10-Year Plan funded a resurfacing rate of between 5% and 6%.	An optimised renewal programme based on evidence of impact of current resurfacing rates.
A high number of footpath defects, causing trips and falls, are generated by tree root damage.	Remediation of footpaths are undertaken. However, these are issues that require repeat intervention as the tree continues to grow.	Footpath maintenance and renewal budgets based on forecast requirements.
Significant increase in demand for our footpath network to cater better for those with walking disabilities, and for users of wheelchairs, mobility scooters, etc.	Ongoing work with disability sector to identify sites of concern and potential remedies.	Funding to provide for a programme of upgrades to increase mobility on footpaths.

### Capital projects funded in the current 10-Year Plan

#### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE10069 – Resurfacing off street carparks	\$287k	18/19-19/20, 21/22, 23/24
CE10070 – Replacement of parking enforcement equipment	\$230k	17/18-24/25
CE10071 – Parking Building Renewal	\$286k	17/18-19/20, 21/22-23/24
CE10072 – Replacement of footpath	\$16.3 million	17/18-24/25
CE10073 – Replacement of street furniture	\$559k	17/18-24/25
CE10074 – Replacement of Drainage (Kerb & channel)	\$11.2 million	17/18-24/25
CE10075 – Replacement of road base	\$18.6 million	17/18-24/25
CE10076 – Road resurfacing	\$40.1 million	17/18-24/25
CE10077 – Replacement of Bridges and culverts	\$2.2 million	17/18-24/25
CE10078 – Replacement of Retaining walls & structures	\$420k	17/18-24/25
CE10079 – Replacement of Environmental Controls	\$154k	17/18-24/25
CE10080 – Replacement of Lighting	\$2.8 million	17/18-24/25
CE10081 – Replacement of Traffic Equipment	\$3.7 million	17/18-24/25
CE10082 – Replacement of Street signs	\$612k	17/18-24/25

Transportation Asset Summary | February 2017

### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE15085 – Minor Improvements to transport network	\$6.0 million	17/18-24/25
CE15086 – Bus stop infrastructure	\$1.0 million	17/18-24/25
CE15087 – Network upgrades to allow new development	\$1.6 million	17/18-24/25
CE15088 – Roading upgrades & development in Peacocke stage 1	\$5.7 million	17/18-22/23
CE15089 – Roading upgrades & development in Peacocke stage 2	\$8.7 million	17/18-24/25
CE15090 – Roading upgrades & development – Rotokauri stage 1	\$24.5 million	17/18-24/25
CE15092 – Roading upgrades & development in Rototuna	\$39.8 million	17/18-23/24
CE15093 – Roading upgrades & development in Ruakura	\$4.5 million	19/20-21/22
CE15095 – Integrated transport initiatives	\$8.4 million	17/18-24/25
CE15096 – Cross city connector	\$5.7 million	19/20-22/23
CE15097 – Northern River crossing	\$7.4 million	22/23-24/25
CE15085 – Minor Improvements to transport network	\$6.0 million	17/18-24/25

## BUILDING ASSETS

### Our key assets and their condition

Building	Construction Year	CONDITION			SEISMIC		
		Average Condition Grade	Last Formal Condition Date	Confidence in Condition Information	Importance Level	Relative Risk based on NBS%	Assessment Type
Garden Place Carpark	1994	Good	2017	Reliable	2		
Transport Centre	2000	Good	2017	Reliable	3		ISA during 2017

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Functionality and health and safety issues at the Transport Centre	The Transport Centre has undergone an operational audit and a number of recommendations have been made	Implementation of recommendations considered necessary

### Capital projects funded in the current 10-Year Plan

#### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE10098 – Building and property renewals	\$932k	17/18-24/25

#### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
No projects funded	N/A	N/A

## Solid Waste Asset Summary



### WHAT WE DO

Council is responsible for the collection, safe disposal and minimisation of domestic refuse, recycling, and litter. Weekly refuse and recycling collections are provided to residential properties in the city (excluding the city centre).

From 1920 to 2008 Council also provided landfills for the city's use at Rototuna, Cobham Drive, Willoughby and Horotiu. These landfills are now closed and Council must now manage these sites in perpetuity.

The Refuse Transfer Station and Hamilton Organic Centre are owned by Council. The operation of these facilities is contracted to privately owned businesses.

### WHY WE DO IT

#### Benefits to the Community

To protect people's health and our environment by minimising the production of waste and promoting recycling and reuse.

#### Legislative Requirements

The Local Government Act 2002 states that we have an obligation to ensure that the city has a solid waste collection service but we are not required to provide it.

While Council is not required to provide solid waste collection services directly, the Health Act 1956 requires Council to ensure a solid waste collection is available for residents, and also requires Council to protect public health.

The Waste Minimisation Act 2008 states that we must promote effective and efficient waste management and minimisation within the city, but not necessarily provide for it. Council is also required to produce and implement a waste management and minimisation plan.

Resource Management Act 1991 (RMA) requires Council to protect and minimise the effect on the environment.

### FUNCTIONS, SERVICES AND MODE OF DELIVERY

Function	Service	Statutory	Non-statutory	Mode of Delivery
Kerbside Refuse Collection	Collection and disposal of residential solid waste on a weekly cycle, two bags per household (excluding inner city apartments and the commercial and industrial sector).	✓		Contracted
Recycling Collection	Collection of residential recyclables on a weekly cycle (excluding inner city apartments and the commercial and industrial sector). Kerb side recycling collected includes plastic's (1-2 grade only), aluminium and tin cans, glass and paper.		✓	Contracted
Closed Landfill Management	Operation and management of closed landfills (Rototuna, Cobham Drive, Willoughby and Horotiu) to achieve regulatory compliance with, trade waste and resource consents.	✓		Physical works carried out by in-house and external contractors. Monitoring and reporting carried out by consultants
Customer Service	Responding to requests for service and enquiries relating to the activity.		✓	In house / contracted
Information and Education	Provision of information about ways to reduce the waste, re-use, recycle, and recover solid waste.		✓	In-house

## OPERATIONAL ASSETS

### Our key assets and their condition

#### Refuse Transfer Station

- The Refuse Transfer Station (RTS), located at Lincoln Street, was constructed in 1985. Key component of RTS include a weigh bridge, pit floor, recycling service and associated buildings and structures.
- Approximately 50% of assets (2013) are in a fair to good condition based on age and visual assessment.

**Total Value** – \$3.5million (2013)

#### Hamilton Organic Centre

- Hamilton Organic Centre (HOC) is located at Wickham Street. Key components include a weighbridge, pit floor, stormwater ponds and associated buildings and structures.
- Approximately 60% of non-building assets are in fair to very good condition.

**Total Value** – \$220,000 (Indicative 2016)

#### Closed Landfills (Horotiu, Rototuna, Willoughby and Cobham Drive)

- Council is responsible for four closed landfills at Cobham Drive, Willoughby, Rototuna and Horotiu. These sites were used by the city to dispose of municipal waste from 1920 to 2007.
- Assets including landfill cap and liner, monitoring bores, gas and leachate extraction and treatment.
- More robust asset data is required to determine asset condition.
- Based on age 55% of assets are in poor or better condition.

**Total Value** – \$54million (2013)

Note: All values are exclusive of land values.

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Ensuring the delivery of refuse services including kerbside rubbish and recycling services, the Refuse Transfer Station and Hamilton Organic Centre meet community expectations, are safe and respond to growth.	Review of waste services including kerbside refuse and recycling collection, Refuse Transfer Station and Hamilton Organic Centre. Waste Management and Minimisation Planning.	<ul style="list-style-type: none"> <li>• Implementation of decision on future waste and recycling kerbside service.</li> <li>• Installation of recycling drop off points.</li> <li>• Reconfiguration of the refuse transfer station to enhance waste minimisation opportunities, to protect public health and safety and allow for growth.</li> <li>• Develop a resource recovery park to enhance waste minimisation and enable growth.</li> </ul>
To enable intermediate asset management more robust data for landfill assets is required.	Ongoing improvement programme to enhance asset information for the landfills.	
Maintaining existing assets in a suitable condition and to enable service delivery including ensuring health and safety and resource consent requirements are met.	Ongoing renewal programmes to replace poor condition assets based on best available information. Ongoing capital improvement programme to enhance asset performance. Regular monitoring of environment and management of asset in line with plans for management of the landfills.	Realign renewal programmes based on improved asset knowledge. Renewal of sealed surfaces at the refuse transfer station. Understanding the actions required to meet new discharge standards in the Waikato Regional Healthy Rivers Plan Change.

### Capital projects funded in the current 10-Year Plan

#### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE15056 Replacement of RTS and HOC Assets	\$712k	17/18-18/19 20/21-24/25
CE15054 Replacement of closed Landfill Assets	\$990k	17/18-24/25

#### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE15055 Closed Landfill Management	\$688k	17/18-24/25

## BUILDINGS

### Our key assets and their condition

Building	Construction Year	CONDITION			SEISMIC		
		Average Condition Grade	Last formal condition date	Confidence in condition information	Importance Level	Relative Risk based on NBS%	Assessment Type
Hamilton Organic Recycling Centre	1998	Moderate	2009	Reliable	2		
RTS – Compactor Office	1979	Poor	2010	Reliable	2		
RTS – Concrete Pit & Canopy	1976	Good	2010	Reliable	2		
RTS – Garage	1985	Moderate	2010	Reliable	2		
RTS – Hazards Building	1985	Moderate	2010	Reliable	2		
RTS – Kiosk	1985	Poor	2010	Reliable	2		
RTS – Recycling Building	1985	Poor	2010	Reliable	2		

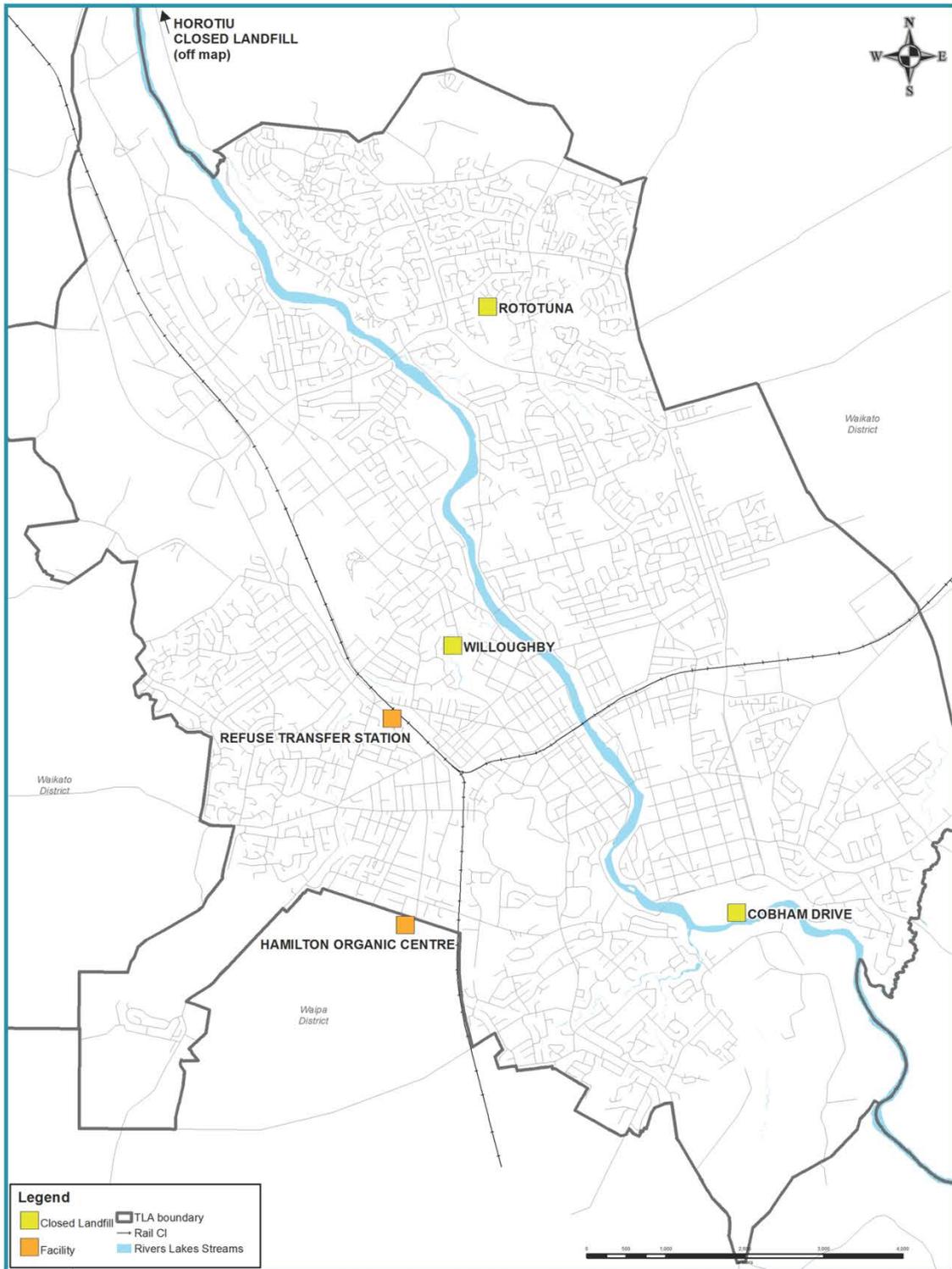
Note: Condition assessment of building assets is being undertaken in 2017.

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Improving resilience of solid waste assets.		Assessment of the seismic rating of Solid Waste building assets is required.

# SOLID WASTE FACILITIES

As at 1 July 2015



Solid Waste Asset Summary | February 2017

## Parks and Open Spaces Asset Summary



### WHAT WE DO

The Parks and Open Space activity includes management and administration of amenity parks, natural areas, sports fields, playgrounds, public toilets, walkways, cycleways and the streetscapes.

### WHY WE DO IT

#### Benefits to the Community

To protect and enhance Hamilton's beautiful green landscape, and to provide space for leisure and recreation that everyone can enjoy.

#### Legislative Requirements

Council is not legislatively required to provide the services within this activity.

Council is required to manage its existing parks and reserves in accordance with the Reserves Act 1977 and the Local Government Act 2002.

### FUNCTIONS, SERVICES AND MODE OF DELIVERY

Function	Service	Statutory	Non-statutory	Mode of Delivery
Amenity Parks	Amenity parks for informal recreation, links between neighbourhoods, buffers and visual relief.		✓	In-house
	Amenity parks range from high profile destination parks i.e. Lake Domain, to neighbourhood parks with facilities including, seating, toilets, rubbish bins, walkways and cycleways.		✓	
Natural Areas	Conservation and restoration of the city's unique natural heritage while providing opportunities for people to experience nature.		✓	In-house
	Includes ecological restoration sites such as Waiwhakareke Natural Heritage Park, gully systems and significant natural areas and facilities including seating, toilets, rubbish bins, walkways and cycleways.		✓	
Sports Parks	Sports parks for sport and recreation. Sports parks range from large bookable sports grounds to smaller parks catering for social sport. Facilities are provided on sports parks including, toilets and changing rooms, seating, rubbish bins, walkways and cycleways.		✓	In-house
Public Toilets	Public toilets at a range of parks as well as in civic spaces.		✓	In house / contracted
Playgrounds	Playgrounds throughout the city, including destination and neighbourhood playgrounds.		✓	In house
City Landscapes	Annual amenity plantings and street trees to enhance the aesthetic appeal of public spaces. Facilities include fountains and street furniture.		✓	In house

## OPEN SPACE ASSETS

### OUR KEY ASSETS AND THEIR CONDITION

#### Amenity parks – Destination and neighbourhood parks and assets e.g. signs, furniture, carparks

- Amenity parks are generally in good condition.
- All signage is in moderate or better condition but is outdated and does not convey all necessary information.
- Dog exercise area facilities do not meet community expectations.
- Undeveloped parks in the North East where significant residential development has occurred.

#### Sports parks – Sport turf and drainage, hard courts and built recreation facilities incl. skateparks, park infrastructure incl. signs, furniture and carparks

- Sports parks and assets are generally in good condition.
- However, many sports fields have decreased quality and limited hours of play (average only 8 hours per week, half the recommended target). This is due to ageing and inadequate drainage and lack of irrigation. 55% of turf drainage is in very poor to moderate condition. Quality of fields does not meet demand or expectations of codes and clubs.
- Projections predict Hamilton will have insufficient capacity for winter sports by 2021.
- Large undeveloped parks in the North East.
- Skate value and quality of all three skate parks is poor to moderate and do not meet community expectations.
- 90% of signage is in moderate or better condition and does not convey all necessary information.

#### Natural areas (gullies) – Walkways, boardwalks, park furniture incl. signs

- Most gullies are not being maintained or restored.
- Walkways and cycleways are undeveloped.
- Waiwhakareke Natural Heritage Park is largely undeveloped and not open to the public.
- 97% of signage is in moderate or better condition but is outdated and does not convey all necessary information.

#### River path

- Paths are generally in moderate condition.
- Frequent unplanned maintenance and track closures due to bank instability.
- Signage is generally in moderate condition however is outdated, inadequate and often non-existent.

#### Playgrounds – Destination and neighbourhood

- New destination playgrounds in very good condition with 100% user satisfaction.
- Neighbourhood playgrounds are often aged with reduced play value and are not meeting customer expectations. 80% in very poor to moderate condition.

#### City Landscapes – Street trees, Fountains and Streetscapes i.e. annual bedding

- Historic planting of inappropriate species causing reactive maintenance works.
- Lack of funding for maintenance of street trees in growth areas.
- High maintenance cost of fountains. Centennial Fountain is in very poor condition – is not operating and requires significant renewal.

**Total Replacement Value** – \$72.2 million (2014)

#### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
<ul style="list-style-type: none"> <li>• Increased pressure on sports parks, decreasing quality of fields and capacity of sports fields due to:               <ul style="list-style-type: none"> <li>• Ageing and inadequate field drainage.</li> <li>• Lack of irrigation and water restrictions.</li> <li>• Club ownership of sports field lighting and management of goal posts and line marking reducing field quality and lack of control over use by Council.</li> <li>• Extended seasons; increasing demand and limiting time for renovations when switching between winter and summer use.</li> <li>• Growth in population and sports.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Limited drainage improvements are being made within existing maintenance budgets.</li> <li>• Council supply paint to clubs to encourage proper line marking.</li> <li>• Reshuffle park bookings to accommodate extended seasons, where possible.</li> <li>• Planning for Rototuna sports park to provide additional playing fields.</li> </ul>	<ul style="list-style-type: none"> <li>• Funding for sports park development programme – improvements to drainage and irrigation to improve sports field quality and address shortfall in hours of play.</li> <li>• Business Case to consider bringing lighting, goal posts and line marking in-house to increase quality and hours of play.</li> </ul>

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Not enough funding for acquisition, development and maintenance for new parks in growth areas.	Open space provision guidelines are being developed. Agricultural contractor is mowing parks at no cost to Council.	Funding for acquisition and development of parks in new growth areas at the time the area is developed/built on.
Condition, quality and number of skate parks inadequate.	Skate Plan being developed.	Programme for planning and development of new and upgrade to existing skate parks.
High cost to manage increasing illegal dumping in parks and vandalism.		Sustainable maintenance forecasts, including provision for illegal dumping and vandalism.
Inadequate funding for street tree maintenance due to growth of the city and a growing asset.	Reactive/Emergency works only.	Sustainable maintenance forecasts.
Inadequate maintenance of parks which is starting to show in quality.		Sustainable maintenance forecasts.
Old style playgrounds do not meet community expectations. A need for CCTV at new destination playgrounds.	Implementing Playgrounds of the Future Plan, including development of new destination playgrounds and upgrading neighbourhood playgrounds.	Playground development programme.
Park signs are often outdated, inadequate and are not informative.	New park signage being installed as limited budgets allow.	Funding for upgrading park signage.
Dog exercise area facilities not meeting community expectations.		Funding for dog park area facilities improvements.
Lack of funding for maintenance, restoration and development of natural areas, including Waiwhakareke Natural Heritage Park.		Funding for development of Waiwhakareke Natural Heritage Park.
Lack of funding available to deal with unpredictable riverbank slips and river path closures.	Major reactive maintenance brought to Council for funding on case by case basis.	Funding for maintenance, restoration and development of gullies.
Increasing costs to maintain fountains. Centennial Fountain is not operating and requires significant renewal.		Funding for maintenance and renewal of existing fountains.
Timing for development of Rototuna Town Centre to meet community expectation and development.	Comprehensive development plan being developed in partnership with developers.	Funding for development and maintenance of Rototuna Town Centre.
Increasing visitor numbers to Taitua Arboretum putting pressure on existing facilities.		Development Plan for Taitua Arboretum.

### Capital projects funded in the current 10-Year Plan

#### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE10032 – Renewal – Parks & Open Spaces Assets & Playgrounds	\$12.3 million	17/18-24/25
CE10031 – Sports Area Renewals	\$3.4 million	17/18-24/25
CE10160 – Galloway Park	\$598k	23/24
CE10161 – Porritt Stadium	\$84k	24/25
CE10162 – Resthills Park	\$412k	24/25
CE10163 – Marist Park	\$386k	24/25
CE10164 – Ashurst Park	\$309k	24/25

#### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE15164 – Rototuna Park Option 1	\$6.8 million	17/18, 21/22-24/25
CE15163 – Mahoe Park	\$747k	23/24
CE15033 – Land Purchase Future Reserves	\$360k	17/18-18/19
CE15036 – Playground Development Programme	\$4.0 million	17/18, 19/20-24/25

## BUILDING ASSETS

### Our key assets and their condition

Building	Number	CONDITION			SEISMIC		
		Average Condition Grade	Last formal condition date	Confidence in condition information	Importance Level	Relative Risk based on NBS%	Assessment Type
Verandah – Hamilton Lake	1	Good	2017	Reliable	2		
Changing rooms / toilet blocks	25	Good – moderate	2016/17	Reliable	2		
Exloo toilets	18	Good – moderate	2016/17	Reliable	2		
Other toilets	16	Good – moderate	2016/17	Reliable	2		
Worksheds	7	Moderate	2017	Reliable	2		
Community lease facilities (including)	12	Good – moderate	2016/17	Reliable	2		Independent review and update of ISA during 2017
• Porritt stadium					2	Medium	
• Metro Judo Hall					2	High	
• Ward park centre					2	Low	

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Many of the current public toilets/changing facilities and community occupancy buildings are in adequate physical condition but are often not to modern standards. Many don't meet community expectation on location, capacity and safety. There is demand for new facilities at some sports fields, destination playgrounds and growth areas.	New toilets being installed at destination playgrounds.	Programme for development of new and upgrade to public toilets/changing rooms.
Safety, Crime Prevention Through Environmental Design (CPTED) and accessibility could be improved at a number of buildings.	CPTED assessments of public toilets completed. Upgrades undertaken within budgets.	New and renewed assets will be designed with CPTED principles.
Unknown seismic performance of many of the buildings in parks. These buildings have been considered lower priority on a risk basis than other buildings in Council's portfolio.	Consideration of a Seismic Risk Reduction Policy for Council buildings.	Further seismic assessments and possibly upgrades required depending on outcomes of assessments.
A large number of assets on Council's parks and open spaces are owned by other entities. Buildings, lights and structures can create risks for the community if not maintained to a safe standard.	Review of third party owned assets on public parks is being undertaken.	Business case to consider bringing sports field lighting ownership and goal post management in house.
Some community occupancy facilities are ageing, are not multi purpose or flexible in their purpose, and do not meet community needs.		Funding for some repurposing community occupancy facilities, where required.

### Capital projects funded in the current 10-Year Plan

#### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE10029 – Toilet and Changing Room Renewals	\$1.8 million	17/18-24/25
CE10030 – Building Renewals – Parks & Open Spaces	\$1.6 million	17/18-24/25

#### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE15034 – Destination Playground – Public Toilets	\$575k	18/19, 22/23

Parks and Open Spaces Asset Summary | February 2017

## Hamilton Gardens Asset Summary



### WHAT WE DO

Hamilton Gardens is a large amenity park that has become a major visitor attraction for Hamilton. It includes specialty gardens and visitor facilities including a cafe and an event functions building. The Municipal Nursery is also located on the site.

### WHY WE DO IT

#### Benefits to the Community

Hamilton Gardens aspires to provide a world class garden that enhances the city's identity, prosperity and quality of life.

#### Legislative Requirements

Council is not legally required to provide parks and reserves.

Open spaces that are provided by Council are required under the Reserves Act 1977 to have a reserve management plan to outline Council's general intentions for the use, development, maintenance, protection and preservation of its reserves. The Reserves Act 1977 and Local Government Act 2002 place restrictions on the disposal of parks and reserves.

### FUNCTIONS, SERVICES AND MODE OF DELIVERY

Function	Service	Statutory	Non-statutory	Mode of Delivery
Amenity Park	Hamilton Gardens provides an important social and recreation venue for city residents enhancing both quality of life and health.		✓	In-house
Tourist Attraction	Hamilton Gardens attracts significant visitor numbers to the city generating a substantial economic benefit for the city. Delivered in-house with the exception of the cafe that is operated by a commercial operator under a lease agreement.		✓	In-house
Event Venue	Hamilton Gardens provides a number of outdoor and indoor event venues and facilities. Staff provide support for on-site events and initiate some community events. Hamilton Gardens supports community activity through substantial subsidy of hireage fees for community groups		✓	In-house / Contracted
Educational Resource	Interpretation of Hamilton Gardens and related activities provide various public learning opportunities. Formal horticultural education is provided by Wintec Horticultural Education Centre who use outdoor resources for students to apply their learning. Various projects are also undertaken in conjunction with Waikato University.		✓	In-house / Contracted
Production Nursery	The Hamilton Gardens Nursery saves Council substantial sums by providing low-priced plants contributing to the city's natural green environment. The Nursery contributes to conserving indigenous and endemic plant species through eco-sourced plant production.		✓	In-house

## OPERATIONAL ASSETS

### Our key assets and their condition

#### Gardens

- Five gardens collections that comprise of trees, permanent planting, garden structures and artefacts. These are in moderate to good condition.

#### Infrastructure

- Manmade assets that support and protect the Gardens, enable access and provide enjoyment. These are in moderate to good condition.
- Nursery irrigation lines that have not been replaced to date will be included in 2018/19 for renewal.

#### Mechanical Plant

- Pumpstations, garden support systems and boilers.
- Irrigation pumps are nearing the end of life and have been included in 2018/19 for renewal.

#### Public Art

- The 11 pieces of art within the Gardens are all in good condition.

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Inadequate irrigation at nursery to meet demand.	Some irrigation upgrades have occurred and paid for out of maintenance budget.	Remainder included in first year of 2018-28 10-Year Plan.
Waikato River Jetty is in poor condition.	This is part of the Proposed Development Plan and will be upgraded in 2017/18.	
As a result of the recent water main leak in the city supply, the Gardens is currently without its permanent irrigation from the river intake.	Staff are working with City Waters to plan the reinstallation of the irrigation system from the river supply. A temporary potable water supply has been installed to provide irrigation in the interim.	Actions dependent on outcomes from work with City Waters.
Current maintenance budget is not sufficient for continued and sustainable delivery of the current levels of service.	Staff currently focusing on deferred maintenance, this should be up to date by the end of 2017/18.	Additional general maintenance resource required to keep site to a good presentable and tidy state.
Capacity of visitor facilities to meet growing demands e.g. car parking, toilets and café.	Recent extension to carpark to provide more all weather carparking.	To be considered as part of the Proposed Development Plan.
The current funded programme does not deliver the target of 12 gardens specified in the Hamilton Gardens 10-year Strategic Plan 2013-23.	Five gardens will be completed by 2018.	Remaining seven gardens will be included in the 2018-28 10-Year Plan.

### Capital projects funded in the current 10-Year Plan

#### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE10026 – Renewal of Hamilton Gardens assets	\$760k	17/18-24/25

#### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE15027 – Proposed Development Programme	\$2.8 million	17/18

## BUILDING AND STRUCTURE ASSETS

### Our key assets and their condition

Building	Construction Year	CONDITION			SEISMIC		
		Average Condition Grade	Last formal condition date	Confidence in condition information	Importance Level	Relative Risk based on NBS%	Assessment Type
Archway Toilet	2009	Good	2017	Reliable	2		
Green Barn	1989/2008	Good	2017	Reliable	2		
Café	1994	Good	2017	Reliable	2		
Chinese Scholar Garden Structure	1986	Moderate	2016	Reliable	2		
English Flower Garden Structure	1989	Moderate	2016	Reliable	2		
Hungerford Tce Caretakers House & Garage	1920	Moderate	2017	Reliable	2		
Char Bagh Garden Pavilion	2003	Good	2017	Reliable	2		
Italian Renaissance Garden Pavilion	2000	Good	2017	Reliable	2		
Modernist Garden Structure	1996	Moderate	2016	Reliable	2		
Nursery House (Dwelling)	1980	Moderate	2017	Reliable	2		
Pavilion	1989	Good	2017	Reliable	3		ISA due June 2017
Tudor Pavillion	2015	Good	2017	Reliable	2		
Russian Bell Tower	2002	Good	2010	Uncertain	2		
Piazza Structure	1993	Moderate	2016	Reliable	2		
Public Glasshouse	1990	Good	2017	Reliable	2		

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Nursery glasshouses are nearing end of their useful lives.	Replacement of 4 of the existing 6 glasshouses with a new energy efficient greenhouse in 2016/17.	Renewal of the remaining 2 glasshouses at the Nursery with efficient greenhouses. These will be included under Year 1 (2019/20) so it can be constructed under the existing resource consent which expires in 2021.

### Capital projects funded in the current 10-Year Plan

#### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE-10028 – Building Renewals	\$853k	17/18-24/25

#### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
No projects funded.		

# Aquatic Facilities Asset Summary



## WHAT WE DO

Council is the main provider of public aquatic facilities in Hamilton. PoolSafe accredited facilities are offered with recreational programmes and activities for communities, including lane and leisure swimming, aqua education, health and fitness centre and early childhood centre.

The Aquatic Facilities are dedicated to promoting health, recreation and rehabilitation through swimming and water related activities. Operational grants are provided to four educational organisations that open their pools to the public during summer.

## WHY WE DO IT

### Benefits to the Community

To provide opportunities for people to experience aquatic facilities for health, learning, social and leisure benefits.

### Legislative Requirements

Council is not legally required to provide aquatic facilities.

## FUNCTIONS, SERVICES & MODE OF DELIVERY

Function	Service	Statutory	Non-statutory	Mode of Delivery
Swimming Pool	Safe spaces for people to enjoy water related recreation.		✓	In house
	Facilities for local, regional and national competitions.		✓	In house
Aquatic Education	Aqua Education, Learn to Swim and Water Safety Swimming education to the community and aquatic based organisations.		✓	In house
Early Childhood Care and Education	An early childhood learning centre for Waterworld parents and for the community.		✓	In house
Rehabilitation	Hydrotherapy to improve the health and wellbeing of our community.		✓	In house
Fitness centre	Equipment and staff to support the promotion of a fitness and wellbeing to the community.		✓	In house
Cafe	Food and beverages to users of the facilities, and a venue for hospitality.		✓	Contract
Play equipment and BBQ and picnic area	An outside play area for children to enjoy when visiting the pools or the surrounding park areas. A BBQ and picnic area to encourage people to come and spend the day at the facilities.		✓	In house/ City Parks
Partner Pools	Operational grants to non-council owned facilities to provide public swimming facilities during summer.		✓	Contract/SLA
Retail	Swimming apparel and equipment shop.		✓	In house
Events and Programmes	Host local, regional and national competition and events.		✓	In house
	Aquatic based School holiday programmes.		✓	In house

## OPERATIONAL ASSETS

### Our key assets and their condition

#### Pool Operational and Water Quality Assets

- These assets included starting blocks, dive towers, life guard stands, spring boards, lane ropes, bulk head, pool covers, pool matting, pool platform, water recirculation (pipes) and filtration. Note the actual pool is considered a building asset.
- In January 2014 Opus Consultants carried out a high level condition assessment of the Aquatic Facilities operational assets. The assets were generally in good to moderate condition with the exception of the pool pipework. The pipes are considered to be in poor condition with replacement planned during the Waterworld upgrade. It should also be noted that pool filtration does not meet the Pool Water Quality Standard (NZS5826: 2010) which will also be addressed during the upgrade.
- A detailed condition assessment of operational assets at the Gallagher Aquatic Centre is scheduled for March 2017.

#### Furniture and Fittings, Fitness Centre, Educare, Amenity and Learn to Swim Equipment

- There is no formal condition assessment carried out on these assets. However, pool staff interact with these assets on a daily basis and continue monitoring their condition. The condition of these assets is considered to be good with the exception of the barbeques at Waterworld which are in poor condition.

#### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Limited asset information (furniture, fittings and technology assets) available for management of assets.	Some data currently held in spreadsheet.	Incorporate appropriate operational asset information in corporate asset management system and implement relevant business processes. Develop formal processes for implementing regular condition assessments of all assets.

### Capital projects funded in the current 10-Year Plan

#### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE100002 – Waterworld Hydroslide	\$177K	21/22
CE10003 – Waterworld Operational Asset Renewals	\$3.6 million	17/18-24/25
CE10004 – Gallagher Aquatic Centre Operational Asset Renewals	\$1.1 million	17/18-24/25

#### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
No projects funded	N/A	N/A

## BUILDING ASSETS

### Our key assets and their condition

Building	Construction Year	CONDITION			SEISMIC		
		Average Condition Grade	Last formal condition date	Confidence in condition information	Importance Level	Relative Risk based on NBS%	Assessment Type
Waterworld	1976	Good (note asset challenge below)	2016	Reliable	3		DSA currently in progress
Gallagher Aquatic Centre	1997	Good	2010	Uncertain*	3		ISA due June 2017
Municipal Pool	1911	Poor pending demolition	2010	Uncertain	2	Medium	ISA 2008

\* Condition Assessment to be carried out in 2017

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Catering for demand for aquatic facilities in the North east of the city.		New Aquatic facilities in the North east of the city.
Condition of ceiling tiles, concourse flooring, heating ventilation air conditioning (HVAC) and pool water recirculation (pipework) and filtration of the indoor pools at Waterworld are in poor condition.	Ceiling tiles removed in July 2016 due to safety concerns. Major upgrade at Waterworld to address building, HVAC, pipework and filtration issues, to modernise the facility and increase capacity (note Annual Plan proposal for 2017/18).	Ongoing operating, maintenance and renewal forecasts of upgraded facility.
No funding in the 10-Year Plan for demolition of the Municipal Pool as a Council decision as to its future had not been made in 2014/15.	Demolition of Municipal pool and restating the land to reserve (note Annual Plan proposal for 2017/18).	

### Capital projects funded in the current 10-Year Plan

#### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE10001 – Aquatic Facilities Building Renewals	\$3.1 million	17/18-24/25

#### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE115165 – 25m Pool	\$5.9 million	2022-23

## Cemeteries and Crematorium Asset Summary



### WHAT WE DO

Council provides, manages and maintains three cemeteries and one crematorium to provide burial and cremation services. The activity operates within Council's Parks and Open Spaces Unit and contributes to Hamilton's open space.

### WHY WE DO IT

#### Benefits to the Community

Council provides this activity to ensure the provision of burial and cremation services in a respectful way, in beautiful park settings.

#### Legislative Requirements

Council has a legal responsibility under the Burial and Cremation Act 1964 to establish and maintain a cemetery. In 1963, Council identified a need to provide a crematorium for the residents of Hamilton and the Waikato region.

Council also has a legislative responsibility under the Act for the burial or cremation of persons who are unable to pay for the service and for the control and management of closed cemeteries.

### FUNCTIONS, SERVICES AND MODE OF DELIVERY

Function	Service	Statutory	Non-statutory	Mode of Delivery
Burials and cremations	Casket and ash burial services.	✓		In-house
	Crematorium services.	✓		In-house
Chapel and lounge facilities	A chapel, providing a non-denominational setting for larger burial and cremation services.		✓	In-house
	A lounge, suitable for a family committal or small funeral service.		✓	In-house
Facilities maintenance and presentation	Maintenance of cremator and assets, all aspects of the Cemetery presentation including ground keeping and gardening.		✓	In-house
	Assistance and attendance at funeral services.		✓	In-house
Customer services and record keeping	Frontline customer services and maintenance of cemetery records, including the online cemetery database.	✓	✓	In-house
Protection of Hamilton's heritage	Preserving the heritage/social history of Hamilton by managing for the Hamilton East and West cemeteries.	✓		In-house

## OPERATIONAL ASSETS

### Our key assets and their condition

#### Crematorium Equipment

- Due to the high criticality of the cremator and associated assets the maintenance and renewals of this equipment is of high priority and the condition of these assets are good.

#### Generator

- The Generator was purchased in 2016 and is in good condition.

#### Burial Vehicles and Equipment

- These are leased from through the Facilities Unit and are in good condition.
- The grave shoring is due for renewal in 2019.

#### Landscaping, Roads, Paths and Signage

- These assets are generally in good condition. The only major renewal expected in the next 10-Years is the road at Hamilton Park Cemetery.

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Works depot facilities are in an area used by staff and funeral directors accessing the crematorium which results in conflict of use. Also, there is no dedicated maintenance or wash-down area for equipment, the presentation of this area is poor, especially over the winter months.		Relocation of works depot facilities at Hamilton Park Cemetery.
To future-proof for expansion at Hamilton Park Cemetery funds need to be available in case land becomes available for purchase adjacent to the cemetery.		Allocation of funds of purchase of adjacent land.
High demand for ash interment walls.	A small number have been funded in 2015-25 10-Year Plan however these are not sufficient to cater for demand.	Construction of additional ash interment walls in line with demand.
The main entrance at Hamilton Park Cemetery does not reflect the importance of the site.		New signage and entrance works at Hamilton Park Cemetery.
Current Cemetery Management System is old software that is no longer supported by the vendor.	Investigating costs and options for new software.	Implementation of new Cemetery Management System software.
Hamilton East and West cemeteries are not currently managed in accordance with best practice for heritage sites.	Cemeteries Plan took into account recommendations of the Heritage Cemeteries Conservation Plan.	Funding to carry out Heritage Cemeteries Conservation Plan works at Hamilton East and West Cemeteries.
Limited asset information available for management of assets.	Some data currently held in spreadsheet.	Incorporate appropriate operational asset information in corporate asset management system.

### Capital projects funded in the current 10-Year Plan

#### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE10022 – Renewal of Crematorium Assets	\$481k	17/18-20/21, 22/23-24/25
CE10023 – Asset Renewal – Ham Park, East and West Cemeteries	\$531k	17/18-24/25

#### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE15024 – Hamilton Park Cemetery Burial and Ash Lawn Extension	\$831k	17/18-19/20, 21/22-22/23, 24/25

## BUILDING ASSETS

### Our key assets and their condition

Building	Construction Year	CONDITION			SEISMIC		
		Average Condition Grade	Last formal condition date	Confidence in condition information	Importance Level	Relative Risk based on NBS%	Assessment Type
Hamilton East – Caretakers Shed	1940	Moderate	2010	Uncertain	1		
Hamilton East – Lunchroom/Toilets	1940	Moderate	2010	Uncertain	2		
Hamilton Park – Admin Building	1993	Good	2010	Uncertain	2		
Hamilton Park – Chapel	1962	Good	2010	Uncertain	3		ISA by June 2017
Hamilton Park – Chapel Toilet	1962	Moderate	2010	Uncertain	2		
Hamilton Park – Crematorium	2000	Good (Note asset challenge below)	2010	Uncertain	4		ISA by June 2017
Hamilton Park – Riding for the Disabled Office	1915	Good	2010	Uncertain	2		
Hamilton Park – Workshop/ Lunchroom	1963	Moderate	2010	Uncertain	2		

NOTE: Condition assessments are being carried out in March 2017

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Urgent remedial work is required on the Crematorium building due to long term weathering damage caused by a systemic failure between design and construction.	Remedial work is being considered under the proposed 2017/18 Annual Plan.	Dependent on 2017/18 Annual Plan budget allocation.
No accessible toilets are available for the public after hours at Hamilton Park Cemetery.	Design and costing underway.	New toilets at Hamilton Park Cemetery.
Public toilets at Hamilton East Cemetery are aged and not fit for purpose.		Demolition of public toilets at Hamilton East Cemetery.
Inadequate office area to meet and assist customers with service arrangements and enquires.	Cemetery Management Plan shows proposed location of integrated reception and office facilities.	New integrated reception and office facilities at Hamilton Park Cemetery.

### Capital projects funded in the current 10-Year Plan

#### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE10021 – Building Renewals – Cemeteries	\$862K	17/18-24/25

#### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
No projects funded	N/A	N/A

# Community Facilities Asset Summary



## WHAT WE DO

This activity includes a number of Council owned and operated community facilities including community and indoor recreational facilities. These facilities enable central government, local organisations and private providers to deliver a variety of services and activities to meet the needs of local communities. The facilities also provide a bookable space for groups and communities to enable social and recreational activities to occur at a local level.

Council employ staff who provide advisory services and community grants. Community Advisors work with organisations and agencies throughout the city to increase collaboration, build greater social cohesion and inclusion. This includes the promotion and support of local level initiatives, advisory services, community profiling, and funding and grants.

## WHY WE DO IT

### Benefits to the Community

To promote social and cultural wellbeing of Hamilton’s communities by enabling and encouraging our diverse communities to achieve their goals and aspirations, by providing facilities, leadership, services and support.

### Legislative Requirements

Council is not legally required to provide the services within this activity.

## FUNCTIONS, SERVICES & MODE OF DELIVERY

Function	Service	Statutory	Non-statutory	Mode of Delivery
Advisory Services	Provide assistance to increase community connectedness and create social capital. Provide advice and support to empower communities to be actively involved in decision making and increasing community integration. Services include Community Advisory, Youth Advisory, Ethnic Advisory, Disability Advisory, and Older Persons Advisory.		✓	In-house
Community Grant Funding	Coordinate funding rounds, processing applications, and ensuring acquittals are supplied.		✓	In-house
Funding Advisory Services	Provide advice to community organisations, potential applicants and other teams within Council, regarding seeking funding for projects.		✓	In-house
Interagency collaboration and community networks	Lead and facilitate projects, programmes and events in partnership with key stakeholders that contribute to achieving the strategic objectives of the Council. Facilitate opportunities to identify significant community issues, influence decision makers and achieve joined up responses with key agencies to address these.		✓	In-house
Managing Community Facilities	Centres and halls that provide a place for local community groups. Some facilities are sole tenant with lease agreements while others work on a managed booking approach.		✓	In-house
Managing Indoor Recreation	Te Rapa Sportsdrome is a multi-purpose community house and sports hall ideally suited for indoor sports.		✓	In-house
Community Infrastructure Support	Financially supporting community infrastructure through Multi-Year Community Grants to provide tailor made services and programmes to meet the needs of local communities.		✓	Funding Contracts
Garden Place Activation	Work with key stakeholders to increase the activation of Garden Place.		✓	In-house

## OPERATIONAL ASSETS

### Our key assets and their condition

The Community Development and Leisure activity manages office furniture, audio-visual equipment and event equipment. These are generally low value assets with a relatively short life. Due to the high use of these assets by the community the condition and remaining life is difficult to predict. However staff regularly assess the condition of these assets.

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Limited asset information available for management of assets.	Some data currently held in spreadsheet.	Incorporate appropriate operational asset information in corporate asset management system.

### Capital projects funded in the current 10-Year Plan

#### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
Asset renewals	All of these assets have a value less than the Council capitalisation threshold of \$5000 – replaced as operational budget.	N/A

#### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
No projects planned	N/A	N/A

## BUILDING ASSETS

### Our key assets and their condition

Building	Construction Year	CONDITION			SEISMIC		
		Average Condition Grade	Last formal condition date	Confidence in condition information	Importance Level	Relative Risk based on NBS%	Assessment Type
Te Rapa Sports Dome	1998	Good	2016	Reliable	3		ISA due in 2017
Celebrating Age Centre	1979	Good	2016	Reliable	2	Low	ISA 2016 – review during 2017
Enderley Park Community Centre	1976	Good	2016	Reliable	2	Medium	ISA 2008 – review during 2017
Fairfield Hall	1961	Good	2016	Reliable	2	Medium	ISA 2007 – review during 2017
Frankton Railway Institute Hall	1920	Good	2017	Reliable	2	Medium	ISA 2008 – review during 2017
Hamilton Citizens Advice Bureau	1919	Good	2016	Reliable	2	High	ISA 2008 – review during 2017
St Peters Hall and Offices	1910	Good	2016	Reliable	2	High	ISA 2008 – review during 2017

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
No building renewals budget has been allocated in the current 10-Year Plan and as the facilities are aging these facilities are deteriorating.	Some minor renewals have been carried out using maintenance funding.	Renewals budget for buildings based on the condition inspections completed in 2017.
There is currently no adopted strategic direction for this activity which means the purpose of each of the facilities is unclear, making it difficult to make recommendations/ investment decisions to improve the facilities.	Staff are in the progress of developing an operational plan which will provide direction and will be used to direct forward work planning in the 2018/28 AMP.	Dependent on direction from operational plan.

### Capital Projects funded in the current 10-Year Plan

#### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
No capital renewals programme for building assets funded.	N/A	N/A

#### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
No projects funded	N/A	N/A

## H3 Asset Summary



### WHAT WE DO

We attract and deliver a diverse range of quality events within our facilities across the following event categories:

- Meet – Meetings, conferences, functions and exhibitions
- Compete – Sporting events
- Perform – Performance events

### WHY WE DO IT

#### Benefits to the Community

To help make Hamilton a vibrant place to live with a prosperous economy, by maintaining market relevant venues that are community beacons and by hosting a range of events that our community value and that attract visitors to our city.

#### Legislative Requirements

Council is not legally required to provide event facilities

### FUNCTIONS, SERVICES & MODE OF DELIVERY

Function	Service	Statutory	Non-statutory	Mode of Delivery
Business Development & Account Management	We build strong client relationships and maximise revenue through driving venue bookings.		✓	In-house
Venue Management	Venue management oversee the event delivery process.		✓	In-house
Event Planning	Each event is individually planned to meet client expectations.		✓	In-house
Venue Marketing and PR	Support the sales initiatives of the Business Development Team.		✓	In-house/ Contracted
Corporate Hospitality Sales	Corporate suites, tables and packages are sold for a range of ticketed events.		✓	In-house
Event Marketing	Event marketing support is provided to the promoters of ticketed events to increase attendance at events.		✓	In-house
Event Services	Includes providing a range of event support services such as production services, customer service, security, traffic management and cleaning.		✓	In-house/ Contracted
Catering	Includes the provision of food and beverage to both corporate and retail customers at events.		✓	Contracted
Technical Services	Technical support across all venues for event set-ups including lighting, sound, rigging and staging.		✓	In-house/ Contracted
Turf Services	Specialist turf management for Waikato Stadium, Seddon Park and associated training fields.		✓	In-house
Risk Management	There are a range of risks associated both with the venues and the events being held within them that we are required to manage.		✓	In-house
Facilities/Asset Management	Buildings are managed under an SLA by Council's Property Unit while a wide range of specialist plant and equipment is managed by operational staff.	✓		In-house
Asset Development	Opportunities for the development of new and existing event venues are explored and developed.		✓	In-house/ Contracted

## OPERATIONAL ASSETS

### Our key assets and their condition

Assets at each venue	Condition
Furniture	The furniture and equipment at the venues are in various condition. As the venues are hired out it is important that the condition is in a good or better condition at all times. Some chillers are in poor condition at FMG Stadium Waikato.
Musical Equipment	
Kitchen Equipment	
Sportsfields and Sport floors	The No.1 field at FMG Stadium Waikato and Seddon Park are maintained to an international standard so are in excellent condition, but require on-going intensive management.
Assets that move between venues	Condition
Technical Equipment and Turf Services Equipment	Most of these assets have short useful lives so need to be renewed often. The condition is considered to be good.
Furniture & Exhibition Equipment	Most assets have short useful lives so need to be renewed often. The condition varies from moderate to good. These include staging, tables, chairs, ticket boxes.

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Founders Theatre – closure due to aging theatre infrastructure that's not fit for purpose or safe and the building being categorised as earthquake prone.	Collaboration with Momentum Foundation on design and build of a replacement theatre. Investigating options for future of Founders.	Build of replacement theatre. Necessary theatre equipment and furniture replacement to deliver agreed theatre service. The future of Founders Theatre – demolish or refurbishment if/when replaced.
Age of many operational assets is increasing along with the cost of maintaining them and need to renew them.		Increased spend on operational asset renewals and capital at FMG Stadium Waikato and Seddon Park especially. Renewal programme for Claudelands Furniture and Sports floor
Having the necessary assets to meet increasing requirements of hirers and event attendees.		Include proposed asset investments to maintain high standards, market share and attract hirers.
Installing temporary stand at Seddon Park is expensive to hire.	Investigate business case for installing permanent seating at Seddon Park.	Include the most efficient long-term approach to supply of temporary seating.
Limited asset information (for equipment and operational assets) available for management of assets	Some data currently held in spreadsheet.	Incorporate appropriate operational asset information in corporate asset management system and implement relevant business processes. Develop formal processes for implementing regular condition assessments of all assets.

### Capital projects funded in the current 10-Year Plan

#### Renewals in 2015-25 10-Year Plan

Project	10-YP Budget	Timing
CE10040 – Business Administration Plant & Equipment Renewals	\$358k	17/18-24/25
CE10041 – Claudelands – Plant & Equipment Renewals	\$5.6 million	17/18-24/25
CE10042 – Seddon Park – Plant & Equipment Renewals	\$898k	17/18-24/25
CE10043 – Waikato Stadium – Plant & Equipment Renewals	\$962k	17/18-24/25
CE10044 – Turf Services Plant & Equipment Renewals	\$488k	17/18-24/25

#### New Works in 2015-25 10-Year Plan

Project	10-YP Budget	Timing
CE15050 – Claudelands capital improvement programme	\$18k	21/22

## BUILDING ASSETS

### Our key assets and their condition

Building	Construction Year	CONDITION			SEISMIC		
		Average Condition Grade	Last formal condition date	Confidence in Condition Information	Importance Level	Relative Risk based on NBS%	Assessment Type
Claudelands – Exhibition Hall C	1976	Good	2016	Reliable	3		ISA during 2017
Claudelands – Exhibition Hall D	2010	Good	2016	Reliable	4		ISA during 2017
Claudelands – Holeman Stand	1992	Good	2016	Reliable	3		ISA during 2017
Claudelands – Grandstand	1920	Good	2016	Reliable	2		
Claudelands – Arena	2010	Good	2016	Highly Reliable	4		ISA during 2017
FMG Stadium – Brian Perry Stand	2002	Good	2017	Reliable	3		ISA during 2017
FMG Stadium – WEL Stand	1950's	Good	2017	Reliable	3	Low	ISA 2008 – review during 2017
Seddon Park – Main Building	1991	Good	2016	Reliable	3	Medium	ISA 2011 – review during 2017
Founders Theatre	1962	Currently Closed	2013	Uncertain	3	Very high	DSA – 2016

NOTE: Importance level of 4 to be used for post disaster welfare centres.

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Closure of Founders Theatre and the uncertain future around this venue.	<ul style="list-style-type: none"> <li>Working with consultants and Momentum Foundation to establish design for a theatre.</li> <li>Report to Council outlining possible future options for Founders Theatre.</li> </ul>	Future decisions for Founders theatre/Regional theatre project – Demolition, refurbishment or replacement costs including consultancy and regulatory expenses.
Lack of clear connection to the city for Claudelands and directional signage around the city for all venues.		Directional signage for event venues.
Adequate staff and storage facilities at sites. Seddon Park Grounds Shed is inadequate for the safe and efficient operation of staff and storage of equipment.	There are some safety concerns that have been raised. Investigating option of extending the existing shared staff and storage shed at Seddon Park.	<ul style="list-style-type: none"> <li>Seddon Park Groundsmens Shed extension.</li> <li>Storage shed at Beetham Park for Turf machinery, equipment and ground supplies.</li> <li>Storage shed at Claudelands.</li> </ul>
Seddon Park and FMG Stadium Waikato do not have sustainable long-term maintenance and/or renewals budgets.	Renewal of air conditioning chiller at FMG Stadium Waikato is requiring to be brought forward as its failing ahead of anticipated life and replacement cost exceeds budget.	<ul style="list-style-type: none"> <li>Sports lighting replacement for LED's.</li> <li>Replacement of external stair case and/or installation of a hoist at Seddon Park.</li> <li>Refurbishment of Brian Perry Stand concessions.</li> <li>Resurfacing of floor finishes on the Brian Perry Stand level 2 concourse.</li> <li>Replacement of outfield drainage and wicket blocks.</li> <li>Replacement of canvas roof on Brian Perry Stand.</li> <li>Winch system for moving of the broadcast tower.</li> </ul>

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Inadequate capital improvement budgets to improve service levels or keep Seddon Park and FMG Stadium Waikato venues at international standards.		<ul style="list-style-type: none"> <li>Extension to existing Seddon Park practice wicket.</li> <li>Permanent infrastructure such as power reticulation at Seddon Park.</li> <li>Installation of sumps or similar at stadia for the collection of contaminated waste water.</li> <li>Extension of covered area, Brian Perry Stand.</li> <li>Improvements to WEL Stand, eg. upgrade to bathrooms and install hot water.</li> <li>Artificial turf options for training grounds.</li> </ul>
Claudelands no new capital has been identified. Claudelands will require increasing maintenance and renewals as the standard of some assets will be nearing end of life and require replacement by the end of the next 10-Year period.	Developing a replacement plan for equipment and maintaining current equipment as best as possible.	<ul style="list-style-type: none"> <li>Renewals and maintenance forecasts that will increase over time.</li> <li>Refurbishment of the Claudelands Grandstand interior.</li> <li>Replacement of temporary walls for Hall D.</li> </ul>
Structural issue with tie rods on lights at FMG Stadium Waikato.	Works to be undertaken within next 12 months on lighting tower tie rods. Consultant engaged to investigate and provide options for light tower tie rod structures. Condition of lighting towers at Seddon Park is being reviewed.	
Standard of seating at FMG Stadium Waikato is deteriorating and requiring replacing.		Renewal programme for stadia seating.
Public entrances at FMG Stadium Waikato are highly visible from surrounding streets, unattractive and require some safety improvements for patrons entry.	Business case put forward for upgrade to Gate 1 at FMG Stadium Waikato.	Upgrade to Gate 2 entry to enhance public view of the area, increase patron safety and ease of access.
Technology is ever evolving with users requirement increasing. Upgrade of data networks and infrastructure is required.	Staged plan to install is partially underway within existing budgets. However this work will need funding to complete and maximise its use.	Installation of wi-fi network and maintenance.
Investments are required to provide increased security and use in emergency events.		<ul style="list-style-type: none"> <li>Automated gates and doors to increase security, fire egress and safety at various sites.</li> <li>FMG Stadium and Claudelands – Installation of generator connections for emergency operation and Civil Defense capability.</li> <li>Seddon park – Install of external public announcement system.</li> <li>Various sites – Install of card access controls and alarm systems for security.</li> </ul>

### Capital projects funded in the current 10-Year Plan

#### Renewals in 2015-25 10-Year Plan

Project	10-YP Budget	Timing
CE10045 – Claudelands – Property Renewals	\$3.2 million	15/16, 18/19-23/24
CE10046 – Seddon Park – Property Renewals	\$559k	16/17, 17/18, 21/22
CE10047 – Waikato Stadium – Property Renewals	\$4.2 million	15/16-24/25
CE10048 – Stadia Building Renewals	\$9.7 million	15/16-24/25
CE10049 – Claudelands Building Renewals	\$1.9 million	15/16, 17/18-24/25

#### New Works in 2015-25 10-Year Plan

Project	10-YP Budget	Timing
No projects funded	N/A	N/A

## Libraries Asset Summary



### WHAT WE DO

Hamilton City Libraries are in-house service of Hamilton City Council, providing a diverse range of programmes and services to the community. Through the libraries service the following functions are undertaken:

- Providing a range of materials, in a number of formats, to meet the communities learning, literacy and recreation needs.
- Collecting and preserving the documentary heritage of the city and acting as a repository for community historical records for Council archival materials.
- Providing a shared space for literacy based community programmes , events and service
- Encouraging the literary arts and literary appreciation through events, programmes, services and collections.

Membership is also provided to Waikato District Council ratepayers through a funding agreement. Subscription membership is available to residents in other surrounding districts.

### WHY WE DO IT

#### Benefits to the Community

Public libraries provide services, resources and facilities as a public good. Council's libraries provide a gateway to ideas, knowledge and works of the imagination and culture that support life-long learning, independent decision-making, reading for enjoyment and cultural development.

#### Legislative Requirements

- Council is not legally required to provide libraries. However, where a public library is provided, Council must provide free membership to its residents.
- Libraries manage the Hamilton City Council Archives function. Council archives must be managed in accordance with the Public Records Act.

### FUNCTIONS, SERVICES AND MODE OF DELIVERY

Function	Service	Statutory	Non-statutory	Mode of Delivery
Library Services	Delivery of library programmes and services across the city.		✓	In-house
Library Service Development	Development of programmes and outreach services across the city network. Encouraging the literary arts and appreciation through events, programmes, services and collections.		✓	In-house. Some collaboration with other organisations for provision and funding.
Digital	Management of the computer systems and services. Including access to the online world through the Aotearoa Peoples' Network Kaharoa (APNK), a network of internet linked computers and access to wifi networks		✓	In-house
Collections and Heritage	Collecting, curating and making available a range of materials, in a wide variety of formats.		✓	In-house and via contract. Vendors are used for the supply of shelf ready material via contract.
Archives	Repository for community historical records and for Council archival materials.	✓		In-house

## OPERATIONAL ASSETS

### Our key assets and their condition

#### Lending Collection

- The Lending collection is in good overall condition. Items within the Collection are assessed at an item level on a systematic schedule.

**Value** – \$8.5million (2016)

#### Heritage Collection

- As the Heritage collection ages it becomes more valuable as an historical research resource and appreciates in value. The Heritage collection is stored and preserved for future generations therefore handling practices, storage facilities and environmental conditions should be kept at optimal 'best industry practice' levels. Currently the storage area conditions are not maintained at optimal levels, creating a significant risk for the Heritage Collection assets.

**Replacement Cost** – \$4.6million (2016)

#### Furniture and Fittings

- Heritage cabinetry is in moderate condition for general purpose, but because of rust and other evidence of decay, they are not in a condition that makes them suitable for the storage of Heritage material.
- All other furniture and fittings are in a good to very good condition.

#### Technology

- The current Library Management System (LMS) contract expires in June 2017 and will be replaced with a new subscription-based system. The hardware associated with the LMS, including security gates and self-check machines are predominantly aged equipment and are in poor condition. The two new security gates which were purchased in the 16/17 financial year are in new condition.
- Existing barcode technology for collection circulation is nearing obsolescence and is commonly being replaced with Radio Frequency Identification (RFID), a wireless data transfer system enabling automatic identification and tracking of collection material. This reduces manual handling and enables more customer self-service.
- Other public use technology hardware is in moderate to good condition but the range and functionality is limited (e.g. there is no video and sound editing equipment, equipment for graphic design etc.).

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Barcode technology is becoming obsolete and current hardware associated with the library management system is old and in poor condition.		Implementation of a RFID system for automatic identification and tracking of collection material.
Public use technology assets do not meet the level required to meet the Libraries' Strategic Plan objectives.		Programme to expand offering of public use technology assets to enable the achievement of strategic plan goals.
Small portion of the Heritage Collection has been digitised and there is insufficient funding to allow for more digitisation. Data storage costs are very high and there is currently no funding for this.	Digitisation is carried out on an adhoc basis when resources allow.	Programme for digitisation of Heritage Collection.
Heritage Collection storage shelving is in poor condition.		Renewal of Heritage Collection storage shelving.
Limited asset information (furniture, fittings and technology assets) available for management of assets.	Some data currently held in spreadsheet.	Incorporate appropriate operational asset information in corporate asset management system and implement relevant business processes.

### Capital projects funded in the current 10-Year Plan

#### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE10005 – Library Collection Purchases	\$9.8 million	17/18-20/21, 22/23-24/25
CE10006 – Library Asset Renewal	\$860k	17/18-24/25

#### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
No projects funded	N/A	N/A

Libraries Asset Summary | February 2017

## BUILDING ASSETS

### Our key assets and their condition

Building	Construction Year	CONDITION			SEISMIC		
		Average Condition Grade	Last Formal Condition Assessment	Confidence in Condition Information	Importance Level	Relative Risk based on NBS%	Assessment Type
Central Library – currently closed	1960	Good	2010	Uncertain	3	Very High	DSA was completed in 2016
Chartwell Library	1984	Good	2016	Reliable	2		
Dinsdale Library	1980	Moderate	2010	Uncertain	2		
Glenview Library	1992	Good	2010	Uncertain	2		
Hillcrest Library	1963	Good	2010	Uncertain	2	Medium	ISA 2008 – being reviewed during 2017
St Andrews Library	1973	Good	2010	Uncertain	2	Medium	ISA 2008 – being reviewed during 2017

NOTE: Condition assessments are being carried out in March 2017

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Catering for demand for library services in the North east of the city.		New Library in the North east of the city.
Current closure of Central Library as a result of a Detailed Seismic Assessment (DSA).	Detailed design and cost estimates for earthquake strengthening options is currently being developed. It is anticipated that the Central Library will remain closed for the majority of 2017.	Any necessary considerations required in response to the seismic performance issues with the Central Library that are not already dealt with remedial works during 2017.
Storage for the Heritage collection is too small and below standards leading to the deterioration of the collection over time.		Upgrade of Heritage Collection storage facilities.
The Libraries Facilities Plan that was recommended as part of the Libraries Strategic Plan is yet to be developed and approved.		Recommendations for facilities unit from the Libraries Facilities Plan will be provided.
Physical spaces are not considered fit for purpose and do not meet current and future customer and service needs. E.g. floor loading capacity is not adequate for library purposes with growing collections.		
Strategy to create libraries as community hubs.		Future configuration of Libraries as community hubs.

**Capital projects funded in the current 10-Year Plan**

**Renewals in 2015-25 10-Year Plan**

Project	Ten year plan Budget	Timing
CE10007 – Library Building Renewals	\$1.9 million	17/18-24/25

**New Works in 2015-25 10-Year Plan**

Project	Ten year plan Budget	Timing
No projects funded	N/A	N/A

## Waikato Museum Asset Summary

### WHAT WE DO

Waikato Museum is a guardian of collections comprising artwork and objects that have been acquired, gifted or loaned, and kaitaki of culturally significant Tauiwi taonga. The Museum's exhibitions and activities tell the stories of the Waikato region and include visual art, social history, tangata whenua and science.

### WHY WE DO IT

#### Benefits to the Community

To care for, preserve and share the stories about the objects and taonga of the Waikato region and beyond, through exhibitions and educational activities.

#### Legislative Requirements

Council is not legally required to provide this activity.

### FUNCTIONS, SERVICES AND MODE OF DELIVERY

Function	Service	Statutory	Non-statutory	Mode of Delivery
Exhibitions	Exhibitions cover the four key areas of social history, visual arts, tangata whenua and science. Long-term and short term exhibitions are delivered in-house using the Museum's own collections, by national and international exhibition touring companies or on-off relationships with other galleries.		✓	In-House/ Contracted
Collections	The Museum acquires documents and cares for artworks and objects, and provides access to the collection and facilitates loans of the collection to other museums and galleries. Funded by Trust Waikato, the Museum provides advice to museums and cultural facilities in the region. Some specialist collection care services are contracted as needed, such as conservation services.		✓	In-House/ Contracted
Protected objects Custodian	The Museum registers and maintains protected objects that are of cultural and national significance, and must adhere to strict processes relating to taonga tūturu required under the Protected Objects Act 1975.	✓		In-House
Public programmes	The planning and co-ordination of public programmes is performed in-house, delivery of most public programmes is carried out by contractors.		✓	In-House/ Volunteers
Education programmes and a place of learning	Waikato Museum develops and delivers curriculum-linked education programmes for all ages of school children. The Museum also serves as an important cultural and recreational venue for city residents and visitors.		✓	In-House/ Volunteers
Event and function venue	The Museum provides a range of indoor event venue options for community, corporate or private hire.		✓	In-House
Retail	The Museum provides a range of merchandise related to Museum activities and exhibitions, and sells New Zealand made artworks and objects at ArtsPost. ArtsPost has three gallery spaces available for well-known and emerging artists to exhibit their work.		✓	In-House
Public art	Waikato Museum maintains an overview of public art around the city. Specialist maintenance services are contracted as necessary		✓	In-House/ Contracted
Research and knowledge	The Museum provides information about its collections, as requested by the public or researchers. Where Museum staff do not have particular expert knowledge, they make a recommendation to trusted external parties.		✓	In-House/ Contracted

## OPERATIONAL ASSETS

### What the assets are and condition

#### Collection

- 28,902 items owned
- 1,072 items on loan

**Total Value** \$25.2 million (2015 Art+Object)

It is the intention that Waikato Museum's collections are preserved for future generations. To this end, handling practices, storage facilities and environmental conditions are kept at optimal 'best industry practice' levels. The overall rating for the collections is good to very good (2014). There is less than 1% of the collection in a very poor condition which means that these items are less likely to be used for exhibitions, but still hold an intrinsic value and are retained in the collection.

#### Public Art

- 25 works of public art around the city.

There are some works that, due to age, materials and exposure to the elements, deteriorate more quickly. However, most works are currently in good condition. No additional maintenance budget is allocated by Council when the city is gifted new Public Art and this contributes to a lack of resources available for scheduled maintenance.

**Total Value** – \$4.9 million (2015 Art+Object)

#### Furniture, fittings, machinery and tools

- These assets include collection storage and shelving, furniture for staff and customers and specialist machinery, equipment and workshop tools used to create exhibition fittings.
- These assets are considered to be in good condition.

**Total Value** approx. \$1 million (2014)

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Unable to proactively maintain the public art well as there is limited or no budget made available when new Public Art is acquired or gifted.	Most maintenance is reactive when staff are notified by public that there is an issue.	Increase in the public art maintenance budget.
Limited asset information available for management of furniture, fitting, machinery and tools assets.	Some data currently held in spreadsheet.	Incorporate appropriate operational asset information in corporate asset management system.
Lack of collection storage for collection acquisitions over the medium to long term.		Additional storage facilities for collection storage.

### Capital projects funded in the current 10-Year Plan

#### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE10008 – Operational Asset Renewals	\$1.1 million	17/18-24/25

#### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE10010 – Public Art Acquisition	\$330k	17/18-24/25

## BUILDINGS

### What the assets are and condition

Building	Construction Year	CONDITION			SEISMIC		
		Average Condition Grade	Last formal condition date	Confidence in Condition Information	Importance Level	Relative Risk based on NBS%	Assessment Type
ArtsPost	1916	Good	2017	Reliable	2	High	ISA 2011 (DSA programmed for 2017)
Beale Cottage	1872	Good	2016	Reliable	2		
Museum	1985	Good (see below challenge)	2017	Reliable	3	Medium	ISA 2012 (to be reviewed during 2017)

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Lack of connection of Museum with river and Victoria Street (as identified in the major visitor experience review based on the 2016-21 Museum Strategic Plan).	High level conceptual design strategies for the configuration of the ground floor entrance space and lower level river facing gallery have been developed.	Reconfiguration of floor entrance space and lower level river facing gallery.
Uncertain seismic performance of ArtsPost and Museum building.	DSA (ArtsPost) and ISA (Museum) reviews are planned for March and April 2017 respectively.	Earthquake strengthening of ArtsPosts based on 2017 DSA report (\$2.7 million currently funded for 2017-19)
Leaky roof in the Gallery 12 and corridor to Excite space could lead to damage of exhibition items.	Leaks are managed and repaired in a reactive manner.	Renewal of Museum building roof.
Exhibition collections items are at risk of damage due to inadequate loading bay facilities.		Upgrade of loading bay is it is increased in size to enable a covered and secure area to load and unload from trucks.

### Capital projects funded in the current 10-Year Plan

#### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE10011 – Building Renewals	\$3.0 million	17/18-24/25
CE10009 – Earthquake Strengthening of ArtsPost	\$2.7 million	17/18-18/19

#### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
No projects funded		

# Hamilton Zoo Asset Summary

## WHAT WE DO

Hamilton Zoo provides a recreational resource for visitors and also works to conserve wildlife. Around 120,000 people visit the Zoo each year, of which approximately 40% are Hamilton City residents.

The Zoo consists of 21 hectares of landscaped grounds with another seven hectares available for future use. It is home to approximately 600 exotic and native New Zealand animals. The unique experience at Hamilton Zoo allows residents and visitors to enjoy wildlife in a natural setting and encourage support for wildlife conservation and sustainability of our natural resources.

This is done through formal and informal on-site education, conservation messages and actions delivered through the Zoo's external communication, training in practical skills for future zoo and conservation professionals and through being an environmentally sustainable facility.

## WHY WE DO IT

### Benefits to the Community

To provide a unique visitor experience where people can enjoy wildlife in a natural environment and learn about conservation. Council owns and operates Hamilton Zoo as a recreational attraction for the city's residents and visitors, in response to community demand.

### Legislative Requirements

Council is not legally required to provide this activity.

## FUNCTIONS, SERVICES AND MODE OF DELIVERY

Function	Service	Statutory	Non-statutory	Mode of Delivery
Animal welfare and conservation	Husbandry that provides for the welfare of approximately 600 specimens of exotic and native animals for public display.		✓	In-house
	Studbook management and coordination of breeding programmes for the Zoo community and Department of Conservation.		✓	In-house / Contracted (via Zoo & Aquarium Association membership)
Visitor Experience	Operation of facility to provide a world class zoo experience that connects people with animals.		✓	In-house
	Programmes for close encounters with animals, e.g. Eye2Eye and Face2Face.		✓	
Education and Information	Informal learning opportunities about animals, conservation and environmental sustainability. Delivered via website, keeper talks, volunteer Zoo hosts, etc.		✓	In-house
	Learning experiences outside the classroom focussed on social sciences, animals, conservation and environmental sustainability.		✓	
Food and retail	Souvenir retail.		✓	Contracted
	Café for zoo patrons.		✓	
Events and functions	Zoo event programme, e.g. Family Fun Day.		✓	In-house
	Daytime and after hours private functions.		✓	Contracted/ In-house

## OPERATIONAL ASSETS

### Our key assets and their condition

#### Animal Enclosures

- Buildings that are part of an enclosure, e.g. chimpanzee house, are included in the Building condition assets.
- The condition of the fences and minor animal shelters is assessed by Zoo staff, including daily checks as part of pre-opening procedures. Any issues with these assets are dealt with immediately.
- Fencing is in good condition but some fences are made of lighter materials than is commonly used for animal containment, e.g. tiger and cheetah enclosures, as identified by PwC in a recent external review. PwC also recommended that the chimp fence is upgraded to reduce reliance on electric fences and battery backup and that weld-mesh panels providing dangerous animal containment undergo regular engineer checks.
- The Free-flight aviary support structures and enclosure mesh have not been formally assessed. The aviary mesh is due for renewal in 2039/40.

#### Boardwalks

- The condition of the boardwalks is externally assessed on a 3 yearly basis by Opus. The structures are inspected for overall condition and for compliance with the NZ handbook SNZ HB 8630:2004 – Tracks and Outdoor Visitor Structures. The latest assessment in November 2016 found that the majority of the structures are in good condition and do not require significant remedial work. Maintenance work to preserve and, in some cases, improve the structural performance of the walkways has been recommended.

#### Carpark

- In good condition as it was re-sealed in 2014/15.

#### Boundary Fencing

- The boundary fence is 9 years old and in very good condition.

#### Paths

- Approximately 10% of paved visitor paths are in poor repair with resultant trip hazards. A formal condition assessment is needed to assess the condition and develop a renewals programme.

#### Playground

- Well maintained, but due for renewal in 2019/20 as it is at the end of its useful life.

#### Water tanks and Infrastructure

- Water tanks are all in good to very good condition.
- Water reticulation is in poor condition as it is near the end of its useful life.
- Wastewater infrastructure is in good condition.
- Storm water infrastructure is adequate but additional reed-bed filtration areas are recommended to treat the water before it is discharged to waterways beyond the Zoo's boundaries (This is anticipated compliance with Healthy Rivers Proposed Change to the Waikato Regional Plan).

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Lack of strategic direction as the Zoo Master Plan is yet to be adopted.	Zoo Master Plan presented to Council early 2017.	Dependent on Council direction on Zoo Master Plan i.e. inclusion of zoo exhibition improvement programme.
Lack of carparking on busy days.		Dependent on Council direction on Zoo Master Plan.
Ensuring enclosures meet recommendations of PwC and seismic risk for animal enclosure fencing is not currently understood.	Any maintenance and renewals have been carried out to ensure that animal enclosures meet recommendations ISA during 2017.	Work programme relating to dangerous animals, including chimp fencing renewal and upgrade.
Deferred maintenance and renewal of some assets e.g. path.	Condition assessment undertaken in 2016/17 to fully understand the maintenance and renewal needs.	Increase maintenance and renewals budgets in line with condition assessments.
Limited asset information available for management of assets. In particular location and condition data on utilities is poor.	Some data currently held in spreadsheet.	Incorporate appropriate operational asset information in corporate asset management system.

## Capital projects funded in the current 10-Year Plan

### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE10015 – Zoo animal enclosure renewals	\$1.2 million	17/18-24/25
CE10020 – Zoo animal replacement	\$373k	17/18-24/25

### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
No projects funded from 17/18-24/25		

## BUILDING ASSETS

### Our key assets and their condition

Building	Construction Year	CONDITION			SEISMIC		
		Average Condition Grade	Last formal condition date	Confidence in condition information	Importance Level	Relative Risk based on NBS%	Assessment Type
41 Bagust Road	1970	Good	2017	Reliable	2		
169 Bagust Road	1935	Good	2017	Reliable	2		
Bag Storage Building	2011	Very Good	2017	Reliable	2		
Chimp House	2004	Good	2017	Reliable	3		ISA programmed for 2017
Giraffe House	1992	Good	2017	Reliable	1		
Hay Barn	2013	Good	2017	Reliable	1		
Hoofed Stock Handling Facility	2012	Very Good	2017	Reliable	1		
Lower Shelter	2005	Very Good	2017	Reliable	1		
New Feed Shed	2004	Very Good	2017	Reliable	1		
Picnic Shelter	2011	Good	2017	Reliable	1		
Rhino House (Old)	1999	Very Good	2017	Reliable	1		
Rhino House (New)	2004	Very Good	2017	Reliable	1		
Rhino Shelter	2011	Good	2017	Reliable	1		
Savannah Shelter	2007	Very Good	2017	Reliable	1		
Service/Old Feed Shed	1975	Moderate	2017	Reliable	1		
Spider Monkey House	2008	Very Good	2017	Reliable	1		
Staff Facility	2006	Good	2017	Reliable	2		
Tiger House (Old)	2001	Good	2017	Reliable	3		ISA programmed for 2017
Tiger House (New)	2012	Very Good	2017	Reliable	3		
Toilet Block (Lower)	2006	Very Good	2017	Reliable	1		
Veterinary Building	2004	Good	2017	Reliable	2		
Zoo Reception	1978	Good	2017	Reliable	2		
Quarantine Building	2016	Very Good	2017	Reliable	1		

Hamilton Zoo Asset Summary

### Key asset challenges and actions

Main Asset Challenges	Current Actions	Future Actions for Baseline AMP
Lack of strategic direction as the Zoo Master Plan is yet to be adopted e.g. connection with Waiwhakareke National Heritage Park.	Zoo Master Plan presented to Council early 2017.	Dependent on Council direction on Zoo Master Plan i.e. upgrade Zoo entrance and reception area.
Visitor facilities e.g. retail space, toilets and café are not designed to cope with increased demand.		Dependent on Council direction on Zoo Master Plan.
No new enclosures or upgrades funded in the 2015-25 10-Year Plan.		Dependent on Council direction on Zoo Master Plan.

### Capital projects funded in the current 10-Year Plan

#### Renewals in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
CE10016 – Zoo building renewals	\$801k	17/18-24/25
CE10017 – Property renewals	\$614k	18/19-24/25

#### New Works in 2015-25 10-Year Plan

Project	Ten year plan Budget	Timing
No projects funded		

**Committee:** Finance Committee

**Date:** 28 February 2017

**Report Name:** Waikato Local Authority  
Shared Services - Appointment  
of Director

**Author:** Blair Bowcott

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>Appointment and Remuneration of Board Members of CO, CCO and CTOs Policy</i>
<b>Financial status</b>	<i>There is not budget allocated</i>
<b>Assessment of significance</b>	<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 approve the appointment of Blair Bowcott, Executive Director Special Projects as a Director of Waikato Local Authority Shared Services Ltd.

## 3. Executive Summary

- Richard Briggs, Chief Executive wishes to delegate his role as HCC representative on the Waikato Local Authority Shared Services Board (WLASS), including all voting rights, to Blair Bowcott, Executive Director Special Projects.
- This requires Richard Briggs to resign his position as Director of WLASS.
- All shareholding councils in the Waikato Region have a director on WLASS (currently their Chief Executives) and it is important Council maintains a board presence due to the workstreams of activity conducted by the company including HCC and the wider region where HCC takes a lead role.
- The Executive Director Special Projects currently attends all of the WLASS Board meetings in his own capacity with a focus on regional matters, shared services and other collaborative initiatives, as well as supporting the Chief Executive. He is well-versed in the various workstreams undertaken by WLASS and is well respected by the other shareholding councils Directors. He currently represents HCC in the absence of the Chief Executive, but with no voting rights.
- The appointment of Director is a realistic extension to his current involvement with WLASS.
- There are no Council policy or company constitution restrictions preventing the Executive Director Special Projects from assuming a Director role with WLASS.
- No remuneration is payable to the directors of WLASS.

**Recommendations from Management**

That the Finance Committee:

- a) receives the report; and
- b) recommend to Council that it approves Blair Bowcott, Executive Director Special Projects as the appointed Director of Waikato Local Authority Shared Services Ltd. to replace Richard Briggs, Chief Executive effective immediately.

**11. Attachments**

- 12. There are no attachments for this report.

**Signatory**

Authoriser	Richard Briggs, Chief Executive
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**Committee:** Finance Committee

**Date:** 28 February 2017

**Report Name:** H3 Update - Quarter 2 Report  
to 31 December 2016

**Author:** Sean Murray

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>Hamilton Plan, 2015-2025 10-Year Plan, Economic Development Agenda, Central City Transformation Plan</i>
<b>Financial status</b>	<i>There is budget allocated</i>
<b>Assessment of significance</b>	<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/is not considered to have a high degree of significance</i>

## 1. Purpose of the Report

- To inform the committee on the performance of the H3 operation including financial and non-financial reporting.

## 3. Executive Summary

- H3 manages Claudelands Events and Entertainment Centre, FMG Stadium Waikato, Seddon Park and residual activity related to the Founders Theatre. It increasingly operates as a single business with its customers spread across venues as demand and capacity constraints dictate in peak months.
- The intention of this report is to provide a more focused commentary on H3 activity.
- The report highlights that across the portfolio of venues, the operation is on track to meet its financial performance objectives for the reporting year despite having incurred unbudgeted operating costs at Claudelands following the closure of Founders Theatre.
- Reporting of suitable non-financial KPIs and broader economic and social beneficial impacts require more time for data capture. As such, the report will be developed further over time and include improved data on customer satisfaction, cost over utilisation ratios, community impact, and environment management objectives and so on.
- The financial reporting of H3 activity is also reported to the Finance Committee within the 10-Year Plan Monitoring Report. The venues are separated across the 'Arts and Culture and 'Economic Development' activity categories.

## Recommendation from Management

That the Finance Committee receives the report.

**9. Attachments**

- 10. Attachment 1 - H3 2016-17 Q2 report to 31 December 2016

**Signatory**

Authoriser	Sean Murray, General Manager of Venues, Tourism and Major Events Group
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## 2016/17 FY Quarter 2 Report

1 July – 30 December 2016

H3 is a business unit within the Venues, Tourism and Major Events Group at Hamilton City Council responsible for event facilities.

### Venues, Tourism and Major Events Group Purpose:

To maximise the value to Hamilton from its major events, venues and tourism opportunities.

### H3 Purpose:

To attract and deliver exceptional event experiences.

### Q2 Summary Comment:

- Financial performance for H3 is on track against plan and the forward outlook is that budget for the 2016/17 financial year will be met.
- Hire day utilisation across all H3 venues is up 12% against the same period last year.
- The second quarter of the year delivered a strong lift in business at Claudelands compared to last year, recording 80 events over 101 hire days and a total of 55,463 visitors across the venue.



Claudelands | FMG Stadium Waikato | Seddon Park | Founders Theatre | Technical Services | Turf Services  
a / 800 Heaphy Terrace, Hamilton 3214, PO Box 9094, Waikato Mail Centre Hamilton 3240, New Zealand | p / +64 7 929 3000 | w / h3group.co.nz



## 1. Highlights

### 1.1 Events

- Claudelands hosted the Event Venues Association of New Zealand Annual Conference in December 2016. EVANZ represents the venue industry in NZ with membership of 97 venues nationally.
- As at 16 February 2017, 42% of business event enquiries received during July – December 2016 have been converted to confirmed bookings.
- Consumer Exhibitions (The Farmers Market, Last Season Sale and Waikato A&P Show) drew 31,000 attendees to Claudelands during Q2, using a total of 31.5 hire days over 16 events.
- Domestic and International Cricket brought 11,000 attendees to Seddon Park with five matches over 11 hire days.
- Ceremonies (School Prize Givings and High School and Tertiary Graduations) drew 8,300 attendees, over 5 hire days and 6 events at Claudelands.
- The 7 Days Live event at Claudelands was close to a 'sell out'. In addition, 311 corporate guests enjoyed a three course dinner along with the show.
- FMG Stadium Waikato hosted the Wellington Phoenix and had lower than expected crowd numbers (5,234) which was also reflected in their numbers the following week in Auckland.
- A New Food and Wine consumer exhibition was secured for Claudelands for May 2017.
- Claudelands secured the opening games for the inaugural 2017 ANZ Premiership Netball Series including a 'Super Sunday' blockbuster featuring SKYCITY Mystics, Northern Stars, Waikato Bay of Plenty Magic, Central Pulse, Mainland Tactix and Ascot Park Hotel Southern Steel in March 2017.
- The Farmers Market move to Claudelands (August 2016) has been a great success. Feedback from attendees and stall holders has been very positive. The installation of the concrete floor in the Barn location has enabled us to hire out this out as an additional space for Christmas parties, product launches and private functions. Sales staff are looking at how we can maximise this area on an ongoing basis.

## 1.2 Key Suppliers

- Catering contracts across all H3 venues have been renewed with Montana Catering Limited as per the resolution made by Council in December 2016.
- New catering management and customer notification plans relating to the changed catering arrangements at Stadia are currently under development for release in Q3.

## 1.3 Organisational Collaboration – ‘Connected’ Programme

- The new Council ‘Connected’ initiative was introduced to the H3 team. This included integrating existing H3 guiding principles, strategic direction and activity planning.

## 1.4 People

### EVANZ Awards 2016

- H3 was recognised within the industry in December 2016, receiving four finalist nominations at the Entertainment Venues Association of New Zealand (EVANZ) Awards. Of our four finalists, H3 won the following two awards:
  - Simpson Grierson Operations Manager of the Year Award - Sven Ladewig
  - iTicket Excellence in Innovation Award - H3’s Relocation of Founders Theatre Events
- Sven Ladewig (H3’s Technical Services Manager) was recognised for his depth of expertise and experience, attitude to the role and approach to building and nurturing his specialist team, as well as the role he played in accommodating Founders Theatre events into alternative H3 and other regional venues.
- In the Excellence in Innovation category, H3 was commended for the smart thinking, effort and care taken to relocate Founders Theatre events to other venues, predominately Claudelands, following the theatre closure in March 2016.

### Recruitment

- H3 recruited a key leadership role with Denise McRae appointed as Director of Business Development and Marketing in December 2016.
- H3’s Graduate Development Programme is to welcome two new staff in Q3.

## 1.5 Social Media Highlights

- Claudelands’ social media page likes increased by 1957 people (from 5508 to 7465). Page interactions peaked on 19 December with the Peppa Pig On sale announcement

## 2. Financial Summary

### 2.1 For the Period 1 July 2016 – 31 December 2016

Prior YTD Actual 2015/16 \$000		Year to Date		Variance Favourable/ (Unfavourable)	Annual Budget
		Actual \$000	Budget \$000	\$000	\$000
28	<b>Revenue</b>				
3,187	Subsidies and Grants	0	0	0	0
3,214	Revenue from Activities	3,266	3,252	13	5,991
	<b>Total Revenue</b>	<b>3,266</b>	<b>3,252</b>	<b>13</b>	<b>5,991</b>
	<b>Direct Operating Costs</b>				
675	Cost of Sales	986	750	(237)	1,355
2,202	Personnel Costs	2,345	2,331	(13)	4,696
757	Operating and Maintenance Costs	839	1,033	194	1,938
221	Professional Costs	201	242	41	386
498	Administrative Costs	233	284	50	501
768	Property Costs	651	699	48	1,396
5,120	<b>Total Direct Operating Costs</b>	<b>5,255</b>	<b>5,338</b>	<b>83</b>	<b>10,272</b>
	<b>Direct Operating Surplus/(Deficit)</b>	<b>(1,990)</b>	<b>(2,086)</b>	<b>(70)</b>	<b>(4,281)</b>
	<b>Indirect Revenue</b>				
208	Interest Income	190	196	(7)	0
	<b>Indirect Overhead Costs</b>				
2,663	Depreciation and Amortisation	2,926	2,647	(279)	5,294
1,175	HCC Overhead Allocation	1,286	1,254	(32)	2,494
1,908	Finance Costs	1,566	1,759	193	3,519
5,745	<b>Total Indirect Overhead Costs</b>	<b>5,779</b>	<b>5,661</b>	<b>(118)</b>	<b>11,307</b>
	<b>Net Indirect Costs</b>	<b>(5,589)</b>	<b>(5,464)</b>	<b>(124)</b>	<b>(11,307)</b>
	<b>Net Surplus/(Deficit)</b>	<b>(7,578)</b>	<b>(7,550)</b>	<b>(28)</b>	<b>(15,588)</b>
	Gains and Losses	(88)	0	(88)	0
	<b>Total Gains and (Losses)</b>	<b>(88)</b>	<b>0</b>	<b>(88)</b>	<b>0</b>
	<b>Surplus/(Deficit)</b>	<b>(7,666)</b>	<b>(7,550)</b>	<b>(116)</b>	<b>(15,588)</b>

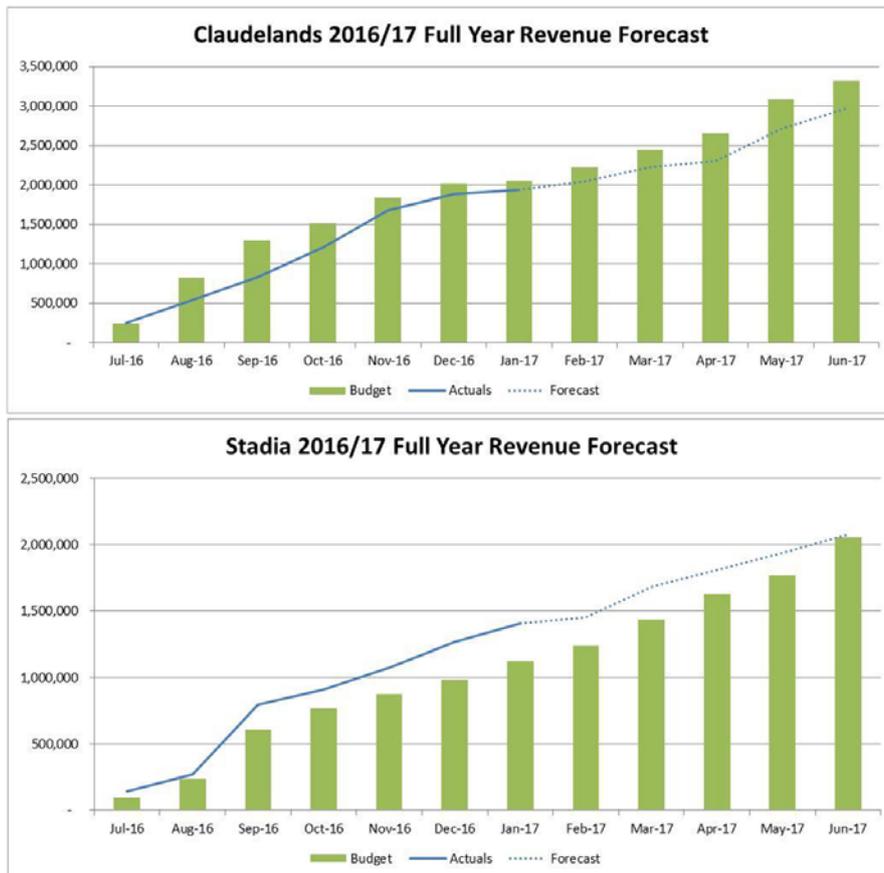
**2.2 Revenue**

H3's revenue activity is solid and tracking at budget levels. The mix of events at the venues is variable, with FMG Stadium Waikato tracking 45% above budget and 95% above last year (as at end of January 2017). Year to date, Claudelands is tracking 7% behind budget.

**Table 1: 2016/17 Full Year Revenue Forecast**

H3 Total Revenue FY 16/17 (000s)							
	Actual	Budget	Last Year	Variance to Budget		Variance to Last Year	
Q2	1,628	1,227	1,586	401	33%	42	3%
YTD	3,266	3,252	3,214	14	0.4%	52	2%
Full Year Forecast	5,921	5,991	6,321	71	-1%	400	-7%

**Table 2 & 3: 2016/17 Full Year Revenue Forecast – Claudelands and Stadia**



### 2.3 Cost of Sales

Directly attributable costs to an event are in line with the revenue activity. An impact of FMG Stadium Waikato revenue tracking higher is reflected in this cost category.

### 2.4 Operating & Maintenance Costs

Maintenance costs are currently tracking behind the budget phasing set. However, this will be caught up as part of scheduled maintenance programmes.

### 2.5 Depreciation

The depreciation variance is over budget due to the useful lives of the building assets being reassessed as part of the latest revaluation carried out June 2016. The revaluation was completed after budgets were set, and therefore will be a variance for the rest of the financial year. In addition, the closure of Founders Theatre has triggered the need to begin accelerating the depreciation on the building asset cost which has increased this charge ongoing.

### 2.6 Finance Costs

This favourable variance is due to the debt position for Council.

## 3. Activity Snapshot

### 3.1 Number of Events, Hire Days and Attendance by Event Type

Table 4: For the period 1 July– 31 December 2016

Event Type	Number of Events		Hire Days		Attendance	
	Q2	YTD	Q2	YTD	Q2	YTD
Business Events	142	280	93	182	16,059	28,640
Exhibition	17	33	32	111	30,820	107,101
Performance	12	19	21	52	19,383	51,268
Sport	93	181	36	102	19,266	73,673
<b>Total</b>	<b>264</b>	<b>513</b>	<b>182</b>	<b>446</b>	<b>85,528</b>	<b>260,682</b>
<b>FY 2015/16 comparison</b>	<b>225</b>	<b>437</b>	<b>201</b>	<b>395</b>	<b>60,060</b>	<b>147,099</b>

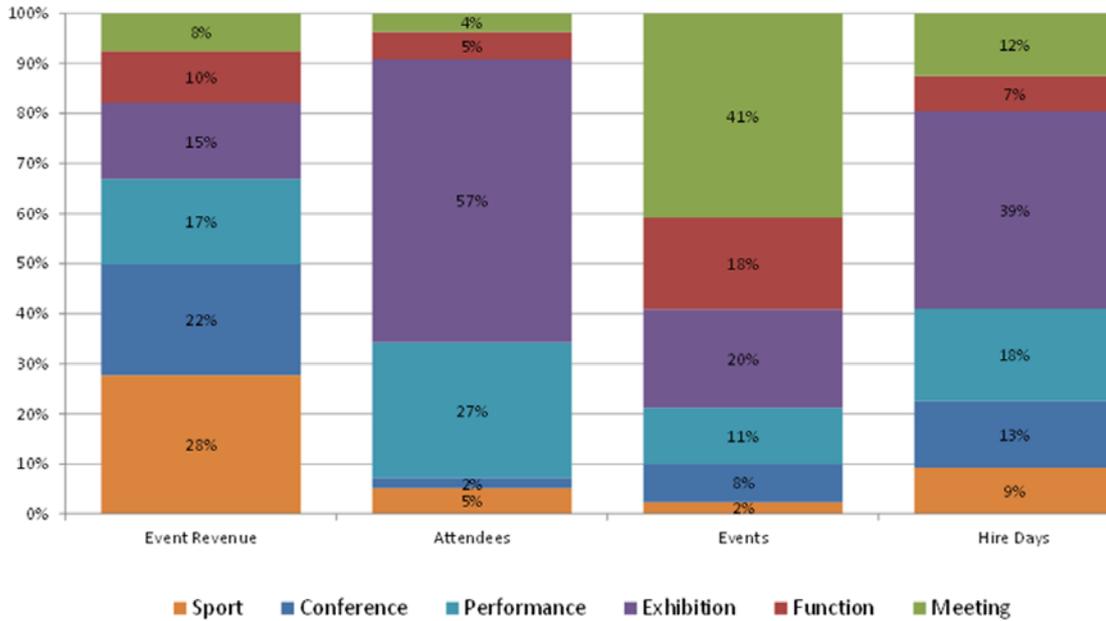
### 3.2 2015-2025 10-Year Plan Key Performance Indicators

Table 5: For the period 1 July – 31 December 2016 (as at 14 February 2017)

Measure	Annual Target	Q1	Q2	Overall Status	Comment
The total number of people attending events at Founders each year	At least 70,000	No data	No data	No data	Founders Theatre was closed on 1 March 2016. Audit NZ confirmed that as the measure is included in the 2015-2025 10-Year Plan, a result in 2016/17 must be recorded.
The total number of hire days across Founders Theatre	At least 180	No data	No data	No data	Founders Theatre was closed on 1 March 2016. Audit NZ confirmed that as the measure is included in the 2015-2025 10-Year Plan, a result in 2016/17 must be recorded.
The total number of hire days across the Claudelands facilities each year	At least 510 days	178	102	On Track	280 hire days in total YTD
The number of people attending events at Claudelands each year	At least 180,000 people	127,589	61,750	On Track	189,339 people attended events at Claudelands YTD
The total number of hire days across the stadium facilities each year	At least 420	86	80	Off Track	166 hire days in total YTD A long standing system error has been identified that would have inflated target setting expectations. As a result the number of stadia hire days is anticipated to be below the target that has been set. However attendance and financial results are ahead of budget and indicate higher yielding events are taking place.
The number of people attending events at the stadiums each year.	At least 200,000	47,565	23,778	On Track	71,343 people attended events at Stadia YTD

**3.3 2016/17 YTD Business Mix by Event Type**

Table 6: For the period 1 July 2016 – 31 December 2016



**4. Other Non-Financial KPIs**

**4.1 Customer satisfaction**

Table 7: H3 Customer Satisfaction for the period 1 July – 31 December 2016

	Q1	Q2	YTD
Business Events Hirer Survey (1-10)	8.7	9.1	8.9 YTD
Ticketed Events Attendee Survey (1-10)	8.2	8.0	8.0 YTD

**4.2 People**

- Year to date, H3's permanent staff turnover is 6.7%. This equals one leaver in Q1 and three leavers in Q2 out of an average of 59.5 staff FTE.

### 4.3 Health and Safety

Table 8: Injuries, Medical Time and Lost Time Injuries for H3 Staff for the period 1 July – 31 December 2016

	Q1	Q2	Comments
Injuries	8	7	Minor Injuries
Medical Time	2	4	Medical Visits
Lost Time Injuries	0	1	4 Days Off

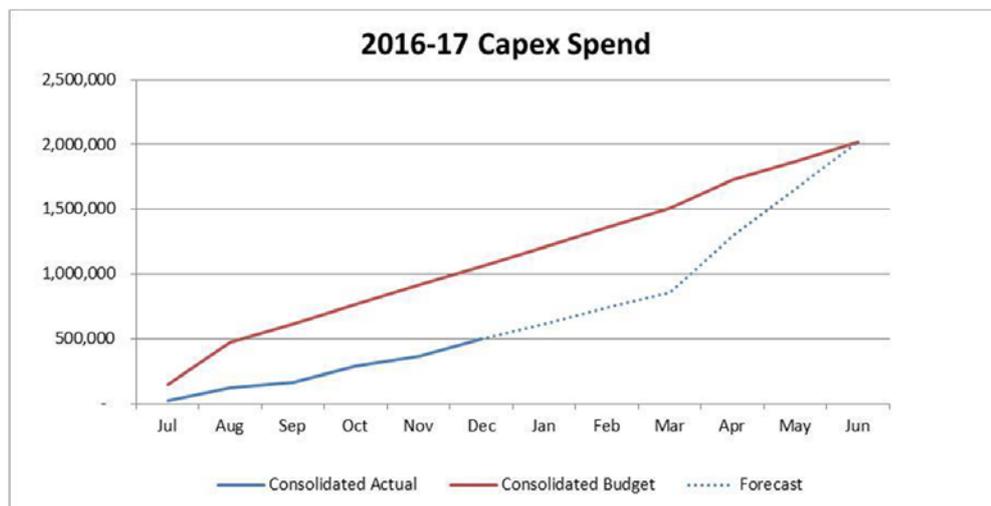
4.3.1 The following Health and Safety actions have been completed in H3 during Q1 and Q2:

- New PPE clothing for staff and contractors has been purchased to increase visibility in areas of risk and to provide long sleeves and long pants for outdoor workers.
- Hand rails have been installed on the Claudelands Arena retractable seating to assist patrons in climbing the stairs.
- Over 20 H3 staff attended an Event Safety & Risk Management Training in October 2016 with Wayne Middleton from Reliance Risk (Industry Expert). The training was also attended by other staff within the LASS Group.
- New guidelines for Managing Staff Hours of Work has been implemented for H3 and has been circulated to HCC Health & Safety Advisors as well as other industry partners.
- We have had recent incidents with aggressive and/or abusive patrons. We are currently investigating training options to assist staff with how to deal with these situations.
- Key H3 staff met with Civil Defence teams to discuss preparedness for activation of Claudelands and FMG Stadium Waikato as Civil Defence Centres.

## 5. CAPEX and Asset Management

### 5.1 2016-17 Capex Spend Actual and Forecast

Table 9: for the period 1 July – 30 June 2017



### 5.2 Key Capital Projects

- A number of key capital projects are now underway which will be completed across the remainder of the financial year to bring the spend in line with the budget set.

### 5.3 Seddon Park - Path & Entrance Project

- This project will improve the access to venue and replace the path which runs around the perimeter of the grounds at Seddon Park. Concrete will replace the existing pavers that are sinking, eliminating the Health & Safety issues.

### 5.4 FMG Stadium Waikato - Gate 1 Concourse Development

- H3 are investigating the merits and value of a project to create a high standard public space that serves as an arrival concourse at Gate 1. The concept is focused on improving customer experience by providing a space that allows patrons to meet, be entertained and welcomed into the venue.

### 5.5 FMG Stadium Waikato - Data Network Solution

- This project will purchase hardware to be connected to the existing fibre. This will enable us to network at the stadium.

## 6. Hot Topics and Risk

### 6.1 Major Events

- Planning is well in hand for 2017 Lions Tour and Rugby League World Cup events scheduled for FMG Stadium Waikato in June and November 2017.

### 6.2 Asset Management

- A number of asset management matters have been raised at FMG Stadium Waikato which are currently under investigation. This includes the condition of lighting tower tie rods and air conditioning cooling units.

### 6.3 Waikato Regional Theatre Project

- A Momentum Waikato Panel has been established to lead the creative of a masterplan for the construction (and possible new location) of a new purpose built theatre to replace Founders Theatre.
- A draft masterplan including an external funding and business management model will be presented to Council and then the community in August/September 2017. The panel are also due to report progress on their work to Council in April 2017.
- While Claudelands has been successful in accommodating a number of Founders clients there is some evidence that other venues (such as the Clarence Street Theatre) are picking up business. However a number of shows are also bypassing Hamilton as a result of the closure.

**Committee:** Finance Committee

**Date:** 28 February 2017

**Report Name:** Local Authority Shared  
Services - Annual Report 2016

**Author:** Tracey Musty

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>CCO Statement of intent</i>
<b>Financial status</b>	<i>There is not budget allocated</i>
<b>Assessment of significance</b>	<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 inform Council of the Local Authority Shared Services Limited (LASS) Annual Report for the year ended 30 June 2016, and their performance against the measures as specified in their 2016 Statement of Intent.

## 3. Discussion

- LASS is a Council-controlled organization (CCO) that sets a Statement of Intent (SOI) annually. The SOI sets out the performance measures and targets for the year for the CCO.
- A draft SOI for 2018 will be submitted to the Finance Committee at the April meeting for consideration. What follows is an overview of the results for the year ended June 2016.

Shareholding	Total Assets \$(000)	Surplus / (Deficit) \$(000)	Dividend	KPI's	Audit Opinion
16.02% 1 of 12 shareholders	\$1,759	\$(360)	0	10/11 achieved	unmodified

- The company made a deficit of \$360,000 for 2016. This is compared to a budgeted deficit of \$486,000 and prior year deficit of \$509,000. The deficit is largely due to the amortisation of computer software of \$419,000, which is a non-cash item.
- Ten of the eleven key performance measures were achieved (see pages 4-11 of the Annual Report).
- Hamilton City Council has reduced its investment in LASS to \$171,000 as at 30 June 2016, by recognising an impairment of \$83,000.
- Council's Chief Executive is one of twelve directors; all are Chief Executives of shareholder councils. Richard Briggs was appointed 24 October 2014. The Directors' report to shareholders and achievements are outlined on pages 8 to 11 of the annual report.

## Recommendation from Management

That the Finance Committee receives the report.

### 10. Attachments

11. Attachment 1 - WLASS Annual Report 2016 *(Under Separate Cover)*
12. Attachment 2 - WLASS - Signed Audit Opinion 2016 *(Under Separate Cover)*
13. Attachment 3 - LASS - Statement of Intent 2016 *(Under Separate Cover)*

### 14. Key Issues

15. Key financial highlights for 2016 year are summarised below:

	Actual 30 June 2016 \$'000	Budget 30 June 2016 \$'000	Actual 30 June 2015 \$'000
Revenue	2,510	2,331	2,111
Expenditure	2,452	2,379	2,201
Earnings before interest, tax, dep & amort (EBITDA)	58	(48)	(90)
Depreciation/amortization	419	437	419
Surplus/(deficit)	(360)	(485)	(509)
<b>Total assets</b>			
Total assets	1,759	887	1,650
<b>Total liabilities</b>			
Total liabilities	1,087	244	1,529
<b>Net equity</b>			
Net equity	671	643	1,032

16. Total revenue of \$2.510m for 2016 was \$179,000 up on budget and \$399,000 (18.9%) up on the previous year. The increase in revenue over the previous year is due to SVDS Data Sales higher than budgeted. Interest received was higher in 2016, primarily related to revenue received in advance for the Waikato Mayoral Forum activities.
17. LASS net equity decreased by \$361,000 to \$671,000 as at 30 June 2016. This is mainly due to the deficit resulting from the computer software amortisation expense of \$419,000.
18. The three mature WLASS operations (Shared Valuation Data Service (SVDS), the Waikato Regional Transportation Model (WRTM), and the Insurance Advisory Group) continue to deliver value. SVDS has successfully negotiated two additional sales contracts, with a further sales contract in progress, which has contributed to reducing the operating cost.
19. A summary of WLASS achievements is also outlined in the Collaboration in Action report which can be accessed [here](#).

### Signatory

Authoriser	David Bryant, General Manager Corporate
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**Committee:** Finance Committee

**Date:** 28 February 2017

**Report Name:** Innovation Waikato Ltd and Group - Annual Report 2016

**Author:** Tracey Musty

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>CCO - Statement of Intent</i>
<b>Financial status</b>	<i>There is no budget allocated</i>
<b>Assessment of significance</b>	<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

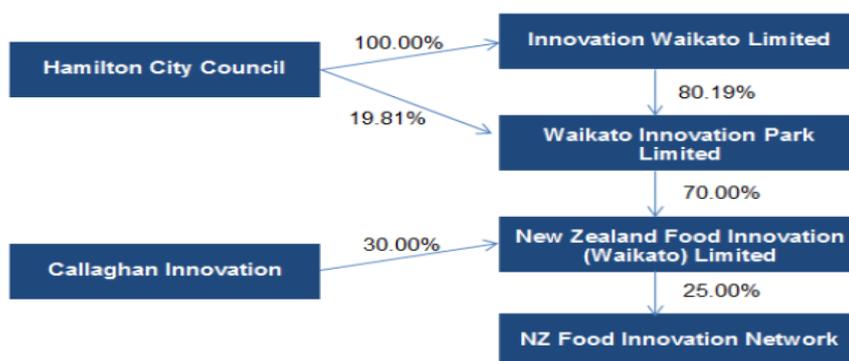
To inform Council of the Innovation Waikato Limited (IWL) Group Annual Report for the year ended 30 June 2016 and their performance against the measures as specified in their 2016 Statement of Intent. This includes the subsidiary Waikato Innovation Park Limited (WIPL) and WIPL's subsidiary, New Zealand Food Innovation (Waikato) Limited (NZFIW).

## 2. Discussion

- IWL is a Council-controlled organization (CCO) that sets a Statement of Intent (SOI) annually. The SOI sets out the performance measures and targets for the year for the CCO.
- A draft SOI for 2018 will be submitted to the Finance Committee at the April meeting for consideration. What follows is an overview of the results for the year ended June 2016.

Shareholding	Total Assets \$(000)	Surplus / (Deficit) \$(000)	Dividend	KPI's	Audit Opinion
100.0%	\$50,061	\$2,571	0	5/9 achieved	Unmodified

- IWL have provided full consolidated group accounts. Council's ownership structure is summarised as follows:



6. The total comprehensive income for IWL Group was a surplus of \$2.571m for 2016, compared to the previous year's surplus of \$1.590m. The surplus includes a revaluation gain on property, plant and equipment of \$2.075m.
7. WIPL's total comprehensive income for the year was \$827,000 compared to \$1.638m in 2015. This is explained by a reduction in gains on changes in fair value of investment property from \$1.186m in 2015 to \$787,000 in 2016 and a \$358,000 increase in operating expenses from 2015 to 2016.
8. NZFIW's profit for the year was \$456,000 compared to a loss of \$49,000 in 2015. The favourable increase was due to 116 more days of production and the achievement of higher average selling margins. Over 45 projects, made up of 359 different product runs, were facilitated through the plant in the 2016 financial year.
9. KPIs are reported on page 32 of the annual report. The requirement to achieve the following two non-financial performance measures during 2016 was put on hold pending Hamilton City Council's investment review of their shareholding.
  - KPI 4 - Attracting a major company to the park and agreement to lease in place and commitment to fund a new building.
  - KPI 5 - Commitment to fund a new building and enable the repayment of HCC 19% direct shareholding.
10. The group's total assets increased by \$10.085m to \$50.061m with \$787,000 coming from a revaluation of investment properties, \$1.288m from revaluation of NZFIW plant and \$9.266m for the construction of the new Tetra Pak building. The Tetra Pak building was completed in January 2016 on time and within budget.
11. Total liabilities for IWL increased from \$25.351m in 2015 to \$32.864m in 2016, reflecting the borrowings of \$8.894m for the Tetra Pak construction.
12. Financial performance targets and results:

	Actual \$000	Statement of Intent \$000	Outcome
Earnings before interest, tax, dep & amort (EBIDTA)	3,758	3,055	Met
Cash from operating activities	1,679	1,423	Met
Increase in retained earnings	902	670	Met
Shareholders' funds (including deferred income)/Tangible assets	41%	42%	Not met

13. Favourable earnings before interest, tax, depreciation and amortisation (EBITDA) is due to a \$787,000 gain in investment property revaluation and due to more days of manufacturing and achievement of higher average selling prices for NZIFW. Cash from operating activities is over target due to higher profits and favourable interest rates.
14. WIPL and NZFIW are profitable and cash flow positive. The outlook for both companies' financial results continues to be positive and strong.
15. The fair value of Council's investment at 30 June 2016 in IWL and WIPL respectively is recognised at \$8.421m and at \$2.079m.
16. The results of the 2016 Annual Tennant survey have also just been received (refer Attachment 5) and clearly outline the strong performance of the tenants at the Park in the areas of sales growth/exports, increasing staff numbers, collaborative initiatives and increased research and development. These results underscore the value of the Innovation Park model in the wider Hamilton and Waikato economy.

**Recommendation from Management**

That the Finance Committee receives the report.

**17. Attachments**

18. Attachment 1 - IWL - 2016 Audited Financial Statements *(Under Separate Cover)*
19. Attachment 2 - WIPL - 2016 Audited Financial Statements *(Under Separate Cover)*
20. Attachment 3 - NZFIW - 2016 Audited Financial Statements *(Under Separate Cover)*
21. Attachment 4 - IWL - 2016 Statement of Intent *(Under Separate Cover)*
22. Attachment 5 - WIPLTD Tenant Survey 2016 *(Under Separate Cover)*

**Signatory**

Authoriser	David Bryant, General Manager Corporate
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**Committee:** Finance Committee

**Date:** 28 February 2017

**Report Name:** Vibrant Hamilton Trust -  
Annual Report 2016

**Author:** Tracey Musty

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>CCO – Statement of Intent</i>
<b>Financial status</b>	<i>There is not budget allocated</i>
<b>Assessment of significance</b>	<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 inform Council of the Vibrant Hamilton Trust (VHT) Annual Report for the year ended 30 June 2016 and review the performance against the measures specified in the 2016 Statement of Intent.

## 3. Executive Summary

- VHT is a Council-controlled organization (CCO) that sets a Statement of Intent (SOI) annually. The SOI sets out the performance measures and targets for the year for the CCO.
- A draft SOI for 2018 will be submitted to the Finance Committee at the April meeting for consideration. What follows is an overview of the results for the year ended June 2016.
- VHT made a net deficit of \$911,000 (after deducting total grants of \$725,000 and unrealised losses of \$487,000), compared to a budgeted net surplus of \$149,000.
- Overall, VHT's investment portfolio managed by Gareth Morgan Investments (GMI) decreased in value from \$6.608m in 2015 to \$5.698m. VHT achieved a return of -2.5% on its total portfolio for the 12 months to June 2016, compared to the benchmark of -1.6% (45% NZ Bond and 55% MSCI). The asset categories of Core Growth and Satellite Growth achieved returns of -12% and -7.1% respectively for 2016.
- In 2014 and 2015 the portfolio made a return of 9.05% and 18.16% respectively. The predicted growth for the portfolio is 7.5% per annum however, as a guide you can expect market volatility around equity returns which can generate significant gains and losses from one year to the next.
- From the 2016 Statement of Intent 5/6 of the performance targets were achieved (pages 3-4 of the 2016 Annual Report).

## Recommendation from Management

That the Finance Committee receives the report.

### 10. Attachments

11. Attachment 1 - Vibrant Hamilton Trust - Annual Report 2016 (*Under Separate Cover*)
12. Attachment 2 - Vibrant Hamilton Trust - Statement of Intent 2016 (*Under Separate Cover*)

### 13. Key Issues

#### Background

14. Vibrant Hamilton Trust was established by the deed dated 24 August 2010, incorporated as a board under the Charitable Trusts Act 1957 on 7 September 2010, and registered in accordance with the Charities Act 2005 on 1 November 2010 to give it charitable status.
15. The Trust commenced trading/activities on 31 January 2012 when the initial capital of \$4.669m was received from the transfer of 65% of funds previously held by the Waikato Foundation Trust.
16. The principal activities of the Trust are to promote the social, economic, environmental and cultural wellbeing of the City of Hamilton and its communities.

#### Financial Highlights

17. Key financial highlights for the year are summarised below:

	Actual 30 June 2016 \$'000	Budget 30 June 2016 \$'000	Actual 30 June 2015 \$'000
Revenue	353	502	1,067
Expenses	539	53	49
Surplus before grants	(186)	449	1,018
Grants	725	300	-
Surplus	(911)	149	1,018
<b>Total assets</b>			
	5,698	6,511	6,608
<b>Total liabilities</b>			
	18	16	18
<b>Net equity</b>			
	5,680	6,495	6,590

18. Overall, VHT's Statement of Performance reflects a net deficit of \$911,000 for 2016 after deducting grant distributions of \$725,000 (nil 2015).
19. The \$1.929m difference between the 2016 deficit and the 2015 surplus is mainly due to the unrealised losses on investment of \$487,000 for 2016 and the \$725,000 of grants awarded compared with nil grants awarded in 2015. Audit fees, GMI management fees and other expenses are in line with the previous year.
20. As at 30 June 2016 the total value of the portfolio is \$5.698m. Overall the total GMI portfolio return for the year was -2.5% vs the market benchmark of -1.6%.
21. VHT commenced with an investment portfolio of \$4.669m on 31 January 2012. After adjusting for withdrawals, VHT has earned a return of 60.9% from inception.

22. During 2016 grants \$725,000 were awarded and paid out.

<b>Grants for 2016</b>	<b>Grants paid out during June 2016 \$'000</b>
HCC - Hamilton Gardens – Concept Garden Development	200,000
HCC - Bike Plan – Destination Signage	50,000
HCC – Alexandra/Collingwood Laneway	25,000
HCC – Dominion Park Destination Playground	100,000
HCC – Hamilton Gardens Destination Playground	350,000
<b>Total grants</b>	<b>725,000</b>

### Signatory

Authoriser	David Bryant, General Manager Corporate
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**Committee:** Finance Committee

**Date:** 28 February 2017

**Report Name:** NZ Local Government Funding Agency - Annual Report 2016

**Author:** Tracey Musty

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>CCO - Statement of Intent</i>
<b>Financial status</b>	<i>There is not budget allocated</i>
<b>Assessment of significance</b>	<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 inform Council of the New Zealand Local Funding Agency Ltd (LGFA) Annual Report for the year ended 30 June 2016 and the performance against the measures as specified in the 2016 Statement of Intent.

## 3. Discussion

- LGFA is a Council-controlled organization (CCO) that sets a Statement of Intent (SOI) annually. The SOI sets out the performance measures and targets for the year for the CCO.
- A draft SOI for 2018 will be submitted to the Finance Committee at the April meeting for consideration. What follows is an overview of the results for the year ended June 2016.
- Council has an 8.3% shareholding in the LGFA.
- Hamilton City Council (HCC) is represented on the Shareholders Council by David Bryant General Manager, Corporate.
- At 30 June 2016 Council had \$230m of borrowings from LGFA – about 68% of HCC's total borrowing.
- Net operating profit for the year ended June 2016 was \$9.55m (2015 \$9.20m) compared to a forecast \$9.204m.
- A dividend of \$1.393m was declared (\$0.0557 per share) – Hamilton City Council received \$103,935. This dividend is calculated on the LGFA cost of funds for the 2015/16 year plus the 2% margin. LGFA's policy is to pay a dividend that provides an annual rate of return to shareholders equal to LGFA cost of funds plus 2%.
- The company failed to meet three out of four financial KPI's however these are not considered to be significant issues for Council's investment (see 2.6 on page 27 of the 2015/16 Annual Report).

**Recommendation from Management**

That the Finance Committee receives the report.

**12. Attachments**

- 13. Attachment 1 - LGFA Annual Report 2016 *(Under Separate Cover)*
- 14. Attachment 2 - LGFA - Statement of Intent 2016 *(Under Separate Cover)*

**Signatory**

Authoriser	David Bryant, General Manager Corporate
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**Committee:** Finance Committee

**Date:** 28 February 2017

**Report Name:** Waikato Regional Airport Ltd -  
Annual Report 2016

**Author:** Tracey Musty

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>CCO - Statement of Intent</i>
<b>Financial status</b>	<i>There is not budget allocated</i>
<b>Assessment of significance</b>	<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 inform Council of the Waikato Regional Airport Ltd (WRAL) Annual Report for the year ended June 2016 and the performance against the measures as specified in the 2016 Statement of Intent.

## 3. Discussion

- WRAL is a Council-controlled organization (CCO) that sets a Statement of Intent (SOI) annually. The SOI sets out the performance measures and targets for the year for the CCO.
- A draft SOI for 2018 will be submitted to the Finance Committee at the April meeting for consideration. What follows is an overview of the results for the year ended June 2016.

Shareholding	Total Assets	Surplus / (Deficit)	Dividend	KPI's	Audit Opinion
50.0% 1 of 5 shareholders	\$82,304	\$336,000	0	13/14 achieved	unmodified

- WRAL recorded a surplus of \$336,000 up from the \$169,000 reported in 2015. This surplus exceeds the budgeted deficit of \$421,000.
- In 2016 WRAL undertook a valuation of their aeronautical infrastructure assets. These assets were valued at \$40.6m, an increase of \$6.1m to the asset base. The asset revaluation reserve has increased by this \$6.1m to \$33.1m.
- The WRAL Group Balance Sheet shows Shareholders' Equity of \$64.4m, up \$4.7m on the prior year. This is mostly as a result of the aeronautical infrastructure asset revaluation.

9. There have been no significant changes in operations during the year. Emphasis was placed on providing an improved passenger experience with the rebrand of the airport terminal bookstore, finalising plans for a new food and beverage offering and completing the new Air New Zealand Regional Lounge.
10. The 2016 performance measures and results are shown in note 31 (page 35-36 of the annual report).

### **Recommendation from Management**

That the Finance Committee receives the report.

### **11. Attachments**

12. Attachment 1 - WRAL - Statement of Intent 2015-2016 (*Under Separate Cover*)
13. Attachment 2 - WRAL - Annual Report 2016 (*Under Separate Cover*)

### **Signatory**

Authoriser	David Bryant, General Manager Corporate
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**Committee:** Finance Committee

**Date:** 28 February 2017

**Report Name:** Civic Assurance - Half Year  
Report to 30 June 2016

**Author:** Tracey Musty

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>CCO – Statements of Intent</i>
<b>Financial status</b>	<i>There is not budget allocated</i>
<b>Assessment of significance</b>	<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 inform Council of the New Zealand Local Government Insurance Corporation Limited (trading as Civic Assurance) Half Year Report to 30 June 2016.

## 3. Discussion

Shareholding	Total Assets	Surplus	Dividend	KPI's	Audit Opinion
1.8%	\$7.262m	\$1.095m	0	Not reported	Not audited

- Council currently has a 1.8% shareholding in Civic Assurance. Council's share of net equity as at 30 June 2016 in Civic Assurance is \$295,000, compared with \$244,000 at 30 June 2015.
- Civic Assurance has recorded a profit for the six months to 30 June 2016 of \$1.095m compared to \$2.781m for the full year ended December 2015.
- In December 2015 Civic Assurance reached a global settlement of the majority of the Canterbury earthquake claims and a commutation agreement of the remaining open Canterbury earthquake claims with the reinsurers. Based on the actuaries' valuations and expertise of the loss adjusters, Civic Assurance expects to meet its liabilities.

## Recommendation from Management

That the Finance Committee receives the report.

**7. Attachments**

- 8. Attachment 1 - Civic Assurance Half Year Accounts June 2016 *(Under Separate Cover)*
- 9. Attachment 2 - Civic Insurance - Statement of Intent 2016 *(Under Separate Cover)*

**Signatory**

Authoriser	David Bryant, General Manager Corporate
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## 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. Report on overdue debtors as at 31 January 2017 & Bad Debts Writeoffs 2016/17	) Good reason to withhold information exists under Section 7 Local Government	Section 48(1)(a)
C2. Update on Innovation Waikato Ltd and Group of Companies - Review of Council Investment	) Official Information and Meetings Act 1987	
C3. Development Contributions Remissions Report - Six Months to 31 December 2016		
C4. Victoria on the River (VOTR) Contract Approval		

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 enable Council to carry out negotiations	Section 7 (2) (i)
Item C3.	to protect the privacy of natural persons	Section 7 (2) (a)
	to maintain legal professional privilege	Section 7 (2) (g)
Item C4.	to enable Council to carry out negotiations	Section 7 (2) (i)