

Notice of Meeting:

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

Date: Weds 9 December 2020 - Thurs 10 December 2020,
Time: 9.30am
Meeting Room: Council Chamber/Audio-Visual Link
Venue: Municipal Building, Garden Place, Hamilton

Richard Briggs
Chief Executive

Council OPEN AGENDA LTP 2021-2031

Membership

Chairperson Mayor P Southgate
Heamana

Deputy Chairperson Deputy Mayor G Taylor
Heamana Tuarua

Members	Cr M Bunting	Cr A O’Leary
	Cr M Forsyth	Cr R Pascoe
	Cr M Gallagher	Cr S Thomson
	Cr R Hamilton	Cr M van Oosten
	Cr D Macpherson	Cr E Wilson
	Cr K Naidoo-Rauf	

Quorum: A majority of members (including vacancies)

Meeting Frequency: Monthly – or as required

Becca Brooke
Governance Manager
Menetia Mana Whakahaere

2 December 2020

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Purpose

The Council is responsible for:

1. Providing leadership to, and advocacy on behalf of, the people of Hamilton.
2. Ensuring that all functions and powers required of a local authority under legislation, and all decisions required by legislation to be made by local authority resolution, are carried out effectively and efficiently, either by the Council or through delegation.

Terms of Reference

1. To exercise those powers and responsibilities which cannot legally be delegated by Council:
 - a) The power to make a rate.
 - b) The power to make a bylaw.
 - c) The power to borrow money, or purchase or dispose of assets, other than in accordance with the Long Term Plan.
 - d) The power to adopt a Long Term Plan or Annual Plan, or Annual Report.
 - e) The power to appoint a Chief Executive.
 - f) The power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the Long Term Plan, or developed for the purpose of the Council's governance statement, including the 30-Year Infrastructure Strategy.
 - g) The power to adopt a remuneration and employment policy.
 - h) The power to approve or change the District Plan, or any part of that Plan, in accordance with the Resource Management Act 1991.
 - i) The power to approve or amend the Council's Standing Orders.
 - j) The power to approve or amend the Code of Conduct for Elected Members.
 - k) The power to appoint and discharge members of committees.
 - l) The power to establish a joint committee with another local authority or other public body.
 - m) The power to make the final decision on a recommendation from the Parliamentary Ombudsman, where it is proposed that Council not accept the recommendation.
 - n) The power to amend or replace the delegations in Council's *Delegations to Positions Policy*.
2. To exercise the following powers and responsibilities of Council, which the Council chooses to retain:
 - a) Resolutions required to be made by a local authority under the Local Electoral Act 2001, including the appointment of an electoral officer and reviewing representation arrangements.
 - b) Approval of any changes to Council's vision, and oversight of that vision by providing direction on strategic priorities and receiving regular reports on its overall achievement.
 - c) Approval of any changes to city boundaries under the Resource Management Act.
 - d) Adoption of governance level strategies plans and policies which advance Council's vision and strategic goals.

- e) Approval of the Triennial Agreement.
- f) Approval of the local governance statement required under the Local Government Act 2002.
- g) Approval of a proposal to the Remuneration Authority for the remuneration of Elected Members.
- h) Approval of any changes to the nature and delegations of the Committees.
- i) Approval of all Council and Committee Advisory Groups and their terms of reference.
- j) Appointments to, and removals from, CCO CCTO and CO boards;
- k) Approval of proposed major transactions or constitutional adjustments of CCOs, CCTOs and COs.
- l) Approval or otherwise of any proposal to establish, wind-up or dispose of any holding in, a CCO, CCTO or CO.
- m) Approval of city boundary changes, including in respect of Strategic Boundary Land Use Agreements.
- n) Approval Activity Management Plans.

Oversight of Policies and Bylaws:

- *Corporate Hospitality and Entertainment Policy*
- *Delegations to Positions Policy*
- *Elected Members Support Policy*
- *Significance and Engagement Policy*

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1 Apologies – *Tono aroha*

2 Confirmation of Agenda – *Whakatau raarangi take*

The Council to confirm the agenda.

3 Declaration of Interest – *Tauaakii whaipanga*

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 – *Aatea koorero*

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 five minutes or longer at the discretion of the Mayor.

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 Governance 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 Governance by telephoning 07 838 6727.

Council Report

Committee: Council

Date: 09 December 2020

Author: Tyler Gaukrodger

Authoriser: Becca Brooke

Position: Governance Advisor

Position: Governance Manager

Report Name: Chair's Report

Report Status	<i>Open</i>
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Recommendation - *Tuutohu*

That the Council receives the report.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Chair's Report



Chair's Report

Earlier this year we asked our community about their aspirations for Hamilton. These led our Council to develop *Our Vision for Hamilton Kirikiriroa*, which sets out five clear priorities:

- a city that's easy to live in;
- a city where our people thrive;
- a central city where people love to be;
- a fun city with lots to do; and
- a green city.

Over the next two days, these priorities must be at the forefront of our thinking and discussions as we shape a draft Long-Term Plan that will set the direction for our city. People have told us what is important to them and we now have a responsibility and an opportunity to respond.

As ever our discussions will involve rigorous and passionate debate. There will be compromises and trade-offs as we try to balance the needs of our community with financial challenges. In some instances, those challenges are simply beyond our control and have been imposed upon us. That is the way it is and we must deal with those challenges openly.

Looking ahead to these deliberations, I welcome the staff report, which sets a proposed draft Long-Term Plan based on Elected Member feedback to date. The report will be a sound basis for discussions over the next two days. I am grateful to staff for work that has gone into this comprehensive piece of work.

There is much in the report that I welcome, and I hope Councillors will see many of the discussions we have already had between ourselves and with the community echoed here. But we will not and cannot please everyone on every issue. I myself do not agree with everything contained within the report and that is what the next two days discussion are for.

Personally, I will be wanting to assure myself that we have got the right balance between the community's five priorities. I will want to be confident that the proposed financial strategy is right for our city. I am confident that through constructive questioning and debate we will work through different ideas and agree on a draft Plan that delivers for the people of Hamilton. This is our opportunity to shape a Long-Term Plan based on what we've heard from our residents.

Early next year we will ask Hamiltonians what they think about the draft Plan. Formal public consultation will run from early March to early April. We will then reflect on the community's feedback and, having taken a number of factors into account, will adopt a final Long-Term Plan in June.

Attachment 1

My highest priority is that this be the most engaging, and most engaged with, Long-Term Plan – ever. I want as many people as possible to have the chance to shape their city, and staff are working hard to ensure this happens.

I am asking all Elected Members to join with me and encourage everyone in Hamilton Kirikiriroa to work alongside us as we make decisions that will have an enduring impact on our city. And to all Hamiltonians I say please look out for the consultation early next year, engage with it, and think through what the draft Plan means for you and your whanau. There are some very significant challenges for us to deal with, but by working collaboratively I am confident the right decisions will be made.

Recommendation:

That the Council receives the report.

Paula Southgate

Mayor Hamilton City

Item 5

Council Report

Item 6

Committee: Council

Date: 09 December 2020

Author: Sean Hickey

Authoriser: Richard Briggs

Position: General Manager Strategy and Communications

Position: Chief Executive

Report Name: Proposed Draft 2021-2031 Long-Term Plan Budget

Report Status	<i>Open</i>
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Purpose - *Take*

1. To recommend to the Council a draft 2021-31 Long-Term Plan budget.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Council:
 - a) receives the report;
 - b) notes the Council's vision and five priorities have been used to inform the direction for the next ten years;
 - c) approves, for the purposes of preparing the proposed 2021-31 Long-Term Plan budget, **the 'base' capital programme** shown in Tables 1, 8, 14, 17, 23 and 29 of this report, with the exception of any changes made during this meeting;
 - d) approves, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, **the 'base' operating budget** shown in Tables 2, 9, 18 and 24 of this report, with the exception of any changes made during this meeting;
 - e) **Priority One: a city that's easy to live in:**
 - i. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the proposed capital programme in Table 1 of this report, with a total budget of \$655M over the 10 years;
 - ii. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the unfunded capital projects in Table 4 of this report;
 - iii. approves, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the Enhanced walking, cycling and public transport programme and targeted rate (based on an additional rate increase of \$60 per average residential property);
 - iv. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the proposed operating budget in Table 2 of this report;
 - v. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the unfunded operating projects in Table 5 of this report;
 - vi. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan

budget, the potential service level reductions in Table 6 and 7 of this report;

f) **Priority Two: a city where our people thrive:**

- i. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the proposed capital programme in Table 8 of this report, with a total budget of \$266M over the 10 years;
- ii. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the unfunded capital projects in Table 10 of this report;
- iii. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the proposed operating budget in Table 9 of this report;
- iv. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the unfunded operating projects in Table 11 of this report;
- v. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the potential service level reductions in Table 12 and 13 of this report;

g) **Priority Three: a central city where people love to be:**

- i. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the proposed capital programme in Table 14 of this report, with a total budget of \$17M over the 10 years;
- ii. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the unfunded capital projects in Table 16 of this report;
- iii. approves, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the Central City and River Development programme and targeted rate (based on an additional rate increase of \$40 per average residential property);

h) **Priority Four: a fun city with lots to do:**

- i. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the proposed capital programme in Table 17 of this report, with a total budget of \$287M over the 10 years;
- ii. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the unfunded capital projects in Table 20 of this report;
- iii. approves, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the Community Attractions programme and targeted rate (based on an additional rate increase of \$55 per average residential property);
- iv. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the proposed operating budget in Table 18 of this report;
- v. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the unfunded operating projects in Table 21 of this report;
- vi. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the potential service level reductions in Table 22 of this report;

i) **Priority Five: a green city:**

- i. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the proposed capital programme in Table 23 of this report, with a total budget of \$690M over the 10 years;
- ii. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the unfunded capital projects in Table 25 of this report;

- iii. approves, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the Greener Hamilton programme and targeted rate (based on an additional rate increase of \$45 per average residential property);
- iv. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the proposed operating budget in Table 24 of this report;
- v. notes, for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, the unfunded operating projects in Table 27 of this report;
- j) notes, for the purposes of preparing the proposed draft 2031-31 Long-Term Plan budget, the corporate investment projects in Table 29 of this report;

Financial Strategy

- k) approves for the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget, an average general rates increase to existing ratepayers of 4.9% per annum;
- l) notes, the purposes of preparing the proposed draft 2021-31 Long-Term Plan budget:
 - i. Total debt as outlined below;

	Year 1 2021/2 2 \$000	Year 2 2022/2 3 \$000	Year 3 2023/2 4 \$000	Year 4 2024/2 5 \$000	Year 5 2025/2 6 \$000	Year 6 2026/2 7 \$000	Year 7 2027/2 8 \$000	Year 8 2028/2 9 \$000	Year 9 2029/3 0 \$000	Year 10 2030/3 1 \$000
Total net debt	792	916	1,031	1,047	1,061	1,031	1,007	1,044	1,102	1,129

- ii. Debt to revenue ratio as outlined below;

	Year 1 2021/2 2	Year 2 2022/2 3	Year 3 2023/2 4	Year 4 2024/2 5	Year 5 2025/2 6	Year 6 2026/2 7	Year 7 2027/2 8	Year 8 2028/2 9	Year 9 2029/3 0	Year 10 2030/3 1
Debt to revenue ratio	210%	250%	277%	277%	280%	257%	237%	225%	224%	216%

- iii. Balancing the books result as outlined below;

	Year 1 2021/2 2 \$000	Year 2 2022/2 3 \$000	Year 3 2023/2 4 \$000	Year 4 2024/2 5 \$000	Year 5 2025/2 6 \$000	Year 6 2026/2 7 \$000	Year 7 2027/2 8 \$000	Year 8 2028/2 9 \$000	Year 9 2029/3 0 \$000	Year 10 2030/3 1 \$000
Balancing the books	(6,632)	(12,577)	(10,442)	(1,897)	730	15,906	28,282	40,283	59,451	73,569

Other considerations

- m) notes that the Development Contributions revenue assumed in the proposed draft 2021-31 Long-Term Plan is \$392M over the 10 years;
- n) requests the Chief Executive to prepare a draft Consultation Document on the basis of the approved Draft 2021-31 Long-Term Plan budget;
- o) approves the consultation period of 5 March 2021 to 7 April 2021 for the Long-Term Plan;
- p) approves a working group consisting of the Mayor, Deputy Mayor, Chair of the Finance Committee and Chair of the Hearings and Engagement Committee to provide Elected Member oversight of the Long-Term Plan Consultation Document; and
- q) requests the Chief Executive to continue working with Crown Infrastructure Partners and Central Government to negotiate an Infrastructure Funding and Financing (IFF) solution in relation to Peacocke and Rotokauri.

Executive Summary - *Whakaraapopototanga matua*

3. The current Council was elected in October 2019 and in December 2019 commenced a conversation with the community to understand what is important to them to improve their wellbeing. The conversations with community resulted in the development of the vision for Hamilton as outlined in “Our Vision for Hamilton Kirikiriroa” which identifies five priorities:
 - i. a city that’s easy to live in
 - ii. a city where our people thrive
 - iii. a central city where people love to be
 - iv. a fun city with lots to do
 - v. a green city
4. The Mayor has requested staff to develop a ‘Community Wellbeing Budget’ that gives effect to these priorities and reflects the input of Elected Members.
5. This proposed draft budget for the 2021-31 Long-Term Plan has been developed to make the biggest impact on the five priorities and includes a number of projects that Elected Members have identified as being important to the community wellbeing.
6. It should be noted that this direction is different from the growth focused direction of the previous Council, to a focus of looking after our existing infrastructure and to improve the wellbeing of our community.
7. Council has indicated a commitment to ‘looking after what we have’ and in the proposed budget provides for an increase in the Renewals and Compliance budget to \$75M per year on renewal of our assets (approximately \$5M more per year than the last three year average). The increased investment in renewing assets will directly help to improve the amenity of the city.
8. Council is also facing a number of new challenges being driven by new central government policy and legislation. This includes new direction on growth, water, wastewater and stormwater standards, transport and climate change. In the waters activity, the Drinking Water Standards has resulted in additional investment to build capacity and resilience into our water supply (an additional \$44.1M) and the National Policy Statement for Freshwater Management has resulted in additional investment to ensure our stormwater (an additional \$30.6M) and the discharge for the wastewater treatment plant (an additional \$172.8M) are to a standard that will ensure ongoing compliance with our resource consent conditions and the Te Ture Whaimana o Te Awa o Waikato.
9. Council’s response for climate change has also seen a number of renewals projects being based on the option that will deliver a carbon emission reduction. The Government Policy Statement on Land Transport 2021 has signalled a shift towards different modes of transport and has increased the focus of ‘roading’ investment on safer transport networks, improved travel options and improved freight connections.
10. The continued attraction of Hamilton as a place to live and do business has, as similar for the other growing cities in New Zealand, resulted in changes in central government direction through the National Policy Statement on Urban Development. This requires Council to provide a defined development capacity for residential and employment land, and infrastructure to support this growth. This requirement for investment in infrastructure to enable urbanisation, and the commitment to our existing communities and new communities has added additional investment pressure.
11. The increase in Council’s asset base from additional infrastructure investment has resulted in the growth in our asset base occurring at a faster rate than the growth in the number of our ratepayers. This growth in the asset base in turn results in the cost to maintain our assets increasing year on year throughout the 10 years. As a result, we will need to either increase

our everyday revenue (rates) at a rate that matches this growing cost base, or significantly reduce services.

12. To meet this challenge of creating a Long-Term Plan that will deliver on the focus of the five priorities and meet the increased compliance driven requirements along with looking after our existing and growing asset base requires new thinking.

Proposed Rates

13. This proposed draft budget for 2021-31 Long-Term Plan takes the approach of proposing a budget with options based on the introduction of specific targeted rates that will fund outcomes that deliver to the five priorities. This will allow Council to '*jump start*' the investment in these areas and provide a basis for ongoing improvement to the wellbeing of the city and community.

14. The proposed rates for the draft 2021-31 Long-Term Plan budget are:

- General rates increase of 4.9% per annum for existing ratepayers.
- Four new targeted rates, based on capital value, equating to an increase for the average residential property of \$200 per SUIP (approximately 6.4% increase in rates from 2020/21).
- The incorporation of the Hamilton Gardens targeted rate into an expanded Community Attractions targeted rate.

15. The proposed areas for the targeted rates are:

a) Enhanced walking, cycling and public transport targeted rate.

- This rate will be used to fund additional projects across the city that improve cycleways and provide other options for walking, scooter and skating and school and university cycleway connections.
- This proposed targeted rate will generate income of \$58M across the 10 years.
- The rate increase for the average capital value residential property will be in the order of \$60 (excluding GST).

b) Central City and River Development targeted rate.

- This rate will be used to fund projects that focus on improving the connection of the central city and awa to create a central city where everyone loves to be.
- This proposed targeted rate will generate income of \$38M across the 10 years.
- The rate increase for the average capital value residential property will be in the order of \$40 (excluding GST) per SUIP.

c) Community Attractions targeted rate:

- This rate focuses on improving the key attractions (Zoo & Waiwhakareke, Museum and Hamilton Gardens) so they are great places for our community.
- This proposed targeted rate will generate income of \$53M across the 10 years.
- The rate increase for the average capital value residential property will be in the order of \$55 (excluding GST) per SUIP.

d) Greener Hamilton targeted rate:

- This rate focuses on projects that will reduce our carbon emissions and improving our gully network and native planting to increase the amount of natural biodiversity space within our city.
- This proposed targeted rate will generate income of \$43M across the 10 years.
- The rate increase for the average capital value residential property will be in the order of \$45 (excluding GST) per SUIP.

16. If the rates option (including the four targeted rates) is the proposed draft 2021-31 Long-Term Plan budget was adopted, this would result in an increase to the total rates set for existing properties from 2020/21 equivalent of 11.3%.

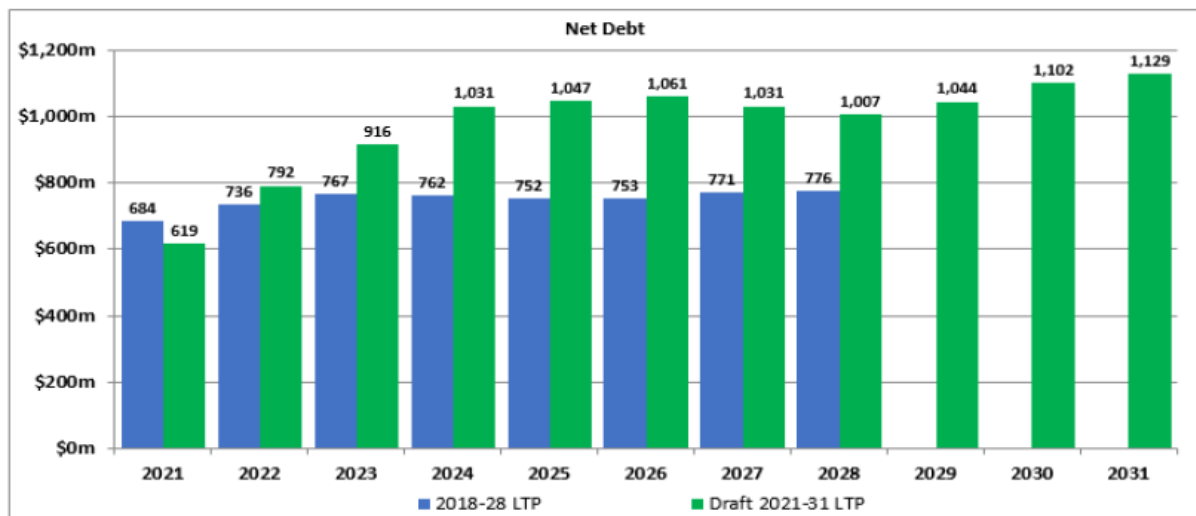
17. The total revenue to be received from the four proposed targeted rates is \$13.8M in year 1 and a total of \$192.3M over the 10 years.

Financial Strategy Impact

18. The financial impact of this proposed draft 2021-31 Long-Term Plan budget is Council will balance its the books (that is everyday revenue will not match everyday expenses) from 2025/26. This approach was consistent with the 2018-28 10-Year Plan where Council did not plan to balance the books until after three years (2021/22).

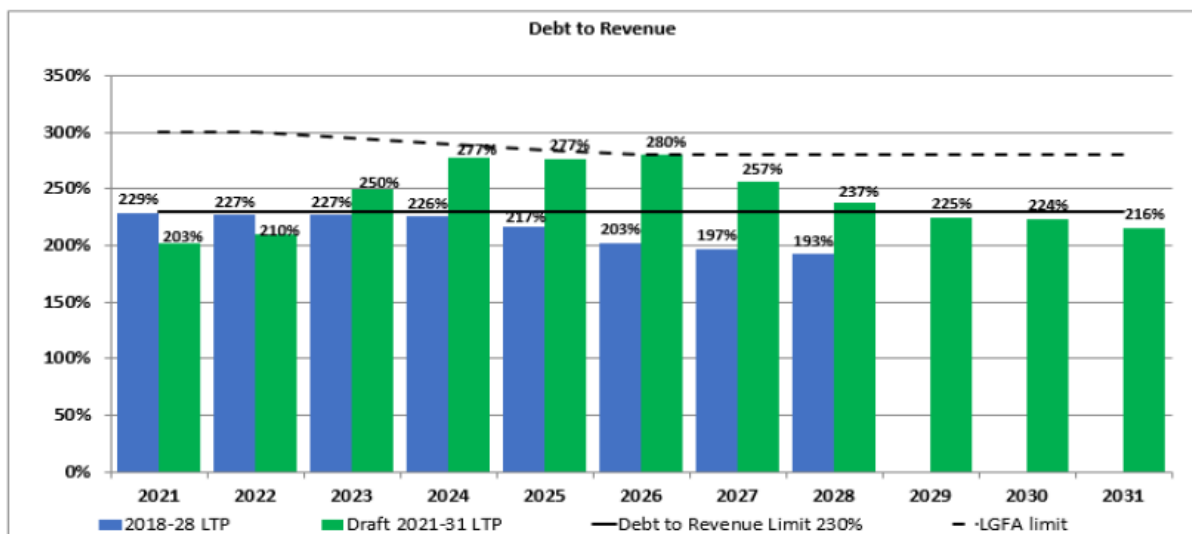
19. The impact on the financial strategy measures of the proposed draft 2021-31 Long-Term Plan is:

i. Total debt as shown below:



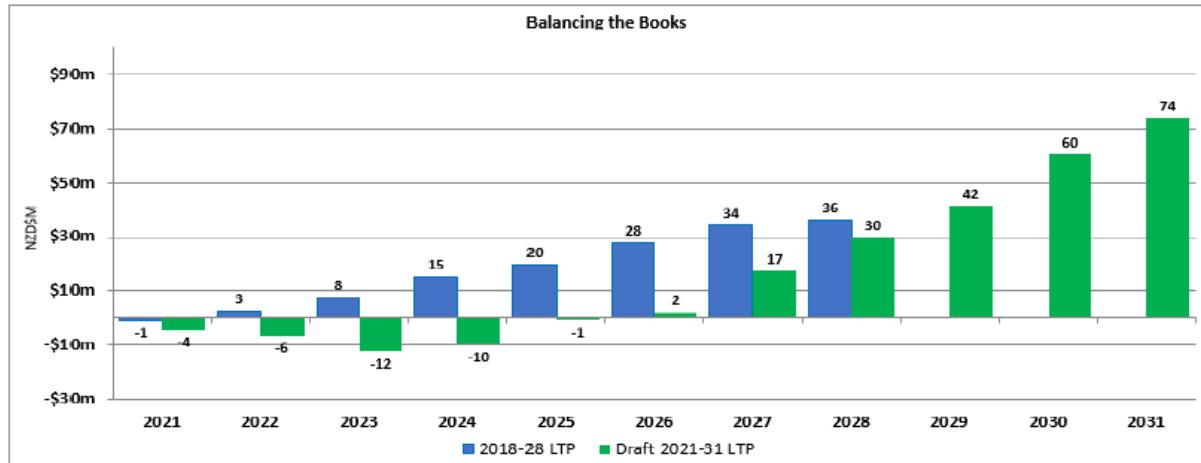
	Year 1 2021/22 \$000	Year 2 2022/23 \$000	Year 3 2023/24 \$000	Year 4 2024/25 \$000	Year 5 2025/26 \$000	Year 6 2026/27 \$000	Year 7 2027/28 \$000	Year 8 2028/29 \$000	Year 9 2029/30 \$000	Year 10 2030/31 \$000
Total net debt	792	916	1,031	1,047	1,061	1,031	1,007	1,044	1,102	1,129

ii. Debt to revenue ratio as shown below:



	Year 1 2021/2 2	Year 2 2022/2 3	Year 3 2023/2 4	Year 4 2024/2 5	Year 5 2025/2 6	Year 6 2026/2 7	Year 7 2027/2 8	Year 8 2028/2 9	Year 9 2029/3 0	Year 10 2030/3 1
Debt to revenue ratio	210%	250%	277%	277%	280%	257%	237%	225%	224%	216%

iii. Balancing the books as shown below:



	Year 1 2021/22 \$000	Year 2 2022/23 \$000	Year 3 2023/24 \$000	Year 4 2024/25 \$000	Year 5 2025/26 \$000	Year 6 2026/27 \$000	Year 7 2027/28 \$000	Year 8 2028/29 \$000	Year 9 2029/30 \$000	Year 10 2030/31 \$000
Balancing the books	(6,632)	(12,577)	(10,442)	(1,897)	730	15,906	28,282	40,283	59,451	73,569

20. The investment in infrastructure will see Council's net debt increase from \$619M in 2020/21 to \$1.129 billion by 2030/31. As Council's revenue also grows across the 10 years, Council will remain within the debt to revenue limit (how much Council borrows for every dollar of revenue) which drops from the current 229% to 216%.

21. Council recognises that increases in rates in the current environment of uncertainty from the global pandemic will be a challenge for the ratepayers. Staff have provided two illustrative options for an alternative rate increases:

- **Option 1:** Hold the general rates increase at 3.8%. This option would require a significant reduction in both the capital and operating programmes that could be achieved by:
 - Either a reduction in operating expenditure of \$5M per annum and a reduction in capital expenditure by \$230M in years 1-5 with \$90M of this being moved out to years 6-10.
 - Or a reduction in operating expenditure of \$10M per annum and a reduction in capital expenditure by \$200M in years 1-5 with \$125M of this being moved out to years 6-10.
- **Option 2:** General rates increase of 4.9% and targeted rates with a total collection equivalent to \$100 per SUIP. This option would require a significant reduction in both the capital and operating programmes that could be achieved by:
 - Either a reduction in operating expenditure of \$5M per annum and a reduction in capital expenditure by \$82.5M in years 1-5 with this being moved out to years 6-10.
 - Or a reduction in operating expenditure of \$2.5M per annum and a reduction in capital expenditure by \$100M in years 1-5 with this being moved out to years 6-10.

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22. The decisions taken by Council in relation to the proposed draft 2021-31 Long-Term Plan budget will form the basis for the Consultation Document that will be prepared for the formal consultation commencing 5 March 2021.
23. It is proposed the community is engaged on the proposed draft 2021-31 Long-Term Plan budget formally from 5 March 2021 to 7 April 2021.
24. The consultation document will follow the same design used in the previous phases of 2021-31 Long-Term Plan engagement, including the [Our vision for Hamilton Kirikiriroa](#) book and futurehamilton.co.nz website. The design incorporates illustrations of what Hamiltonians have told us they love about their city and what would make living here even better, alongside imagery showcasing Hamilton at its best.
25. Staff consider the decisions in relation to this report to be of high significance and that the recommendations comply with the Council's legal requirements. `

SECTION 1: Background & Context - Koorero whaimaarama

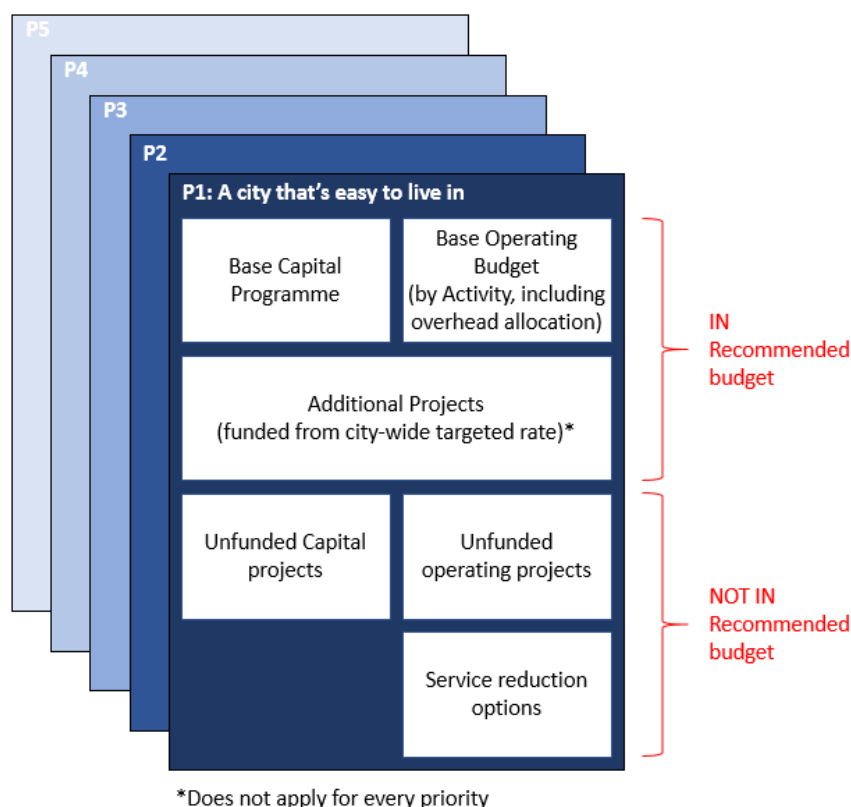
Introduction - Our Vision for Hamilton

26. Council has been engaging with the community since December 2019 to understand what is important to Hamiltonians and to develop a set of wellbeing outcomes to improve the social, economic, environmental and culture wellbeing of Hamiltonians.
27. The feedback from the engagement was used to develop 'Our Vision for Hamilton Kirikiriroa' which sets out five priorities to provide the direction of focus for the next 10 years across the broader wellbeing outcomes.
28. 'Our vision for Hamilton Kirikiriroa' was approved by Council on the 22 October 2020.
29. The priorities will be used to direct future funding decisions in the 2021-31 Long-Term Plan.
30. The five priorities outlined in 'Our Vision for Hamilton Kirikiriroa' are:
 - i. **a city that's easy to live in** – Ahuahungia teetehi taaone e tau ai te noho ki roto
 - ii. **a city where our people thrive** – Ahuahungia teetehi taaone e puaawai ai ngaa taangata katoa
 - iii. **a central city where people love to be** – Ahuahungia te pokapuu o teetehi taaone e arohaina ai e te taangata
 - iv. **a fun city with lots to do** – Ahuahungia teetehi taaone ngahau e tini ai ngaa kaupapa papai hei whai
 - v. **a green city** – Ahuahungai teetehi taaone tiaki taiao
31. 'Our Vision for Hamilton' is available [here](#).
32. Within each priority, five key focus have been identified to provide a description of the outcomes Council wants to achieve in relation to each priority.
33. The Mayor has directed staff to develop a 'Community Wellbeing Budget' that gives effect to these priorities. The recommendations in this report are consistent with that direction.

Report Structure

34. This report has been structured into six sections:
 - i. **Section 1:** Background and context
 - ii. **Section 2:** Capital and operating budget by priority
 - iii. **Section 3:** Other considerations
 - iv. **Section 4:** Rating Options
 - v. **Section 5:** Financial strategy and impact
 - vi. **Section 6:** Engagement
35. **Section 1** outlines the background for the development of the Long-Term Plan and the key issues that have shaped the proposed draft budget.
36. **Section 2** outlines the draft 2021-31 Long-Term Plan proposed capital and operating budgets by the priorities outlined in 'Our Vision for Hamilton Kirikiriroa'. The structure under each priority is:

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37. **Section 3** outlines the transformation savings programme and the opportunities of Infrastructure Funding Financing and Water Reform.
38. **Section 4** outlines the proposed rating recommendations to support the draft 2021-31 Long-Term Plan budget and two alternative rating options.
39. **Section 5** outlines the financial impact of the proposed draft 2021-31 Long-Term Plan budget on the balancing the books, debt to revenue, net debt targets.
40. **Section 6** outlines the development of the Consultation Document and engagement with the community.
41. The decisions in relation to the proposed draft 2021-31 Long-Term Plan budget made at this meeting will be used to develop the Consultation Document. Following engagement with the community, Council will be able to deliberate on the feedback of the community and make decisions for the final 2021-31 Long-Term Plan budget.

Long-Term Plan process and timeline:

Long-Term Plan process

42. Over the past year Elected Members have received information and provided direction on a comprehensive range of issues and topics that feed into the development of the 2021-31 Long-Term Plan. Conversations began as part of the Council induction at the direction setting discussion on the 21 November 2019, where the Mayor explored the priorities for this Council and the strategic direction for the coming triennium. A summary of the material covered with Council to date is included in **Attachment 1: LTP Information**.
43. The decisions from today's meeting will provide the basis for staff to prepare the Consultation Document and underlying information. Council is required under s93C(4) of the LGA 2002 to include in the Consultation Document a report from Audit NZ on:
 - i. whether the Consultation Document gives effect to the purpose set out in the LGA; and

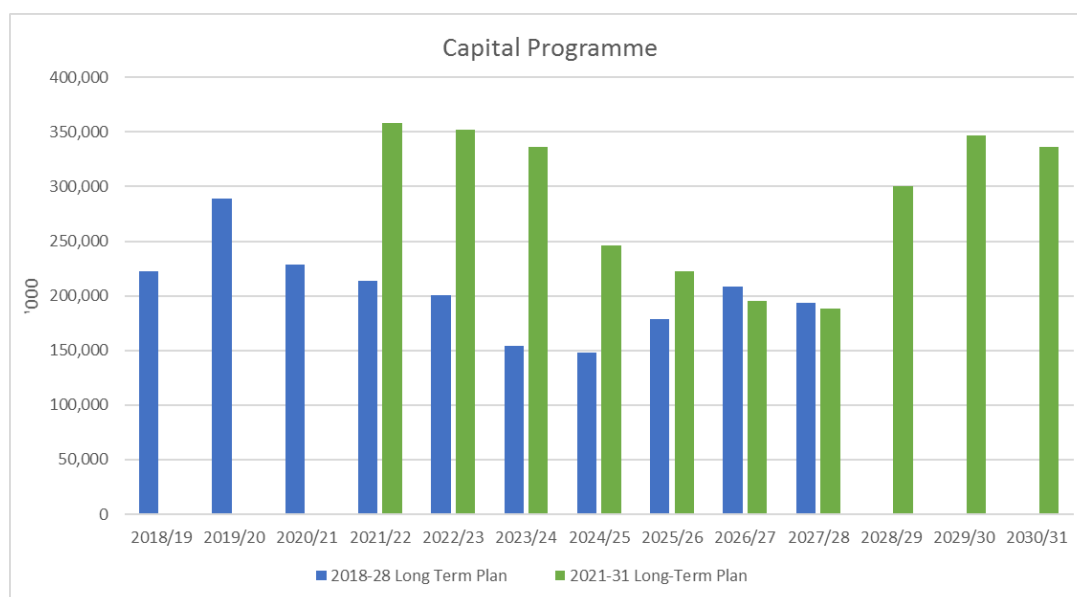
- ii. the quality of the information and assumptions underlying the information provided in the Consultation Document.
 - iii. The Consultation Document and underlying information will be subject to a four-week audit process by Audit NZ beginning 18 January 2021.
- 44. Following the audit process, Council is required to adopt the Consultation Document and underlying information. Adoption of the Consultation Document and underlying information is scheduled for 25 February 2021.
- 45. Section 83(1)(b)(iii) of the LGA requires Council to consult on its Consultation Document for a period no less than one month. To meet this requirement, we will engage with the community from 5 March – 7 April 2021. This will be followed by verbal submissions from the community and deliberations which will provide direction to staff to allow the finalisation of the 2021-31 Long-Term Plan budget.
- 46. The Long-term plan process concludes with Council adopting the final Long-Term Plan in June 2021, in accordance with the requirements of section 93(3) of the Act. Audit NZ are required under the LGA to audit the 2021-31 Long-Term Plan, prior to final adoption by Council.
- 47. In order to consult with the community from 5 March 2021, it is critical that a draft budget is confirmed prior to the end of December 2020. This will allow the required time for staff to prepare the Consultation Document and other information necessary for consultation and the audit process starting on the 18 January 2021.
- 48. Council is also making decisions that will amend Development Contributions and Rating Policies that require separate consultations from the Long-term Plan Consultation Document consultation. These will come to Council for approval on 25 February 2021 before consultation.

Informing policies

- 49. Council has a number of policies that are informing policies for the development of the Long-Term Plan. These policies form the supporting information and will be provided alongside the Consultation Document.
- 50. Council considered the Municipal Endowment Fund Policy at the Economic Development Committee on 8 September 2020 and Council approve the policy on the 17 September 2020.
- 51. Council has considered and approved the following policies at the 26 November 2020 Council meeting:
 - i. Significance and Engagement Policy
 - ii. Investment and Liability Management Policy
 - iii. Domain Endowment Fund Policy.
- 52. Council is scheduled to consider the following policies at the 9 December 2020 Council meeting:
 - i. Development Contribution Policy
 - ii. Growth Funding Policy.
- 53. The following policies will be presented over the next six months as part of the preparation of the 2021-31 Long-Term Plan for Council consideration:
 - i. Revenue and Financing Policy and Funding Needs Analysis
 - ii. Rates Remission and Postponement Policy
 - iii. Rating Policy
 - iv. Funding Needs Analysis
 - v. Appointment and Remuneration of Board Members Policy.

Context

54. Council has set the vision for the city through 'Our vision for Hamilton Kirikiriroa' focused on five priorities. Staff have developed a proposed budget that focuses on capital projects and operational activities that will deliver to these priorities.
55. The development of the draft 2021-31 Long-Term Plan budget has been on a basis of the continuation of the activities and facilities currently provided by Council. It has been assumed the level of service for activities are at the same level as currently delivered within the 2018-2028 10-Year Plan unless otherwise disclosed within each priority section.
56. Council has indicated a commitment to 'looking after what we have' and the proposed budget provides for an increase in the Renewals and Compliance budget. Our management of assets is focused on renewing our assets to deliver quality service and to improve the amenity of the city. This matches community expectations that our assets are of a modern standard. As a city with an asset base that is growing rapidly, matched with aging infrastructure, this means that our investment in renewals is proposed to increase significantly.
57. The capital programme development commenced with the continuation of the capital programme identified in the 2018-28 10-Year Plan updated for the subsequent changes approved by Council through the Finance Committee meetings and the 2019/20 and 2020/21 Annual Plans. Projects identified as projects that will deliver to the priorities have also been included.
58. In developing a draft budget that improves community wellbeing, a number of contextual issues have also been taken into account that impact on the operational and capital budgets.
59. As a broad theme, many of these issues relate to increased requirements from central government legislation and policy direction. The key issues can be summarised as:
 - i. **Issue 1:** Increasing compliance, capacity and resilience costs to deliver our Three Waters business
 - ii. **Issue 2:** Legislative requirements to enable growth
 - iii. **Issue 3:** Growth in asset base outstripping growth in revenue
 - iv. **Issue 4:** Increasing requirements relating to climate change
 - v. **Issue 5:** Increasing requirements for transport mode shift
60. The impact of the increased renewals and additional infrastructure investment can be seen in the graph below in Chart 1 which compares the 2018-28 10-Year Plan capital programme with the proposed 2021-31 Long-Term Plan Capital Programme.

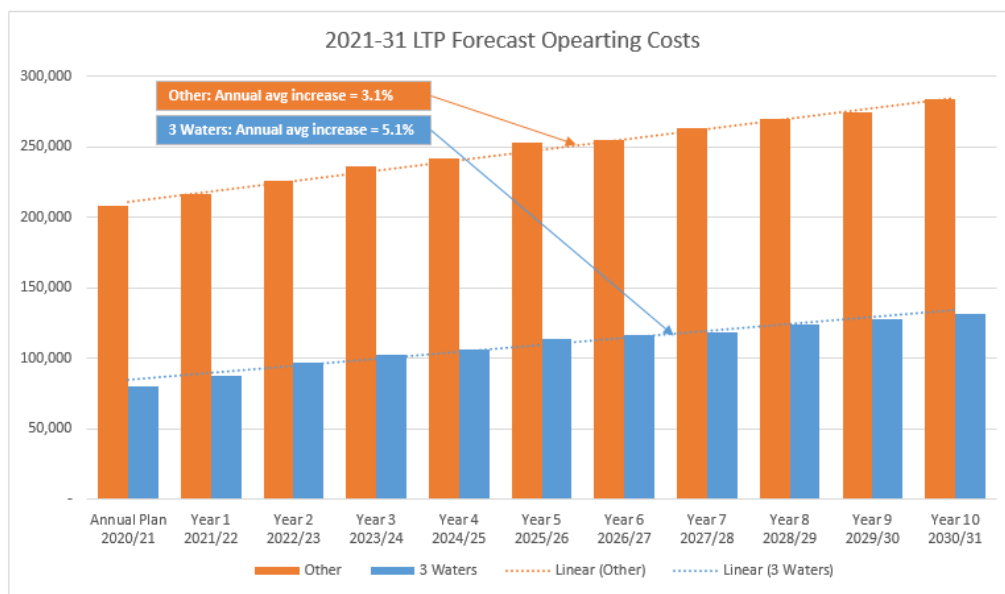
Chart 1: Capital Programme 2018-28 10-Year Plan vs proposed 2021-31 Long-Term Plan (inflated)**Issue 1: Increasing compliance, capacity and resilience costs to deliver our Three Waters business**

61. Council budgets are significantly challenged by the increasing costs to comply with various legislation and standards. Although this applies in multiple parts of our business, its budget impacts are most keenly felt in our Three Waters business - Water Supply, Wastewater and Stormwater.
62. Central government has initiated a process of three waters regulatory reform which has seen the development of legislation to establish a new Water Services Regulator, Taumata Arowai, that will oversee and enforce a new drinking water regulatory framework with additional oversight for wastewater and stormwater networks.
63. A review of the Drinking Water Standards of New Zealand is currently underway and a new Water Services bill is proposed. Once the bill is enacted, it will impose new duties, obligations and functions for drinking water suppliers, particularly around risk management, giving effect to Te Mana o te Wai, training and competency of operational staff and response to customer complaints.
64. New national environmental standards for freshwater and a new National Policy Statement for Freshwater Management came into effect in September 2020 and aim to prevent further loss and degradation of freshwater habitats and introduce further controls on high risk activities.
65. Waikato Regional Council are currently proposing an amendment to the Waikato Regional Plan, Healthy Rivers Wai Ora Plan Change 1, which looks to implement new objectives, policies and rules to manage discharges and give effect to the National Policy Statement for Freshwater Management and Te Ture Whaimana o Te Awa o Waikato - the Vision and Strategy for the Waikato River.
66. To maintain our current level of service to the community, whilst complying with more stringent safety, traffic management and environmental standards, significant additional investment is required in both our Three Waters infrastructure and our Three Waters operations over the next 10years.
67. Over the next 10 years, the average annual investment required in Three Waters infrastructure is \$88.7M (34% of total capital spend). This includes major investments in:
 - i. Wastewater storage (\$72.6M)

- ii. New and upgraded reservoirs (\$13.7M)
- iii. Citywide flood management (\$15.8M)
- iv. Citywide erosion control (\$14.8M)
- v. Wastewater treatment plan upgrade (\$100.2M)
- vi. Water treatment plan upgrade (\$30.4M)

68. The increased capital costs also have a significant impact on consequential operating costs, as does a required increase in personnel, maintenance and other operating costs.
69. In the current financial year, approximately \$80M of Council's operating costs (28% of total) is spent on managing Three Waters. Over the next 10 years, the average annual operating costs for Three Waters is \$113M (45% of total).
70. The increase in Three Waters operating costs, relative to the rest of Council's operating costs are shown in Chart 2 below:

Chart 2: Three Waters operating costs

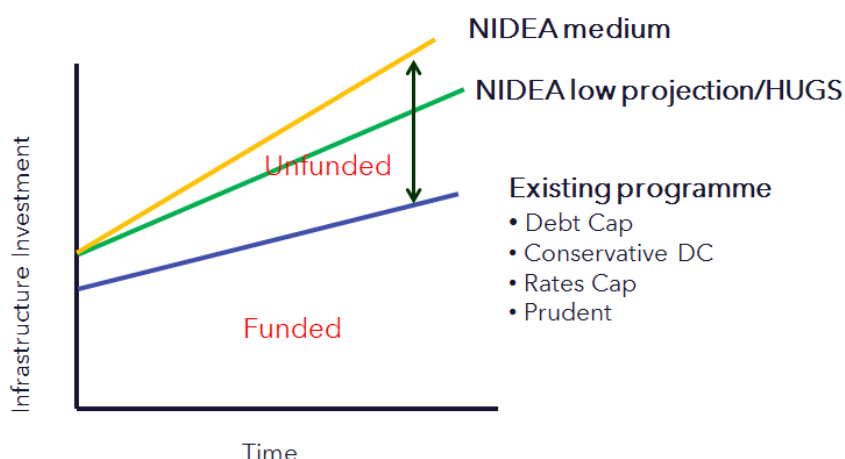


71. The chart shows that Council's non-water costs are expected to increase at approximately 3.1% per year over the next 10 years - within the funding envelope provided for by annual 3.8% rates increases in the current financial strategy.
72. However, Three Waters operating costs are forecast to increase by 5.1% per year over the same period, which cannot be funded from annual general rates increases of 3.8%.
73. Staff are currently investigating options to show the Three Waters component of rates separate from the general rates component. Although a separate rate for waters may add complexity to our overall rating system, it would improve transparency in the drivers of operating costs and the rates required to fund them.
74. Council is also, as a response to the central government's three waters regulatory reform programme, investigating multi-regional three waters delivery by statutory entities.
75. Practically, it would give Council the option to continue increasing its general rates (to cover non-waters costs) by 4.9% and to apply an increase to the Three Waters Rate by an amount greater than 4.9% to reflect the costs increases in the Three Waters area.

Issue 2: Legislative requirements to enable growth

76. The National Policy Statement on Urban Development (NPS -UD) requires Councils to provide development capacity for housing and business land, to meet demand over the next 30 years. It is one of a suite of recent legislative or policy directives from Central Government relating to growth.
77. Council has a requirement to provide enabling infrastructure to meet growth demand, with current Government policy settings requiring supply of serviceable land 20% greater than forecast demand.
78. Although direction given to staff from Elected Members has been to focus the 2021-31 LTP budget as much as possible towards community amenity, this creates tension with our legislative obligations to enable growth.
79. Our response in preparing this draft budget has been to balance these two tensions to recommend a programme of growth infrastructure in the early years that invests at limited levels to meet demand and funds planning work for future growth, aligned to the Hamilton Urban Growth Strategy and the Metro Spatial Plan.
80. However, this approach is not a long-term solution to the growth funding issue and may need to be revisited in the future.
81. There is also some risk in this approach, especially if growth demand is stronger than expected. This is illustrated (in concept) below in Chart 3:

Chart 3: Infrastructure Funding Gap



82. Should growth happen faster than forecast, Council can consider bringing infrastructure investment forward, although our ability to do so may be constrained by the availability of debt.
83. The other facet of recent government reforms driving increased costs for Council in this Long-Term Plan is the requirement to make significant changes to our District Plan. As noted in the report to Council on 8 December 2020, there are a number of statutory requirements, as outlined below:
 - *The National Policy Statement on Urban Development (NPS-UD) requires the Council to notify an intensification plan change by September 2022;*
 - *The NPS-UD requires identifying new areas for greater urban regeneration at a scale and extent materially different from current settings and puts new requirements on Council to fund infrastructure;*
 - *New National Planning Standards and the requirement for an e-plan need to be implemented by April 2024, which will involve a major plan change;*

- *The National Policy Statement for Freshwater Management (Freshwater NPS) and the National Policy Statement for Indigenous Biodiversity (NPS-IB) are expected to become operative in the first half of 2021 and will require new Significant Natural Areas (SNAs) to address critical habitats for endangered fauna.*

84. The additional operational cost to undertake the District Plan review is significant (\$15.37M), which is reflected in the draft 2021-31 LTP budget.

Issue 3: Growth in asset base outstripping growth in ratepayer base

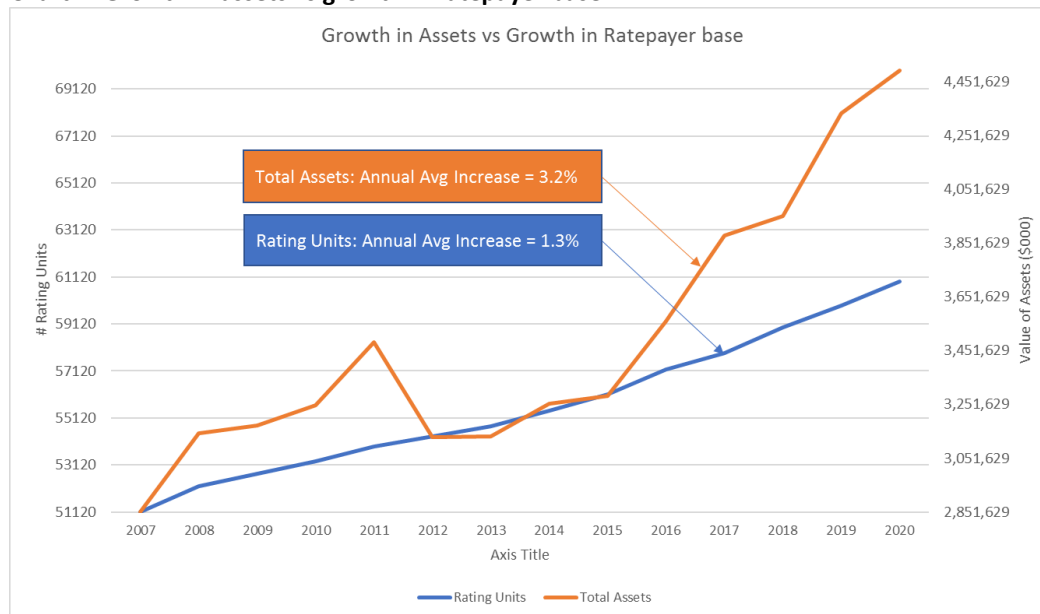
85. There are two aspects to Hamilton's growth that impact on costs to run the city.

- The first is growth in 'quantity' – i.e. as the city grows in population and area, costs go up to maintain additional footpaths, pipes and parks or to collect additional rubbish and recycling. As a general rule, the additional rates revenue generated from this growth should be enough to fund the additional costs.
- The second is growth in 'quality' – i.e. we are continually improving the amenity and resilience of the city through building and improving community facilities, parks and other infrastructure. This is driven not only by assets that Hamilton City Council builds but by assets that developers and others build and vest to Council being of a better quality.

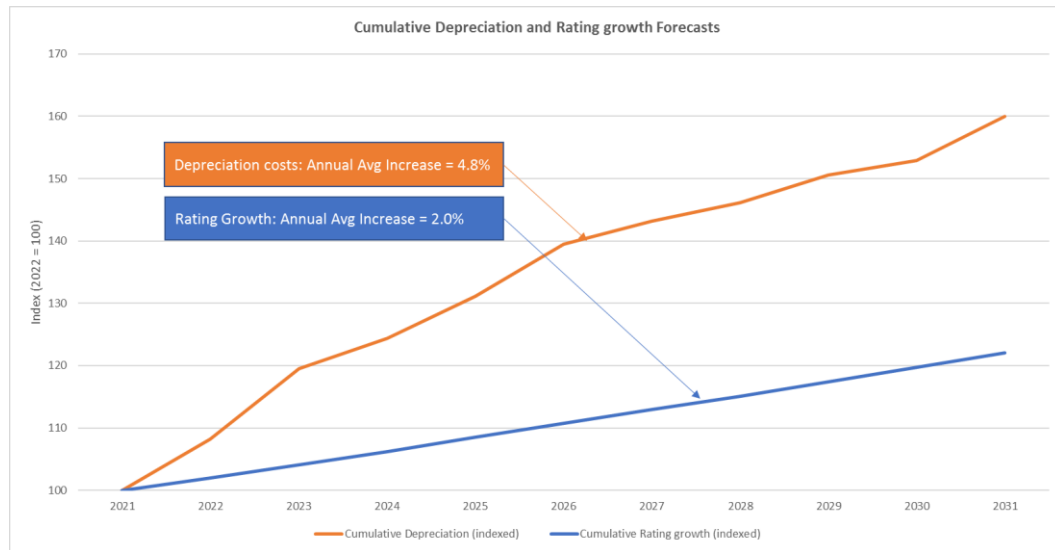
86. The cumulative effect of these two forms of growth is that the value of Hamilton City's assets - and the costs to maintain them - is growing faster than the growth in the ratepayer-base to pay for them. This therefore requires an increase to rates, fees and charges or other forms of funding to meet the difference.

87. Chart 4 below shows Hamilton City's growth in asset value over the past 10 years compared to its growth in ratepayer base.

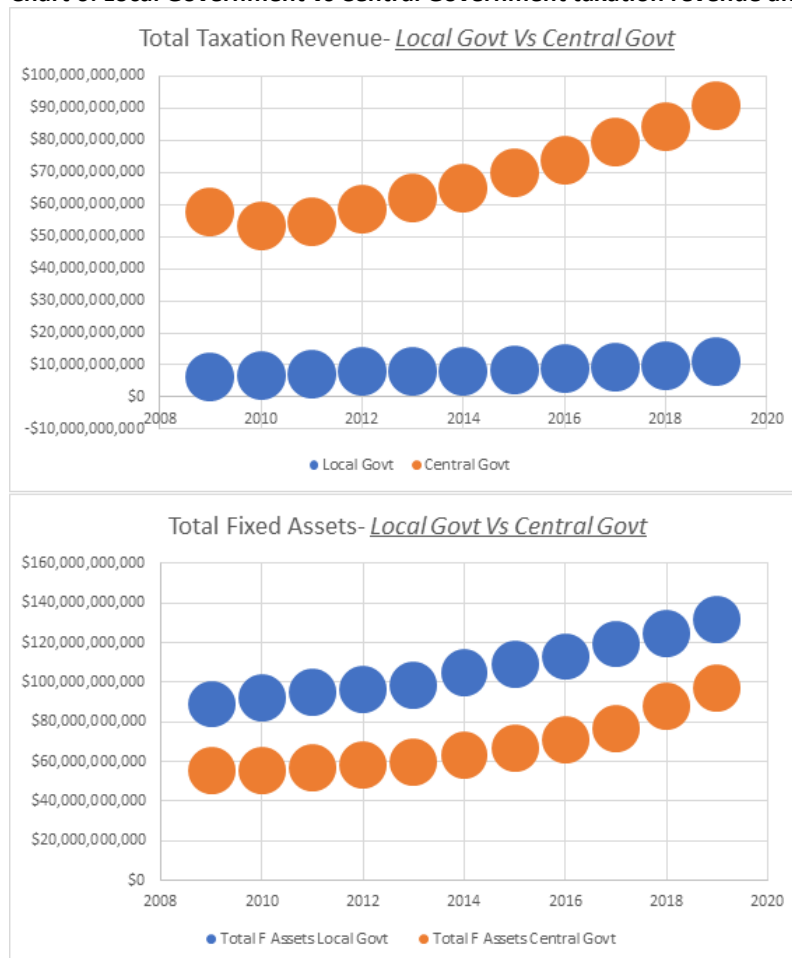
Chart 4: Growth in assets vs growth in ratepayer base



88. The impact of our asset-base growing faster than our ratepayer base, is that the cost per ratepayer to operate and maintain these assets has increased. This is best seen by comparing our forecast rating growth against our forecast depreciation costs, shown in Chart 5.

Chart 5: Cumulative Depreciation and rating growth forecasts

89. This challenge is not unique to Hamilton. As can be seen in Charts 6 below, total revenue for local authorities has remained largely flat over the past 10 years, while growth in assets needing to be maintained has grown significantly. This speaks to a structural issue in local government funding which we are working actively with central government to resolve.

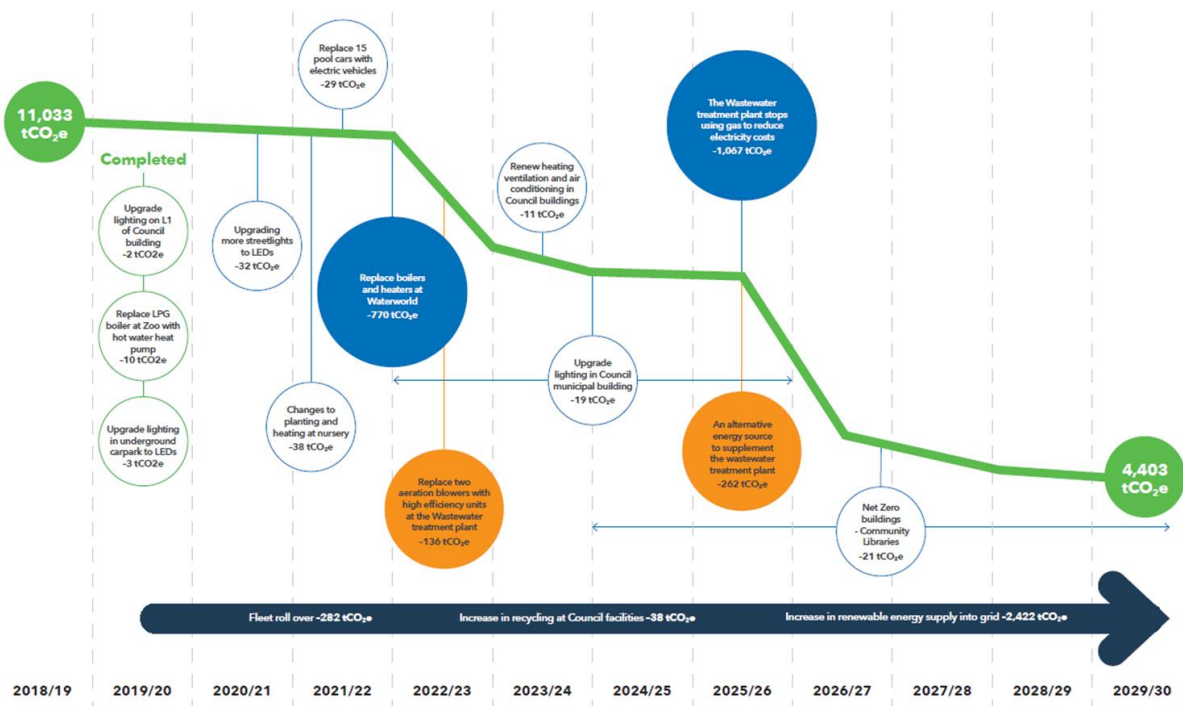
Chart 6: Local Government vs Central Government taxation revenue and asset base

90. To maintain a city that continues to grow both in size and amenity, our everyday costs will continue to increase beyond inflation and our everyday revenue needs to match that.

Issue 4: Increasing requirements relating to climate change

91. In 2019 the Government passed the Climate Change Response (Zero Carbon) Amendment Act providing a framework for New Zealand to contribute to global efforts to limit global warming. The legislation included various targets for New Zealand to reduce its net emissions in line with the Paris Agreement.
92. In September 2020, Hamilton City Council adopted its Climate Action Plan which set out our targets and roadmap to meet our climate change responsibilities. The targets included in the Plan, (consistent with those in the legislation) are:
- 50% reduction of gross greenhouse gas emissions (excluding biogenic methane) by 2030 (baseline 2018/19)
 - 25% reduction of emissions of biogenic methane by 2030 (baseline 2018/19)
93. To achieve these targets an emissions reduction roadmap was developed. The roadmap, shown below in Chart 7, includes actions the Council can take to reduce emissions as well as estimated emissions reductions for each action:

Chart 7: Emissions reduction roadmap



94. To maximise opportunities for cost efficiencies, most of the emission reduction actions are linked to the timing of asset renewals activities. In some cases, this will mean that the financial cost of renewal is higher than if a less climate-friendly option was taken (for example upgrading a gas boiler to an electric one).
95. Additional to the actions noted in the Climate Roadmap are investments in restoring Hamilton's biodiversity through the Nature in the City Strategy.
96. This strategy was adopted by the Environment Committee on 1 December 2020 with an overall goal of achieving 10% native vegetation cover in Kirikiriroa/Hamilton by 2050.
97. To give effect to its Climate Action Plan and Nature in the City Strategy, Council will need to make significant investment in the 2020-21 Long-Term Plan.

Issue 5: Increasing requirements for transport mode shift

98. The final Government Policy Statement on Land Transport 2021 (GPS) was released in September 2020. It will come into effect 1 July 2021 but has already been used as an input into Council planning for the Transportation activity along with the Regional Transport Committee in the development of the Regional Land Transport Plan.
99. The GPS is where government determines how investment into the land transport system from the National Land Transport Fund (NLTF) over the next 10 years. It influences decisions on how money from the NLTF will be invested across activity classes by Waka Kotahi – New Zealand Transport Agency via co-investment with Approved Organisations such as Hamilton City Council. It also guides local government and Waka Kotahi on the type of activities and projects that should be included in the Regional Land Transport Plan and the National Land Transport Programme for delivery across both the State Highway and local road networks.
100. The priorities of the GPS 2018 included a significant shift towards different modes of transport. The GPS 2021 develops this further focusing on four strategic priorities:
 - i. safety – develop a transport system where no-one is killed or seriously injured,
 - ii. better travel options – provide people with better travel options to access places for earning, learning and participating in society,
 - iii. improving freight connections – improve freight connections to support economic development, and
 - iv. climate change – transform to a low carbon transport system that supports emissions reductions, aligned with national commitments, while improving safety and inclusive access.
101. To achieve the desired outcomes for the priorities in the GPS 2021, significant investment is required by Council to develop different aspects of the transport system. This point was raised by Council as part of its submission to the Draft GPS 2021 in May 2020. Council requested that additional funding be made available to support councils in addressing these priorities as the current co-funding arrangements would not be sufficient to deliver the priorities without such a change. There were some changes to the funding ranges made in the final GPS document.

Assumptions

102. Council is required to disclose the key assumptions it has used in the development of the Long-Term Plan budget and these are included the final Long-Term Plan document.
103. Council considered the key assumptions on the [26 November 2020](#).
104. The key assumptions will continue to be reviewed and evolve as the Long-Term Plan is finalised. The full list of assumptions will be included in the final Long-Term Plan document.

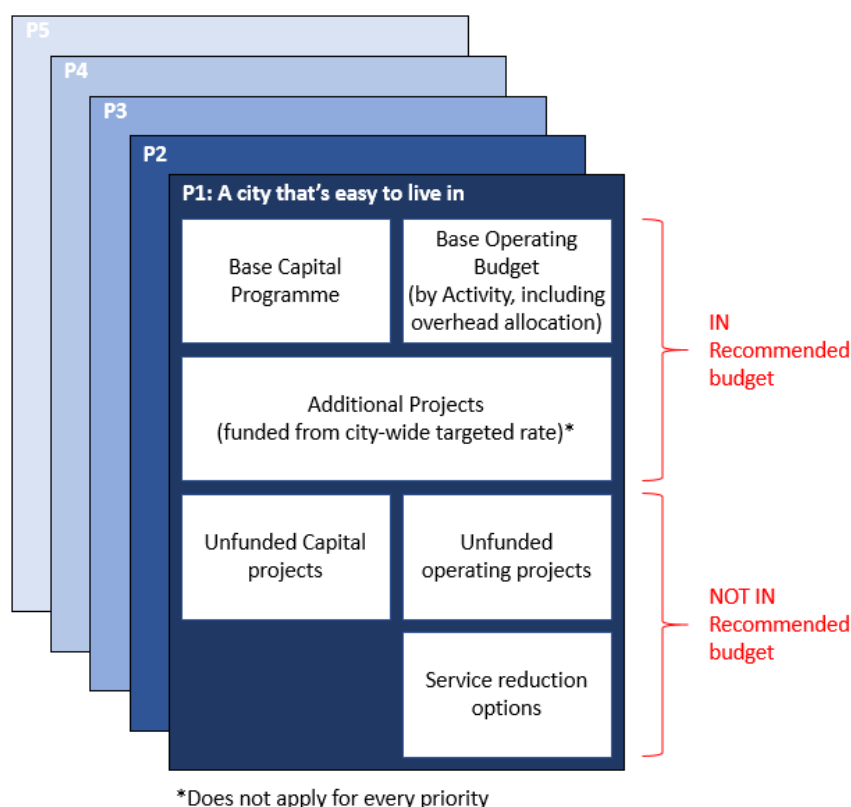
SECTION 2: PROPOSED DRAFT 2021-31 LONG-TERM PLAN BUDGET

Item 6

105. This section is set out as follows:

- i. Priority one: a city that's easy to live in
- ii. Priority two: a city where our people thrive
- iii. Priority three: a central city where people love to be
- iv. Priority four: a fun city with lots to do
- v. Priority five: a green city

106. Within each priority the structure is:



107. It is recognised that many capital projects and operational activity contribute to more than one priority and could equally sit across two priorities. For the purpose of this report the capital projects and the grouped operational activity have been assigned to one priority.

Priority One: a city that's easy to live in

108. Priority One is about creating a city that's easy to live in, explore and connect.

109. The five key focus areas for Priority One are:

- i. We'll prioritise building connected and safe walkways and cycleways that allow us to move around our city quickly and easily and bring neighbourhoods together.
- ii. We'll revitalise our existing neighbourhoods and invest in the creation of our new neighbourhoods to make sure we have a liveable, sustainable city.
- iii. We'll encourage new developments in Hamilton to include a mix of housing, including affordable housing options.

- iv. We'll enable and support strong public transport connections which help Hamiltonians get easy access to essential services such as education, health centres and supermarkets.
- v. We'll put more focus on our neighbourhoods having a community identity and supporting community spaces across our city.

Items recommended for inclusion in the Proposed Draft 2021-31 Long-Term Plan budget

Capital programme

- 110. The proposed capital programme aligned to delivering on Priority One: a city that's easy to live in is \$655M over the 10 years with a net contribution by Council of \$468M.
- 111. The detail of this proposed programme structure by programme and project is outlined below in Table 1. The full details of the projects are in **Attachment 2: P1 Funded Capital**.

Table 1: P1 Funded capital programme aligned to Priority One: a city that's easy to live in

Ref	Funded Capital Programme for P1 by programme	Net Capex 10 Year \$000 uninflated	Gross Capex 10 Year \$000 uninflated
1.0	Renewals & Compliance Programme	81,948	107,647
1.1	Animal Control Building Renewals	276	276
1.2	Cemeteries & Crematorium Renewals	1,654	1,654
1.3	Cemetery Land Acquisition	2,500	2,500
1.4	Community Facilities Building Renewals	11,310	11,310
1.5	Footpath Renewals	25,935	40,996
1.6	Hamilton Park Cemetery Burial and Ash Lawn	1,933	1,933
1.7	Library Renewals	19,364	19,364
1.8	Retaining Wall and Structures Renewals	1,543	2,699
1.9	Street Furniture Renewals	343	343
1.10	Street Lighting Renewals	10,108	15,541
1.11	Traffic Sign and Signals Renewals	6,982	11,033
2.0	City Wide Community Programme	4,017	4,413
2.1.	Beale Cottage Landscaping	8	81
2.2	Chartwell Library Courtyard Garden	15	155
2.3	Cultural Identity at Library Branches	20	203
2.4	Hillcrest Library Extension	3,975	3,975
3.0	City Wide Transport Programme	74,729	150,230
3.1	Mass Transit	12,740	26,000
3.2	Low Cost Low Risk - Other Projects (Safety)	625	1,275
3.3	Low Cost Low Risk - (Smart)	980	2,000
3.4	Low Cost Low Risk - PT Improvements	3,185	6,500
3.5	Low Cost Low Risk - Road to Zero	29,861	60,940
3.6	Low Cost Low Risk - Walking and Cycling	12,250	25,000
3.7	Intersection Upgrades - Subsidised	5,929	12,100
3.8	Transport Centre Rejuvenation	2,254	4,600
3.9	Transport Model	1,638	3,342
3.10	Northern River crossing	2,296	4,686
3.11	Te Awa South River Ride	784	1,600
3.12	Development Upsizing	2,188	2,188
4.0	Rototuna Programme	67,347	67,346
4.1	Rototuna Village Community Facilities	9,583	9,583
4.2	Rototuna Village Supporting Infrastructure - Water and Roading	9,865	9,865

Ref	Funded Capital Programme for P1 by programme	Net Capex 10 Year \$000 uninflated	Gross Capex 10 Year \$000 uninflated
4.3	Horsham Downs Rd Urban Upgrade (Kay to Waikato Expressway)	6,920	6,920
4.4	Kay Road urban upgrade Borman to Resolution	1,996	1,996
4.5	Kay Road urban upgrade North city to Horsham Downs	4,712	4,712
4.6	Borman Road East Extension	6,976	6,976
4.7	Borman West/Kay intersection	166	166
4.8	Borman/Horsham Downs Intersection and Urban Upgrade	15,659	15,658
4.9	River Road urban upgrade Te huia to Kay	3,417	3,417
4.10	North City Road Corridor (Turakina to Kay)	5,915	5,915
4.11	Rototuna Parks - Linear Reserve Development	224	224
4.12	Rototuna Walking and Cycling Network	460	460
4.13	Rototuna Developer Upsize - Transport	973	973
4.14	Rototuna Developer Upsize - Wastewater	192	192
4.15	Rototuna Developer Upsize - Water	289	289
5.0	Peacocke Programme	204,642	283,071
5.1	Peacocke Road Urban Upgrade	6,246	11,369
5.2	Peacocke Upgrades to Existing Roads Support Development	22,530	22,530
5.3	Peacocke Network Stage Two - Cycleway Network Development	1,755	1,755
5.4	Ohaupo Road (SH3)/Peacocke East-West Arterial Intersection	11,373	12,702
5.5	Extension of Wairere Drive and Bridge over Waikato River to Peacocke North-South Arterial	58,423	109,700
5.6	Wastewater Strategic Storage & Pressure Main Back to the Existing Far Eastern Interceptor	52,190	53,636
5.7	Developer Upsize Programme	8,951	8,951
5.8	East-West Arterial Stage 2	27,436	42,841
5.9	North-South Arterial Road Land	9,194	13,260
5.10	Peacocke Lane	5,077	5,077
5.11	Bader Street Corridor	1,252	1,252
6.0	Rotokauri Programme	31,878	32,158
6.1	Brymer rd. Urbanisation	12,396	12,396
6.2	Gilchrist Urbanisation	2,195	2,195
6.3	Improved Walking and Cycling	203	203
6.4	Rotokauri Rd urbanisation	5,892	5,892
6.5	Developer Upsize - Transport	1,488	1,488
6.5	Developer Upsize - Wastewater	1,753	1,753
6.7	Developer Upsize - Water	1,123	1,123
6.8	Rotokauri arterial Designation	4,548	4,828
6.9	Te Wetini Connection	2,282	2,282
7.0	Ruakura Programme	3,803	10,190
7.1	Ruakura Road Urban Upgrade	1,581	6,697
7.2	Transport Upsize Programme	1,222	2,493
7.3	Water Upsize Programme	1,000	1,000
	Total Funded	468,148	655,056

Operating programme

112. As well as considering investment in new projects, the proposed draft 2021-31 Long-Term Plan budget recognises that we are already undertaking significant operational activity to deliver on this priority for the community.

113. The following groups of activities, and the associated budgets, have been identified as primarily delivering to this priority. The proposed budget assumes that Council will continue to delivery these activities to current levels of service (noting that some of the sub activities within each group of activity also support other priorities).

a) Parks and Recreation

Community Parks

- Council provides, operates and maintains 196 parks and across more than 1142 hectares in the city.
- These spaces provide places for informal recreation and play and include community amenities such as public toilets and seating.

Natural Areas

- Council conserves and restores the natural environment by working with the community to maintain a substantial gully system throughout the city.
- We also maintain the riverbank reserve system, wetland and lake margins, and the support assets such as seating, signs, bridges, walkways and cycleways) within natural area reserves.

Streetscapes

- Keeping the city beautiful is an important part of this activity and we do this through our gardens and street plantings.

Sports Parks

- Our sports parks and indoor recreation activities are responsible for managing Hamilton's sports park network and working with multiple clubs and codes to provide field surfaces and facilities that meet the needs of user groups.

Playgrounds

- The playgrounds activity is responsible for providing and managing more than 80 playgrounds on parks in Hamilton, including local neighbourhood playgrounds and destination playgrounds.

Cemeteries and crematorium

- The cemeteries and crematorium activity is responsible for providing burial and cremation services at Hamilton Park Cemetery in Newstead and managing two closed cemeteries – Hamilton East Cemetery (near Hamilton Gardens) and Hamilton West Cemetery (next to FMG Stadium Waikato).

Aquatic facilities

- The aquatic facilities activity is responsible for managing Waterworld and Gallagher Aquatic Centre (GAC). These facilities offer many recreational programmes and activities for the community, including lane and leisure swimming, aqua education, a health and fitness centre.
- Council also works in partnership with other pool providers.

Indoor recreation

- Council supports indoor recreation through the provision of the Te Rapa Sportsdrome, and partner with external agencies to support the building of new facilities, such as the Rototuna Indoor Recreation Centre (The Peak).

b) Transport

Transport network

- The transport activity is responsible for maintaining and managing a safe, efficient and sustainable transport network for the city which integrates freight, private vehicles, public transport, walking and cycling and emerging shared ownership assets (Lime scooter, Loop vehicles, Uber etc.). This requires:
 - Implementing capital improvements to support growth of the city

- Maintenance and renewals of existing road assets, including provisions for asset growth from development and retrofitting of improved stormwater management features
- Transport safety and access improvements
- Works and education/promotion to encourage mode shift away from single occupant combustion engine private vehicles to sustainable transport options.

Parking management

- The parking activity manages on-street and off-street parking activities within the city.

114. The levels of service associated to these activities are assumed to be at the same level as currently delivered within the 2018-2028 10-Year Plan.

115. The proposed operating budget (excluding allocation of general rate revenue) for the activities that have been associated to this priority is outlined below in Table 2. The detailed draft prospective Statement of Revenue and Expenditure are in **Attachment 3: P1 Operating Activity Statements**.

Table 2: Operating budget aligned to Priority One: a city that's easy to live in

\$000 Inflated	Annual Plan 2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
Activity: Parks and Recreation											
Revenue	6,110	7,657	6,721	7,967	8,656	8,952	8,954	9,136	9,803	9,802	9,674
Expenditure	32,806	37,044	39,012	40,300	41,746	43,881	44,473	46,128	46,809	46,525	47,340
Operating surplus/ (deficit)	(26,696)	(29,387)	(32,291)	(32,333)	(33,090)	(34,929)	(35,519)	(36,993)	(37,005)	(36,723)	(37,666)
Activity: Transport											
Revenue	98,601	141,251	116,012	107,164	98,882	79,492	80,995	80,903	98,465	102,258	104,070
Expenditure	54,394	65,063	71,388	77,433	81,738	86,115	87,107	91,915	94,134	97,958	106,468
Operating surplus/ (deficit)	44,207	76,187	44,624	29,731	17,144	(6,623)	(6,111)	(11,012)	4,331	4,300	(2,398)

Note Revenue includes revenue associated with the capital programme (development contributions, capital revenue and vested assets)

116. Both the Parks and Recreation and the Transport budgets includes the additional consequential operating costs arising from the proposed capital programme of over the 10 years. This is a key driver for the increase in depreciation, finance costs and operating and maintenance expenditure.

Enhanced walking, cycling and public transport Targeted Rate

117. It is proposed a 'Enhanced walking, cycling and public transport' targeted rate based on capital value is established to provide revenue to fund both capital and operating projects that support the delivery of modal shift and cycleway projects. The funding from this targeted rate will be used to fund the projects and the consequential operating impact arising from the capital projects.

118. It is proposed the targeted rate is set at a level that results in an average additional rate increase equivalent to \$60 per separately used or inhabited part (SUIP).

119. The capital projects proposed to be included in the capital budget, if the Enhanced walking, cycling and public transport targeted rate is approved are listed below in Table 3.

Table 3: Capital projects funded by Enhanced walking, cycling and public transport targeted rate

Capital Programme funded by the Enhanced walking, cycling and public transport targeted rate	Net Capex 10 Year \$000 uninflated	Gross Capex 10 Year \$000 uninflated
City Wide Biking and Micro mobility	23,520	48,000
Eastern Pathways – School link	8,820	17,640
Eastern Pathways - CBD to Uni Link	5,390	10,780
Eastern Pathways - Connections	4,410	8,820

Items not recommended for inclusion in the Proposed Draft 2021-31 Long-Term Plan budget

Capital projects

120. The capital projects not included in the proposed draft 2021-31 Long-Term Plan budget are outlined below in Table 4. The full details of the projects are in **Attachment 4: P1 Unfunded Capital**.

Table 4: Unfunded capital programme aligned to Priority One: a city that's easy to live in

Ref	Unfunded Capital Programme for P1 by programme	Net Capex 10 Years \$000 uninflated	Gross Capex 10 Years \$000 uninflated
1.0	City Wide Community Programme	8,648	10,412
1.1	Hamilton Park Cemetery Administration and Reception Facility	2,001	2,001
1.2	Hamilton Park Cemetery Playground	256	256
1.3	Heritage and Archive Collection Digitisation	2,500	2,500
1.4	Interpretation Signage Plan	310	310
1.5	Libraries Destination Children's Areas Programme	650	650
1.6	Digital Newspaper Kiosks	211	211
1.7	Digital Signage	211	211
1.8	Heritage Collection Online Kiosks	85	85
1.9	Mobile Outreach Library Service	388	388
1.10	Public Art Support Fund	341	341
1.11	Parks Connections Programme	1,695	3,460
2.0	City Wide Transport Programme	180,000	339,063
2.1	Bridge Capacity Programme	3,381	6,900
2.2	Bridge Safety Programme	14,805	14,805
2.3	City Wide Biking and Micromobility - Additional Opportunities	115,640	236,000
2.4	Eastern Pathways - Additional Opportunities	14,406	29,400
2.5	Transport Developer Upsizing - Additional Opportunities	3,000	3,000
2.6	Gordonton Road corridor (Wairere to Borman)	6,370	6,370
2.7	Intersection Upgrades - Subsidised - Additional Opportunities	4,410	9,000
2.8	Intersection Upgrades - Non-subsidised	3,000	3,000
2.9	Northern River Crossing - Additional Opportunities	14,988	30,588
3.0	Rototuna Programme	1,958	2,088
3.1	Rototuna Village - Land Purchase	1,080	1,080
3.2	Rototuna Village Changing Space Toilet	377	377
3.3	Rototuna Village Pou	275	275
3.4	Rototuna Village Safety (CCTV)	226	356
4.0	Rotokauri Programme	52,625	52,625
4.1	Roger Kauai Urbanisation	2,788	2,788

Ref	Unfunded Capital Programme for P1 by programme	Net Capex 10 Years \$000 uninflated	Gross Capex 10 Years \$000 uninflated
4.2	Rotokauri Developer Upsize - Wastewater - Additional Opportunities	10,871	10,871
4.3	Rotokauri Developer Upsize - Water - Additional Opportunities	5,119	5,119
4.4	Rotokauri Arterial Construction	32,184	32,184
4.5	Sewer Pump Station - Ruffel Road	1,663	1,663
5.0	Te Rapa North Programme	7,402	7,402
5.1	Te Rapa Urban Upgrades	7,402	7,402
6.0	Templeview Programme	50	50
6.1	Templeview water mains	50	50
	Total Unfunded	250,683	411,640

Operating programme

121. The operational proposals not included in the proposed draft 2021-31 Long-Term Plan budget are outlined below in Table 5. The full details of the projects are in **Attachment 5: P1 Unfunded Operational Proposals**.

Table 5: Unfunded operational proposals aligned to Priority One: a city that's easy to live in

Ref	Unfunded Operational Projects for P1	Gross Opex 10 Year \$000 uninflated
1.0	Parks and Recreation	
1.1	Delivering Neighbourhoods	3,387
1.2	Community Strategies and Planning	1,000
1.3	Parks Structure Maintenance	750
1.4	Parks Strategic Planning	1,000
1.5	Tree Maintenance	500
1.6	Resource for project and asset management community group.	1,500
2.0	Transport	-
2.1	Bridge management and modal shift planning Operational Planning and Implementation	1,500
2.2	Transport Network Planning	3,790
2.3	Pre-seal and Pavement repairs	14,100
2.4	Road Marking	590
2.5	Signal Maintenance	1,100
2.6	Cycleway maintenance	1,550
2.7	Transport project management	(780)
2.8	Litter control	4,860
2.9	Verge Landscaping	8,120
	Total Unfunded	42,967

122. Council investment in artificial turf partner proposals with HGHS and HBHS has merit in helping to provide for the deficit in mid-week training and weekend competition space on sports fields. This would need to be considered in comparison to how the deficit might be addressed through upgrades to current soil fields and also development of new drained and irrigated soil fields. Should Council wish to keep options open for partnership opportunities and/or the upgrade/development of new fields then it can either: a) add budget into the draft Long-Term Plan budget or b) receive proposals in the future when further feasibility work has been completed and consider funding via the Finance Committee.

123. Should Elected Members wish to include budget provision for this in the Long-Term Plan staff believe that a 50% contribution to the two artificial turf proposals would be in the vicinity of \$3 million (\$1.5 million per field).
124. Council have expressed an interest in investigating options for pack in and pack out policy for waste minimisation on Hamilton city parks. This is not commonly adopted practice on urban parks within NZ. Staff will investigate what has been done within NZ and Australia and identify opportunities for Hamilton and provide feedback on these options to Council in early 2021.

Reduction in service level to the community

125. Council could choose to alter the level of service delivered to the community and as a consequence reduce net operating cost. Staff have identified service level reduction projects that could be implemented within this Long-Term Plan below in Table 6 and 7 The reduction in the service level has not been included in the proposed draft 2021-31 Long-Term Plan budget. If the change in service level is significant, Council will need to disclose the change in service level in the Consultation Document.

Table 6: Potential Reductions in Service Levels – Parks and Recreation activity

Activity	Current service level	Service level reduction	Implication for the community	Annual operating expenditure reduction uninflated
Streetscape planting	Some of the cities streetscapes, roundabouts etc. are planted with annual bedding features	Reduce size or remove annual bedding sites from streetscapes	Reduced plantings could result in increased community dissatisfaction	\$150,000
Parks maintenance	Parks across the city are maintained to a set standard. Mowing and bin clearances are undertaken to a level that supports community use but is not inefficient (e.g. over mowing)	Reduce the mowing and rubbish collection across the city parks	Reduced service could result in increased community dissatisfaction and complaints	\$360,000
Pools	The cost of the Aquatic education programme (\$65,000) after funding received from Water Safety NZ (\$15,000) (2019/20) is \$50,000. 30 schools (6000 students) benefited from the programme in 2019/20.	Cease aquatic education programmes	As a river city, water safety is vitally important to wellbeing and Council has a role to play in supporting low cost and accessible options for the development of increased water safety capacity of Hamiltonians. Reduced service provision increases risk of drownings	\$50,000

Table 7: Potential Reductions in Service Levels – Transport activity

Activity	Current service level	Service level reduction	Implication for the community	Annual operating expenditure reduction uninflated
Litter	Regular street litter pick up and cleaning in the CBD between London-Hood Streets including Riff Raff park and PWC courtyard. Regular litter pickup (at least 3 x per week) on main roads and underpasses	CBD cleaning would be stopped between Monday-Saturday 11am-2pm. Reduction in patrolling main streets and underpasses 3 times per week to 1-2 times per week. Gum removal from CBD streets would not take place	Increased dissatisfaction from business owners, shoppers and residents within the CBD. Rubbish bins would be fuller with the potential for rubbish to be overflowing onto footpaths. Main roads and underpasses would have an increase in litter.	\$250,000

Item 6

Activity	Current service level	Service level reduction	Implication for the community	Annual operating expenditure reduction uninflated
			Reputation of Hamilton being a Keep New Zealand Beautiful recipient would be damaged	
Street cleaning	Regular cleaning of road sumps, road sweeping and maintenance of minor stormwater devices. Road sweeping on main roads is on average once per month	Reduction in road sweeping from monthly to 3 monthly	Environmental risk and potential for increased flooding events. Resident dissatisfaction	\$150,000
Verge landscape and maintenance	Garden and shrub maintenance and mowing. This activity is completed on a 5-6 weekly cycle	Reduction in garden and shrub maintenance from 5-6 weekly to 8-9 weekly	Maintenance would become reactive more than proactive. Estimate an increase in customer complaints of 20-30%. Increase time of completing this work, which would require a change of methodology for delivery	\$300,000
Education	Delivery of community education programmes including workplace travel planning; smart travel; school travel. This programme attracts NZTA subsidy	Reduce the delivery of transport education programmes to workplaces and schools	The full cost of this activity is \$769,000 which is offset by \$392,000 in NZTA funding. A reduction in the delivery of the programme may impact the funding received. The programme supports safe travel initiatives across the city to encourage alternative ways of travel	\$100,000

Priority Two: a city where our people thrive

126. Priority Two is about actively creating opportunities for our people to thrive in their jobs, careers, and lives so they can leverage the wonderful lifestyle and opportunities our city has to offer.

127. The five key focus areas for Priority Two are:

- We'll work with partners like central government and other councils to specifically deliver fast and efficient transport connections to connect Hamilton quickly to places like Auckland and Tauranga.
- We'll look beyond our borders and work with our regional partners to maximise the opportunities from Hamilton being the hub of the Waikato region.
- We'll make sure our economic strength is further leveraged and that Hamilton is known as a great place to work and do business.
- We'll empower and enable our diverse communities to share their voice, and shape their city.
- We'll invest in the right infrastructure to make sure Hamilton is an attractive place for businesses to succeed.

Items recommended for inclusion in the Proposed Draft 2021-31 Long-Term Plan budget

Capital programme

128. The proposed capital programme aligned to delivering on Priority Two: a city where our people thrive is \$266M over the 10 years with a net contribution by Council of \$156M.

129. The detail of this proposed programme structure by programme and project is outlined below in Table 8. The full details of the projects are in **Attachment 6: P2 Funded Capital**.

Table 8: Funded capital programme aligned to Priority Two: a city where our people thrive

Ref	Funded Capital Programme for P2 by programme	Net Capex 10 Year \$000 uninflated	Gross Capex 10 Year \$000 uninflated
1.0	Renewals & Compliance Programme	71,682	111,312
1.1	City Safe Renewals and Upgrades	1,390	1,390
1.2	Strategic Property Renewals	3,594	3,594
1.3	Bridge Renewals	740	1,192
1.4	Bridge Resilience Programme	990	2,980
1.5	City Directional Signage Upgrade	250	477
1.6	Parking Building and Equipment Renewals and Upgrades	912	912
1.7	Road Resurfacing and Pavement Renewals	63,806	100,767
2.0	City Wide Transport Programme	6,754	18,397
2.1	Cross City Connector	1,103	2,250
2.2	Ring Road/Cobham Interchange	5,651	16,147
3.0	Peacocke Programme	9,335	9,335
3.1	Southern Links Designation Provisions	9,335	9,335
4.0	Rotokauri Programme	4,580	4,580
4.1	Arthur Porter Realignment	4,470	4,470
4.2	Te Rapa North - The Boulevard	110	110
5.0	Ruakura Programme	38,708	97,617
5.1	Ruakura East Transport corridor, including Fifth Ave Extension	32,658	64,567
5.2	Ruakura West Road	2,550	29,550
5.3	Ruakura Wastewater Pipeline	3,500	3,500
6.0	Te Rapa North Programme	15,880	15,880

Ref	Funded Capital Programme for P2 by programme	Net Capex 10 Year \$000 uninflated	Gross Capex 10 Year \$000 uninflated
6.1	Arthur Porter/Koura Interchange	15,880	15,880
7.0	Subregional Programme	9,000	9,000
7.1	Subregional Wastewater Treatment Plant - Design	9,000	9,000
	Total Funded	155,938	266,120

Operating Programme

130. As well as considering investment in new projects, the proposed draft 2021-31 Long-Term Plan budget recognises that we are already undertaking significant operational activity to deliver on this priority for the community.
131. The following groups of activities, and the associated budgets, have been identified as primarily delivering to this priority. The proposed budget assumes that Council will continue to delivery these activities to current levels of service (noting that some of the sub activities within each group of activity also support other priorities).

a) Governance

Governance and public affairs

- The governance activity enables the provision of open and effective governance and opportunities for people to be involved in shaping our city by:
 - Enabling, promoting and supporting local democracy decision making by providing governance advice and democratic services to Elected Members, Maangai Maaori, Appointed Members, staff and our community.
 - Effectively managing the triennial local government elections, by-elections, Council and Committee meetings, petitions, referenda, polls, and representation reviews.
 - Fostering opportunities for Maaori to be involved in Council decision-making through relationships, service contracts, the Co-governance Forum with Waikato-Tainui, and Maangai Maaori arrangements.
 - Providing induction, training and administration support to the city's decision makers.

Partnership with Maaori

- Our partnerships with iwi, mana whenua and maata waka organisations assist us in ensuring Hamilton is a city where people from different cultures work together and respect each other's views, heritage, culture and strengths.
- Our Amorangi Maaori (Maaori Relationship Manager) provides support and advice on issues related to Maaori, particularly building stronger relationships.

b) Community services

Community development

- The community development activity facilities support the wellbeing of our communities, with the Community Advisors using community-led processes to work alongside communities with a wide range of interests, including social, economic and cultural development.
- Council provides grants to community groups to enable local organisations to deliver services and activities for local communities.

Libraries

- Hamilton City Libraries promotes literacy and lifelong learning through a network of six libraries and the online eBook collection.
- Services and programmes include provision of books and other materials in a range of formats, literacy-based community programmes and events and the collection and preservation of the documentary heritage of the city.

- The libraries also provide spaces for people to meet and participate in meaningful social activities.

c) City Planning and Growth

City planning

- The city planning activity is responsible for managing the urban environment of Hamilton by using the mechanisms of the Operative District Plan and land use planning obligations under the RMA.
- Council also must plan for sufficient supply of residential and employment land as directed by the NPS-UDC.
- This activity also is responsible for implementing the Heritage Plan and the Heritage Fund and providing advice on urban design and administering the Urban Design Panel.

Planning guidance

- The planning guidance activity is responsible for enabling sustainable development by approving land use and subdivision resource consent applications for residential and commercial development, road naming application and licencing and easements, and monitoring and enforcement of conditions of resource consents.
- The activity also provides advice and information to customers and the community in relation to the District Plan and resource consent process.

Building control

- The building control activity provides advisory, education, compliance and enforcement roles to ensure that buildings are constructed to meet the requirements of the New Zealand Building Act and Building Code and achieve acceptable standards for the health and safety of building users.

d) Safety

Animal education and control

- The animal education and control activity reduces the risk of danger and nuisance from dogs by registering and controlled dogs within the city, and investigates offences under the Dog Control Act 1996.
- The activity also provides education to schools, businesses and community groups about safety around dogs.

Environmental health

- The environmental health activity monitors the standards of food safety and suitability in Hamilton food businesses and other regulated businesses.
- The activity manages the effects of noise from land use activity in residential areas, manages the effects of contaminants in soil and hazardous facilities and responds to complaints under the Health Act.

Alcohol licensing

- The alcohol licensing activity regulates the sale and supply of alcohol through licensing.

Public safety

- The city safe operations activity provides a monitored CCTV camera network, the removal of graffiti by Tagbusters, the central city safety team and the suburban response team.

Civil defence

- Through the emergency management activity, Council helps the community be resilient and ready to deal with an emergency.
- We support the Waikato Region Civil Defence and Emergency Management Group to meet legal requirements, minimise potential effects of emergencies, prepare our

people to respond to emergencies and recover as quickly as possible after an emergency.

132. The levels of service associated with these activities are assumed to be at the same level as currently delivered within the 2018-2028 10-Year Plan.
133. The proposed operating budget (excluding allocation of general rate revenue) for the activities that have been associated to this priority is outlined below in Table 9. The detailed draft prospective Statement of Revenue and Expenditure are in **Attachment 3: Operating Activity Statements**.

Table 9: Operating budget aligned to Priority Two: a city that's easy to live in

\$000 Inflated	Annual Plan 2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
Activity: Governance											
Revenue	2	-	157	-	-	169	-	-	181	-	-
Expenditure	3,214	3,260	3,993	3,470	3,606	4,317	3,759	3,826	4,599	3,989	4,123
Operating surplus/ (deficit)	(3,212)	(3,260)	(3,836)	(3,470)	(3,606)	(4,148)	(3,759)	(3,826)	(4,419)	(3,989)	(4,123)
Activity: Community Services											
Revenue	600	868	651	668	735	752	769	786	805	823	841
Expenditure	38,502	26,079	22,312	24,170	23,131	21,748	22,005	22,538	22,634	23,512	23,520
Operating surplus/ (deficit)	(37,902)	(25,211)	(21,661)	(23,503)	(22,396)	(20,996)	(21,236)	(21,751)	(21,829)	(22,689)	(22,680)
Activity: City Planning and Growth											
Revenue	8,503	10,410	10,991	11,309	11,642	11,790	12,108	12,678	13,048	13,267	13,393
Expenditure	16,681	20,153	19,622	18,841	19,127	20,036	20,112	19,534	19,471	19,693	19,809
Operating surplus/ (deficit)	(8,178)	(9,743)	(8,631)	(7,532)	(7,485)	(8,246)	(8,005)	(6,857)	(6,423)	(6,426)	(6,417)
Activity: Safety											
Revenue	2,021	2,173	2,254	2,307	2,360	2,413	2,465	2,520	2,577	2,634	2,689
Expenditure	6,621	7,016	7,207	7,370	7,753	8,051	8,254	8,426	8,582	8,771	8,955
Operating surplus/ (deficit)	(4,600)	(4,843)	(4,953)	(5,063)	(5,393)	(5,638)	(5,789)	(5,906)	(6,005)	(6,137)	(6,266)

134. The safety activity includes the continuation of the Suburban Response Team, at a cost of \$250,000 per annum.
135. The governance activity includes the proposed budget for the implementation of the He Pou Manawa Ora strategy programme of \$1M. This represents approximately one third of the funding identified for full implementation of the strategy, but will allow Council to get key

initiatives underway. Staff also note a number of activities in existing budgets support the outcomes of He Pou Manawa Ora, including Iwi resource to support District Plan review, resource to review the Naming of roads, open spaces and Council facilities policy and investment in cultural identity at our libraries.

136. The community and growth groups (HCC customer and regulatory services) are working together to roll out the delivery of Council services (transactional) at libraries across the city. Chartwell Library will be the first offering rates payments commencing late February 2021. The first full service centre at a council community facility will be Rototuna Hub, which is aiming to offer full customer service, plus pop up options for regulatory and other HCC services. Any future hub (e.g. Hillcrest Library) or community facilities upgrades will be developed considering this model, depending on the requirements and needs of the local community. Hubs will also likely offer other relevant services to the community for example Waikato District Council may wish to have service provision at Hillcrest to serve their residents close to the city boundary.

Items not recommended for inclusion in the Proposed Draft 2021-31 Long-Term Plan budget

Capital projects

137. The capital projects not included in the proposed draft 2021-31 Long-Term Plan budget are outlined below in Table 10. The full details of the projects are in **Attachment 7: P2 Unfunded Capital**.

Table 10: Unfunded capital programme aligned to Priority Two: a city where our people thrive

Ref	Unfunded Capital Programme for P2 by programme	Net Capex 10 Year \$000 Uninflated	Gross Capex 10 Year \$000 uninflated
1.0	City Wide Transport Programme	27,781	52,799
1.1	Ring Road 4 laning	25,665	50,682
1.2	Morrinsville Transport Corridor	2,117	2,117
2.0	Rotokauri Programme	1,805	1,805
2.1	Sewer pump station - Ruffel Road	1,805	1,805
3.0	Ruakura Programme	1,320	1,320
3.1	Pardoa Boulevard 4 Laning	1,320	1,320
4.0	Te Rapa North Programme	17,473	17,473
4.1	Te Rapa New Collector	1,644	1,644
4.2	Te Rapa North Wastewater	11,074	11,074
4.3	Te Rapa North Water Supply	4,756	4,756
5.0	Subregional Programme	100,000	100,000
5.1	Subregional Wastewater Treatment Plant - Implementation	100,000	100,000
	Total Unfunded	148,380	173,397

Operating programme

138. The operational proposals not included in the proposed draft 2021-31 Long-Term Plan budget are outlined below in Table 11. The full details of the projects are in **Attachment 8: P2 Unfunded operational proposals**.

Table 11: Unfunded operational proposals aligned to Priority Two: a city where our people thrive

Ref	Unfunded Operational Projects for P2	Gross Opex 10 Year \$000 uninflated
1.1	Community Events support	4,150
1.2	Creative Sector Match Funding	2,500
1.3	Communication and Engagement Support	1,000

Ref	Unfunded Operational Projects for P2	Gross Opex 10 Year \$000 uninflated
1.4	He Pou Manawa Ora Programme	1,470
	Total Unfunded	9,120

139. The risk of not funding the communication and engagement position is that the improved outcomes for community engagement and media management identified as priorities through the Chief Executive's performance measures, cannot be achieved without additional resource. As Council's work programme increases, the level of service the Communication and Engagement Unit can deliver will reduce. This means the increased demand for communication and engagement activity may not fully be met.

Reduction in service level to the community

140. Council could choose to alter the level of service delivered to the community and as an consequence reduce net operating cost. Staff have identified service level reduction projects that could be implemented within this Long-Term Plan below in Table 12 and 13. The reduction in the service level has not been included in the proposed draft 2021-31 Long-Term Plan budget. If the change in service level is significant, Council will need to disclose the change in service level in the Consultation Document.

Table 12: Potential Reductions in Service Levels – Community Services

Activity	Current service level	Service level reduction	Implication for the community	Annual operating expenditure reduction uninflated
Libraries	Auaha, the central library maker space provides an accessible low cost opportunity for the community to experience emerging technologies and develop STEAM literacy skills. This is now a common provision for modern public libraries	Stop providing the Auaha makerspace activity	Customer dissatisfaction and reduced visitation of Central Library. Not meeting community expectation re modern library service	\$110,000
Libraries	The Libraries currently offer a range of programmes and events to the community which support the development of literacy skills. These include wriggle and rhyme, storytime and digital literacy and inclusion programming. Last year the library delivered 1300 programmes and events	Reduced programming and events to offer community by Libraries	This is likely to result substantial community dissatisfaction as events and programming to support literacy development are seen as a core part of modern library service provision	\$120,000
Libraries	The Central Library is currently open 9.30am - 8pm Monday – Friday, 9am – 4pm Saturday and 12pm – 3.30 pm Sunday	Close Central Library at 5pm (M, T, W, F) keeping late night Thursday	Benchmarked libraries around NZ offer similar, or longer opening hours. There is risk of community dissatisfaction. Previous reductions to Libraries hours have been unpopular with the community	\$80,000

Table 13: Potential Reductions in Service Levels – Safety

Activity	Current service level	Service level reduction	Implication for the community	Annual operating expenditure reduction uninflated
City Planning – cat de-sexing fund	Council provides a fund to support the de-sexing of feral and stray cats	Cease funding this activity	2000 feral and stray cats will not be de-sexed leading to increased litters and increased environmental impact	\$100,000
Customer Services	Current hours are the public can visit the service centre Monday-Friday 7.45am to 5pm	Reduce hours of operation in the service centre	This would result in a major impact on level of customer service provided, increase the response time/wait time for customers and reduce the hours the service centre is open	\$150,000

Priority Three: a central city where people love to be

141. Priority Three is about our central city being the beating heart of Hamilton which always has something going on for our diverse communities to come together and enjoy.
142. The five key focus areas for Priority Three are:
- i. We'll strengthen the connection and access between the city centre and the Waikato River.
 - ii. We'll promote daytime and evening activity.
 - iii. We'll create performance spaces such as the new regional theatre and leverage existing central city spaces to support arts and culture initiatives which offer something unique to our city.
 - iv. We'll support mixed inner-city living options which encourage people to live in Hamilton's central city alongside vibrant retail, hospitality and entertainment sectors.
 - v. We'll make it easy to get into and around the city through a range of alternative travel options.

Items recommended for inclusion in the Proposed Draft 2021-31 Long-Term Plan budget

Capital programme

143. The proposed capital programme aligned to delivering on Priority Three: a central city where people love to be is \$17M over the 10 years with a net contribution by Council of \$16M.
144. The detail of this programme structure by programme and project is outlined below in Table 14. The full details of the projects are in **Attachment 9: P3 Funded Capital**.

Table 14: Funded capital programme aligned to Priority Three: a central city where people love to be

Ref	Funded Capital Programme for P3 by programme	Net Capex 10 Year \$000 uninflated	Gross Capex 10 Year \$000 uninflated
1.0	Renewals & Compliance Programme	6,074	6,074
1.1	Transport Building Renewals	6,074	6,074
2.0	City Wide Transport Programme	9,473	11,050
2.1	Central City Street Furniture Replacement	-	200
2.2	City Central - Intersection Upgrades – Subsidised (Ward Street)	1,323	2,700
2.3	Alexandra Street Upgrade - (Hood to Collingwood)	5,000	5,000
2.4	City Central - Intersection Upgrades – Non-subsidised (Tristram/Collingwood)	3,150	3,150
	Total Funded	15,547	17,124

Operating programme

145. No specific group of activities has been allocated to this priority as it is recognised the activation of the central city is contributed by all parts of council activity and by key capital projects.

Central City and River Development Targeted Rate

146. It is proposed a Central City and River Development targeted rate based on capital value is established to provide revenue to fund both capital and operating projects that support the delivery of projects that improve the access from the central city to the awa and promote development in the central city (note the projects for the Museum are covered under the Community Attractions targeted rate). The funding from this targeted rate will be used to fund the projects and the consequential operating impact arising from the capital projects.
147. It is proposed the targeted rate is set at a level that results in an average additional rate increase equivalent to \$40 per separately used or inhabited part (SUIP).

148. The capital projects proposed to be included in the capital budget, if the Central City and River Development targeted rate is approved are listed below in Table 15.

Table 15: Capital Projects funded by Central City and River Development targeted rate

Ref	Capital Programmed funded by Central City and River Development targeted rate	Net Capex 10 Years \$000 uninflated	Gross Capex 10 Years \$000 uninflated
1.0	City Wide Community Programme		
1.1	River Plan - South End Precinct	5,005	5,005
1.2	River Plan - Wayfinding Jetty to Victoria Street	42	42
1.3	River Plan – Wayfinding City to Gardens	325	325
1.4	River Plan - Wellington Street Beach	4,212	4,212
1.5	River Plan- Jetty at Hamilton Gardens	2,396	2,396
1.6	Ferrybank Park Enhancement - Municipal Pool Site	1,352	1,352
2.0	City Wide Transport Programme		
2.1	Ferrybank Walking and Cycling Bridge	9,360	26,000
2.2	Ward Street - Tristram to Anglesea	2,205	4,500
2.3	Sapper Moore-Jones and Victoria St - Theatre Access & Pedestrian Environment	1,000	1,000
	Funded by Central City and River Development targeted rate	25,896	44,831

149. Staff note that these specific projects may be refined through the Central City and River Plan Advisory Group.

Items not recommended for inclusion in the Proposed Draft 2021-31 Long-Term Plan budget

Capital projects

150. The capital projects not included in the proposed draft 2021-31 Long-Term Plan budget are outlined below in Table 16. The full details of the projects are in **Attachment 10: P3 Unfunded capital programme**.

Table 16: Unfunded capital programme aligned to Priority Three: a central city where people love to be

Ref	Unfunded Capital Programme for P3 by programme	Net Capex 10 Year \$000 uninflated	Gross Capex 10 Year \$000 uninflated
1.1	City Wide Community Programme	8,001	8,001
1.2	River Plan - Victoria Street Building Redevelopment	8,001	8,001
2.0	City Wide Transport Programme	30,099	32,180
2.1	City Central - Intersection upgrades – Subsidised (Tristram/Rostrevor)	1,999	4,080
2.2	City Central - Intersection upgrades – Non-subsidised (Ruakiwi/Lake Domain/Tainui)	4,100	4,100
2.3	Alexandra Street Upgrade - Collingwood to Caro St	10,000	10,000
2.4	Rostrevor St (Tristram to Norton)	6,000	6,000
2.5	Worley Place (Caro to Ward)	8,000	8,000
3.0	City Wide Waters Programme	25,000	25,000
3.1	Water CBD Intensification	25,000	25,000
	Total Unfunded	63,100	65,181

Operating programme

151. There are no proposed operating proposals that have not been included in the proposed draft 2021-31 Long-Term Plan budget for this priority.

Priority Four: a fun city with lots to do

152. Priority Four is about wanting Hamilton to be an even better place for everyone to play, with things to do or see around every corner.
153. The five key focus areas for Priority Four are:
- We'll develop open community spaces like Korikori Park in Rototuna and Minogue Park in Forest Lake that are accessible to everyone to enjoy and be part of.
 - We'll invest in and enhance Waikato Museum, Hamilton Gardens, Hamilton Zoo and Waiwhakareke Natural Heritage Park to create new and unique experiences for our people and visitors.
 - We'll host and celebrate city events like the Hamilton Gardens Arts Festival and Balloons over Waikato.
 - We'll actively celebrate and promote a city where residents have the opportunity to have fun with their friends and family.
 - We'll support local sports events by investing in play spaces and we'll work hard to attract national and international sports events to our city.

Items recommended for inclusion in the Proposed Draft 2021-31 Long-Term Plan budget

Capital programme

154. The proposed capital programme aligned to delivering on Priority Four: a fun city with lots to do is \$287M over the 10 years with a net contribution by Council of \$279M.
155. The detail of this proposed programme structure by programme and project is outlined below in Table 17. The full details of the projects are in **Attachment 11: P4 Funded capital**.

Table 17: Funded capital programme aligned to Priority Four: a fun city with lots to do

Ref	Funded Capital Programme for P4 by programme	Net Capex 10 Year \$000 uninflated	Gross Capex 10 Year \$000 uninflated
1.0	Renewals & Compliance Programme	204,686	204,686
1.1	Parks and Open Spaces Renewals	62,487	62,487
1.2	Claudlands Renewals	26,690	26,690
1.3	FMG Waikato Stadium Renewals	34,208	34,208
1.4	Seddon Park Renewals	5,229	5,229
1.5	VTME Minor Site Renewals	95	95
1.6	VTME Security, Health and Safety Programmes	5,662	5,662
1.7	VTME Technical and Turf Service Equipment Renewals	3,502	3,502
1.8	Hamilton Garden Renewals	4,828	4,828
1.9	Hamilton Zoo Renewals	25,822	25,822
1.10	Zoo Safety and Compliance Requirements	2,748	2,748
1.11	Aquatics Renewals	21,876	21,876
1.12	Museum Renewals	11,537	11,537
2.0	City Wide Community Programme	34,066	42,027
2.1	Play Spaces Programme	5,353	5,853
2.2	West Town Belt Implementation - Founders Theatre Site Upgrade	3,893	3,893
2.3	Pukete Neighbourhood House	1,300	1,950
2.4	Indoor Recreation - Te Rapa Sportsdrome Upgrade	356	356
2.5	Sports Parks Floodlighting & Safety Lighting Improvements	2,220	4,399
2.6	Sports Parks Toilets & Changing Room Improvement Programme	4,533	4,533
2.7	Hamilton Gardens Development Programme	10,081	13,381
2.8	Zoo and Waiwhakareke Entrance Precinct	742	1,642

Ref	Funded Capital Programme for P4 by programme	Net Capex 10 Year \$000 uninflated	Gross Capex 10 Year \$000 uninflated
2.9	Lido Cover	5,588	5,588
2.10	Museum Vertical Maze	-	432
3.0	Rototuna Programme	4,898	4,898
3.1	Rototuna Parks - Neighbourhood Parks	4,898	4,898
4.0	Peacocke Programme	35,048	35,048
4.1	Peacocke Network Stage One - Neighbourhood Parks	1,099	1,099
4.2	Peacocke Network Stage Two - Neighbourhood Parks	7,764	7,764
4.3	Peacocke Stage 2 - Sports Parks and Reserve Land Acquisition and Development.	26,185	26,185
	Total Funded	278,697	286,658

Operating programme

156. As well as considering investment in new projects, the proposed draft 2021-31 Long-Term Plan budget recognises that we are already undertaking significant operational activity to deliver on this priority for the community.
157. The following groups of activities, and the associated budgets, have been identified as primarily delivering to this priority. The proposed budget assumes that Council will continue to delivery these activities to current levels of service (noting that some of the sub activities within each group of activity also support other priorities).

a) Venues, Tourism and Major Events

Claudlands, FMG Stadium, Seddon Park

- The Venues, Tourism and Major Events activities showcase and leverage Hamilton's event venues and visitor attractions to support local business opportunities, stimulate our economy and promote our city.
- Council manages the three venues of Claudlands, FMG Stadium and Seddon Park which offer space for live entertainment, business meetings, functions, large sports events and other major events.

Event sponsorship

- Council provides funding for event sponsorship and annual funding to the regional tourism organisation, Hamilton and Waikato Tourism Ltd.

b) Visitor Destinations

Hamilton Gardens, Waikato Museum, i-SITE, Hamilton Zoo and Waiwhakareke

- The visitor attractions activities provide unique experiences for residents and visitors.
- The spaces provide community recreational space and a variety of settings and venues that can be used for events.
- Recreational and educational programmes are provided through the attractions.
- The Waikato Museum cares for, preserves and shares stories about the objects and taonga of the Waikato region and the Hamilton Zoo and Waiwhakareke also works towards conserving wildlife and natural habitats.

158. The levels of service associated to these activities are assumed to be at the same level as currently delivered within the 2018-2028 10-Year Plan.
159. The proposed operating budget (excluded allocation of general rate revenue) for the activities that have been associated to this priority is outlined below in Table 18. The detailed draft prospective Statement of Revenue and Expenditure are in **Attachment 3: Operating Activity Statements**.

Table 18: Operating budget aligned to Priority Four a fun city with lots to do

\$000 Inflated	Annual Plan 2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
Activity: Venues, Tourism and Major Events											
Revenue	3,824	5,265	8,533	8,389	5,887	6,021	6,154	6,293	6,437	6,581	6,718
Expenditure	22,305	26,085	27,543	29,690	28,101	29,289	29,384	29,505	30,652	30,012	30,153
Operating surplus/ (deficit)	(18,481)	(20,820)	(19,010)	(21,301)	(22,214)	(23,268)	(23,230)	(23,212)	(24,215)	(23,431)	(23,435)
Activity: Visitor Destinations											
Revenue	2,659	3,633	3,402	3,711	3,874	3,985	3,522	3,625	4,126	4,617	5,124
Expenditure	17,221	18,760	20,435	20,681	21,556	23,594	23,213	23,925	24,954	25,038	25,533
Operating surplus/ (deficit)	(14,562)	(15,127)	(17,034)	(16,970)	(17,682)	(19,610)	(19,690)	(20,300)	(20,828)	(20,421)	(20,409)

Community Attractions Targeted Rate

160. It is proposed a Community Attractions targeted rate based on capital value is established to provide revenue to fund both capital and operating projects that support the enhancement of Hamilton's family and visitor attractions. The funding from this targeted rate will be used to fund the projects and the consequential operating impact arising from the capital projects.
161. It is proposed the targeted rate is set at a level that results in an average additional rate equivalent to \$55 per separately used or inhabited part (SUIP).
162. The capital projects proposed to be included in the capital budget, if the Community Attractions targeted rate is approved are listed below in Table 19.

Table 19: Capital Projects funded by Community Attractions targeted rate

Ref	Capital Programme funded by Community Attractions targeted rate	Net Capex 10 Year \$000 uninflated	Gross Capex 10 Year \$000 uninflated
1.1	Zoo Master Plan Implementation - Animal Exhibit Projects	2,500	2,500
1.2	Zoo Master Plan Implementation - Savannah Accom Stage 1	4,625	4,625
1.3	Zoo/Waiwhakareke Shared Entry Precinct - Stage 2 - Visitor Connections	3,909	3,909
1.4	Museum River Entrance	6,600	6,600
1.5	Museum Loading Bay	671	671
1.6	Museum Road Entrance Upgrade	3,600	3,600
1.7	Hamilton Gardens Development Programme	10,081	13,381

Items not recommended for inclusion in the Proposed Draft 2021-31 Long-Term Plan budget**Capital projects**

163. The capital projects not included in the proposed draft 2021-31 Long-Term Plan budget are outlined below in Table 20. The full details of the projects are in **Attachment 12: P4 Unfunded capital programme**.

Table 20: Unfunded capital programme aligned to Priority Four: a fun city with lots to

Ref	Unfunded Capital Programme for P4 by programme	Net Capex 10 Year \$000 uninflated	Gross Capex 10 Year \$000 uninflated
1.0	City Wide Community Programme	43,767	44,467
1.1	Public Toilet Facilities Programme	1,710	1,710
1.2	West Town Belt Heart Park Upgrade	4,660	4,660
1.3	Sports Parks Drainage & Irrigation Improvement Programme	8,466	8,466
1.4	Visitor Destinations, Aquatics - Mobility & Accessibility Equipment Improvements	164	164
1.5	Zoo/Waiwhakareke Shared Entry Precinct - Stage 3 - Function & Education Centre	5,615	6,315
1.6	Waterworld Leisure Pool	21,352	21,352
1.7	Museum Kiingitanga Exhibition	1,800	1,800
2.0	Rototuna Programme	22,580	22,580
2.1	Rototuna Parks - Sports Park Development	22,580	22,580
3.0	Rotokauri Programme	19,694	19,694
3.1	Rotokauri Stage 1 - Neighbourhood Parks	1,098	1,098
3.2	Rotokauri Stage 2 - Community and Neighbourhood Parks	11,000	11,000
3.3	Rotokauri Stage 1 - Sports Park Development	7,596	7,596
	Total Unfunded	86,040	86,740

Operating programme

164. The operational proposals not included in the proposed draft 2021-31 Long-Term Plan budget are outlined below in Table 21. The full details of the projects are in **Attachment 13: P4 Unfunded operational proposals**.

Table 21: Operational proposals aligned to Priority Four: a fun city with lots to

Ref	Unfunded Operational Projects for P4	Gross Opex 10 Year \$000 uninflated
1.1	Aquatics pool maintenance	600
1.2	Asset condition assessment	1,500
1.3	Rototuna Pool	1,077
1.4	Funding for Partner Pools	500
1.5	Blockbuster and Exscite interactive	1,070
1.6	Venue & Event Security Programme	1,380
	Total Unfunded	6,127

Reduction in service level to the community

165. Council could choose to alter the level of service delivered to the community and as a consequence reduce net operating cost. Staff have identified service level reduction projects that could be implemented within this Long-Term Plan below in Table 22. The reduction in the service level has not been included in the proposed draft 2021-31 Long-Term Plan budget. If the change in service level is significant, Council will need to disclose the change in service level in the Consultation Document.

Table 22: Potential Reductions in Service Levels – Visitor Destinations

Activity	Current service level	Service level reduction	Implication for the community	Annual operating expenditure reduction uninflated
Museum	Annual revenue for the museum is currently \$360,000	Increase fee revenue by 5%	Community and visitor dissatisfaction if this is achieved through an increased entry fee for exhibitions and Excite	Additional revenue of \$15,000
Museum	Museum educator-led education programmes for schools (city, region and North Island), public education programmes available to residents and visitors and the school-holiday programmes Uptake of programme: School visits – 6,132 students (income around \$60K pa) Public programmes – 10,683 people (income around \$7.5K pa) School holiday programmes – 581 children (income around \$26k)	Removal of the Museum lead education service. The Museum will not have the ability to host school visits, public education offerings and the school holiday programme or any public programmes and events.	Reputational risk for the following reasons: The core purpose of museums is to educate and inspire; educational programmes are fundamental to the delivery of this purpose. Community and customer backlash about the loss of a longstanding and well utilised service. Loss of reputation in the museum, arts and science centre sectors. Stakeholder dissatisfaction e.g. Friends of the Museum, schools regionally, arts and culture groups and the Ministry of Education (including loss of MoE funding for education initiatives currently \$30kpa + one FTE for a digital learning contract with strong Maaori dimensions).	\$150,000 less the loss of associated revenue of \$90,000 pa
Hamilton Gardens	The current marketing budget for Hamilton Gardens is \$200,000. This covers all aspect of advertising, marketing and promotion of the Gardens.	The reduction in Hamilton Gardens marketing budget from \$200,000 to \$150,000. This saving could be spread across Visitor Destinations to minimise impact on Gardens.	Lower visitation and lack of awareness of products / offering at each of our Visitor Destinations.	\$50,000
Zoo/ Waiwhakareke	Entry fees for the Zoo are currently \$26 for an adult, \$12 for a child and \$71 for a family (2 adults and up to 4 children)	\$1 fee addition at the gate for Waiwhakareke/Zoo conservation projects. Such increases have been successful at other Australasian institutions when the	May be some community and visitor dissatisfaction due to increased fee.	Additional Revenue \$150,000

		increased revenue has been linked to a particular outcome and this is clearly communicated to those paying.		
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Item 6

Priority Five: a green city

166. Priority Five is about wanting to make it greener together, so our city will get better by day and we can leave a legacy we can all be proud of.
167. The five key focus areas for Priority Five are:
- We'll protect and restore our natural gully network and the biodiversity of the city to increase how green our city is making it healthier and stronger.
 - We'll reduce the carbon footprint of the city and build a city that is resilient to the effects of climate change.
 - We'll mitigate the impact of the city on the health and wellbeing of the Waikato River and Lake Rotoroa (Hamilton Lake).
 - We'll encourage and enable alternative ways to move safely and quickly around our city.
 - We'll plan our future as a sustainable city - balancing the natural and built environments so they can live in harmony.

Items recommended for inclusion in the Proposed Draft 2021-31 Long-Term Plan budget

Capital programme

168. The proposed capital programme aligned to delivering on Priority Five: a green city is \$690M over the 10 years with a net contribution by Council of \$639M. This priority includes the infrastructure related to protecting the awa such as stormwater and wastewater discharge.
169. The detail of this proposed programme structure by programme and project is outlined below in Table 23. The full details of the projects are in **Attachment 14: P5 Funded Capital**.

Table 23: Capital programme aligned to Priority Five: a green city

Ref	Funded Capital Programme for P5 by programme	Net Capex 10 Years \$000 uninflated	Gross Capex 10 Years \$000 uninflated
1.0	Renewals & Compliance Programme	258,359	267,887
1.1	Closed Landfill Management and Asset Renewals	4,275	4,275
1.2	Reconfiguration of Refuse Transfer Station	1,645	1,645
1.3	Refuse Drop Off Points	200	200
1.4	Refuse Transfer Station and Hamilton Organic Centre Building Renewals	2,667	2,667
1.5	Wastewater Model	1,499	1,499
1.6	Wastewater Network Improvements	13,711	13,711
1.7	Wastewater Renewals	60,214	60,214
1.8	Wastewater Treatment Plant Compliance	16,033	16,033
1.9	Wastewater Treatment Plant Renewals	33,718	33,718
1.10	Water Model	1,352	1,352
1.11	Water Network Improvements	4,479	4,479
1.12	Water Reticulation Renewals	55,499	55,499
1.13	Water Treatment Plant and Reservoir Asset Renewals	16,316	16,316
1.14	Water Treatment Plant Compliance and Minor Upgrades	12,486	12,486
1.15	Comprehensive Stormwater Consent	3,546	3,546
1.16	Stormwater Asset Renewals	10,848	10,848
1.17	Stormwater Device Upgrades	1,651	1,651
1.18	Drainage Renewals	16,525	26,053
1.19	Erosion Control	1,696	1,696
2.0	City Wide Community Programme	1,034	1,034
2.1	Waste Minimisation in Parks	60	60
2.2	Hamilton Lake Domain Wetland & Stormwater Daylighting	974	974

Ref	Funded Capital Programme for P5 by programme	Net Capex 10 Years \$000 uninflated	Gross Capex 10 Years \$000 uninflated
3.0	City Wide Waters Programme	342,887	344,387
3.1	City Wide Flood Management	15,759	15,759
3.2	Integrated Catchment Management Plan Development	9,404	9,404
3.3	Wastewater Developer Upsizing	4,750	5,500
3.4	Wastewater Master Planning	2,100	2,100
3.5	Wastewater Pump Station Upgrades	13,102	13,102
3.6	Wastewater Reticulation Upgrades	3,898	3,898
3.7	Wastewater Storage	72,554	72,554
3.8	Wastewater Treatment Plant Upgrade	100,170	100,170
3.9	Wastewater Western Interceptor	21,179	21,179
3.10	Eastern Reservoir Bulk Mains	8,200	8,200
3.11	Newcastle Demand Management Zone	13,957	13,957
3.12	Water Reservoirs	13,657	13,657
3.13	Water Demand Management Zones	534	534
3.14	Water Developer Upsizing	7,250	7,750
3.15	Water Master Planning	882	882
3.16	Water Treatment Plant Upgrade	30,350	30,350
3.17	Stormwater Developer Upsizing	3,750	4,000
3.18	Stormwater Intensification	6,625	6,625
3.19	City Wide Erosion Control	14,766	14,766
4.0	Rototuna Programme	11,330	11,330
4.1	Rototuna Village Supporting Infrastructure - Stormwater	1,465	1,465
4.2	Lake Magellan	2,246	2,246
4.3	Stormwater Improvements	6,186	6,186
4.4	Rototuna stormwater upsizing	1,433	1,433
5.0	Peacocke Programme	10,491	10,491
5.1	Integrated Catchment Management Plan - Stormwater Management and Treatment devices	7,115	7,115
5.2	Peacocke Network Stage One - Natural Areas and Gullies	651	651
5.3	Peacocke Network Stage Two - Natural Areas and Gullies	2,725	2,725
6.0	Rotokauri Programme	50,775	50,775
6.1	Rotokauri Swale Consents and Design	8,800	8,800
6.2	Rotokauri Swale channel only - Land, Procurement and Construction	28,746	28,746
6.3	Stormwater Upsizing	13,229	13,229
7.0	Ruakura Programme	1,000	4,000
7.1	Mangaonua Stream Protection	1,000	4,000
	Total Funded	675,876	689,903

Operating programme

170. As well as considering investment in new projects, the proposed draft 2021-31 Long-Term Plan budget recognises that we are already undertaking significant operational activity to deliver on this priority for the community.
171. The following groups of activities, and the associated budgets, have been identified as primarily delivering to this priority. The proposed budget assumes that Council will continue to delivery these activities to current levels of service (noting that some of the sub activities within each group of activity also support other priorities).

a) Water Supply

Water treatment and storage and water distribution

- The water supply activity is responsible for the provision of safe, high quality, reliable and sustainable water supply to Hamilton's residents and businesses by abstracting, treating, storing, distributing and managing Hamilton's water supply and through demand management initiatives to ensure wise and efficient use of water.

b) Wastewater

Wastewater collection

- The wastewater activity manages the collection of wastewater from drains from showers, baths, sinks, washing machines, dishwashers and toilets, and collects and transfers the wastewater through a network of pipes and pump stations to the wastewater treatment plant at Pukete.
- Wastewater from commercial and industrial premises also feeds into this network.

Wastewater treatment and disposal

- The wastewater treatment and disposal activities manages the plant where the wastewater is thoroughly treated before being discharged into the Waikato River. Solid waste (biosolids) removed as part of the treatment process is also treated on-site and then vermi-composted for reuse.

c) Stormwater

Stormwater network

- The stormwater activity is responsible managing the stormwater network which consists pipes, ponds, wetlands and open watercourses to collect and release rainwater into the city's streams, lakes and the Waikato River to protecting people and properties from flood damage, and to minimise the pollution of waterways.

d) Rubbish and recycling

Refuse collection and waste minimisation

- Our waste minimisation and recycling activity is responsible for the provision of reliable and sustainable service to Hamilton's residents and businesses by providing kerbside rubbish and recycling collection services, rubbish and recycling facilities and promoting and encouraging waste minimisation.

Landfill site management

- The landfill management activity is responsible for the provision of safe, reliable and sustainable closed landfill sites to Hamilton's residents and businesses by extracting, monitoring and treatment of the by-products from the landfills (i.e. bio-gas and leachate).

172. The levels of service associated to these activities are assumed to be at the same level as currently delivered within the 2018-2028 10-Year Plan.
173. The proposed operating budget (excluding allocation of general rate revenue) for the Activities that have been associated to this priority is outlined below in Table 24. The detailed draft prospective Statement of Revenue and Expenditure are in **Attachment 3: Operating Activity Statements**:

Table 24: Operating budget aligned on Priority Five: a green city

\$000 inflated	Annual Plan 2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
Activity: Water Supply											
Revenue	14,706	18,154	18,982	17,849	19,171	18,718	18,743	18,530	18,491	19,267	19,754
Expenditure	26,602	29,383	32,966	34,867	35,808	37,929	38,139	38,341	39,011	39,341	39,668
Operating surplus/ (deficit)	(11,896)	(11,229)	(13,984)	(17,018)	(16,637)	(19,211)	(19,396)	(19,812)	(20,520)	(20,074)	(19,914)
Activity: Wastewater											
Revenue	15,135	19,237	21,972	19,748	21,900	22,506	21,459	23,161	23,890	24,746	24,562
Expenditure	37,574	41,549	45,867	48,458	51,019	54,576	56,426	58,036	61,274	62,883	65,068
Operating surplus/ (deficit)	(22,439)	(22,312)	(23,894)	(28,710)	(29,119)	(32,070)	(34,967)	(34,875)	(37,384)	(38,137)	(40,507)
Activity: Stormwater											
Revenue	8,792	8,732	8,297	10,607	11,053	11,896	11,258	11,206	10,618	11,358	11,957
Expenditure	15,896	16,626	18,618	19,383	19,698	21,238	22,006	22,390	24,029	25,502	26,572
Operating surplus/ (deficit)	(7,104)	(7,894)	(10,321)	(8,776)	(8,645)	(9,342)	(10,748)	(11,184)	(13,411)	(14,144)	(14,614)
Activity: Rubbish and Recycling											
Revenue	962	1,015	1,034	1,052	1,070	1,088	1,106	1,124	1,143	1,161	1,179
Expenditure	10,684	10,010	10,982	11,325	11,779	12,621	12,991	13,717	14,241	14,802	13,629
Operating surplus/ (deficit)	(9,721)	(8,995)	(9,948)	(10,273)	(10,710)	(11,533)	(11,885)	(12,593)	(13,098)	(13,641)	(12,450)

Greener Hamilton Targeted Rate

174. It is proposed a Greener Hamilton targeted rate based on capital value is established to provide revenue to fund both capital and operating projects that support the delivery of climate change and biodiversity projects. The funding from this targeted rate will also be used to fund the projects and the consequential operating impact arising from the capital projects.
175. It is proposed the targeted rate is set at a level that results in an average additional rate increase of \$45 per separately used or inhabited part (SUIP).
176. The capital projects proposed to be included in the capital budget, if the Greener City targeted rate is approved are listed below in Table 25. In addition to the capital projects, supporting operational activity will be funded from the targeted rate such as the \$10M of operational support for the gully programme and climate change actions.

Table 25: Capital Projects funded by the Greener City targeted rate

Ref	Capital Programme funded by the Greener City targeted rate	Net Capex 10 Years \$000 uninflated	Gross Capex 10 Years \$000 uninflated
1.1	Nature in the City Portfolio Programme - Gully Restoration & Development	15,204	16,454
1.2	Waiwhakareke - Development Programme	1,250	1,250
1.3	Nature in the City operational budget	9,600	9,600

177. The Nature in the City programme will improve native vegetation cover and access (for maintenance and access purposes) across six main gully systems around the city. If the full investment programme is implemented, it will move the native vegetation cover measure from 2% to 5% over the 10 year period. Achieving the goal of 10% native vegetation cover in Hamilton (as per the Nature in the City Strategy) will require additional resourcing and strategic partnerships over a longer time period.
178. The focus of the capex investment is to improve access and restore the native vegetation cover, which will assist in improving the health of the gully ecosystems and biodiversity across the city.
179. The focus of the operational expenditure for the delivery of the Nature in the City Strategy will result in improved pest (plant and animal) control and the support, education and advice for gully groups and people who own gully sections, and the implementation of a monitoring programme to track the improvements in biodiversity – both fauna and flora.

Items not recommended for inclusion in the Proposed Draft 2021-31 Long-Term Plan budget

Capital projects

180. The capital projects not included in the proposed draft 2021-31 Long-Term Plan budget are outlined below in Table 26. The full details of the projects are in **Attachment 15: P5 Unfunded Capital**.

Table 26: Capital programme aligned to Priority Five: a green city

Ref	Unfunded Capital Programme for P5 by programme	Net Capex 10 Year \$000 uninflated	Gross Capex 10 Year \$000 uninflated
1.0	City Wide Community Programme	16,949	16,949
1.1	Taitua Arboretum Development	365	365
1.2	Nature in the City Portfolio Programme - Gully Restoration & Development	16,454	16,454
1.3	Waiwhakareke - Predator Proof Fence	130	130
2.0	City Wide Waters Programme	167,213	167,213
2.1	City Wide Flood Management – Additional Opportunities	3,801	3,801
2.2	Wastewater Intensification	31,634	31,634
2.3	Wastewater Master Planning – Additional Opportunities	1,600	1,600
2.4	Wastewater Pump Station Upgrades – Additional Opportunities	7,455	7,455
2.5	Water Reservoirs – Additional Opportunities	32,209	32,209
2.6	Strategic Demand Management Intervention	19,002	19,002
2.7	Stormwater Improvements to the Existing City	12,121	12,121
2.8	Stormwater Intensification - Additional Opportunities	25,000	25,000
2.9	City Wide Erosion Control – Additional Opportunities	1,560	1,560
2.10	Water Demand Management Zones – Additional Opportunities	6,380	6,380
2.11	Water Intensification - City Wide	25,000	25,000
2.12	Water Master Planning – Additional Opportunities	1,450	1,450
3.0	Rototuna Programme	799	799

Ref	Unfunded Capital Programme for P5 by programme	Net Capex 10 Year \$000 uninflated	Gross Capex 10 Year \$000 uninflated
3.1	Rototuna Village Tree Cells	799	799
	Total Unfunded	184,960	184,960

Operating programme

181. The operational proposals not included in the proposed draft 2021-31 Long-Term Plan budget are outlined below in Table 27. The full details of the projects are in **Attachment 16: P5 Unfunded Operational Proposals**.

Table 27: Operational proposals aligned to Priority Five: a green city

Ref	Unfunded Operational Projects for P5	Gross Opex 10 Year \$000 uninflated
1.1	Jetting and cleaning of wastewater pipes	660
1.2	Change in Delivery model for 3 Water Connections	9,570
1.3	Compliance	730
1.4	Drainage maintenance	11,400
1.5	Sustainability Programme of Work	740
	Total Unfunded	23,100

182. Included in the above unfunded opportunities, is a request for additional operational funding of \$957,000 per year to fund a change in Delivery Model for 3 waters maintenance and connections. This would enable approved external contractors to undertake new connections and create capacity for existing staff (who are experienced and extremely hard to recruit) to undertake critical reactive and planned maintenance works. Should this proposal not be approved, there is an increased risk of:

- i. Non-compliance with environmental resource consent conditions and public health requirements, particularly from discharge events
- ii. Early asset failure and/or the need for early asset renewal
- iii. Poor staff outcomes, resulting from high workloads
- iv. Timing delays to customer 3 waters connections
- v. Illegal connections to our network.

Reduction in service level to the community

183. Council could choose to alter the level of service delivered to the community and as a consequence reduce net operating cost. Staff have not identified any service level reduction projects that could be implemented within this Long-Term Plan.

SECTION 3: OTHER CONSIDERATIONS

184. This section outlines the transformation savings programme and two other future opportunities that have not been included in the proposed draft 2021-31 Long-Term Plan budget at this point.

Transformation Savings Programme

185. As part of the 2018-28 10-Year Plan, the Council budgeted to save \$94.5M in operating savings over 10 years as outlined below in Table 28.

Table 28: Operational proposals aligned to Priority Four: a fun city with lots to

2018/2028 10 Year Plan Council Savings Target (\$000)	Year 1 18/19	Year 2 19/20	Year 3 20/21	Year 4 21/22	Year 5 22/23	Year 6 23/24	Year 7 24/25	Year 8 25/26	Year 9 26/27	Year 10 27/28	10 Year Total
Annual savings in operating expenses (un-inflated)	\$4,000	\$2,000	\$1,000	\$1,000	\$1,000	\$1,000	\$0	\$0	\$0	\$0	
Annual savings in operating expenses (inflated)	\$4,000	\$2,044	\$1,044	\$1,067	\$1,092	\$1,117	\$0	\$0	\$0	0	
Cumulative Savings (un-inflated)	\$4,000	\$6,000	\$7,000	\$8,000	\$9,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$84,000
Cumulative Savings (inflated)	\$4,000	\$6,132	\$7,312	\$8,536	\$9,828	\$11,170	\$11,440	\$11,730	\$12,020	\$12,330	\$94,498

186. Savings of \$4.1M in Year 1 and \$5.6M in Year 2 were achieved, for a total of \$9.7M against the goal of \$10.1M. As noted in the Annual Plan report to Council on 10 June 2020, the target for the current financial year is \$7.3M which staff are aiming to achieve through a combination of:
- Capital programme optimisation
 - Wage freeze for staff on \$70,000 and above
 - Reduced travel and training
 - Partnerships and shared funding opportunities
 - Reduced property costs
 - Digital transformation
 - Business-led efficiencies (including vacancy management)
187. With the cost pressures noted elsewhere in this report, achievement of these savings is proving extremely challenging. Our efficiency efforts have meant we have been largely successful at containing these costs, but our gains are being out-paced by increasing costs. Also, as noted in the report to the 11 August 2020 Finance Committee meeting, many of our efficiency gains have freed up resource to be reinvested in other activities that contribute to improved customer experience or community outcomes.
188. Many of our gains over the past two years have also come from leveraging the strong culture in the organisation and the collective goodwill of our people. However, as demand for work has increased, some parts of our organisation have very limited capacity to do anything other than keep pace with 'business as usual' demands. There is no shortage of transformation ideas in our organisation but we have limited depth to execute them.
189. We are at the point now where we need to invest in process and technology to support our people and to make the step change needed to achieve our long-term savings goals.
190. The draft budget includes a continuation of the savings committed to in the previous Long-Term Plan – building towards annual savings of \$12.3M by Year 7.

191. To achieve this, we plan to continue with our capital programme optimisation and business-led efficiencies with key areas of focus being:
- i. Leveraging flexible working opportunities
 - ii. Plant and vehicle optimisation
 - iii. Administration function savings
 - iv. Leveraging alternative energy solutions
 - v. Large-scale shared services
192. Achieving these savings is also reliant on the appropriate level of investment in technology and digital transformation. This is reflected in the proposal for corporate investment outlined below in Table 29.

Table 29: Capital proposals for Corporate Investment

Ref	Capital proposals for Corporate Investment	Gross Opex 10 Year \$000 uninflated
1.1	Corporate Building Renewals	26,291
1.2	Fleet Vehicle Renewals	24,622
1.3	Information Services Renewals	28,684
1.4	Information Services Upgrades	25,150
	Total	104,747

Infrastructure Funding and Financing Act (IFF)

193. The recently enacted Infrastructure Funding and Financing Act (IFF) enables Council to access a new off balance sheet funding mechanism to support the delivery of infrastructure projects.
194. The arrangement works through the creation of a Special Purpose Vehicle (SPV) which is separate from Council, that provides funding towards agreed infrastructure projects and in return levies a charge on properties in the area that benefits from the infrastructure for a period of up to 50 years. The funding provided by the SPV envisages funding also provided by Council and the developers, in line with benefit and causation assessments similar to that for development contributions. The infrastructure assets created are vested to Council upon construction being completed and are the responsibility of Council to own and maintain. Any IFF commercial deal requires the approval of the Government, following a detailed review and evaluation of any IFF proposal by Crown Infrastructure Partners (CIP) (on behalf of the Government).
195. As part of the 2021-31 LTP, there are many potential opportunities to explore the application of the IFF tool. These are:
- i. converting part of our current Housing Infrastructure Fund (HIF) loan into an IFF arrangement for the Peacocke Growth area, thus transferring some of the HIF debt (which is reflected in the Councils project debt balance) into an off balance sheet arrangement, thus freeing up debt capacity
 - ii. using the IFF to provide significant off balance sheet funding and contribution to infrastructure costs, and as the basis of negotiating a private developer agreement in the Rotokauri growth cell for the major lead infrastructure (Stormwater swale and north-south arterial transport corridor)

- iii. the opportunity to use the IFF (in conjunction with a private developer agreement) to fund the infrastructure in other current and future growth areas (for example both within the HCC boundary and for areas outlined in the Strategic Boundary Agreement with Waikato District Council) where no funding in the LTP is currently provided
 - iv. the opportunity to use the IFF to fund projects that provide benefit across the entire city, in a citywide funding arrangement.
- 196. The use of an IFF provides the benefit of contributing significant off balance sheet funding (provided by the SPV) to compliment funding from developers and Council to deliver infrastructure projects. The IFF would replace funding otherwise most likely provided by Council and thus predominantly reflected in Development Contributions charges.
- 197. The intention of the IFF is to enable the faster delivery of infrastructure for growth areas to support a more competitive land market, and enable the provision of more houses (at more affordable levels).
- 198. It should be noted that in order to access the IFF funding opportunity, Council needs to have progressed the infrastructure to a point where there is cost certainty. This includes having certainty of land acquisition, completion of detailed design and to be at construction contract stage for the strategic infrastructure.
- 199. However an IFF needs to be considered carefully, because the effect of an IFF is to place a levy on individual properties (in addition to rates charged by the Council) for a long period of years. Affordability for the ratepayer needs to be considered, assessing total rates and IFF costs for the area that would be subject to an IFF deal.
- 200. Council may need to contribute capital funding to fund the non-growth or citywide portion of any infrastructure costs Council also needs to be able to fund the operational costs associated with any infrastructure projects advanced/delivered under an IFF arrangement.
- 201. For the 2021-31 LTP pursuing a IFF funding deal in relation to the Peacocke growth cell is an option. Some points to note in relation to this are:
 - i. No deal has yet been negotiated in relation to converting some of the HIF loan into an IFF, therefore it cannot be reflected in the LTP at this time. However if negotiations are progressed where the structure of a deal is established by March 2021, there is an opportunity to include this information in the Consultation Document.
 - ii. The HIF Loan is \$180.3M and sits alongside \$110.1M of Waka Kotahi NZTA subsidy
 - iii. Approximately \$175M is now contractually committed for construction with more to be committed in 2021
 - iv. An IFF commercial transaction is purely a financing opportunity (versus SPV delivery), with approximately \$50-\$100M of the \$180.3M HIF loan potentially converting to an off balance sheet IFF arrangement. The actual amount is yet to be determined and will require negotiations with Crown Infrastructure Partners and catchment vs citywide benefit and causation assessment.
 - v. The IFF would relate to the strategic infrastructure projects including the strategic transport (bridge and roads) and wastewater projects that directly benefit the catchment. Several of these projects are at pre-financial close status (or very close):
 - a) strategic transport and bridge construction is under way
 - b) northern wastewater pipeline construction is under way
 - c) strategic waste water pump station construction procurement is being initiated in December
 - vi. Taking \$50M - \$100M off balance sheet would free up some debt capacity that provides Council with opportunities including focussed investment into other areas needed to create or unlock development. This assists the formulation of the current draft LTP financial strategy to financially sustainable limits with the "recycling of debt" to support the further growth and level of service investments.

202. Pursuing an IFF funding deal during the 2021-31 LTP period for Rotokauri growth cell is also an option. Some points to note in relation to this are:
- i. The detailed business case for Rotokauri Stage 1 provides considerable information on the future development and wellbeing outcomes of Rotokauri Stage 1.
 - ii. Rotokauri Detailed Business Case was prepared utilising 2017 dollars in the context of the 2018-28 LTP budget.
 - iii. While the preferred 'build communities' option within the detailed business case delivers wellbeing outcomes for the community, further review in the context of the draft 2021-31 LTP budget found that it was not achievable due to financial constraints.
 - iv. Furthermore, CIP require IFF candidate projects to have cost certainty and to be at construction procurement phase. Given that the projects are currently at designation phase, there is still some work to do to get these projects 'game ready'.
 - v. Therefore, the current draft LTP proposes to bring forward funding in Rotokauri Stage 1 for continuing designation work for the Arterial Transport Corridor and commencing consenting and design for the Stormwater Floodway (Swale) and Arterial Transport Corridor. This will provide further detailed certainty on the infrastructure required, which is necessary to support any IFF deal. It will also protect wellbeing outcomes by providing design information that can be utilised should any resource consent applications for development be lodged in the near future.
 - vi. The current draft LTP proposes funding for the construction of the major lead infrastructure commences in the latter years of the 2021-31 LTP and extends past Year 10.
 - vii. Costs for enabling works (consenting, design and land) could potentially be retrospectively funded by an IFF deal in the future.
 - viii. An IFF deal could potential be extended to cover some of the Arterial Transport Corridor in Rotokauri Stage 2.
 - ix. An IFF would provide significant off balance sheet funding which would contribute to the infrastructure costs. This would also provide the basis of negotiating a private developer agreement to fund the balance of costs to deliver the lead infrastructure.
 - x. No IFF deal has yet been negotiated in relation to Rotokauri, this is unlikely to be occur until the designation, consenting work and design for the Stormwater Swale and Arterial Transport Corridor is completed and would be a decision for Council in the future as part of an Annual Plan or LTP process.
203. To continue to progress the opportunity of the IFF, staff recommend Council instructs the Chief Executive to continue working with Crown Infrastructure Partners and Central Government to negotiate an Infrastructure Funding and Financing (IFF) solution in relation to Peacocke and Rotokauri.

Government three waters reform:

204. Over the past three years, Central and Local Government have been considering solutions to challenges facing delivery of three waters services to communities across New Zealand.
205. This work has seen the development of new legislation and the creation of Taumata Arowai, the new Water Services Regulator, to oversee and enforce a new drinking water regulatory framework, with an additional oversight role for wastewater and stormwater networks.
206. In addition to the regulatory issues, there is acknowledgement of broader challenges facing local government water services and infrastructure, and the communities that fund and rely on these services.
207. In November 2018, the Government decided to initiate investigations into the process of three waters structural reform. In July 2020, the Government announced a funding package of \$761M to provide immediate post-COVID-19 stimulus to local authorities to maintain and

improve three waters infrastructure, support reform of local government water services delivery arrangements, and support the operation of Taumata Arowai.

208. Hamilton City Council has signed a Memorandum of Understanding (MoU) with Government to join the first phase of the Government's Three Waters Services Reform and has received \$17.46M in stimulus funding to support the delivery of specific 3 waters projects.
209. The MoU allows HCC to proceed to the next stage of the Government reform programme. This signals two things - that HCC are committed to fully engaging and working with Government to explore structural reform in the delivery of 3 waters (the main theme), and by committing to this collaborative process, HCC are able to access our \$17.46M allocation of economic stimulus funding.
210. The MoU commits HCC to a collaborative process with Government to explore structural reform in the waters sector, particularly a multi-regional approach to three waters management and delivery of better health, economic, cultural and environmental outcomes.
211. The possible creation of multi-regional statutory entities, separated from Council to deliver water, wastewater and stormwater is a significant benefit to Councils facing high costs to deliver the three waters services, particularly in compliance, level of service and growth costs.
212. Three Waters Reform Funding Needs and implications for HCC (action from Council meeting 26 November):
 - i. The costs to deliver the three waters services are increasing significantly over the period of the 2021-31 LTP, driven by compliance, increasing levels of service and the need to provide for current and future growth outlined in the Hamilton-Waikato Metro Spatial Plan and the Hamilton Urban Growth Strategy.
 - ii. There are a number of operational and capital projects that remain unfunded as "opportunities", and the quantum of these increases in the latter years of the 2021-31 LTP. An example of this is the HCC share of co-investment for the proposed southern metro wastewater treatment facility in years 8-10 of the LTP.
 - iii. The three waters reform is investigating as a preferred model the establishment of multi-regional statutory entities, separated from Council legally and financially (not a CCO). Under this structural delivery model, all the costs, revenue, assets, debt and future investment (operational and capital) attributed to three waters will be removed from Councils finances and become the legal and financial responsibility of the new entity.
 - iv. Currently the three waters services comprise approximately 33% of all Council's rates take and also reflects a substantial portion of capital expenditure and debt. The new statutory entity is envisaged as having a much greater ability to borrow debt (as a percentage of revenue) than compared with Councils, along with the ability to deliver services at scale and across a wide geographical area, thus generating substantial operating and capital investment efficiencies.
 - v. The benefits to HCC of such a delivery model is that the future operating and capital requirements of the three waters service (to deliver the outcomes we seek for our current and future community) are more likely to be funded given the scale of the multi-regional entity and the greater financial capacity available.
 - vi. Participation in the Government reform agenda is therefore critically important for HCC to ensure that we can influence the proposed outcomes and direction of any changes to the delivery model for three waters, to gain the future benefits for our community from the necessary level of investment.
 - vii. The \$17.46M three waters stimulus includes \$500,000 to fund the early participation in the reform programme, to cover the engagement of additional resource to collate information, provide advice and backfilling of existing roles. Given the complexity of the three waters reform investigations and the time involved to participate and influence outcomes, it is

highly likely that further funding will be required during the period of the 2021-31 LTP. At this time no budget allowance has been made for any further three waters reform project funding, in part because there have been suggestions that further Government funding may be available to support councils as the reform programme progresses. The funding needs of the three waters reform project will be monitored and if further funding is required this will be presented to Council prior to the finalisation of the 2021-31 Long Term Plan.

SECTION 4: RATING SCENERIOS

213. This section outlines the proposed rating recommendations to support the draft 2021-31 Long-Term Plan budget along with two alternative illustrative rating scenarios.

Proposed Rates

214. General rate increase of 4.9% per annum for existing properties.

215. The proposed draft 2021-31 Long-Term Plan includes four new proposed targeted rates which equate to a 6.4% rates increase to the average residential property from 2020/21:

- a) Enhanced walking, cycling and public transport targeted rate.
 - This rate will be used to fund projects across the city that improve cycleways and provide other options for walking, scootering and skating and school and university cycleway connections.
 - This proposed targeted rate will generate income of \$58M across the 10 years.
 - The rate increase for the average capital value residential property will be in the order of \$60 (excluding GST).
- b) Central city and river development targeted rate.
 - This rate will be used to fund projects that focus on improving the connection of the central city and awa to create a central city where everyone loves to be.
 - This proposed targeted rate will generate income of \$38M across the 10 years.
 - The rate increase for the average capital value residential property will be in the order of \$40 (excluding GST) per SUIP.
- c) Community attractions targeted rate:
 - This rate focuses on improving the key attractions (Zoo and Waiwhakareke, Waikato Museum and Hamilton Gardens) so they are great places for our community.
 - This proposed targeted rate will generate income of \$53M across the 10 years.
 - The rate increase for the average capital value residential property will be in the order of \$55 (excluding GST) per SUIP.
- d) Greener Hamilton targeted rate:
 - This rate focuses on projects that will reduce our carbon emissions and improve our gully network and native planting to increase the amount of natural biodiversity space within our city.
 - This proposed targeted rate will generate income of \$43M across the 10 years.
 - The rate increase for the average capital value residential property will be in the order of \$45 (excluding GST) per SUIP.

216. The proposed targeted rates are to be set on the capital value of all rateable property. This rate is undifferentiated, meaning that it is applied in the same way to all property categories. A commercial property and a residential property of the same capital value will pay the same amount.

217. The total rates revenue to be collected from all properties for Year 1 has been calculated to be the equivalent of \$200 (excluding GST) per SUIP.

218. The rate is proposed to increase annually by the adopted general rate percentage increase.

219. Targeted rates must be set in accordance with the Matters listed in Schedule 2 of the Local Government (Rating) Act 2002 and Factors listed in Schedule 3.

220. Capital value has been chosen as the appropriate method to set the new targeted rates as:

- i. There are additional rates revenue benefits resulting from growth (capital value is growing at a faster rate than other factors) .

- ii. Correlation between capital value and ability to pay
- iii. Aligns to Council's previous decision to move the general rate to capital value.
- iv. Current fixed rates previously determined to be at a level to allow for the appropriate allocation of rates to individual ratepayers.

221. Noting the following changes for the current targeted rates:

- i. Hamilton Gardens rate will be ceased as it will be incorporated into the community attractions targeted rate.
- ii. The business improvement district targeted rate will be increased by Long-Term Plan inflation.
- iii. The central city rate will not increase.

222. These proposed general rates and targeted rate changes will result in the equivalent of an 11.3% increase to the total rates set for existing properties from 2020/21.

223. The total revenue to be received from the four proposed targeted rates is \$13.8M in year 1 and a total of \$192.3M over the 10 years.

224. The impact of the general rates increase (4.9%) and the four targeted rates on a sample of rating properties are shown below in Table 30:

Table 30: 2021/22 Rates sample

2020/21 RATES - SAMPLE PROPERTIES 4.9% General rates increase. Capital value targeted rates with total collection equivalent to \$200 + GST per SUIP. Including GST

General rate differential category	Separate parts (SUIPs)	2018 capital value	2020/21 RATES				2021/22 RATES					Total rates change (\$)	Total rates change (%)
			Uniform Annual General Charges	Capital value general rates	Other rates	Total rates	Uniform Annual General Charges	Capital value general rates	Other rates	New targeted rates	Total rates		
Residential	1	365,000	534	1,259	14	1,807	560	1,321	0	139	2,020	213	11.8%
Residential	1	435,000	534	1,500	14	2,048	560	1,574	0	166	2,300	252	12.3%
Residential	1	530,000	534	1,828	14	2,376	560	1,918	0	202	2,680	304	12.8%
Residential	1	670,000	534	2,311	14	2,859	560	2,424	0	255	3,240	381	13.3%
Residential	1	820,000	534	2,828	14	3,376	560	2,967	0	312	3,839	463	13.7%
Residential	4	875,000	2,136	3,018	55	5,209	2,241	3,166	0	333	5,740	531	10.2%
Residential	12	2,000,000	6,408	6,898	166	13,472	6,722	7,236	0	762	14,720	1,248	9.3%
Other	1	490,000	534	1,252	14	1,800	560	1,314	0	187	2,061	260	14.5%
Other	1	1,005,500	534	2,570	14	3,118	560	2,696	0	383	3,639	521	16.7%
Other	1	2,960,000	534	7,566	14	8,113	560	7,936	0	1,128	9,624	1,511	18.6%
Commercial	1	190,000	534	1,735	14	2,283	560	1,820	0	72	2,452	170	7.4%
Commercial	1	374,500	534	3,419	14	3,967	560	3,587	0	143	4,290	323	8.1%
Commercial	1	640,000	534	5,844	14	6,391	560	6,130	0	244	6,934	543	8.5%
Commercial	1	1,375,000	534	12,555	14	13,103	560	13,170	0	524	14,254	1,151	8.8%
Commercial	1	2,962,000	534	27,045	14	27,593	560	28,371	0	1,129	30,059	2,466	8.9%
Commercial	4	2,100,000	2,136	19,175	55	21,366	2,241	20,114	0	800	23,155	1,789	8.4%
Commercial	10	12,000,000	5,340	109,569	138	115,047	5,602	114,938	0	4,572	125,112	10,065	8.7%
BID Commercial	1	188,000	534	1,631	387	2,552	560	1,711	373	72	2,716	164	6.4%
BID Commercial	1	310,000	534	2,689	390	3,613	560	2,821	377	118	3,876	262	7.3%
BID Commercial	1	700,000	534	6,072	401	7,007	560	6,369	387	267	7,584	577	8.2%
BID Commercial	1	1,460,000	534	12,664	422	13,621	560	13,285	408	556	14,810	1,189	8.7%
BID Commercial	1	3,268,000	534	28,347	472	29,354	560	29,736	459	1,245	32,000	2,647	9.0%
BID Commercial	4	3,000,000	2,136	26,023	1,610	29,769	2,241	27,298	1,555	1,143	32,237	2,468	8.3%
BID Commercial	10	20,000,000	5,340	173,484	4,372	183,197	5,602	181,985	4,234	7,621	199,442	16,245	8.9%

Alternative Rating Options

225. Staff have provided two alternative illustrative rating scenarios:

- i. Option 1: Hold as per the 2018-28 10-Year Plan
- ii. Option 2: General rates increase with new capital value targeted rates (total collection equivalent to \$100 per SUIP).

Option 1: Hold as per the 2018-28 10-Year Plan

226. The goal of this option is to continue the rate certainty of an annual 3.8% general rates increase as provided under the 2018-28 10-Year Plan.

227. The parameters of this option are:

- i. Capital programme over the 10 years of \$2.053 billion .
- ii. General rates increase of 3.8% per annum for existing ratepayers
- iii. Targeted rates of:
 - i. Hamilton Gardens targeted rate will be increased by \$1 per SUIP.
 - ii. The business improvement district targeted rate will be increased by Long-Term Plan inflation
 - iii. The central city targeted rate will not increase.

228. To achieve this profile, significant reductions in the proposed draft capital programme and operating programme will be needed to the extent of:

- i. Reduction in operating expenditure of \$5M per annum.
- ii. Reduction in capital expenditure by \$230M in Years 1-5 and an increase in the capital expenditure in Years 6-10 of \$90M (net impact of reduction in capital expenditure of \$140M).

Or

- i. Reduction in operating expenditure of \$10M per annum.
- ii. Reduction in capital expenditure by \$200M in Years 1-5 and an increase in the capital expenditure in Years 6-10 of \$125M (net impact of reduction in capital expenditure of \$75M).

229. Options for reductions in operating expenditure are provided in **Attachment 17: Operating Reductions** and for capital expenditure in **Attachment 18: Capital Reductions**.

Option 2: General rate increase with targeted rates equivalent to an additional \$100 (excluding GST) per SUIP

230. The goal of this option is to progress the programmes that deliver the vision and five priorities but provide a more focused approach to the introduction of new targeted rates to fund new programmes of work.

231. The parameters of this option are:

- i. Capital programme over the 10 years of \$2.193 billion.
- ii. General rates increase of 4.9% per annum to existing ratepayers
- iii. Four targeted rates as outlined below to fund specific capital projects and associated operational support. The targeted rates are based on capital value with total collection equivalent to \$100 per SUIP and inflated each year by the same rate as the general rates increase to existing ratepayers.
- iv. Enhanced walking, cycling and public transport – safer walkways and cycleways.
- v. Community attractions – enhancing Hamilton’s family and visitor attractions.

- vi. Greener Hamilton – restoring our natural spaces and responding to climate change.
 - vii. Central city and river development – improving access from our central city to our awa.
 - iv. Noting the following changes for the current targeted rates:
 - viii. Hamilton Gardens targeted rate will be ceased as it will be incorporated into the community attractions targeted rate
 - ix. The business improvement district targeted rate will be increased by Long-Term Plan inflation
 - x. The central city targeted will not increase.
232. To achieve this profile, significant reductions in the proposed draft capital programme and operating programme will be needed to the extent of:
- i. Reduction in operating expenditure of \$5M per annum.
 - ii. Reduction in capital expenditure by \$82.5M in Years 1-5 and an increase in the capital expenditure in Years 6-10 of \$82.5M (zero net impact of reduction in capital expenditure).
- Or**
- i. Reduction in operating expenditure of \$2.5M per annum.
 - ii. Reduction in capital expenditure by \$100M in Years 1-5 and an increase in the capital expenditure in Years 6-10 of \$100M (zero net impact of reduction in capital expenditure).
233. Options for reductions in operating expenditure are provided in **Attachment 17: Operating Reductions** and for capital expenditure that can be moved out to years 6-10 is in **Attachment 18: Capital Reductions**.

SECTION 5: FINANCIAL STRATEGY

Item 6

Introduction

234. This section outlines the financial impact of the proposed draft 2021-31 Long-Term Plan budget on the balancing the books, debt to revenue, net debt measures, and the impact of on rates.
235. Throughout the document it should be noted that the:
- i. Capital budgets – exclude inflation.
 - ii. Operating revenue and expenditure by group of activity – include inflation.
 - iii. Unfunded operating projects – exclude inflation.
 - iv. Financial strategy graphs – includes inflation.

Financial Principles

236. Council has developed a proposed set of financial principles to support the financial strategy which are:

Beneficiary pays

- Those who benefit from growth pay a fair share of the cost of that growth.
- When a private benefit can be identified, and it is efficient to collect the revenue, user charges will be considered.
- Targeted rates could be used to fund our portion of new projects where costs and beneficiaries of these activities can be easily identified.
- Growth cells will be completed to an approved level of service.

Affordability for ratepayers

- Rates certainty will be a key consideration.
- Affordability of rates will be considered.
- We will explore external funding options for new agreed discretionary projects wherever possible.
- Asset sale proceeds will be used to pay down debt.

Strong financial management

- We will adopt a prudent Financial Strategy, which supports its current credit rating.
- The everyday costs of running the city will be met from everyday revenues.
- The main source of everyday revenue will be general rates.

Strong asset management

- We will prioritise funding maintenance and renewals as per Asset Management Plans, with these being regularly updated to reflect changing needs and emerging risks that will ensure resilience of our assets and services.

Financial Strategy

237. Council within the Long-Term Plan is required to outline its financial strategy for the 10 years. The financial strategy facilitates prudent financial management by providing a guide to consider proposals for funding and expenditure and the impact of these on rates, debt and investment.
238. Within its Financial Strategy, Council sets financial strategy limits for the following:
- Net debt
 - Net debt to revenue
 - Balancing the books.
239. Net debt includes the long-term loans from the LGFA (Local Government Financing Agency) (the majority of council's loans), short-term loans from banks, and the \$180M interest-free loan from the Government's Housing Infrastructure Fund (HIF).
240. The debt to revenue ratio for the 2018-28 10-Year Plan included a self-imposed cap on net debt-to-revenue of 230% to create a buffer for unforeseen events e.g. Civil Defense emergency. The LGFA have increased their previous limit of 250% to allow Council to borrow up to 300% for the years ending June 2021 and 2022 and decreasing 5% for each of the next four years to 280% for the year ending June 2026 and beyond.
241. Balancing the books measure is used to reflect the Local Government Act 2002 balanced budget requirement, that is Council should balance the budget unless it is prudent to do otherwise. The measure tracks whether we are paying for the everyday costs of running the city from everyday revenues (rates, fees and user charges, etc.) rather than borrowing to make up the difference. In the calculation, some capital revenue items removed from calculation (e.g. Development Contributions, Waka Kotahi NZ Transport Agency capital subsidies) as they are not 'everyday revenue'.

Financial Impact

242. The proposed draft budget has been based on the following parameters:
243. Capital programme over the 10 years of \$2.193 billion.
244. The impact of the above on the Statement of Revenue and Expenditure and the balancing the books measure are shown below in Tables 31 and 32:

Table 31: Statement of Revenue and Expenditure

DRAFT PROSPECTIVE STATEMENT OF REVENUE AND EXPENSE (INFLATED)												
	Adjusted Annual Plan 2020/21	Year 1 2021/22	Variance Adj AP to Y1 Fav/(Unfav)	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue												
Rates	200,066	226,469	26,403	242,225	259,107	277,354	296,744	317,158	338,818	362,261	387,216	413,410
Fees and user charges	37,723	39,010	1,287	41,193	44,995	43,914	45,055	45,985	47,368	48,796	49,678	50,626
Subsidies and grants	7,227	8,632	1,405	8,867	8,837	9,141	10,023	9,974	10,473	11,018	11,523	12,433
Interest revenue	1,250	298	(952)	305	313	312	311	303	297	294	301	304
Other revenue	10,298	12,151	1,853	15,091	10,528	8,431	7,686	7,505	7,663	7,843	8,025	8,205
Development contributions	22,504	34,283	11,779	36,611	38,007	40,748	41,339	39,324	39,943	39,389	41,254	41,429
Capital revenue	58,634	96,452	37,818	67,394	51,442	40,413	19,289	20,578	19,535	33,569	35,747	38,128
Vested assets	32,479	34,491	2,012	39,199	41,714	45,157	46,181	45,698	46,588	50,672	52,091	51,053
Total revenue	370,181	451,785	81,605	450,884	454,944	465,470	466,627	486,527	510,685	553,843	585,836	615,588
Expenses												
Personnel costs	83,802	90,625	(6,823)	93,983	97,055	99,564	102,566	105,162	107,761	110,144	112,537	114,764
Depreciation and amortisation expense	74,727	80,893	(6,166)	89,658	94,429	100,353	107,001	109,866	112,621	115,853	117,381	122,766
Finance costs	17,124	17,185	(62)	23,803	28,420	29,429	30,520	30,195	30,884	30,975	32,171	33,186
Operating and maintenance costs	50,607	68,098	(17,491)	73,762	79,665	80,005	88,312	87,320	92,461	98,037	99,013	103,196
Professional costs	13,820	16,442	(2,621)	14,801	13,376	12,547	13,877	14,205	12,960	13,202	14,016	13,198
Administration costs	22,259	19,697	2,562	14,406	12,581	12,441	9,981	9,413	9,236	9,248	9,369	9,566
Property costs	10,017	11,849	(1,832)	12,774	13,544	14,150	14,799	15,476	16,190	16,946	17,737	18,547
Total expenses	272,356	304,790	(32,434)	323,188	339,070	348,490	367,057	371,637	382,113	394,405	402,224	415,223
Operating surplus/(deficit)	97,825	146,996	49,171	127,696	115,874	116,980	99,570	114,890	128,572	159,438	183,612	200,365
Gains/(losses)	(9,864)	(60,347)	(50,483)	775	795	815	835	856	877	899	922	945
Total surplus/(deficit)	87,961	86,649	(1,312)	128,471	116,669	117,794	100,405	115,746	129,449	160,337	184,534	201,309

Table 32: Balancing the books measure

DRAFT PROSPECTIVE BALANCING THE BOOKS MEASURE (INFLATED)														
FOR THE YEAR ENDING 30 JUNE 2021-2031			Adjusted Annual Plan 2020/21	Year 1 2021/22	Variance Adj AP to Y1 Fav/(Unfav)	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Surplus/(deficit)		87,961	86,649	(1,312)	128,471	116,669	117,794	100,405	115,746	129,449	160,337	184,534	201,309	
Remove capital revenue														
Vested assets		(32,479)	(34,491)	(2,012)	(39,199)	(41,714)	(45,157)	(46,181)	(45,698)	(46,588)	(50,672)	(52,091)	(51,053)	
Part of development and financial contributions	1	(14,628)	(22,284)	(7,656)	(23,797)	(24,705)	(26,486)	(26,870)	(25,561)	(25,963)	(25,603)	(26,815)	(26,929)	
Capital subsidy (excluding subsidy on transport renewals)	2	(37,736)	(55,896)	(18,160)	(54,947)	(38,458)	(27,918)	(10,237)	(12,110)	(11,075)	(24,574)	(25,203)	(26,931)	
Other capital contributions		(12,496)	(32,463)	(19,967)	(4,731)	(5,463)	(4,878)	(1,092)	(431)	(324)	(695)	(1,083)	(1,488)	
Other items not considered everyday operating revenue	3	(4,217)	(17,494)	(13,277)	(21,111)	(17,266)	(16,072)	(16,238)	(17,022)	(18,207)	(19,506)	(20,891)	(22,345)	
Remove (gains)/losses														
All (gains)/losses		9,864	60,347	50,483	(775)	(795)	(815)	(835)	(856)	(877)	(899)	(922)	(945)	
Remove other expenses														
Other items not considered everyday operating expenses	4	8,839	9,000	161	3,513	1,290	1,634	1,777	1,838	1,867	1,895	1,922	1,950	
Balancing the books (surplus/ (deficit))		5,108	(6,632)	(11,740)	(12,577)	(10,442)	(1,897)	730	15,906	28,282	40,283	59,451	73,569	

The accompanying notes form part of these financial statements.

1 Development contributions contain an element of funding for interest costs that are part of every day expenses. An adjustment is made to match the revenue with the expense. The budget has assumed interest costs funded from development contributions represent 35% of development contributions revenue.

2 Subsidy on transport renewals is adjusted to recognise that this is funding a portion of the depreciation on these renewals.

3 Adjustment for fair value calculation on the Housing Infrastructure Fund loans and capital targeted rates.

4 Adjustment for grants to other parties to invest in significant assets for the benefit of the city and fair value discount unwinding on the Housing Infrastructure Fund loans.

245. The impact of the proposed draft budget on the Financial Strategy measures are Council remains below the debt to revenue ratio limit as set by LGFA. Council achieves a balanced financial position in 2025/26. The graphs of these are shown below in Chart 8, 9 and 10:

Chart 8: Debt to revenue

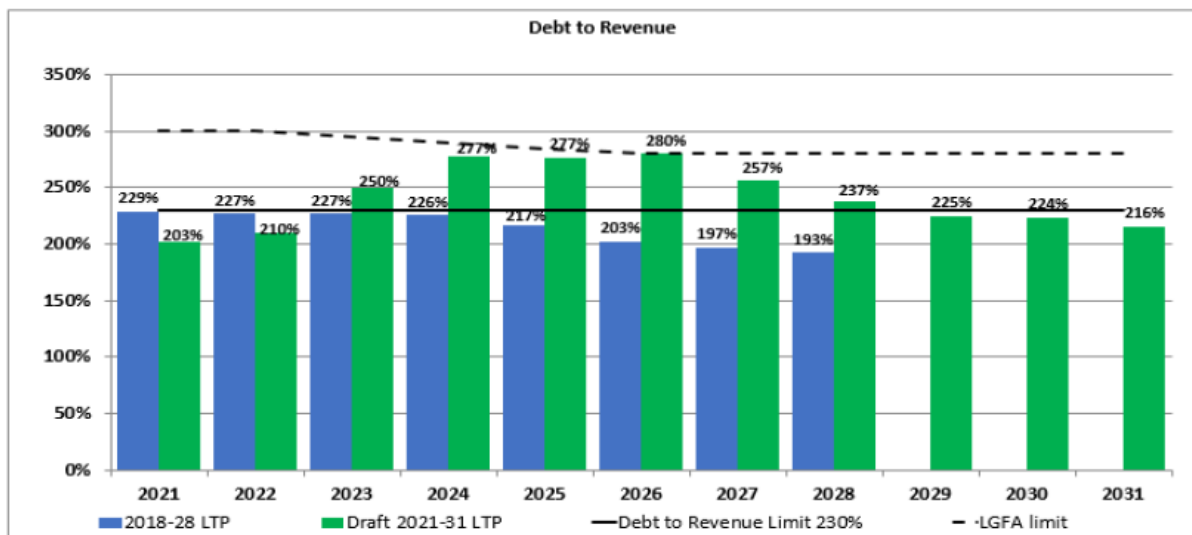


Chart 9: Net Debt

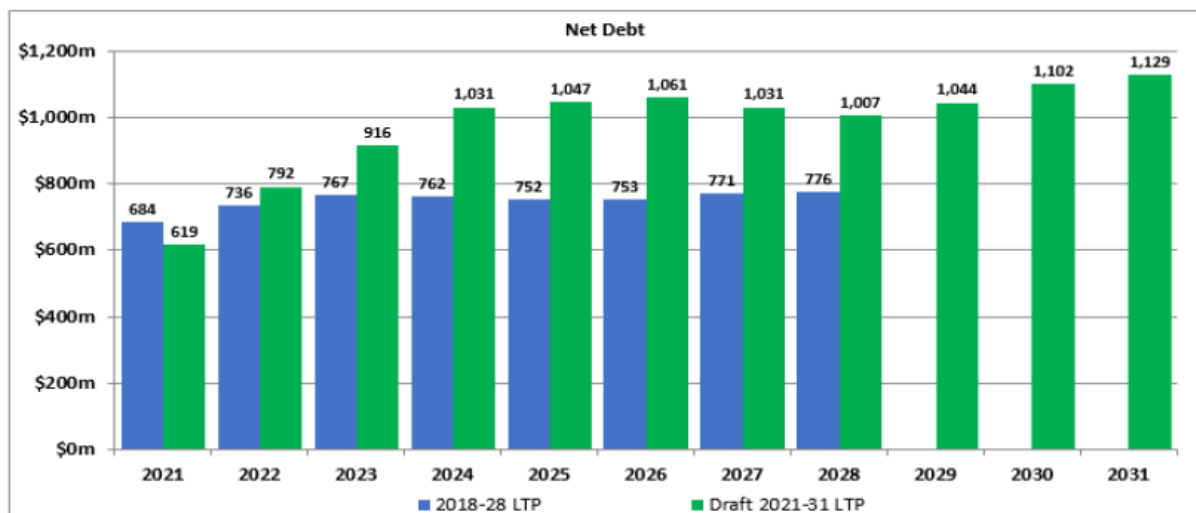
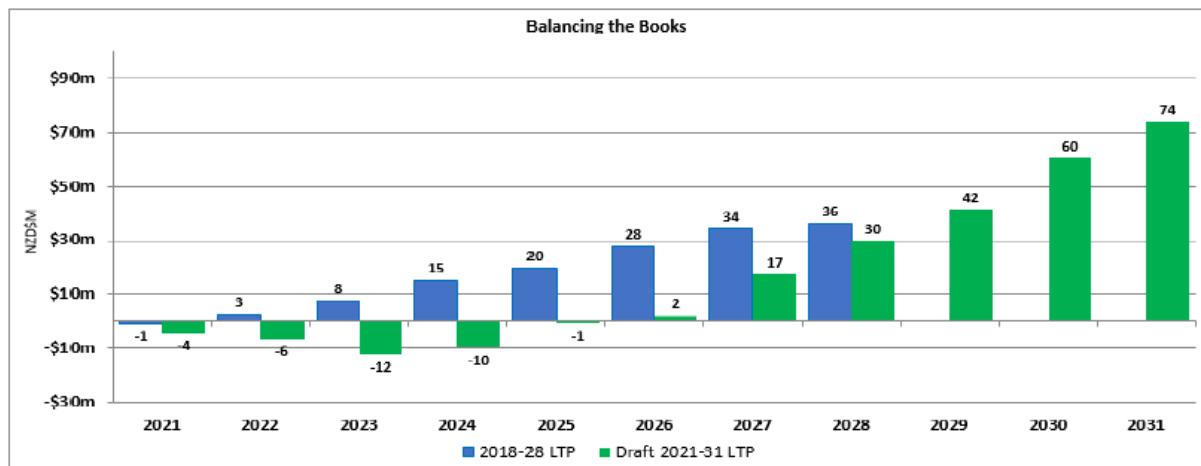


Chart 10: Balancing the books measure



Development Contributions

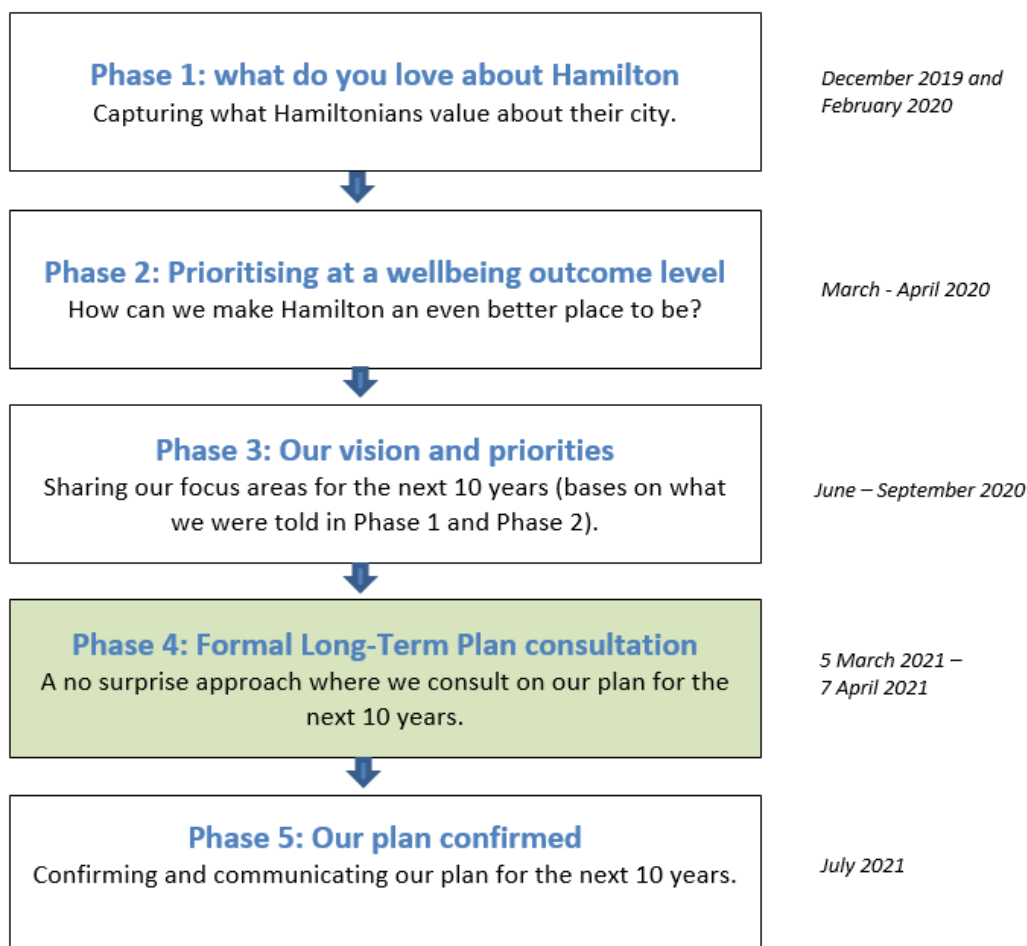
246. The estimated Development Contributions (DC) revenue currently included in the proposed draft 2021-31 Long-Term Plan is \$392M over the Long-Term Plan period.
247. A number of DC policy options are being presented to Council in a later report on this agenda. Should Council select none of the options in that report, the estimated DC revenue is \$427M over the ten years. Should Council select all of the options in that report, the estimated DC revenue is \$392M over ten years.
248. Following decisions made during this meeting, estimated DC revenue will be remodelled based on the updated capital programme and DC policy settings. This will be presented to Council prior to finalisation of the proposed draft Long-Term Plan budget.

SECTION 6: ENGAGEMENT WITH THE COMMUNITY

Item 6

Introduction

249. This section outlines the development of the Consultation Document and engagement with the community. The engagement approach for this Long-Term Plan has been planned to fully engage the community in the conversation.
250. The communication and engagement approach is broken down into five key phases outlined below:



251. Staff recommend the formation of a working party consisting of the Mayor, Deputy Mayor, Chair of the Finance Committee and Chair of the Hearings and Engagement Committee to provide Elected Member oversight of the Consultation Document.
252. The Consultation Document on the draft 2021-31 Long-Term Plan budget will be presented to Council at a workshop on 3 February 2021 and at the Council meeting for approval on 25 February 2021.
253. The consultation period will be 5 March 2021 to 7 April 2021.
254. Consultation on the draft 2031-31 Long-Term Plan will be in line with the engagement approach outlined in the Significance and Engagement Policy and will be guided by the following engagement principles:
- Our communication is easy to understand.
 - We make it easy for people to have their say .
 - We're inclusive and reach new audiences.

- We go to where the people are – schools, marae, malls, playgrounds.
 - Our engagement reflects our community.
255. The Consultation Document will follow the same design used in the previous phases of Long-Term Plan engagement, including the 'Our vision for Hamilton Kirikiriroa' book and futurehamilton.co.nz website. The design incorporates illustrations of what Hamiltonians have told us they love about their city and what would make living here even better, alongside imagery showcasing Hamilton at its best.
256. The primary focus will be on digital communication with an engaging online presence that tells the story of what we are proposing and consulting on. As with every consultation we run, hardcopy forms will also be made widely available.
257. Our secondary focus will be on face-to-face events. During the consultation period, we will hold:
- Local Your Neighbourhood events.
 - Key stakeholder partner events.
 - A variety of community group speaking opportunities.
 - A more extensive communication and engagement plan will be created and presented to Council prior to consultation on 3 February 2021.

Financial Considerations - *Whaiwhakaaro Puutea*

258. The costs to complete the development of the 2021-31 Long-Term Plan is within existing budgets.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

Staff confirm that the recommendations in this report complies with the Council's legal and policy requirements.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

259. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the four wellbeings').
260. The recommendations set out in this report are consistent with that purpose.

Risks - *Tuuraru*

261. There are a number of risks inherent in the budget items presented and these are outlined in the relevant sections of this report. Many of these risks pertain to the consequences of not funding particular proposals, for example:
- Risk of asset failure if renewals are not adequately funded.
 - Risk of negative community reaction if expected services or projects are not delivered.
 - Risk of unmanaged growth if growth infrastructure is not funded.
 - Risk of growth not occurring at the rate anticipated in this plan.
262. It is important that Council is aware of, and understands, these risks so that it can prioritise its budget decisions.
263. By adopting the recommendations in this report, there are also likely to be reputational risks for Hamilton City Council, particularly as increasing rates is likely to be unpopular.

264. A communication plan is in place to ensure the public are well-informed of the rationale for the proposed rates increases and to help them understand what they get for their money.
265. The engagement process is also the opportunity for the community to have their say; encouraging broad participation in the public debate and input to the Long-Term Plan should help foster a shared sense of ownership between Council and the community.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

Significance

266. Given the statutory requirement to consult, staff have not considered the key considerations under the Significance and Engagement Policy to assess the significance of the matter(s) in this report.

Engagement

267. There is a statutory requirement to consult as per legislation outlined below.

Attachments - *Ngaa taapirihanga*

- Attachment 1 - LTP Information
- Attachment 2 - P1 Funded Capital
- Attachment 3 - Operating Activity Statements
- Attachment 4 - P1 Unfunded Capital
- Attachment 5 - P1 Unfunded Operational Proposals
- Attachment 6 - P2 Funded Capital
- Attachment 7 - P2 Unfunded Capital
- Attachment 8 - P2 Unfunded Operational Proposals
- Attachment 9 - P3 Funded Capital
- Attachment 10 - P3 Unfunded Capital
- Attachment 11 - P4 Funded Capital
- Attachment 12 - P4 Unfunded Capital
- Attachment 13 - P4 Unfunded Operational Projects
- Attachment 14 - P5 Funded Capital
- Attachment 15 - P5 Unfunded Capital
- Attachment 16 - P5 Unfunded Operational Proposals
- Attachment 17 - Operating Reductions
- Attachment 18 - Capital Reductions

Date	Topic/Purpose
21 November 2019	Councillor induction – Direction setting
4 December 2019	Introduction to wellbeing
19 February 2020	Introduce LTP and present results of engagement – phase one
26 February 2020	Shape your future city Agree proposed approach to “Shape your future city”
4 March 2020	Future insights (delivered by Dovetail) Introduction to growth projections Develop understanding of context for growth projections
23 March – 13 May 2020	COVID-19 Alert Levels 3 and 4
13 May 2020	Financial strategy Review key elements of current financial strategy and 12 guiding financial principles
29 May 2020	Growth principles and baseline growth scenario – Part 1 Develop understanding of context for growth, seek feedback regarding principles and direction regarding baseline growth scenario Introduction to state of activities conversations Introduction to approach for state of activities conversations via Sharepoint
5 June 2020	Growth principles and baseline growth scenario – Part 2
1 July – 7 August 2020	Engage with staff about the state of activities via Sharepoint
10 August – 4 September 2020	Review the key elements of our financial strategy and 12 guiding financial principles via Sharepoint
19 August 2020	2020 Update of Population, and Family and Household, Projections for Hamilton City 2013-2063 (NIDEA SME from UoW) Review of Development Contributions policy (Session 1)
2 September 2020	Review of Development Contributions policy (Session 2) Infrastructure and commence discussion on what it means for the LTP (Community Committee)

Date	Topic/Purpose
9 September 2020	Community infrastructure and the LTP Discuss development of a Community infrastructure plan (Community Committee)
16 September 2020	Telling our story Link wellbeing framework and strategic direction to decision-making Delivering communities: Proposed plan for growth Direction on proposed plan for growth
23 September 2020	Financial strategy Agree guiding financial principles and financial strategy parameters Approach to rating Confirm whether changes to rating policies are sought Significance and Engagement policy Cost savings; tracking LTP savings Digital business
15 October 2020	District Plan review options Looking after what we've got (renewals and compliance) Renewals and compliance expenditure Key capital projects
21 October 2020	Looking after what we've got (Community) Capital programme high-level overview Financial strategy and policies
5 November 2020	H3, tourism, major events Essential services Delivering communities: Plan for growth

Date	Topic/Purpose
10 November 2020	Financial policies Budget high-level overview Financial strategy and detailed budget Infrastructure strategy Five priorities Rates calculations Development Contributions policy
11 November 2020	Development Contributions
24 – 25 November 2020	Information sessions Projects Funding options

2021-31 LONG-TERM PLAN – CAPITAL PROGRAMME - A CITY THAT'S EASY TO LIVE IN - FUNDED

KEY: Capex \$000's Opex \$000's (Includes depreciation, interest, consequential apex & project apex)																	
Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Animal Control building renewals	Renewals & Compliance	\$276	\$276	\$0	\$11	\$0	\$0	\$0	\$0	\$122	\$0	\$0	\$143	Building and enclosure renewals for animal control centre.	0%	0%	No
			\$18	\$0	\$0	\$0	\$0	\$0	\$0	\$4	\$4	\$4	\$5				
Cemeteries & crematorium renewals	Renewals & Compliance	\$1,654	\$1,654	\$87	\$133	\$67	\$430	\$69	\$84	\$108	\$556	\$38	\$81	Renewals of building assets, site infrastructure and equipment for Hamilton Park cemetery and closed ceneteries.	0%	0%	No
			\$261	\$2	\$7	\$10	\$21	\$23	\$25	\$30	\$47	\$48	\$48				
Cemetery land acquisition	Renewals & Compliance	\$2,500	\$2,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,500	General funding provision for purchase of land to all allow for the continued provision of burial at The Hamilton Park Cemetery.	0%	0%	Yes
			\$5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5				
Community facilities building renewals	Renewals & Compliance	\$11,310	\$11,310	\$1,022	\$1,715	\$3,331	\$768	\$103	\$1,894	\$321	\$860	\$832	\$465	Programme of renewals and seismic works for existing community facilities - based on retaining current portfolio.	0%	0%	No
			\$2,219	\$24	\$80	\$201	\$198	\$204	\$258	\$281	\$307	\$332	\$332				
Footpath renewals	Renewals & Compliance	\$25,935	\$40,996	\$3,169	\$3,134	\$3,296	\$4,370	\$4,092	\$4,658	\$4,727	\$3,778	\$5,012	\$4,759	Replacement and resurfacing programme for footpaths throughout the city based on condition. Areas of focus include, Newton, Maeroa, Melville, Enderley and Central City.	51%	0%	No
			\$6,204	\$76	\$186	\$319	\$405	\$529	\$662	\$845	\$960	\$1,111	\$1,111				
Hamilton Park Cemetery burial and ash lawn	Renewals & Compliance	\$1,933	\$1,933	\$70	\$60	\$368	\$100	\$100	\$490	\$125	\$100	\$460	\$60	Expansion of the current burial and ash lawns to ensure there is ability to meet requirements- includes infrastructure e.g. roading, etc surrounding the burial and ash lawn areas.	0%	0%	Yes
			\$293	\$2	\$4	\$16	\$17	\$21	\$35	\$40	\$43	\$58	\$58				
Library renewals	Renewals & Compliance	\$19,364	\$19,364	\$3,316	\$1,108	\$1,648	\$1,945	\$1,742	\$2,346	\$2,852	\$1,195	\$1,648	\$1,565	Renewals of building assets, furniture, equipment and collections. Significant building renewal in year 1 includes for Central Library major HVAC renewal, fire system, CCTV, lift and security assets.	0%	0%	No
			\$3,330	\$80	\$130	\$201	\$232	\$286	\$353	\$460	\$496	\$546	\$546				
Retaining wall and structures renewals	Renewals & Compliance	\$1,543	\$2,699	\$330	\$789	\$830	\$107	\$100	\$114	\$91	\$73	\$97	\$169	Programme of replacements for carriageway retaining walls, footbridges, fences, safety barriers and sign gantries throughout the city. Large focus on retain walls in early years.	42%	0%	No
			\$597	\$8	\$33	\$64	\$60	\$63	\$66	\$72	\$75	\$78	\$78				
Street furniture renewals	Renewals & Compliance	\$343	\$343	\$27	\$26	\$28	\$37	\$34	\$39	\$40	\$32	\$42	\$40	Replacement of street furniture (seating, cycle facilities, rubbish bins, drinking fountains, pedestrian safety barriers, etc).	0%	0%	No
			\$52	\$1	\$2	\$3	\$3	\$4	\$6	\$7	\$8	\$9	\$9				

Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Street lighting renewals	Renewals & Compliance	\$10,108	\$15,541	\$1,105	\$685	\$721	\$1,353	\$1,267	\$1,442	\$1,034	\$826	\$3,646	\$3,462	Renewal programme for street lighting with LEDs	34%	0%	No
			\$1,850	\$27	\$53	\$84	\$112	\$150	\$192	\$234	\$259	\$370	\$370				
Traffic sign and signals renewals	Renewals & Compliance	\$6,982	\$11,033	\$848	\$839	\$882	\$1,175	\$1,100	\$1,252	\$1,276	\$1,020	\$1,353	\$1,285	Renewal programme for traffic signals, atreet signage and electronic street signs	36%	0%	No
			\$1,666	\$20	\$50	\$85	\$109	\$142	\$178	\$227	\$258	\$299	\$299				
Beale Cottage landscaping	Community	\$8	\$81	\$81	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Beale Cottage is a significant heritage property in a high-profile area of Hamilton. The gardens have become more difficult to maintain as it becomes more overgrown, the paths are cracked and uneven. This project would reduce the overall maintenance required for the gardens.	0%	90%	No
			\$101	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10				
Chartwell Library courtyard garden	Community	\$15	\$155	\$155	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Upgrade of the Chartwell Library courtyard garden to enable its use by customers. Currently the courtyard is dated and overgrown and no longer fit for purpose. Of the six Hamilton City Libraries, the Chartwell Library receives the highest visitation per year but has a footprint similar to other smaller community branches. Completion of the courtyard upgrade will allow for programming of events and reading areas outdoors.	0%	90%	No
			\$122	\$11	\$12	\$13	\$12	\$12	\$12	\$12	\$12	\$12	\$12				
Cultural identity at library branches	Community	\$20	\$203	\$139	\$32	\$32	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Three of the community libraries already have identity artworks in place that are representative of the area. This project will address the needs of the remaining three sites for a stronger cultural identity. The project will also support Council's desire to provide facilities and services that better deliver and support the aspirations of Maaori and will link to Nga Pou Manawa Ora and interpretation plans, and arts and culture strategy (all to be developed).	0%	90%	No
			\$142	\$14	\$14	\$18	\$13	\$15	\$13	\$15	\$13	\$15	\$13				
Hillcrest Library extension	Community	\$3,975	\$3,975	\$0	\$100	\$125	\$3,750	\$0	\$0	\$0	\$0	\$0	\$0	Expansion of Hillcrest Library into existing Council tenanted shops, to increase the collection size and the addition of a makerspace. The Hillcrest Library is a small community branch, which is already well utilised by its community and space within the facility is at a premium during peak visitation. Significant population growth in Peacocke will put additional pressures onto existing libraries - this will be particularly noticeable once the Peacocke bridge has been completed in 2023 as Hillcrest is close and accessible to Peacocke residents. The existing shops are Council owned and currently on short term leases.	0%	0%	Yes
			\$1,832	\$0	\$5	\$11	\$182	\$269	\$268	\$274	\$274	\$274	\$274				
Biking and micro-mobility	Transport	\$23,520	\$48,000	\$3,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	Safer routes will offer biking and micro-mobility as alternate modes of transport as identified by the Biking and Micro-mobility Business Case.	51%	0%	Yes
			\$11,127	\$114	\$346	\$611	\$773	\$997	\$1,208	\$1,473	\$1,696	\$1,919	\$1,989				
Eastern pathways	Transport	\$18,620	\$38,000	\$4,000	\$6,000	\$18,000	\$8,000	\$2,000	\$0	\$0	\$0	\$0	\$0	The School link, Uni Link and connections to these routes. This project offers transport choice along these busy corridors by prioritizing and creating good infrastructure for public transport, walking/cycling and micro-mobility. Includes Ruakura Road biking facilities upgrade between Peachgrove and Wairere to tie into Ruakura Road upgrade and Ruakura West projects.	51%	0%	Yes
			\$13,410	\$160	\$456	\$895	\$1,288	\$1,656	\$1,746	\$1,807	\$1,801	\$1,801	\$1,801				

Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Mass transit	Transport	\$12,740	\$26,000	\$0	\$0	\$2,000	\$3,000	\$1,000	\$6,000	\$4,000	\$3,000	\$1,000	\$6,000	This is inter city transport planning considering various modes of transport including H2A passenger rail. The planning considers long term population growth, the effects on the national, regional and local transport system. Projects will include: transit interchanges (2023/24 onwards), corridor priority upgrades (2024/25 onwards) and intersection priority upgrades (2024/25 onwards). Please note this is in addition to Low Cost Low Risk PT improvements, intersection improvements at Ohaupo/Pembroke and improvements for PT on the Eastern Pathways including Clyde/Peachgrove intersection improvements.	51%	0%	Yes
			\$4,524	\$0	\$0	\$95	\$216	\$260	\$519	\$717	\$851	\$895	\$972				
Low Cost Low Risk - Other projects (safety)	Transport	\$625	\$1,275	\$0	\$75	\$0	\$600	\$600	\$0	\$0	\$0	\$0	\$0	The budget in 2022/23 is for the specialist review and assessment of all guardrails. From this a programme of works will be developed and delivered in 2024/25 and 2025/26.	51%	0%	No
			\$369	\$0	\$3	\$3	\$29	\$54	\$54	\$56	\$56	\$56	\$56				
Low Cost Low Risk - Local roads (Smart)	Transport	\$980	\$2,000	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	IS technology, cycle counters, cameras etc to collect data to assist with the management and optimisation of the network. Data used to assist in the development and monitoring of capital improvement projects	51%	0%	Yes
			\$528	\$8	\$19	\$31	\$38	\$48	\$57	\$69	\$78	\$88	\$92				
Low Cost Low Risk - PT improvements	Transport	\$3,185	\$6,500	\$700	\$700	\$700	\$700	\$700	\$600	\$600	\$600	\$600	\$600	Accessible kerbs at bus stops, bus shelter and concrete pad installation. Locations will be agreed by Council on an annual basis in conjunction with Waikato Regional Council and the Regional Connections committee.	51%	0%	Yes
			\$1,649	\$27	\$62	\$100	\$123	\$155	\$180	\$214	\$241	\$269	\$278				
Low Cost Low Risk - Road to Zero	Transport	\$29,861	\$60,940	\$8,100	\$9,140	\$8,700	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	These are minor safety improvements across the city valued at less than \$2M per site. Projects include speed management such as intersection improvements throughout the city prioritised on crash risk and death/serious injury reduction.	51%	0%	Yes
			\$16,141	\$303	\$737	\$1,206	\$1,314	\$1,541	\$1,747	\$2,030	\$2,251	\$2,472	\$2,540				
Low Cost Low Risk - Walking and cycling	Transport	\$12,250	\$25,000	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	This is a programme of minor works to improve walking and cycling across the city valued at less than \$2M per site. Projects include new footpaths to fill gaps in the network, pedestrian crossing upgrades, bike parks, bike signage, accessibility improvements and tactical urbanism. The projects will be agreed with Council on an annual basis.	51%	0%	Yes
			\$5,971	\$94	\$215	\$351	\$427	\$539	\$644	\$778	\$889	\$1,000	\$1,034				
Intersection upgrades - Subsidised	Transport	\$5,929	\$12,100	\$500	\$4,000	\$2,600	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	To address growth and safety of intersections as more people move into the city and use the transport network. This programme includes the upgrade of the following Intersections: Boundary/Heaphy (2021/22 - 2024/25) - Safety and travel choice, Pembroke/Ohaupo (2022/23) - PT priority and Norton/Seddon/King Roundabout (2023/24) - Cycle improvements	51%	0%	Yes
			\$4,656	\$22	\$240	\$377	\$561	\$566	\$563	\$582	\$582	\$582	\$582				
Transport Centre rejuvenation	Transport	\$2,254	\$4,600	\$3,100	\$1,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Redevelopment of Transport Centre building and bus access. Improvements are required to the layout to improve operational efficiency, safety for customers and to facilitate growth in use. This is a carryover from the 2018-28 LTP	51%	0%	No
			\$2,560	\$232	\$254	\$271	\$253	\$255	\$254	\$261	\$261	\$261	\$261				
Transport Model	Transport	\$1,638	\$3,342	\$60	\$1,098	\$1,662	\$222	\$0	\$0	\$300	\$0	\$0	\$0	This is the development of a Hamilton Transport Model (Software based model), so we can assess effects on the transport network when changes such as new developments and upgrades to the existing transport network are made.	51%	0%	Yes
			\$1,459	\$2	\$49	\$131	\$129	\$180	\$179	\$197	\$197	\$197	\$197				

Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Northern River crossing	Transport	\$2,296	\$4,686	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,874	\$2,812	With growth in Rototuna and Expressway connections the Wairere Drive and Pukete Bridge will reach capacity, and this corridor will provide more capacity. The Te Rapa North Structure Plan provisions will require this corridor. The corridor will also provide future connections to the HT1 growth cell. The designation of the corridor in the base in 2026/27 and 2027/28. The construction is currently an opportunity from 2028/29.	51%	0%	Yes
			\$271	\$0	\$0	\$0	\$0	\$0	\$34	\$59	\$59	\$59	\$59				
Transport developer upsizing	Transport	\$2,188	\$2,188	\$219	\$219	\$219	\$219	\$219	\$219	\$219	\$219	\$219	\$219	This is money set aside to contribute to developer-led projects to ensure infrastructure built by developers is the most appropriate for the community now and into the future or to provide the 'missing links' e.g. footpath extensions. These projects are all built by developers and the budget is only used when the developers are ready to build the infrastructure. A budget in line with 2018-28 LTP has been included in the base. However, an additional budget requested by staff has been included as an opportunity.	0%	0%	Yes
			\$563	\$8	\$20	\$32	\$40	\$51	\$61	\$73	\$84	\$95	\$99				
Rototuna Village community facilities	Rototuna	\$9,583	\$9,583	\$7,095	\$2,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	The continuation of the Community facilities which includes the library, bookable rooms, public square, play spaces, park connections and car parks. This project is currently underway with the design development progressing for the library and open spaces. Construction is planned for mid-2021.	0%	0%	Yes
			\$8,740	\$289	\$540	\$926	\$988	\$991	\$990	\$1,004	\$1,004	\$1,004	\$1,004				
Rototuna Village supporting infrastructure - Water and roading	Rototuna	\$9,865	\$9,865	\$4,226	\$823	\$1,368	\$0	\$3,394	\$54	\$0	\$0	\$0	\$0	Roading upgrade and water mains within the Village. This project is currently underway with the design development progressing for North City Road. Construction is planned for mid-2021. The road upgrade will be phased. Fergy to Bourn Brook will be aligned with the Village construction and Bourn Brook to future Turakina Rise will be aligned with developer timing.	0%	0%	Yes
			\$3,546	\$158	\$215	\$296	\$270	\$418	\$418	\$443	\$443	\$443	\$443				
Horsham Downs Rd urban upgrade (Kay to Waikato Expressway)	Rototuna	\$6,920	\$6,920	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,807	\$2,929	\$2,184	Upgrade of Horsham Downs from Kay Road to the Waikato Expressway to urban standards. This will upgrade the rural road to an urban road with correct active mode facilities between Kay Road intersection and the new bridge over the Waikato Expressway. This will service the growing community currently cut off from north of the Waikato Expressway.	0%	0%	Yes
			\$526	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$80	\$209	\$238				
Kay Road urban upgrade (Borman to Resolution)	Rototuna	\$1,996	\$1,996	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$578	\$1,417	Upgrade of Kay Road from Borman Road to Resolution Drive to urban standards. This will assist active mode facilities between the new Resolution Drive and Borman Road.	0%	0%	Yes
			\$70	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25	\$44				
Kay Road urban upgrade (North City to Horsham Downs)	Rototuna	\$4,712	\$4,712	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,166	\$1,994	\$1,840	Upgrade of Kay Road from North City to Horsham Downs to urban standards. To upgrade the rural road to an urban road with correct active mode facilities between the new Resolution Drive and Horsham Downs. This will service the growing community currently cut off north of the Waikato Expressway.	0%	0%	Yes
			\$345	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$51	\$137	\$157				
Borman Road east extension	Rototuna	\$6,976	\$6,976	\$0	\$0	\$180	\$0	\$0	\$0	\$0	\$2,196	\$1,546	\$3,054	New intersection, urban upgrade of existing rural roads and final connection to Borman Road (Borman Road east extension). Due to significant development going on this is area, there are safety concerns around using the existing local rural infrastructure. In addition, the development will add undue pressure to the Moonlight route which has not been constructed to cater for the continual increase in traffic. The design of the Borman/Horsham intersection and corridor has been funded in 2020/21.	0%	0%	Yes
			\$521	\$0	\$0	\$8	\$7	\$7	\$7	\$8	\$100	\$168	\$215				
Borman West/Kay intersection	Rototuna	\$166	\$166	\$0	\$0	\$66	\$0	\$0	\$0	\$0	\$0	\$0	\$100	Design of intersection upgrade, construction in later years.	0%	0%	Yes
			\$64	\$0	\$0	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$8				

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			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Borman/Horsham Downs intersection and urban upgrade	Rototuna	\$15,659	\$15,659	\$0	\$0	\$0	\$8,164	\$7,495	\$0	\$0	\$0	\$0	\$0	New intersection, urban upgrade of existing rural roads and final connection to Borman Road (Borman Road east extension). Due to significant development going on this is area, there are safety concerns around using the existing local rural infrastructure. In addition, the development will add undue pressure to the Moonlight route which has not been constructed to cater for the continual increase in traffic. The design of the Borman/Horsham intersection and corridor has been funded in 2020/21.	0%	0%	Yes
			\$6,386	\$0	\$0	\$0	\$488	\$945	\$962	\$995	\$995	\$995	\$1,005				
River Road urban upgrade (Te Huia to Kay)	Rototuna	\$3,471	\$3,471	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$505	\$1,014	\$1,952	Upgrade River Road from Te Huia to Kay Road to urban standards. This will upgrade the rural road to an urban road with correct active mode facilities between the new Te Huia Drive and Kay Road. This will service the existing lifestyle block development.	0%	0%	Yes
			\$164	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$21	\$61	\$82				
North City Road corridor (Turakina to Kay)	Rototuna	\$5,915	\$5,915	\$0	\$0	\$797	\$24	\$0	\$0	\$0	\$1,670	\$361	\$3,062	Upgrade River Road from Turakina Rise to Kay Road to urban standards. This will upgrade the rural road to an urban road with correct active mode facilities between Turakina Rise and Kay Road. It will help bring the land surrounding Rototuna Village development to an urban standard and aid this additional development.	0%	0%	Yes
			\$569	\$0	\$0	\$36	\$33	\$34	\$34	\$35	\$108	\$124	\$165				
Rototuna parks - Linear reserve development	Rototuna	\$224	\$224	\$0	\$0	\$224	\$0	\$0	\$0	\$0	\$0	\$0	\$0	A linear reserve will be provided by developers in Rototuna at no cost to Council provided it will be mitigating the effects of their developments. This budget is to develop the reserve to a stage that it can be used by the community.	0%	0%	Yes
			\$219	\$0	\$0	\$15	\$29	\$29	\$29	\$29	\$29	\$29	\$29				
Rototuna walking and cycling network	Rototuna	\$460	\$460	\$0	\$0	\$460	\$0	\$0	\$0	\$0	\$0	\$0	\$0	This budget is set aside to contribute to walking and cycling opportunities which will benefit the community now and into the future. This budget is for improved walking and cycling outcomes for other projects and the budget is only used to achieve additional walking and cycling benefits.	0%	0%	Yes
			\$169	\$0	\$0	\$22	\$20	\$21	\$21	\$21	\$21	\$21	\$21				
Rototuna developer upsize - Transport	Rototuna	\$973	\$973	\$0	\$0	\$973	\$0	\$0	\$0	\$0	\$0	\$0	\$0		0%	0%	Yes
			\$548	\$4	\$10	\$63	\$66	\$67	\$66	\$68	\$68	\$68	\$68				
Rototuna developer upsize - Wastewater	Rototuna	\$192	\$192	\$0	\$0	\$192	\$0	\$0	\$0	\$0	\$0	\$0	\$0	This budget is set aside to contribute to developer-led projects to ensure infrastructure built by developers is the most appropriate for the community now and into the future. These projects are all built by developers and the budget is only used when the developers are ready to build the infrastructure	0%	0%	Yes
			\$62	\$0	\$0	\$8	\$7	\$8	\$8	\$8	\$8	\$8	\$8				
Rototuna developer upsize - Water	Rototuna	\$289	\$289	\$0	\$0	\$289	\$0	\$0	\$0	\$0	\$0	\$0	\$0		0%	0%	Yes
			\$98	\$0	\$0	\$13	\$12	\$12	\$12	\$12	\$12	\$12	\$12				
Peacocke Road urban upgrade	Peacocke	\$6,246	\$11,369	\$2,657	\$5,738	\$2,892	\$82	\$0	\$0	\$0	\$0	\$0	\$0	Urbanisation for residential development including facilities for pedestrians and cyclists, lighting, stormwater management, services and landscaping. The HIF-funded segments of the currently rural Peacockes Road north of the East-west arterial need to be upgraded to accommodate residential development in Peacocke. It includes safe access and service connections including footpaths, lighting, strategic services and utility connections. Work at the north end has commenced as part of the Waikato River Bridge package for completion mid-2023 and links to the Weston Lea development site. The remaining section to the south will be completed by 2024 or slightly later if it is efficient to align with development.	45%	0%	Yes
			\$4,517	\$85	\$347	\$513	\$470	\$505	\$510	\$522	\$522	\$522	\$522				

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Peacocke upgrades to existing roads support development	Peacocke	\$22,530	\$22,530	\$22	\$0	\$0	\$0	\$0	\$209	\$673	\$4,579	\$5,971	\$11,076	Urbanisation of currently rural roads to include facilities for pedestrians and cyclists, services and lighting. As development progresses, investment will be required to ensure that the proposed arterial and collector road network can safely accommodate residential use. The projects include Peacocke Road urban upgrade south of the East-west arterial, urbanisation of Ohaupo Road, Hall Road urban upgrade and local roads urban upgrade.	0%	0%	Yes
			\$1,476	\$1	\$1	\$1	\$1	\$1	\$10	\$39	\$240	\$510	\$672				
Peacocke Stage 2 - Cycleways network development	Peacocke	\$1,755	\$1,755	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,755	\$0	Cycleway development in Peacocke	0%	0%	Yes
			\$189	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$89	\$100				
Ohaupo Road (SH3)/Peacocke East-West Arterial Intersection	Peacocke	\$11,373	\$12,702	\$3,693	\$2,798	\$1,115	\$30	\$54	\$81	\$291	\$596	\$874	\$3,169	Construction of a new roundabout, including separated walking and cycling facilities and services providing connections to south-west Peacocke. Completion of the HIF-funded roundabout in 2020/21 will provide strategic transport, utility and improved walking and cycling connections to service current and planned development in Peacocke Stage 1. It will link the existing community in Glenview with Peacocke, and includes wetlands in partnership with developers.	10%	0%	Yes
			\$3,097	\$112	\$241	\$302	\$278	\$311	\$313	\$336	\$362	\$396	\$446				
Extension of Wairere Drive and Bridge over Waikato River to Peacocke North-South Arterial	Peacocke	\$58,423	\$109,700	\$51,661	\$52,676	\$3,881	\$542	\$136	\$169	\$605	\$31	\$0	\$0	Construction of a new major arterial transport and utility connection into Peacocke, including a bridge across the Waikato River. The HIF-funded Waikato River bridge and strategic connections project will carry strategic utilities and accommodate wastewater connections essential to support residential development commencing in the north of Peacocke. The package includes significant investment in landscaping and stormwater treatment. It will support a mode shift and inclusive transport with high standards of walking and cycling infrastructure and grade-separated connections including a pedestrian bridge on the northern bank with links to river paths. Construction has commenced with completion due in mid-2023.	47%	0%	Yes
			\$44,661	\$1,910	\$4,380	\$4,949	\$4,564	\$4,699	\$4,684	\$4,872	\$4,868	\$4,868	\$4,868				
Wastewater strategic storage and pressure main back to the existing far eastern interceptor	Peacocke	\$52,190	\$53,636	\$12,986	\$24,497	\$12,687	\$2,080	\$1,319	\$67	\$0	\$0	\$0	\$0	Construction of a new major pump station, associated storage and installation of 7.5km new wastewater pipelines to connect to the city's existing wastewater network. HIF-funded project collecting, storing and transporting wastewater from Peacocke to the Far Eastern Interceptor at Crosby Road to enable the majority of residential development in Peacocke. Links to the existing network and storage options will reduce risks and improve resilience for the existing wastewater system in the west of Hamilton. Pipeline construction has commenced at the south end. Pump station procurement will commence in early 2021 with completion due mid-2023.	3%	0%	Yes
			\$20,071	\$427	\$1,457	\$2,242	\$2,130	\$2,261	\$2,253	\$2,329	\$2,324	\$2,324	\$2,324				
Peacocke developer upsize programme	Peacocke	\$8,951	\$8,951	\$0	\$285	\$3,784	\$200	\$75	\$184	\$1,029	\$2,495	\$0	\$899	Increasing capacity of developer-led infrastructure to ensure appropriate connections for adjacent land nearby. Growth funded investment in conjunction with developer-led infrastructure to ensure that appropriate and efficient levels of service are achieved across development boundaries for stormwater, water supply, wastewater and transport.	0%	0%	Yes
			\$2,774	\$19	\$30	\$267	\$252	\$256	\$263	\$311	\$420	\$473	\$483				
East-West Arterial stage 2	Peacocke	\$27,436	\$42,841	\$2,248	\$7,423	\$18,635	\$12,118	\$2,159	\$49	\$43	\$24	\$124	\$19	This major arterial roading connection will connect Peacocke Road in the west with Ohaupo Rd/SH3 in the west. The Peacocke East-West minor arterial stage 2 links Peacocke Road in the east at the proposed Peacocke suburban centre with the new roundabout at Ohaupo Road in the west. The HIF-funded project includes two large gully crossings and provides walking, cycling and vehicle access. Investigation for design is underway and completion is planned for 2024.	36%	0%	Yes
			\$14,916	\$66	\$387	\$1,277	\$1,675	\$1,840	\$1,873	\$1,939	\$1,950	\$1,955	\$1,955				

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North-South Arterial Road land	Peacocke	\$9,194	\$13,260	\$2,532	\$2,847	\$0	\$4,375	\$756	\$771	\$184	\$1,164	\$79	\$552	Land acquisition, design and investigation of North-South arterial transport corridor to inform wastewater and other designs. This HIF funded project includes land acquisition for the Peacocke North-South major arterial down to and south of the East-West minor arterial, and design to support decision-making for wastewater implementation. Construction of the road corridor is not funded or planned for some time. Construction will be linked to timing of the Peacocke connection to Hamilton's central city and to the State Highway network to the south.	26%	0%	Yes
			\$3,387	\$61	\$158	\$178	\$327	\$363	\$393	\$418	\$472	\$500	\$518				
Peacocke Lane	Peacocke	\$5,077	\$5,077	\$0	\$0	\$178	\$421	\$2,017	\$2,003	\$94	\$54	\$285	\$25	Urbanisation to include facilities for cyclists, lighting and streetscape amenities, to facilitate development near HIF investments. Fragmented land ownership is likely to lead to delayed residential development around Peacocke Lane or lead to inefficiencies and safety risks without intervention. This growth-funded urban upgrade includes safe access and service connections including footpaths, lighting, strategic services and utility connections.	0%	0%	Yes
			\$1,250	\$0	\$0	\$8	\$25	\$112	\$196	\$214	\$224	\$235	\$235				
Bader Street corridor	Peacocke	\$1,252	\$1,252	\$0	\$0	\$1,252	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Continuing pedestrian and cycling safety improvements to deal with traffic from Peacocke stage 1. This project is part of mitigation for additional traffic from Peacocke Stage 1 using Waterford Avenue and Bader Street. It flows on from the walking and cycling safety improvements completed on Bader Street and Norrie Avenue. It will include intersection and pedestrian safety improvements at the Peacocks Road/Waterford intersection to deal with increased traffic conflicts. The works are likely to follow the main HIF-related construction projects.	0%	0%	Yes
			\$498	\$0	\$0	\$76	\$59	\$59	\$59	\$61	\$61	\$61	\$61				
Brymer Rd urbanisation	Rotokauri	\$12,396	\$12,396	\$4,500	\$0	\$0	\$0	\$0	\$0	\$251	\$859	\$5,032	\$1,753	Roading is a necessity for the Zoo/Waiwhakareke Entry Precinct to support safe travel, slow speed environment and arrival to a visitor destination. \$4.5M has been brought forward to 2021/22 to align with the Zoo/Waiwhakareke Entry Precinct.	0%	0%	Yes
			\$2,607	\$168	\$192	\$214	\$196	\$197	\$196	\$214	\$252	\$473	\$506				
Gilchrist urbanisation	Rotokauri	\$2,195	\$2,195	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$757	\$1,331	\$0	Currently there are no drivers from the developers relying on this upgrade. A potential land purchase by Ministry of Education in the area may change the timing.	0%	0%	Yes
			\$233	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$33	\$97	\$103				
Rotokauri - Improved walking and cycling	Rotokauri	\$203	\$203	\$0	\$0	\$203	\$0	\$0	\$0	\$0	\$0	\$0	\$0	As the community grows there will be a need to support the multi modal shift. This will improve safety and health and wellbeing for the community by optimising opportunities as development progresses.	0%	0%	Yes
			\$99	\$0	\$0	\$9	\$13	\$13	\$13	\$13	\$13	\$13	\$13				
Rotokauri Rd urbanisation	Rotokauri	\$5,892	\$5,892	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,070	\$917	\$3,905	As the community grows there will be a need for safer roads and modes of travel. This budget is to take the road from a rural setting and the timing is developer-driven.	0%	0%	Yes
			\$272	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$47	\$87	\$138				
Rotokauri developer upsize - Transport	Rotokauri	\$1,488	\$1,488	\$0	\$0	\$1,338	\$0	\$0	\$0	\$150	\$0	\$0	\$0	This is funding set aside to contribute to developer-led projects to ensure infrastructure built by developers is the most appropriate for the community now and into the future. These projects are all built by developers and the budget is only used when the developers are ready to build the infrastructure.	0%	0%	Yes
			\$764	\$0	\$0	\$105	\$87	\$87	\$87	\$97	\$101	\$101	\$101				
Rotokauri developer upsize - Wastewater	Rotokauri	\$1,753	\$1,753	\$121	\$161	\$855	\$25	\$0	\$0	\$0	\$59	\$224	\$308	This is funding set aside to contribute to developer-led projects to ensure infrastructure built by developers is the most appropriate for the community now and into the future. These projects are all built by developers and the budget is only used when the developers are ready to build the infrastructure.	0%	0%	Yes
			\$419	\$4	\$11	\$49	\$45	\$46	\$46	\$47	\$50	\$59	\$62				
Rotokauri developer upsize - Water	Rotokauri	\$1,123	\$1,123	\$84	\$126	\$501	\$25	\$0	\$0	\$0	\$0	\$0	\$386	This is funding set aside to contribute to developer-led projects to ensure infrastructure built by developers is the most appropriate for the community now and into the future. These projects are all built by developers and the budget is only used when the developers are ready to build the infrastructure.	0%	0%	Yes
			\$264	\$3	\$9	\$32	\$30	\$30	\$30	\$31	\$31	\$31	\$36				

Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Rotokauri arterial designation	Rotokauri	\$4,548	\$4,828	\$2,167	\$2,112	\$548	\$0	\$0	\$0	\$0	\$0	\$0	\$0	The designation will protect the arterial corridor from development encroachment, ensuring that we have the appropriate width and alignment to meet the future needs of the community.	6%	0%	Yes
			\$2,035	\$81	\$191	\$233	\$213	\$215	\$214	\$222	\$222	\$222	\$222				
Te Wetini connection	Rotokauri	\$2,282	\$2,282	\$0	\$0	\$1,989	\$18	\$0	\$0	\$0	\$75	\$88	\$113	To extend the wastewater services to support growth. Without this connection growth in Rotokauri will be limited.	0%	0%	Yes
			\$837	\$0	\$0	\$124	\$97	\$98	\$98	\$101	\$104	\$107	\$108				
Ruakura Road urban upgrade	Ruakura	\$1,581	\$6,697	\$6,447	\$250	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Urban upgrade (taking the road from rural to one that fits within an urban setting) of Ruakura Road from the Wairere Drive/Ruakura Road intersection and up to the Ruakura Road and Silverdale Road intersection.	51%	25%	Yes
			\$3,133	\$241	\$315	\$345	\$318	\$321	\$314	\$324	\$319	\$319	\$319				
Ruakura developer upsize - Transport	Ruakura	\$1,222	\$2,493	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$350	\$2,144	\$0	This budget is set aside to contribute to developer-led projects to ensure infrastructure built by developers is the most appropriate for the community now and into the future. These projects are all built by developers and the budget is only used when the developers are ready to build the infrastructure	51%	0%	Yes
			\$301	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15	\$143	\$143				
Ruakura developer upsize - Water	Ruakura	\$1,000	\$1,000	\$200	\$0	\$200	\$0	\$200	\$0	\$200	\$0	\$200	\$0		0%	0%	Yes
			\$252	\$7	\$8	\$18	\$16	\$25	\$25	\$34	\$34	\$42	\$42				

Council											
Draft Prospective Statement of Revenue & Expense											
	Annual Plan 2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue											
Rates	200,066	226,469	242,225	259,107	277,354	296,744	317,158	338,818	362,261	387,216	413,410
Fees and user charges	32,260	39,010	41,193	44,995	43,914	45,055	45,985	47,368	48,796	49,678	50,626
Subsidies and grants	7,227	8,632	8,867	8,837	9,141	10,023	9,974	10,473	11,018	11,523	12,433
Interest revenue	1,250	298	305	313	312	311	303	297	294	301	304
Other revenue	10,298	12,151	15,091	10,528	8,431	7,686	7,505	7,663	7,843	8,025	8,205
Development contributions	22,504	34,283	36,611	38,007	40,748	41,339	39,324	39,943	39,389	41,254	41,429
Capital revenue	58,634	96,452	67,394	51,442	40,413	19,289	20,578	19,535	33,569	35,747	38,128
Vested assets	32,479	34,491	39,199	41,714	45,157	46,181	45,698	46,588	50,672	52,091	51,053
Total Revenue	364,718	451,785	450,884	454,944	465,470	466,627	486,527	510,685	553,843	585,836	615,588
Expenditure											
Personnel costs	83,802	90,625	93,983	97,055	99,564	102,566	105,162	107,761	110,144	112,537	114,764
Depreciation and amortisation expense	74,727	80,893	89,658	94,429	100,353	107,001	109,866	112,621	115,853	117,381	122,766
Finance costs	17,124	17,185	23,803	28,420	29,429	30,520	30,195	30,884	30,975	32,171	33,186
Operating and maintenance costs	47,775	68,098	73,762	79,665	80,005	88,312	87,320	92,461	98,037	99,013	103,196
Professional costs	13,820	16,442	14,801	13,376	12,547	13,877	14,205	12,960	13,202	14,016	13,198
Administration costs	41,520	19,697	14,406	12,581	12,441	9,981	9,413	9,236	9,248	9,369	9,566
Property costs	10,017	11,849	12,774	13,544	14,150	14,799	15,476	16,190	16,946	17,737	18,547
Total Expenditure	288,785	304,790	323,188	339,070	348,490	367,057	371,637	382,113	394,405	402,224	415,223
Operating surplus/(deficit)	75,933	146,996	127,696	115,874	116,980	99,570	114,890	128,572	159,438	183,612	200,365

Arts & Community											
Draft Prospective Statement of Revenue & Expense											
	Annual Plan 2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue											
Rates	18,440	(18)	(19)	(18)	(18)	(18)	(18)	(19)	(19)	(20)	(20)
Fees and user charges	500	500	515	527	622	636	651	666	681	697	712
Subsidies and grants	2	2	2	2	2	2	2	2	2	2	2
Interest revenue	66	-	-	-	-	-	-	-	-	-	-
Other revenue	32	119	123	126	129	132	135	138	141	144	147
Development contributions	-	-	-	-	-	-	-	-	-	-	-
Capital revenue	-	265	30	31	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	19,040	868	651	668	735	752	769	786	805	823	841
Expenditure											
Personnel costs	5,364	5,666	5,932	6,340	6,599	6,833	6,988	7,143	7,299	7,454	7,609
Depreciation and amortisation expense	3,099	3,306	3,432	3,474	3,473	3,544	3,545	3,543	3,536	3,537	3,543
Finance costs	3	140	421	603	755	898	993	1,175	1,269	1,353	1,438
Operating and maintenance costs	1,381	1,549	1,682	3,260	1,647	2,106	1,896	2,050	1,840	2,304	1,923
Professional costs	321	163	166	170	171	175	179	183	188	192	196
Administration costs	27,959	14,817	10,214	9,852	10,016	7,706	7,903	7,925	7,967	8,119	8,239
Property costs	375	438	466	471	470	485	501	518	535	553	571
Total Expenditure	38,502	26,079	22,312	24,170	23,131	21,748	22,005	22,538	22,634	23,512	23,520
Operating surplus/(deficit)	(19,462)	(25,211)	(21,661)	(23,503)	(22,396)	(20,996)	(21,236)	(21,751)	(21,829)	(22,689)	(22,680)

City Safety											
Draft Prospective Statement of Revenue & Expense											
	Annual Plan 2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue											
Rates	4,047	-	-	-	-	-	-	-	-	-	-
Fees and user charges	1,938	2,090	2,171	2,224	2,277	2,330	2,382	2,437	2,494	2,551	2,606
Subsidies and grants	53	53	53	53	53	53	53	53	53	53	53
Interest revenue	-	-	-	-	-	-	-	-	-	-	-
Other revenue	31	31	31	31	31	31	31	31	31	31	31
Development contributions	-	-	-	-	-	-	-	-	-	-	-
Capital revenue	-	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	6,068	2,173	2,254	2,307	2,360	2,413	2,465	2,520	2,577	2,634	2,689
Expenditure											
Personnel costs	3,871	4,330	4,439	4,547	4,823	5,028	5,143	5,257	5,372	5,486	5,605
Depreciation and amortisation expense	70	97	97	96	116	116	116	116	116	96	96
Finance costs	-	2	5	10	15	19	23	30	35	40	46
Operating and maintenance costs	1,237	1,332	1,372	1,389	1,423	1,459	1,489	1,532	1,558	1,604	1,628
Professional costs	93	123	126	129	132	135	138	141	145	148	151
Administration costs	1,337	1,118	1,153	1,182	1,227	1,275	1,327	1,330	1,337	1,377	1,408
Property costs	12	15	16	16	17	18	18	19	19	20	20
Total Expenditure	6,621	7,016	7,207	7,370	7,753	8,051	8,254	8,426	8,582	8,771	8,955
Operating surplus/(deficit)	(554)	(4,843)	(4,953)	(5,063)	(5,393)	(5,638)	(5,789)	(5,906)	(6,005)	(6,137)	(6,266)

Democracy Services											
Draft Prospective Statement of Revenue & Expense											
	Annual Plan 2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue											
Rates	3,021	-	-	-	-	-	-	-	-	-	-
Fees and user charges	2	-	157	-	-	169	-	-	181	-	-
Subsidies and grants	-	-	-	-	-	-	-	-	-	-	-
Interest revenue	-	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-	-	-
Development contributions	-	-	-	-	-	-	-	-	-	-	-
Capital revenue	-	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	3,023	-	157	-	-	169	-	-	181	-	-
Expenditure											
Personnel costs	696	560	610	588	602	655	630	645	700	673	687
Depreciation and amortisation expense	-	-	-	-	-	-	-	-	-	-	-
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Operating and maintenance costs	41	28	33	29	30	36	31	32	38	34	34
Professional costs	402	502	1,049	529	582	1,125	567	580	1,205	607	666
Administration costs	2,076	2,170	2,301	2,323	2,392	2,501	2,531	2,570	2,657	2,676	2,736
Property costs	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure	3,214	3,260	3,993	3,470	3,606	4,317	3,759	3,826	4,599	3,989	4,123
Operating surplus/(deficit)	(191)	(3,260)	(3,836)	(3,470)	(3,606)	(4,148)	(3,759)	(3,826)	(4,419)	(3,989)	(4,123)

Parks & Recreation											
Draft Prospective Statement of Revenue & Expense											
	Annual Plan 2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue											
Rates	28,311	(198)	(204)	(209)	(214)	(219)	(224)	(229)	(234)	(239)	(245)
Fees and user charges	4,620	5,009	5,363	5,629	5,758	5,891	6,024	6,163	6,307	6,451	6,590
Subsidies and grants	7	7	7	7	7	7	7	7	7	7	7
Interest revenue	142	-	-	-	-	-	-	-	-	-	-
Other revenue	45	76	85	87	89	91	93	95	97	100	102
Development contributions	1,196	2,565	1,342	2,321	2,662	2,818	2,795	2,952	3,475	3,329	3,062
Capital revenue	100	198	129	133	354	364	258	147	151	155	158
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	34,421	7,657	6,721	7,967	8,656	8,952	8,954	9,136	9,803	9,802	9,674
Expenditure											
Personnel costs	5,208	6,094	6,265	6,420	6,809	6,966	7,124	7,283	7,444	7,721	7,881
Depreciation and amortisation expense	5,741	7,243	7,982	8,090	8,025	8,407	8,475	8,313	8,366	8,119	7,838
Finance costs	1,738	1,910	2,548	3,124	3,397	3,525	3,426	3,430	3,408	3,442	3,282
Operating and maintenance costs	6,166	6,284	6,337	6,673	7,127	7,890	7,764	9,182	9,701	8,993	9,699
Professional costs	691	1,734	1,300	963	865	1,047	955	1,145	1,068	971	1,054
Administration costs	12,353	12,770	13,518	13,925	14,385	14,874	15,524	15,535	15,545	15,964	16,232
Property costs	909	1,009	1,062	1,105	1,138	1,171	1,205	1,240	1,277	1,315	1,353
Total Expenditure	32,806	37,044	39,012	40,300	41,746	43,881	44,473	46,128	46,809	46,525	47,340
Operating surplus/(deficit)	1,615	(29,387)	(32,291)	(32,333)	(33,090)	(34,929)	(35,519)	(36,993)	(37,005)	(36,723)	(37,666)

Planning & Development											
Draft Prospective Statement of Revenue & Expense											
	Annual Plan 2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue											
Rates	6,010	-	-	-	-	-	-	-	-	-	-
Fees and user charges	8,474	10,410	10,991	11,309	11,642	11,790	12,108	12,678	13,048	13,267	13,393
Subsidies and grants	-	-	-	-	-	-	-	-	-	-	-
Interest revenue	30	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-	-	-
Development contributions	-	-	-	-	-	-	-	-	-	-	-
Capital revenue	-	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	14,513	10,410	10,991	11,309	11,642	11,790	12,108	12,678	13,048	13,267	13,393
Expenditure											
Personnel costs	9,851	10,948	11,310	11,640	12,059	12,630	13,064	13,350	13,646	13,931	14,228
Depreciation and amortisation expense	-	-	-	-	-	-	-	-	-	-	-
Finance costs	555	537	544	450	305	166	8	(177)	(380)	(603)	(849)
Operating and maintenance costs	406	378	562	585	539	552	565	578	592	606	619
Professional costs	2,083	4,617	3,240	2,042	2,016	2,437	2,363	1,649	1,446	1,484	1,449
Administration costs	3,786	3,673	3,966	4,124	4,208	4,250	4,112	4,134	4,167	4,275	4,363
Property costs	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure	16,681	20,153	19,622	18,841	19,127	20,036	20,112	19,534	19,471	19,693	19,809
Operating surplus/(deficit)	(2,168)	(9,743)	(8,631)	(7,532)	(7,485)	(8,246)	(8,005)	(6,857)	(6,423)	(6,426)	(6,417)

Rubbish & Recycling											
Draft Prospective Statement of Revenue & Expense											
	Annual Plan 2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue											
Rates	7,200	-	-	-	-	-	-	-	-	-	-
Fees and user charges	(69)	(71)	(73)	(75)	(77)	(79)	(80)	(82)	(84)	(86)	(88)
Subsidies and grants	583	642	650	659	668	676	685	694	702	711	719
Interest revenue	4	-	-	-	-	-	-	-	-	-	-
Other revenue	444	444	457	468	479	490	501	513	525	537	548
Development contributions	-	-	-	-	-	-	-	-	-	-	-
Capital revenue	-	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	8,162	1,015	1,034	1,052	1,070	1,088	1,106	1,124	1,143	1,161	1,179
Expenditure											
Personnel costs	1,518	870	892	920	948	970	992	1,135	1,160	1,185	1,209
Depreciation and amortisation expense	564	650	702	702	700	736	739	734	808	805	804
Finance costs	339	208	209	198	189	196	211	241	242	235	237
Operating and maintenance costs	8,173	7,791	8,262	8,745	9,168	9,663	10,160	10,636	11,049	11,531	10,283
Professional costs	279	385	304	311	318	326	333	341	349	357	364
Administration costs	(243)	38	539	370	373	644	467	537	537	590	628
Property costs	54	68	74	79	82	86	89	93	96	100	104
Total Expenditure	10,684	10,010	10,982	11,325	11,779	12,621	12,991	13,717	14,241	14,802	13,629
Operating surplus/(deficit)	(2,521)	(8,995)	(9,948)	(10,273)	(10,710)	(11,533)	(11,885)	(12,593)	(13,098)	(13,641)	(12,450)

Stormwater											
Draft Prospective Statement of Revenue & Expense											
	Annual Plan 2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue											
Rates	6,897	-	-	-	-	-	-	-	-	-	-
Fees and user charges	210	180	185	189	194	198	203	208	212	217	222
Subsidies and grants	-	-	-	-	-	-	-	-	-	-	-
Interest revenue	116	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-	-	-
Development contributions	2,854	1,727	1,601	4,585	4,548	5,243	4,666	4,485	3,323	3,860	4,599
Capital revenue	104	2,025	1,056	27	27	28	29	29	30	31	32
Vested assets	5,508	4,800	5,455	5,806	6,284	6,427	6,360	6,484	7,052	7,250	7,105
Total Revenue	15,689	8,732	8,297	10,607	11,053	11,896	11,258	11,206	10,618	11,358	11,957
Expenditure											
Personnel costs	1,277	1,284	1,319	1,367	1,217	1,243	1,271	1,305	1,333	1,362	1,390
Depreciation and amortisation expense	9,748	9,720	10,879	11,052	11,268	12,288	12,492	12,652	13,751	14,180	14,579
Finance costs	928	1,047	1,420	1,699	1,829	1,957	1,954	2,019	2,350	2,928	3,431
Operating and maintenance costs	1,348	1,780	1,891	1,964	2,170	2,414	2,652	2,907	3,088	3,305	3,446
Professional costs	423	477	528	620	414	394	539	424	422	530	441
Administration costs	1,801	1,856	2,074	2,139	2,239	2,357	2,490	2,452	2,427	2,514	2,574
Property costs	371	462	507	541	563	585	608	632	657	684	711
Total Expenditure	15,896	16,626	18,618	19,383	19,698	21,238	22,006	22,390	24,029	25,502	26,572
Operating surplus/(deficit)	(207)	(7,894)	(10,321)	(8,776)	(8,645)	(9,342)	(10,748)	(11,184)	(13,411)	(14,144)	(14,614)

Transport											
Draft Prospective Statement of Revenue & Expense											
	Annual Plan 2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue											
Rates	35,634	(160)	(168)	(176)	(184)	(193)	(202)	(211)	(221)	(232)	(242)
Fees and user charges	3,621	3,450	3,563	3,656	3,804	3,900	3,997	4,096	4,199	4,296	4,390
Subsidies and grants	6,498	7,858	8,069	8,030	8,325	9,198	9,141	9,632	10,168	10,664	11,566
Interest revenue	312	-	-	-	-	-	-	-	-	-	-
Other revenue	2,568	2,930	2,967	3,000	3,033	3,065	3,098	3,132	3,167	3,202	3,236
Development contributions	6,717	9,717	10,869	12,325	12,780	12,401	12,234	11,831	12,152	12,527	12,084
Capital revenue	57,122	92,867	62,766	50,590	38,931	18,197	20,148	19,211	32,875	34,664	36,641
Vested assets	21,764	24,589	27,946	29,739	32,193	32,924	32,579	33,213	36,125	37,136	36,396
Total Revenue	134,235	141,251	116,012	107,164	98,882	79,492	80,995	80,903	98,465	102,258	104,070
Expenditure											
Personnel costs	4,958	6,497	7,136	7,310	6,731	6,888	7,044	7,201	7,358	7,515	7,671
Depreciation and amortisation expense	20,411	21,275	23,263	25,210	28,299	29,179	29,738	33,243	33,720	34,921	39,260
Finance costs	3,934	4,456	6,138	7,060	7,130	7,223	6,977	6,981	6,959	7,667	8,568
Operating and maintenance costs	12,884	18,880	19,618	22,172	23,036	25,697	25,294	26,469	27,968	29,100	31,686
Professional costs	1,050	1,238	1,276	1,166	1,358	1,216	1,354	1,263	1,246	1,253	1,290
Administration costs	9,066	10,434	11,516	11,935	12,482	13,083	13,738	13,659	13,637	14,101	14,438
Property costs	2,093	2,284	2,440	2,579	2,701	2,828	2,961	3,099	3,245	3,401	3,555
Total Expenditure	54,394	65,063	71,388	77,433	81,738	86,115	87,107	91,915	94,134	97,958	106,468
Operating surplus/(deficit)	79,840	76,187	44,624	29,731	17,144	(6,623)	(6,111)	(11,012)	4,331	4,300	(2,398)

Venues, Tourism & Major Events											
Draft Prospective Statement of Revenue & Expense											
	Annual Plan 2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue											
Rates	15,664	(199)	(207)	(215)	(222)	(230)	(238)	(247)	(256)	(265)	(275)
Fees and user charges	2,803	4,760	5,102	7,861	5,350	5,474	5,598	5,727	5,861	5,995	6,124
Subsidies and grants	-	-	-	-	-	-	-	-	-	-	-
Interest revenue	79	-	-	-	-	-	-	-	-	-	-
Other revenue	742	704	724	742	760	777	795	813	832	851	869
Development contributions	-	-	-	-	-	-	-	-	-	-	-
Capital revenue	200	-	2,914	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	19,488	5,265	8,533	8,389	5,887	6,021	6,154	6,293	6,437	6,581	6,718
Expenditure											
Personnel costs	5,731	5,872	5,977	6,126	6,276	6,423	6,570	6,717	6,824	6,970	7,115
Depreciation and amortisation expense	5,480	6,293	6,398	6,553	6,640	6,686	6,734	6,752	6,764	6,787	6,811
Finance costs	1,477	1,538	1,845	1,862	1,664	1,564	1,348	1,143	980	756	448
Operating and maintenance costs	3,067	5,041	5,412	6,946	5,033	5,764	5,537	5,619	6,737	5,882	5,943
Professional costs	296	300	299	295	259	287	271	277	284	290	297
Administration costs	5,369	5,753	6,222	6,434	6,703	6,984	7,287	7,299	7,304	7,503	7,651
Property costs	886	1,287	1,391	1,473	1,526	1,581	1,637	1,697	1,759	1,823	1,889
Total Expenditure	22,305	26,085	27,543	29,690	28,101	29,289	29,384	29,505	30,652	30,012	30,153
Operating surplus/(deficit)	(2,817)	(20,820)	(19,010)	(21,301)	(22,214)	(23,268)	(23,230)	(23,212)	(24,215)	(23,431)	(23,435)

Visitor Attractions											
Draft Prospective Statement of Revenue & Expense											
	Annual Plan 2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue											
Rates	15,787	(52)	(54)	(55)	(56)	(57)	(59)	(60)	(61)	(63)	(64)
Fees and user charges	1,475	2,527	2,889	3,038	3,185	3,279	3,376	3,477	3,615	3,724	3,833
Subsidies and grants	85	87	87	87	87	87	87	87	87	87	87
Interest revenue	12	-	-	-	-	-	-	-	-	-	-
Other revenue	87	99	109	111	113	116	118	121	124	127	129
Development contributions	-	-	-	-	-	-	-	-	-	-	-
Capital revenue	1,000	972	371	530	545	560	-	-	362	743	1,139
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	18,446	3,633	3,402	3,711	3,874	3,985	3,522	3,625	4,126	4,617	5,124
Expenditure											
Personnel costs	7,740	8,108	8,401	8,773	9,070	9,281	9,556	9,763	9,978	10,195	10,403
Depreciation and amortisation expense	2,198	2,540	2,487	2,451	2,635	2,611	2,544	2,535	2,398	2,357	2,269
Finance costs	133	220	591	1,064	1,297	1,453	1,623	1,880	2,089	2,313	2,415
Operating and maintenance costs	3,004	3,443	4,189	3,546	3,531	4,951	4,079	4,282	4,874	4,468	4,607
Professional costs	223	367	355	284	291	388	304	311	407	334	333
Administration costs	3,460	3,530	3,813	3,928	4,073	4,227	4,399	4,419	4,446	4,579	4,685
Property costs	462	553	598	634	658	683	708	735	762	791	821
Total Expenditure	17,221	18,760	20,435	20,681	21,556	23,594	23,213	23,925	24,954	25,038	25,533
Operating surplus/(deficit)	1,225	(15,127)	(17,034)	(16,970)	(17,682)	(19,610)	(19,690)	(20,300)	(20,828)	(20,421)	(20,409)

Wastewater											
Draft Prospective Statement of Revenue & Expense											
	Annual Plan 2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue											
Rates	30,638	(44)	(46)	(48)	(50)	(52)	(53)	(55)	(57)	(59)	(61)
Fees and user charges	4,144	3,634	3,740	3,830	4,191	4,288	4,385	4,486	4,591	4,696	4,797
Subsidies and grants	-	-	-	-	-	-	-	-	-	-	-
Interest revenue	271	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-	-	-
Development contributions	7,378	12,260	14,438	11,881	13,341	13,751	12,653	14,169	14,401	15,015	14,829
Capital revenue	54	75	77	80	82	84	86	88	91	93	95
Vested assets	3,287	3,312	3,764	4,005	4,336	4,434	4,388	4,473	4,865	5,002	4,902
Total Revenue	45,773	19,237	21,972	19,748	21,900	22,506	21,459	23,161	23,890	24,746	24,562
Expenditure											
Personnel costs	2,911	3,691	3,799	4,124	4,469	4,619	4,781	4,982	5,091	5,199	5,308
Depreciation and amortisation expense	12,716	14,366	15,964	16,757	17,426	19,029	19,766	20,073	22,137	22,565	23,354
Finance costs	3,396	3,586	4,568	5,236	5,362	5,820	6,021	6,415	6,591	6,828	7,183
Operating and maintenance costs	6,777	9,084	9,661	10,058	10,739	11,534	11,580	12,208	13,141	13,386	13,783
Professional costs	2,250	895	894	832	1,003	928	949	966	794	836	925
Administration costs	7,443	7,548	8,417	8,721	9,139	9,609	10,128	10,019	9,961	10,313	10,559
Property costs	2,081	2,380	2,564	2,730	2,880	3,036	3,200	3,375	3,560	3,755	3,956
Total Expenditure	37,574	41,549	45,867	48,458	51,019	54,576	56,426	58,036	61,274	62,883	65,068
Operating surplus/(deficit)	8,199	(22,312)	(23,894)	(28,710)	(29,119)	(32,070)	(34,967)	(34,875)	(37,384)	(38,137)	(40,507)

Water Supply											
Draft Prospective Statement of Revenue & Expense											
	Annual Plan 2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue											
Rates	28,695	8,618	8,868	9,084	9,299	9,515	9,730	9,954	10,187	10,420	10,644
Fees and user charges	(313)	(318)	(333)	(347)	(362)	(376)	(392)	(408)	(424)	(441)	(458)
Subsidies and grants	-	-	-	-	-	-	-	-	-	-	-
Interest revenue	218	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-	-	-
Development contributions	4,359	8,014	8,361	6,895	7,417	7,126	6,976	6,506	6,038	6,523	6,855
Capital revenue	54	50	52	53	473	56	57	59	60	62	63
Vested assets	1,920	1,790	2,034	2,165	2,344	2,397	2,372	2,418	2,630	2,704	2,650
Total Revenue	34,933	18,154	18,982	17,849	19,171	18,718	18,743	18,530	18,491	19,267	19,754
Expenditure											
Personnel costs	2,105	2,985	3,072	3,247	3,524	3,656	3,796	3,966	4,053	4,139	4,226
Depreciation and amortisation expense	8,498	8,631	9,890	10,195	10,487	11,363	11,489	11,542	12,323	12,396	12,643
Finance costs	3,016	3,278	4,177	4,450	4,167	3,922	3,500	3,143	2,447	1,876	1,253
Operating and maintenance costs	4,356	5,589	6,041	6,900	7,238	8,098	7,848	8,128	8,543	8,690	8,968
Professional costs	953	841	878	766	615	595	649	614	552	682	627
Administration costs	5,717	5,862	6,523	6,756	7,077	7,439	7,838	7,756	7,714	7,985	8,175
Property costs	1,958	2,197	2,385	2,553	2,700	2,856	3,019	3,193	3,378	3,573	3,776
Total Expenditure	26,602	29,383	32,966	34,867	35,808	37,929	38,139	38,341	39,011	39,341	39,668
Operating surplus/(deficit)	8,331	(11,229)	(13,984)	(17,018)	(16,637)	(19,211)	(19,396)	(19,812)	(20,520)	(20,074)	(19,914)

General Purpose Draft Prospective Statement of Revenue & Expense											
	Annual Plan 2020/21	Year 1 2021/22	Year 2 2022/23	Year 3 2023/24	Year 4 2024/25	Year 5 2025/26	Year 6 2026/27	Year 7 2027/28	Year 8 2028/29	Year 9 2029/30	Year 10 2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Revenue											
Rates	-	218,826	234,372	251,076	269,147	288,363	308,604	330,085	353,342	378,113	404,133
Fees and user charges	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants	-	-	-	-	-	-	-	-	-	-	-
Interest revenue	-	298	305	313	312	311	303	297	294	301	304
Other revenue	4,321	5,597	8,348	3,572	1,371	464	118	104	104	104	104
Development contributions	-	-	-	-	-	-	-	-	-	-	-
Capital revenue	-	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	4,321	224,721	243,025	254,962	270,830	289,137	309,025	330,485	353,740	378,518	404,541
Expenditure											
Personnel costs	(1,000)	-	-	-	-	-	-	-	-	-	-
Depreciation and amortisation expense	654	-	266	537	821	1,127	1,445	1,788	1,900	2,007	2,113
Finance costs	1,535	-	513	1,290	1,634	1,777	1,838	1,867	1,895	1,922	1,950
Operating and maintenance costs	(1,052)	-	-	-	-	-	-	-	-	-	-
Professional costs	(500)	-	-	-	-	-	-	-	-	-	-
Administration costs	(200)	(4,910)	(6,382)	(7,951)	(8,431)	(8,946)	(9,476)	(10,053)	(10,288)	(10,523)	(10,749)
Property costs	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure	(563)	(4,910)	(5,603)	(6,124)	(5,977)	(6,042)	(6,194)	(6,398)	(6,493)	(6,593)	(6,686)
Operating surplus/(deficit)	4,884	229,631	248,627	261,086	276,806	295,178	315,219	336,883	360,233	385,111	411,227

2021-31 LONG-TERM PLAN – CAPITAL PROGRAMME - A CITY THAT'S EASY TO LIVE IN - UNFUNDED

KEY: Capex \$000's Opex \$000's (Includes depreciation, interest, consequential opex & project opex)																	
Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Hamilton Park administration and reception facility	Community	\$2,001	\$2,001	\$0	\$0	\$0	\$148	\$1,853	\$0	\$0	\$0	\$0	\$0	This project is for a new building combining an administration area and a reception area for after-service gatherings. Regular feedback is received from funeral directors and customers that they would like to see a reception facility on-site to better meet the needs of the community. With new providers in the market, the number of cremations at Hamilton Park Cemetery has decreased by around 30%. Hamilton Park Cemetery aims to regain some of its market share and these improvements to our facilities would help to facilitate this.	0%	0%	No
			\$800	\$0	\$0	\$30	\$7	\$92	\$132	\$135	\$135	\$135	\$135				
Hamilton Park Cemetery playground	Community	\$256	\$256	\$0	\$26	\$230	\$0	\$0	\$0	\$0	\$0	\$0	\$0	This project will build a basic playground on the Melia lawn which has an outdoor shelter for visitors. Feedback from stakeholders over many years supports a child-friendly space to help demystify cemeteries for children and make family visits to the cemetery a more welcoming and positive experience. Incorporating children's play areas in active cemeteries is common place in Australian metropolitan cities and some NZ cemeteries.	0%	0%	No
			\$186	\$0	\$12	\$19	\$18	\$23	\$23	\$23	\$23	\$23	\$23				
Heritage and archive collection digitisation	Community	\$2,500	\$2,500	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	The digitisation of hard copy heritage and archive collection items. Digitisation will enable these items to be accessible via existing online platforms and on interactive kiosks within the libraries. The Libraries have been digitising material from the Heritage Collection since 2005 with initially a small digitisation budget which increased to \$50k in FY 2009/10 FY. Research shows that the demand for original historical documents increases once they are made accessible through digitisation.	0%	0%	No
			\$408	\$6	\$15	\$25	\$29	\$37	\$44	\$54	\$61	\$69	\$69				
Interpretation signage plan	Community	\$310	\$310	\$110	\$100	\$100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Guidance document and plan to coordinate the delivery of interpretive signage. Hamilton has great stories to tell but no existing guidance on how to do this (including mutually agreed outcomes and a process to follow). This will help address the high level of public interest and growing awareness of tangata whenua and the community to have stories fairly and accurately told and meaningfully incorporated into built projects or physical sites. The project will address the increased demand from staff and Members for guidance to tell our stories through appropriately researched interpretation that speaks to the needs of our community.	0%	0%	No
			\$462	\$85	\$30	\$44	\$43	\$43	\$43	\$44	\$44	\$44	\$44				
Libraries destination children's areas programme	Community	\$650	\$650	\$44	\$156	\$50	\$400	\$0	\$0	\$0	\$0	\$0	\$0	A flagship children's destination area at the Hamilton Central Library. Library spaces for children are not currently fit for purpose resulting in reduced use of these facilities. Opportunities exist to create modern destination library spaces for children.	0%	0%	No
			\$676	\$7	\$28	\$35	\$86	\$86	\$86	\$87	\$87	\$87	\$87				
Digital newspaper kiosks	Community	\$211	\$211	\$211	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Technology to make newspapers and periodical publications more accessible. With printed publication of newspapers and periodicals transitioning to online only platforms, this project enables continued access to these publications for all Hamiltonians. There is a need for libraries to continue their investment in technology innovation to keep up with rapid changes and the increased demand for web-based services.	0%	0%	No
			\$273	\$26	\$27	\$28	\$27	\$27	\$27	\$28	\$28	\$28	\$28				
Digital signage	Community	\$211	\$211	\$211	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Digital signage to guide people around libraries and promote library programmes and events. There are currently limited options for promotion of events and services in libraries.	0%	0%	No
			\$273	\$26	\$27	\$28	\$27	\$27	\$27	\$28	\$28	\$28	\$28				

Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Heritage collection online kiosks	Community	\$85	\$85	\$85	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Kiosks to provide access to the libraries' Heritage online collection at each community library. There are currently limited options to access the Heritage collection online while visiting a library branch and physical access is only available at the Central Library. This is a collection that is constantly increasing in size due to the Heritage Digitisation Project.	0%	0%	No
			\$111	\$11	\$11	\$11	\$11	\$11	\$11	\$11	\$11	\$11	\$11				
Mobile outreach library service	Community	\$388	\$388	\$0	\$0	\$0	\$388	\$0	\$0	\$0	\$0	\$0	\$0	Purchase and fit out of a large vehicle to provide a mobile outreach library service for Hamiltonians. This service will enable libraries to reach communities without library services, such as retirement villages and rest homes, early childhood centres, schools and offer a pop-up community hub service from community centres and parks across the city. The vehicle would also enable a pop-up library service at events, which would double as marketing and enable exposure of library services to non-users.	0%	0%	No
			\$1,333	\$0	\$0	\$0	\$190	\$190	\$190	\$191	\$191	\$191	\$191				
Public Art support fund	Community	\$341	\$341	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	Funding to support Public Art projects that are vested to the Council by external stakeholders. This is an ongoing fund to support the development of public art. This fund ensures that the public art provided by external parties is at an appropriate standard for the community. Recent works supported by this fund include Toia mai and Te Tatau ki Kirikiriroa.	0%	0%	No
			\$228	\$4	\$8	\$13	\$17	\$21	\$25	\$29	\$33	\$38	\$41				
Parks connections programme	Community	\$1,695	\$3,460	\$739	\$644	\$828	\$668	\$327	\$254	\$0	\$0	\$0	\$0	Key walking and cycling connections through open spaces across the city. Investment into building new path connections within select parks across the city to improve and/or link up some open spaces with existing transportation networks across the city, helping to promote alternative transportation modes for local residents and the wider community.	51%	0%	Yes
			\$1,869	\$102	\$97	\$157	\$189	\$211	\$226	\$222	\$222	\$222	\$222				
Bridge capacity programme	Transport	\$3,381	\$6,900	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$100	\$6,800	Design and implementation of additional capacity on Whitiara Bridge e.g. biking and walking.	51%	0%	Yes
			\$94	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4	\$89				
Bridge safety programme	Transport	\$14,805	\$14,805	\$3,735	\$4,300	\$350	\$5,200	\$0	\$1,100	\$120	\$0	\$0	\$0	Handrail and barrier upgrades on bridges crossing the Waikato River.	0%	0%	Yes
			\$7,740	\$216	\$507	\$561	\$853	\$858	\$925	\$955	\$955	\$955	\$955				
Biking and micro-mobility - Additional opportunities	Transport	\$115,640	\$236,000	\$23,600	\$23,600	\$23,600	\$23,600	\$23,600	\$23,600	\$23,600	\$23,600	\$23,600	\$23,600	Safer routes will offer biking and micro-mobility as alternate modes of transport as identified by the Biking and Micro-mobility Business Case.	51%	0%	Yes
			\$56,396	\$891	\$2,032	\$3,313	\$4,036	\$5,093	\$6,083	\$7,344	\$8,393	\$9,443	\$9,767				
Eastern pathways - Additional opportunities	Transport	\$14,406	\$29,400	\$1,500	\$6,500	\$0	\$400	\$2,500	\$6,000	\$3,750	\$4,000	\$3,000	\$1,750	The School link, Uni Link and connections to these routes. This project offers transport choice along these busy corridors by prioritizing and creating good infrastructure for public transport, walking/cycling and micro-mobility. Includes Ruakura Road biking facilities upgrade between Peachgrove and Wairere to tie into Ruakura Road upgrade and Ruakura West projects.	51%	0%	Yes
			\$6,835	\$56	\$346	\$376	\$361	\$471	\$729	\$919	\$1,095	\$1,230	\$1,253				
Transport developer upsizing - Additional opportunities	Transport	\$3,000	\$3,000	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	This is money set aside to contribute to developer-led projects to ensure infrastructure built by developers is the most appropriate for the community now and into the future or to provide the 'missing links' e.g. footpath extensions. These projects are all built by developers and the budget is only used when the developers are ready to build the infrastructure. A budget in line with 2018-28 LTP has been included in the base. However, an additional budget requested by staff has been included as an opportunity.	0%	0%	Yes
			\$820	\$13	\$30	\$48	\$59	\$74	\$89	\$106	\$122	\$137	\$143				
Gordonton Road corridor (Wairere to Borman)	Transport	\$6,370	\$6,370	\$0	\$0	\$2,870	\$3,500	\$0	\$0	\$0	\$0	\$0	\$0	Intersection improvements at Gordonton/Puketaha. Please note the Darjon/Gordonton intersection upgrade is included in the Low Cost Low Risk - Road to Zero programme.	0%	0%	Yes
			\$2,110	\$0	\$0	\$133	\$276	\$278	\$277	\$286	\$286	\$286	\$286				
			EXPENDITURE											REVENUE			

Project	Programme	Net Total 10 Years Budget												Considerations	Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31				
Intersection upgrades - Subsidised - Additional opportunities	Transport	\$4,410	\$9,000	\$0	\$0	\$0	\$0	\$0	\$100	\$5,900	\$0	\$3,000	\$0	To address growth and safety of intersections as more people move into the city and use the transport network. Included is the Wairere/Te Rapa Intersection Safety Upgrade.	51%	0%	Yes
			\$1,325	\$0	\$0	\$0	\$0	\$0	\$4	\$264	\$264	\$396	\$396				
Intersection upgrades - Non-subsidised	Transport	\$3,000	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0	\$100	\$2,900	\$0	\$0	To address growth and safety of intersections as more people move into the city and use the transport network. Included is the Wairere/Pukete intersection safety upgrade.	0%	0%	Yes
			\$401	\$0	\$0	\$0	\$0	\$0	\$0	\$4	\$132	\$132	\$132				
Northern River crossing - Additional opportunities	Transport	\$14,988	\$30,588	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,738	\$2,695	\$18,155	With growth in Rototuna and Expressway connections the Wairere Drive and Pukete Bridge will reach capacity, and this corridor will provide more capacity. The Te Rapa North Structure Plan provisions will require this corridor. The corridor will also provide future connections to the HT1 growth cell. The designation of the corridor in the base in 2026/27 and 2027/28. The construction is currently an opportunity from 2028/29.	51%	0%	Yes
			\$1,766	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$429	\$547	\$790				
Rototuna Village - Land purchase	Rototuna	\$1,080	\$1,080	\$1,050	\$30	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Purchase of land for the potential Rototuna Transport Hub. Opportunity exists until August 2021 with the developer to secure land for Council that could be used for a potential public transport hub.	0%	0%	Yes
			\$508	\$43	\$51	\$55	\$50	\$51	\$51	\$52	\$52	\$52	\$52				
Rototuna Village changing places Toilet	Rototuna	\$377	\$377	\$13	\$364	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	A 24-hour changing place for people with disabilities of all ages located near the Rototuna Village square, and Korikori Park. Public toilets are proposed in the Rototuna Village square. Adding a changing places toilet to the current proposed public toilets during the design and construction is the most cost-effective time to provide a 24-hour accessible facility of this nature in the heart of the Rototuna Village, but near to Korikori Park.	0%	0%	No
			\$200	\$1	\$17	\$24	\$22	\$22	\$22	\$23	\$23	\$23	\$23				
Rototuna Village pou	Rototuna	\$275	\$275	\$0	\$275	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	A pou whenua (carved pole) in the Rototuna village square to reflect the significance of the village. The village project scope did not include public art. Mana whenua representatives, Te Haa o te whenua o Kirikiriroa, view a pou whenua as an absolute essential in the village. The presence of pou whenua is a message to visitors and tangata whenua alike that the land supports and cares for the people, and the people support and care for the land.	0%	0%	No
			\$132	\$0	\$14	\$15	\$14	\$14	\$15	\$14	\$15	\$14	\$18				
Rototuna Village safety (CCTV)	Rototuna	\$226	\$356	\$13	\$169	\$113	\$63	\$0	\$0	\$0	\$0	\$0	\$0	Providing CCTV cameras that are monitored by CitySafe will improve safety and security for people and property. In doing so it will support the ongoing commercial and social success for the village. The most cost-effective time to install CCTV is during the development of the village. Undertaking the work now enables the infrastructure to be considered as part of the village design.	0%	36%	No
			\$355	\$2	\$22	\$35	\$40	\$45	\$44	\$44	\$41	\$41	\$41				
Roger Kauī urbanisation	Rotokauri	\$3,050	\$2,788	\$0	\$0	\$0	\$568	\$2,166	\$54	\$0	\$0	\$0	\$0	The upgrade of a rural road to an urban one. This is a developer driven project and will be a reactive urbanisation to the needs of the development community.	0%	0%	Yes
			\$794	\$0	\$0	\$0	\$24	\$117	\$119	\$132	\$132	\$132	\$139				
Rotokauri developer upsizer - Wastewater - Additional opportunities	Rotokauri	\$10,871	\$10,871	\$233	\$3,273	\$248	\$5,289	\$1,805	\$25	\$0	\$0	\$0	\$0	This is funding set aside to contribute to developer-led projects to ensure infrastructure built by developers is the most appropriate for the community now and into the future. These projects are all built by developers and the budget is only used when the developers are ready to build the infrastructure.	0%	0%	Yes
			\$3,402	\$8	\$138	\$162	\$353	\$431	\$449	\$465	\$465	\$465	\$465				
Rotokauri developer upsizer - Water - Additional opportunities	Rotokauri	\$5,119	\$5,119	\$0	\$0	\$288	\$2,260	\$1,893	\$679	\$0	\$0	\$0	\$0	This is funding set aside to contribute to developer-led projects to ensure infrastructure built by developers is the most appropriate for the community now and into the future. These projects are all built by developers and the budget is only used when the developers are ready to build the infrastructure.	0%	0%	Yes
			\$1,379	\$0	\$0	\$13	\$104	\$183	\$210	\$217	\$217	\$217	\$217				

Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Rotokauri arterial construction	Rotokauri	\$32,184	\$32,184	\$0	\$0	\$10,324	\$4,405	\$13,010	\$4,075	\$85	\$285	\$0	\$0	Following the above designation, this will enable the construction of the North South Minor Arterial for Rotokauri as a key link for the community. This will provide multi mode transport opportunities for this growth area creating a great place to work, live and play.	0%	0%	Yes
			\$9,478	\$0	\$0	\$478	\$618	\$1,194	\$1,389	\$1,440	\$1,453	\$1,453	\$1,453				
Sewer pump station - Ruffel Road	Rotokauri	\$1,663	\$1,663	\$0	\$0	\$0	\$161	\$1,448	\$54	\$0	\$0	\$0	\$0	This sewer pump station will service the Te Rapa north catchment and enable growth to continue.	0%	0%	Yes
			\$455	\$0	\$0	\$0	\$7	\$69	\$71	\$77	\$77	\$77	\$77				
Te Rapa North urban road upgrades	Te Rapa North	\$7,402	\$7,402	\$0	\$0	\$144	\$155	\$646	\$54	\$467	\$724	\$1,936	\$3,277	As the community grows there will be a need for safer roads and modes of travel. This budget is to take the road from a rural setting and the timing is developer-driven. This programme includes the upgrade of Meadowview Lane, Pukete Rd, Hutchinson Rd, Ruffel Rd, and Red Oaks Close.	0%	0%	Yes
			\$737	\$0	\$0	\$7	\$18	\$45	\$47	\$68	\$109	\$200	\$243				
Templeview watermains	Templeviw	\$50	\$50	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50	Water mains	0%	0%	No
			\$21	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$21				

2021-31 LONG-TERM PLAN – Unfunded Operational Projects – A city that’s easy to live in

November 2020

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Project and Description	Activity	Currently funded in Base	Unfunded in base										Opportunity & Benefit	Risk & Mitigation
			Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		
Bridge management and modal shift planning operational planning and implementation. Development of operational plans to support the delivery of the Transport Strategy, our external roading maintenance contract review and approved Council Plans i.e. CCTP; River Plan; West Town Belt.	Transport	\$90	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	<ul style="list-style-type: none">Opportunity to plan and deliver on key Council Strategic Plans, including future modal shift; bridge management plans; parking and public transport and our future contract model for road maintenance.	<ul style="list-style-type: none">Won't give effect to our transport strategy which may affect the Waka Kotahi (NZTA) Subsidy. It may also result in less than optimal solution for a coordinated delivery of Council's strategic plans. Our road maintenance contract may not satisfy Waka Kotahi procurement rules.
Footpath maintenance Increase, due to growth in the network, in resource to meet service standard of the removal defects such as trip hazards on the network by year 5.	Transport	\$600	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	<ul style="list-style-type: none">Improve the overall standard of footpaths across the city, with the result that this will improve micro-mobility users.	<ul style="list-style-type: none">Non-funding will result in the footpaths faults being address over a longer timeframe creating a safety risk to the public and reducing confidence in Council's delivery of core services.
Transport network planning Additional staff resourcing to provide project support for low cost low risk and mode shift implementation, transport optimisation and efficiency, and network compliance due to growth in the network.	Transport	\$505	\$379	\$379	\$379	\$379	\$379	\$379	\$379	\$379	\$379	\$379	<ul style="list-style-type: none">Roadside landscape planting is in place to improve the visual amenity and help to engender a level of pride for the city. There are now a variety of streetscapes that all require a different approach to maintaining and increased traffic management require.	<ul style="list-style-type: none">The risk is that would not be able to deliver on Council's strategic plans and the delivery of key projects that are aligned to these plans.The mitigation is projects either will not proceed or will be reprioritised.
Pre-seal and pavement repairs Ensuring that the roading asset is well maintained and that defects are addressed and that work is completed in a timely manner to ensure smooth travel exposure targets are met and that the lowest life cycle cost of maintaining the asset is achieved.	Transport	\$2,343	\$1,410	\$1,410	\$1,410	\$1,410	\$1,410	\$1,410	\$1,410	\$1,410	\$1,410	\$1,410	<ul style="list-style-type: none">Funding to allow the repair of minor to medium defects of the pavement (road) surface prior to resealing.Minor pre surfacing repairs to the carriageway pavement is the most cost effective whole of life management process for road pavements as it increases the life of both the road surface coat and the pavement below, and protects the water proofing qualities of the road seal coat.	<ul style="list-style-type: none">If defects are not addressed, there is a risk that there will be pre-mature failure in the roading network, resulting in additional work being required and potential risk to road users safety. This would be in the form of the reappearance of potholes and other deformations.The mitigation is to accept the service standard has a greater level of potholes and other deformation and reducing the smooth travel exposure target.
Road marking Increase, due to growth in the network, in cost for road marking to maintain visibility and readability of road marking.	Transport	\$784	\$59	\$59	\$59	\$59	\$59	\$59	\$59	\$59	\$59	\$59	<ul style="list-style-type: none">Funding to maintain the service standard across the larger network for the road marking, including coloured markings for	<ul style="list-style-type: none">Not fully addressing road marking increases the risk of road safety and regulatory markings (stops and give ways etc) not being fully

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2021-31 LONG-TERM PLAN – Unfunded Operational Projects – A city that’s easy to live in

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Project and Description	Activity	Currently funded in Base	Unfunded in base										Opportunity & Benefit	Risk & Mitigation
			Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		
													cycling and other safety improvements.	visible in all conditions and reduces the ability of vehicles to read the lane assist sensors. Maintaining road markings on arterial and other roads is essential for road safety. <ul style="list-style-type: none">The mitigation is to accept the risk the lower level of service on non-regulatory signage markings e.g. cyclelanes and/or faded markings.
Signal maintenance Maintain traffic signals due to increased growth in signalised intersection numbers and damage from vehicles.	Transport	\$113	\$110	\$110	\$110	\$110	\$110	\$110	\$110	\$110	\$110	\$110	<ul style="list-style-type: none">Optimises travel movement across the transport network. Enables the use of smart technology i.e. route prioritisation (buses).	<ul style="list-style-type: none">Not maintaining the traffic signals increases the road safety risk, especially to pedestrians and cyclists / motorcyclists at busy intersections. Without the management of traffic flows through signalised intersections the journey time efficiency is also greatly reduced, particularly for trucks and commercial vehicles this adds to an increase in congestion and environmental impacts.The mitigation is to accept decrease levels of service for traffic flow and potential impacts to pedestrian safety.
Cycleway maintenance Increase maintenance of cycleways.	Transport		\$155	\$155	\$155	\$155	\$155	\$155	\$155	\$155	\$155	\$155	<ul style="list-style-type: none">Maintenance of cycleways to be extended to include the sweeping of the full width of the cycleway rather than just the kerb and channel.A safe cycleway will assist in the uptake of mode shift.	<ul style="list-style-type: none">If this activity is not undertaken there is a risk of poor user experience, including damage to cyclist or cycle. Cyclists may choose to use the road or footpath instead of the cyclelane, greatly increasing their personal safety.Mitigation would be to review and reprioritise road sweeping based on data and user habits.
Transport project management Project management of transport projects (charged to capital).	Transport		-\$78	-\$78	-\$78	-\$78	-\$78	-\$78	-\$78	-\$78	-\$78	-\$78	<ul style="list-style-type: none">Additional project managers (2 staff) and a Community and Stakeholder Engagement Advisor to deliver the transport	<ul style="list-style-type: none">If project managers are not resourced there is a risk to the delivery of the project

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Project and Description	Activity	Currently funded in Base	Unfunded in base										Opportunity & Benefit	Risk & Mitigation
			Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		
													projects. The funding for these resources are allocated to the capital cost of the projects.	<ul style="list-style-type: none">The mitigation is the project is delayed or not delivered.
Litter control Increase, due to the growth of the city, in litter control for the cleaning of street furniture, bus shelters, general litter collections and street cleaning.	Transport		\$486	\$486	\$486	\$486	\$486	\$486	\$486	\$486	\$486	\$486	<ul style="list-style-type: none">The opportunity to realign the funding to match the increased costs in landfill and resource to bring the current service to standard set in the activity management plans.	<ul style="list-style-type: none">Non-funding will result in a lower level of service, which in turn will lead to the community feeling less pride in the city
Verge landscaping Maintenance of verge landscaping.	Transport		\$812	\$812	\$812	\$812	\$812	\$812	\$812	\$812	\$812	\$812	<ul style="list-style-type: none">Roadside landscape planting is in place to improve the visual amenity and help to engender a level of pride for the city. There are now a variety of streetscapes that all require a different approach to maintaining and increased traffic management requirements to keep staff safe while working.	<ul style="list-style-type: none">The mitigation is to maintain the verges to a lower level of service and to reduce/remove the level of roadside planting new neighbourhoods or use existing policies to set levels of standard that do not require high levels of maintenance.
Parking management Parking management (revenue).	Transport		-\$193	-\$193	-\$193	-\$193	-\$193	-\$193	-\$193	-\$193	-\$193	-\$193	<ul style="list-style-type: none">Additional wardens to increase focus on compliance with the traffic bylaw across the city e.g. events; school gates to improve the safety of the community. This will result in additional revenue, resulting in a net increase to this activity budget.	<ul style="list-style-type: none">The lack of resources will mean that patrols would need to be reprioritised with the that may not be able to service many parts of the city, or events, including not being able to respond to customer requests in a timely way.
Delivering neighbourhoods Investment in planning and delivering our communities in a holistic, people focused way.	Growth Programmes		\$559	\$480	\$396	\$286	\$336	\$256	\$256	\$306	\$256	\$256	<ul style="list-style-type: none">Taking a place based, spatial approach to delivering communities ensures the alignment of all the separate projects towards common vision and outcomes. It supports us to plan for and identify risks and opportunities that would otherwise not be visible within each of the individual projects that build new suburbs and re-invigorate established ones. projects. Benefits also include strategic stakeholder management, maximising environmental opportunities, partnership project opportunities, ensuring community infrastructure is	<ul style="list-style-type: none">If Council does not have a clear strategy for the development of a community, the development could occur piecemeal and result poorly planned communities.

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KEY: Orange - Funded in Base Budget \$ shown in \$000's

Project and Description	Activity	Currently funded in Base	Unfunded in base										Opportunity & Benefit	Risk & Mitigation
			Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		
													aligned to deliver value early on and secure land for key amenity.	
Community strategies and planning Funding to enable strategic planning for the community group, both for new plans and strategies as well as review of existing ones.	Business and Planning		\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	<ul style="list-style-type: none">The development of meaningful strategies formed by comprehensive engagement with the community results in document that enhance stakeholder and community involvement in the delivery of the strategy.	<ul style="list-style-type: none">If realistic funding is not attached to this programme, it is inevitable the plans and strategies will be delayed. This has an impact on the community in how the projects that result from strategic work are delivered. This may result in misalignment of the community needs with the delivery of new or updating of existing infrastructure and services.The mitigation is the acceptance that it will take longer to deliver plans and strategies.
Parks structure maintenance Funding to enable effective and safe management of parks structural assets.	Parks & Recreation	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	<ul style="list-style-type: none">Maintaining structures properly will improve community wellbeing and the experience people have. Maintenance costs will reduce as organisation ability and resilience will be increased.	<ul style="list-style-type: none">The lack of resources will result in maintenance work and repairs being delayed and could reduce the life of the structures.
Parks strategic planning Funding for engagement with the community on park strategic plans.	Business and Planning		\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	<ul style="list-style-type: none">Meaningful and comprehensive engagement with the community on our strategies and management plans.	<ul style="list-style-type: none">Community not involved in decision making relating to strategic direction.Mitigation: we deliver fewer plans and strategies.
Tree maintenance Increase level of service for tree maintenance.	Parks and Open Spaces		\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	<ul style="list-style-type: none">Increasing the level of service of the management of the trees in the Natural Spaces will reduced the risk of damage to persons or property from the trees.	<ul style="list-style-type: none">If no increased spend, mitigation is to accept the current risk level.
Resource for project and asset management community group Increase in resources/costs to address project management, asset management and health and safety requirements	Business and Planning		\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	<ul style="list-style-type: none">Increase in resource to ensure community assets and projects well managed and safe and that staff are retained staff through equity and good employment relations.	<ul style="list-style-type: none">Projects take longer to complete and asset data is not current.

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2021-31 LONG-TERM PLAN – CAPITAL PROGRAMME - A CITY WHERE OUR PEOPLE THRIVE - FUNDED

KEY: Capex \$000's Opex \$000's (includes depreciation, interest, consequential opex & project opex)																	
Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
City Safe renewals and upgrades	Renewals & Compliance	\$1,390	\$1,390	\$126	\$106	\$192	\$132	\$124	\$141	\$160	\$114	\$151	\$144	Programme of replacement of various meters (e.g. noise) and equipment for environmental monitoring. CCTV renewals and renewal of body cameras, safety alarms for lone workers.	0%	0%	No
			\$224	\$3	\$7	\$14	\$16	\$20	\$24	\$30	\$34	\$38	\$38				
Strategic property renewals	Renewals & Compliance	\$3,594	\$3,594	\$63	\$168	\$868	\$86	\$1,001	\$92	\$258	\$764	\$99	\$195	Planned renewals for Council's leased Strategic Property portfolio. Works considered for initial years include roof replacements, HVAC, fire systems and carpets. Aligned with lease requirements.	0%	0%	No
			\$598	\$2	\$7	\$36	\$34	\$64	\$67	\$78	\$101	\$104	\$104				
Bridge renewals	Renewals & Compliance	\$740	\$1,192	\$228	\$44	\$46	\$61	\$361	\$65	\$198	\$53	\$70	\$66	Renewal programme for replacement of structural components of bridge, culverts (of diameter greater than 2.1m) and other structures.	38%	0%	No
			\$213	\$5	\$8	\$11	\$11	\$22	\$24	\$31	\$32	\$35	\$35				
Bridge resilience programme	Renewals & Compliance	\$990	\$2,980	\$221	\$0	\$2,759	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Planning and works for seismic performance improvements for bridge and embankments for Rairfield, Claudelands and Victoria bridges.	67%	0%	No
			\$737	\$5	\$6	\$98	\$86	\$88	\$87	\$91	\$91	\$91	\$91				
City directional signage upgrade	Renewals & Compliance	\$250	\$477	\$477	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Improvements to high level directional signage information on major arterial road network to primary destinations to incorporate Waikato Expressway and Ring Road additions.	48%	0%	No
			\$141	\$11	\$14	\$16	\$14	\$14	\$14	\$15	\$15	\$15	\$15				
Parking building and equipment renewals and upgrades	Renewals & Compliance	\$912	\$912	\$453	\$87	\$43	\$51	\$38	\$47	\$48	\$40	\$54	\$51	Renewal programme for parking payment machines, sensors, parking enforcement equipment e.g. hand held devices, parking meters. This project will be funded from operational revenue.	0%	0%	No
			\$251	\$16	\$26	\$29	\$38	\$20	\$21	\$24	\$25	\$26	\$26				
Road resurfacing and pavement renewals	Renewals & Compliance	\$63,806	\$100,767	\$8,981	\$8,189	\$7,759	\$10,555	\$9,885	\$11,252	\$11,417	\$9,125	\$12,107	\$11,496	Pavement rehabilitation and resurfacing (including chipseal, asphalt) for carriageways, service lanes, parking areas.	37%	0%	No
			\$15,497	\$216	\$505	\$829	\$1,029	\$1,330	\$1,650	\$2,094	\$2,371	\$2,737	\$2,737				
Cross city connector	Transport	\$1,103	\$2,250	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$650	\$800	\$800	Designation for the Ulster to Wairere component of the road in 2028/29 to 2030/31 to allow for the cross city connector corridor to be constructed in future years.	51%	0%	Yes
			\$167	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$29	\$64	\$75				

Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Ring Road/Cobham interchange	Transport	\$5,651	\$16,147	\$15,947	\$200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	The completion of the Wairere Drive (Ring Road)/Cobham interchange project.	65%	0%	Yes
			\$7,237	\$625	\$718	\$779	\$714	\$720	\$717	\$741	\$741	\$741	\$741				
Southern Links designation provisions	Peacocke	\$9,335	\$9,335	\$1,399	\$1,484	\$2,219	\$1,551	\$933	\$369	\$381	\$331	\$341	\$327	Council's responsibilities as part of the Hamilton Southern Links designation include environmental enhancement and offset mitigation in accordance with the Environmental Management and Monitoring Plan. Funding is required for land acquisition for restoration, specialist monitoring of native flora and fauna such as bats and their habitats, and habitat enhancement including gully restoration, bat boxes, lizard habitats, and predator control.	0%	0%	Yes
			\$2,950	\$64	\$127	\$241	\$286	\$328	\$342	\$371	\$386	\$401	\$405				
Arthur Porter realignment	Rotokauri	\$4,470	\$4,470	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,850	\$2,566	\$54	The project will realign the current intersection of Arthur Porter/Te Kowhai roads to a formal signalised intersection to improve the safety and connectivity of the industrial area. This will enable the connection from the industrial zone to the Rotokauri growth cell (west of the expressway) through the underpass.	0%	0%	Yes
			\$471	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$81	\$194	\$195				
Te Rapa North - The Boulevard	Rotokauri	\$110	\$110	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$110	Investigation only. Design and construction in later years.	0%	0%	Yes
			\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1				
Ruakura East transport corridor, including Fifth Ave extension	Ruakura	\$32,658	\$64,567	\$1,000	\$1,000	\$0	\$0	\$0	\$650	\$697	\$21,676	\$19,808	\$19,736	Arterial transport connection from the intersection with Ruakura Road/Silverdale Rd to the Fifth Ave Extension and northwards to Pardoa Avenue and R2 growth cell. First two years of funding is for the Master Planning and Business Case.	49%	0%	Yes
			\$6,012	\$36	\$82	\$90	\$82	\$82	\$110	\$144	\$1,132	\$1,996	\$2,259				
Ruakura West Road	Ruakura	\$2,550	\$29,550	\$29,000	\$500	\$50	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Jointly funded by HCC, TGL and PDU the construction of a new road from Silverdale Road/Ruakura Road intersection to the Waikato Expressway Ruakura Interchange to allow for the development of the Ruakura Inland Port.	51%	41%	Yes
			\$13,136	\$1,083	\$1,308	\$1,420	\$1,301	\$1,313	\$1,307	\$1,351	\$1,351	\$1,351	\$1,351				
Ruakura wastewater pipeline	Ruakura	\$3,500	\$3,500	\$3,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Budget shown is Council's contribution to new wastewater pipe to service development. Northern section has been completed. The Southern section will be built using Crown Infrastructure stimulus funding.	0%	0%	Yes
			\$1,443	\$119	\$144	\$157	\$143	\$144	\$143	\$148	\$148	\$148	\$148				
Arthur Porter/Koura interchange	Te Rapa North	\$15,880	\$15,880	\$0	\$0	\$0	\$0	\$0	\$0	\$362	\$4,772	\$10,583	\$162	The realignment of Onion Road to the Waikato Expressway. This improvement is in line with the secured designation for the Onion Road interchange. Safety at the rail crossing will be improved.	0%	0%	Yes
			\$1,671	\$0	\$0	\$9	\$18	\$144	\$157	\$250	\$270	\$406	\$415				
Subregional wastewater treatment plant - design	Subregional	\$9,000	\$9,000	\$1,000	\$6,500	\$1,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Delivery of a new subregional wastewater treatment plant to service parts of Hamilton, Cambridge, the airport industrial area and other small settlements. This will be delivered in partnership with Waipa District Council, Waikato District Council and potentially other third parties. If we don't start investing now then Waipa is likely to have to proceed with stand alone solution at Cambridge and we will miss this opportunity.	0%	0%	Yes
			\$3,240	\$34	\$295	\$387	\$351	\$355	\$353	\$366	\$366	\$366	\$366				

2021-31 LONG-TERM PLAN – CAPITAL PROGRAMME - A CITY WHERE OUR PEOPLE THRIVE - UNFUNDED

KEY: Capex \$000's Opex \$000's (includes depreciation, interest, consequential opex & project opex)																	
Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Ring Road 4 laning	Transport	\$25,665	\$50,682	\$0	\$0	\$0	\$0	\$934	\$3,000	\$18,000	\$24,000	\$120	\$4,628	4 laning of various sections of Wairere Drive (Ring Road) to address safety and capacity needs including Hukanui to Gordonton (2025/26 onwards), Resolution to Hukanui (2029/30 onwards) and Arthur Porter to Te Rapa (2030/31 onwards).	51%	0%	Yes
			\$7,371	\$0	\$0	\$0	\$0	\$40	\$167	\$966	\$2,023	\$2,057	\$2,119				
Morrinsville transport corridor	Transport	\$2,117	\$2,117	\$0	\$0	\$0	\$750	\$750	\$0	\$0	\$0	\$0	\$617	Morrinsville Road (ex SH26) will be vested back to Council by Waka Kotahi NZTA in June 2022. This project includes the designation of the road in 2024/25 to 2025/26 to plan and protect for the future arterial function of the road.	0%	0%	Yes
			\$432	\$0	\$0	\$0	\$32	\$64	\$64	\$66	\$66	\$66	\$74				
Sewer pump station - Ruffell Road	Rotorua	\$1,805	\$1,805	\$1,709	\$0	\$96	\$0	\$0	\$0	\$0	\$0	\$0	\$0	This sewer pump station will service the Te Rapa north catchment and enable growth to continue.	0%	0%	Yes
			\$880	\$58	\$86	\$97	\$89	\$90	\$90	\$92	\$92	\$92	\$92				
Pardoa Boulevard 4 laning	Ruakura	\$1,320	\$1,320	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$300	\$600	\$420	Design and planning for the upgrade of Pardoa Boulevard to enable development and relieve congestion in the future R2 growth cell area	0%	0%	Yes
			\$98	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13	\$40	\$45				
Te Rapa new collector	Te Rapa North	\$1,644	\$1,644	\$0	\$0	\$0	\$0	\$226	\$0	\$870	\$0	\$548	\$0	A new collector road to enable development in Te Rapa North	0%	0%	Yes
			\$364	\$0	\$0	\$0	\$0	\$10	\$16	\$54	\$74	\$98	\$111				
Te Rapa North wastewater	Te Rapa North	\$11,074	\$11,074	\$0	\$0	\$836	\$594	\$9,257	\$198	\$53	\$0	\$136	\$0	Upgrade and new strategic water and wastewater infrastructure to enable development in Te Rapa North	0%	0%	Yes
			\$3,271	\$0	\$0	\$36	\$56	\$481	\$487	\$505	\$559	\$565	\$583				
Te Rapa North water supply	Te Rapa North	\$4,756	\$4,756	\$0	\$0	\$203	\$270	\$1,751	\$324	\$1,970	\$18	\$0	\$220		0%	0%	Yes
			\$997	\$0	\$0	\$9	\$19	\$92	\$104	\$192	\$193	\$193	\$195				
Subregional wastewater treatment plant - implementation	Subregional	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25,000	\$35,000	\$40,000	Delivery of a new subregional wastewater treatment plant to service parts of Hamilton, Cambridge, the airport industrial area and other small settlements. This will be delivered in partnership with Waipa District Council, Waikato District Council and potentially other third parties. If we don't start investing now then Waipa is likely to have to proceed with stand alone solution at Cambridge and we will miss this opportunity.	0%	0%	Yes
			\$6,302	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,018	\$2,442	\$2,842				

2021-31 LONG-TERM PLAN – Unfunded Operational Projects – A city where our people thrive

November 2020

The following programmes/project(s) have been identified for the 2021-31 Long-Term Plan (LTP).

KEY: Orange – Funded in Base Budget \$ shown in \$000's

Project and Description	Activity	Currently funded in Base	Unfunded in base										Opportunity & Benefit	Risk & Mitigation
			Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		
Creative Sector match funding Funding to enable creative sector initiatives. Funding will be matched \$ for \$ from the sector	Community Services		\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	<ul style="list-style-type: none">The Creative Sector requires funding to ensure that groups can continue functioning and developing. It is the soft infrastructure of skilled people and groups that is so important as we grow as a city. These groups will be providing wellbeing support, they will be activating our spaces, telling our stories, and ensuring that we can connect with our culture and identity through those shared experiences.	<ul style="list-style-type: none">The Arts and Creative sector has been impacted significantly this year. It is important to support the recovery and rebuilding of a sustainable, inclusive, accessible and relevant arts and cultural landscape for the future. The Regional Theatre is scheduled to be built in the coming years, for this to be fully optimised the creative sector needs to be enhanced from its current position. Not investing in the creative sector could lead to under utilisation across the Arts Facility ecosystem in the coming years that would have a negative impact for the city.
Communication and engagement support Additional capacity (resource) to service current demand for communication and engagement support.	Communications & Engagement		\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	<ul style="list-style-type: none">The additional resource is required to achieve the communication and engagement demands for the Community Group - including increased support to communication of projects, community engagement, media liaison and issues management.	<ul style="list-style-type: none">We will not be meeting expected levels of service in regard to communication and engagement support to the Community Group resulting in less or delayed engagement with the community.
Community Events support Additional capacity (resource) to service demand for event delivery and additional funding for Council's existing Community Events Fund.	Communications & Engagement		\$330	\$380	\$430	\$430	\$430	\$430	\$430	\$430	\$430	\$430	<ul style="list-style-type: none">The additional resource will enable the Council to keep up with demand as well as deliver more council, civic and community engagement events (to a higher standard). The additional funding will enable more external events to be successful in the Community Events Fund (which is already extremely	<ul style="list-style-type: none">Council will not be able to keep up with demand and will deliver less events across the city due to increasing event costs (predominantly due to security and health and safety regulations). Council will not be supporting any further external events who are also facing increased cost pressures.

Last updated: 19 November 2020

The purpose of this document is to inform 2021-31 Long-Term Plan decision-making focusing on
A city that's easy to live in • A city where our people thrive • A central city where people love to be
A fun city with lots to do • A green city

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2021-31 LONG-TERM PLAN – Unfunded Operational Projects – A city where our people thrive

November 2020

The following programmes/project(s) have been identified for the 2021-31 Long-Term Plan (LTP).

KEY: Orange – Funded in Base Budget \$ shown in \$000's

Project and Description	Activity	Currently funded in Base	Unfunded in base										Opportunity & Benefit	Risk & Mitigation
			Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		
<div>He Pou Manawa Ora programme</div> <div>Delivery of a programme of activity to deliver the He Pou Manawa Ora Strategy. Indicative Action Plan includes:</div> <ul style="list-style-type: none">• Increase opportunities to share cultural narratives through infrastructure, art, signage and urban design projects• Support significant cultural events in the city that celebrates our history i.e Waitangi, Matariki, Land Wars• Establish inter-agency collaboration aimed toward partnership funding and support to deliver wellbeing Maaori outcomes• Support internal organisational cultural development• Develop and implement a Maatauranga Maaori Framework includes on-going training• Provide a range of specialist reports i.e. Cultural Values Assessments, Cultural Impact Assessments, Cultural risk and mitigation assessments• Additional resource to support Amorangi Maaori role	Amorangi Maaori	\$147	\$147	\$147	\$147	\$147	\$147	\$147	\$147	\$147	\$147	\$147	<div>oversubscribed) which will add to the vibrancy of the city and result in more things to do in Hamilton.</div> <ul style="list-style-type: none">• Full delivery of the Action Plan will enable Council to fulfil the aspirations set out in the He Pou Manawa Ora strategy.	<ul style="list-style-type: none">• If the Action Plan is unfunded (or partially funded), delivery of the aspirations in the He Pou Manawa Ora strategy will be limited to what can be achieved with existing resources. This is also likely to fall short of expectations of Council from our Maaori partners.

Last updated: 19 November 2020

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2021-31 LONG-TERM PLAN – CAPITAL PROGRAMME - A CENTRAL CITY WHERE PEOPLE LOVE TO BE - FUNDED

KEY: Capex \$000's Opex \$000's (Includes depreciation, interest, consequential opex & project opex)																	
Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Transport Building Renewals	Renewals and Compliance	\$6,074	\$5,673	\$0	\$0	\$0	\$0	\$64	\$982	\$3,311	\$595	\$167	\$956	Renewals for Transport Centre and Garden Place Carpark. Major renewal of Garden Place carpark in year 6 including water pump, electrical, control panels, lighting, ventilation, CCTV, fire systems.	0%	0%	No
			\$632	\$0	\$0	\$0	\$0	\$2	\$31	\$134	\$152	\$157	\$157				
Embassy Park (River Plan South End Precinct)	Community	\$5,005	\$5,005	\$1,002	\$4,003	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Embassy Park upgrade – for any enhancements HCC would like to activate over and above what is required for consent - 'the candles on the cake'. Opening early 2023 (aligning with Waikato Regional Theatre timing). This project enhances the existing public realm and connects the Waikato Regional Theatre, Victoria Street, and river corridor. These improvements are necessary to support change in urban infrastructure arising from Waikato Regional Theatre development.	0%	0%	Yes
			\$3,020	\$299	\$272	\$310	\$300	\$302	\$301	\$309	\$309	\$309	\$309				
River Plan – Wayfinding jetty to Victoria Street	Community	\$42	\$42	\$0	\$42	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Signs to support wayfinding between the jetty and the Waikato museum entrance. The route between the central city jetty, the museum entrance and the central city is extremely difficult to navigate (especially for people who are sensitive to slopes and steps). Council has invested \$1.7m on jetties to encourage visitors from Hamilton Gardens to the central city. This supports wayfinding for an accessible alternate route.	0%	0%	No
			\$40	\$0	\$4	\$5	\$4	\$4	\$4	\$5	\$5	\$5	\$5				
River Plan – Wayfinding city to Gardens	Community	\$325	\$325	\$0	\$325	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	This project will deliver on the remainder of the London St to Cobham Bridge wayfinding strategy with signs to support wayfinding including an accessible alternate route. The current standard of signage does not reflect the importance of the river or support our commitment to our treaty partners. Increased level of service will attract greater usage and enjoyment of key sections of the Te Awa River Ride and Te Araoa (enhancing the outcome of this investment).	0%	0%	No
			\$288	\$0	\$31	\$33	\$32	\$32	\$32	\$32	\$32	\$32	\$32				
River Plan – Wellington Beach	Community	\$4,212	\$4,212	\$0	\$1,911	\$2,301	\$0	\$0	\$0	\$0	\$0	\$0	\$0	This project is intended to support a low-cost physical activity that is good for the physical and mental wellbeing of our community. Delivers on outcomes in the Play Strategy and River Plan.	0%	0%	No
			\$1,413	\$0	\$0	\$100	\$0	\$104	\$234	\$244	\$244	\$244	\$244				
River Plan - Jetty at Hamilton Gardens	Community	\$2,396	\$2,396	\$1,260	\$1,135	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	This project will improve safety issues emerging from increased boat use of the Hamilton Gardens' jetty and the practice of diving off the adjacent cliff, by creating a second jetty for Hamilton Gardens and moving boat activities to that location.	0%	0%	No
			\$1,429	\$135	\$135	\$149	\$139	\$139	\$140	\$162	\$142	\$143	\$142				
Ferrybank Park enhancement - Municipal Pool site	Community	\$1,352	\$1,352	\$1,007	\$345	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Construction of an enhanced parked area on the current Municipal Pool site (additional to proposed parks development and playground programmes).	0%	0%	No
			\$699	\$44	\$67	\$77	\$72	\$72	\$72	\$74	\$74	\$74	\$74				
Central City street furniture replacement	Transport	\$0	\$200	\$50	\$100	\$50	\$0	\$0	\$0	\$0	\$0	\$0	\$0	The aim is to replace existing furniture, which is old and tired. Functional and appealing street furniture will be designed that incorporates best practice urban design, Maori design outcomes, and universal design principles and CPTED. A cohesive look and feel for the city centre's streets, open spaces and public realm supports legibility and identity of place.	0%	100%	No
			\$183	\$5	\$15	\$21	\$20	\$20	\$20	\$20	\$20	\$20	\$20				
Ferrybank walking and cycling bridge	Transport	\$9,360	\$26,000	\$500	\$1,500	\$12,000	\$12,000	\$0	\$0	\$0	\$0	\$0	\$0	This project links the city across the river and will be a destination and centerpiece for wider riverside developments and the long-held desire of the community to turn the city to face the awa. There is momentum for a river footbridge on many different fronts - growing city, inner city living, micro-mobility, connectivity etc. The growth of the city requires more infrastructure to make cycling and walking safer and more attractive. Rotary has identified a river footbridge as an appropriate way to mark their centenary in 2024 and has partnered with Momentum Waikato to progress the development of a costed proposal. We will be seeking to secure funding from Waka Kotahi NZTA and/or other third party subsidy.	39%	25%	Yes
			\$10,034	\$22	\$99	\$743	\$1,274	\$1,284	\$1,284	\$1,328	\$1,328	\$1,328	\$1,343				
Sapper Moore-Jones and Victoria St - Theatre access & pedestrian environment	Transport	\$1,000	\$1,000	\$150	\$850	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	For any enhancements HCC would like to activate over and above what is required for consent - 'the candles on the cake'. Opening late 2022 (aligning with Waikato Regional Theatre timing). Improvements necessary to support change in urban infrastructure arising from Theatre development. To ensure the design enhances public use and enjoyment of public spaces and aligns with Council's strategic objectives for the central city, River Plan and Access Hamilton.	0%	0%	Yes
			\$488	\$6	\$53	\$56	\$52	\$53	\$53	\$54	\$54	\$54	\$54				

Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
City Central - Intersection upgrades - Subsidised (Ward Street)	Transport	\$1,323	\$2,700	\$0	\$2,700	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	To address growth and safety of intersections as more people move into the city and use the transport network. This programme includes the upgrade of the intersections Ward/Tristram (2022/23) - Travel Choice and Safety and Ward/Anglesea (2022/23) - Travel Choice and Safety.	51%	0%	Yes
			\$1,060	\$0	\$115	\$125	\$114	\$115	\$115	\$119	\$119	\$119	\$119				
City Central - Intersection upgrades - Non-subsidised (Tristram/Collingwood)	Transport	\$3,150	\$3,150	\$3,150	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	To address growth and safety of intersections as more people move into the city and use the transport network. Includes the upgrade of the intersections Tristram/Collingwood (2021/22) - Travel Choice.	0%	0%	Yes
			\$1,355	\$118	\$134	\$146	\$133	\$135	\$134	\$139	\$139	\$139	\$139				
Ward Street - Tristram to Anglesea	Transport	\$2,205	\$4,500	\$1,500	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Ideally resulting in streets that celebrate place, social connection and the safe movement of people. Required to cater for increased pedestrian and cyclist numbers along the street and in the adjoining park spaces.	51%	0%	Yes
			\$2,358	\$74	\$249	\$266	\$248	\$250	\$249	\$256	\$256	\$256	\$256				
Alexandra Street upgrade - Hood to Collingwood	Transport	\$5,000	\$5,000	\$500	\$4,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	The central city is currently undergoing transformation and new public realm guidelines will be developed which will enable a cohesive look and feel for the city centre's streets, open spaces and public realm and support legibility and identity of place. Union Square will require streetscape work to be completed so it offers up the opportunity to upgrade the entirety of Alexandra Street (over four years) to the new guidelines. Hood to Collingwood has been included in the base, where as Collingwood to Caro is an opportunity.	0%	0%	Yes
			\$2,922	\$29	\$316	\$335	\$315	\$317	\$316	\$323	\$323	\$323	\$323				

2021-31 LONG-TERM PLAN – CAPITAL PROGRAMME - A CENTRAL CITY WHERE PEOPLE LOVE TO BE - UNFUNDED

KEY: Capex \$000's Opex \$000's (Includes depreciation, interest, consequential opex & project opex)																	
Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
River Plan – Victoria Street building redevelopment	Community	\$8,001	\$8,001	\$0	\$0	\$195	\$7,806	\$0	\$0	\$0	\$0	\$0	\$0	242 to 266 Victoria Street buildings and site. Developing these properties will contribute towards the South End Precinct becoming the "city's premier waterfront and culture, visitor and entertainment destination".	0%	0%	No
			\$2,747	\$0	\$0	\$10	\$365	\$389	\$387	\$399	\$399	\$399	\$399				
City Central - Intersection upgrades – Subsidised (Tristram/Rostrevor)	Transport	\$1,999	\$4,080	\$0	\$0	\$0	\$80	\$4,000	\$0	\$0	\$0	\$0	\$0	To address growth and safety of intersections as more people move into the city and use the transport network. This programme includes the upgrade of the Tristram/Rostrevor intersection (2025/26) – Safety.	51%	0%	Yes
			\$1,121	\$0	\$0	\$0	\$11	\$182	\$181	\$187	\$187	\$187	\$187				
City Central - Intersection upgrades – Non-subsidised (Ruakiwi/Lake Domain/Tainui)	Transport	\$4,100	\$4,100	\$0	\$0	\$0	\$0	\$0	\$0	\$100	\$4,000	\$0	\$0	To address growth and safety of intersections as more people move into the city and use the transport network. Includes the Ruakiwi/Lake Domain/Tainui (2028/29) – Travel Choice.	0%	0%	Yes
			\$555	\$0	\$0	\$0	\$0	\$0	\$0	\$4	\$184	\$184	\$184				
Alexandra Street upgrade - Collingwood to Caro	Transport	\$10,000	\$10,000	\$0	\$0	\$5,000	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	The central city is currently undergoing transformation and new public realm guidelines will be developed which will enable a cohesive look and feel for the city centre's streets, open spaces and public realm and support legibility and identity of place. Union Square will require streetscape work to be completed so it offers up the opportunity to upgrade the entirety of Alexandra Street (over four years) to the new guidelines. Hood to Collingwood has been included in the base, where as Collingwood to Caro is an opportunity.	0%	0%	Yes
			\$4,829	\$0	\$0	\$332	\$632	\$636	\$634	\$649	\$649	\$649	\$649				
Worley Place (Caro to Ward)	Transport	\$8,000	\$8,000	\$0	\$0	\$8,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	This space can be upgraded in alignment with the new public realm design guidelines. The shared zone generates confusion and conflict between all users. There are opportunities for improved wayfinding with the mall, speed slowing mechanisms, placemaking and play opportunities.	0%	0%	Yes
			\$2,871	\$0	\$0	\$371	\$349	\$352	\$350	\$362	\$362	\$362	\$362				
Rostrevor St (Tristram to Norton)	Transport	\$6,000	\$6,000	\$0	\$6,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Funding to implement any changes resulting from the Innovating Streets project. Required to cater for increased pedestrian and cyclist numbers along the street and in the adjoining park spaces within the West Town Belt.	0%	0%	Yes
			\$2,436	\$0	\$256	\$288	\$264	\$266	\$265	\$274	\$274	\$274	\$274				
Water CBD intensification	Waters	\$25,000	\$25,000	\$0	\$0	\$0	\$1,000	\$12,000	\$12,000	\$0	\$0	\$0	\$0	Network water improvements to facilitate intensification in the CBD.	0%	0%	Yes
			\$5,846	\$0	\$0	\$0	\$41	\$535	\$1,024	\$1,062	\$1,062	\$1,062	\$1,062				

2021-31 LONG-TERM PLAN – CAPITAL PROGRAMME – A FUN CITY WITH LOTS TO DO – FUNDED

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Parks and Open Spaces renewals	Renewals and Compliance	\$63,809	\$63,809	\$5,451	\$5,120	\$6,473	\$5,922	\$4,215	\$6,310	\$3,845	\$8,499	\$10,615	\$7,360	Toilet and changing room renewal programme and renewals of existing park assets across parks, sports parks, playgrounds, natural areas, neighbourhood parks, streetscapes, e.g. park furniture, park infrastructure and site assets, drainage, surfaces, play equipment etc.	0%	0%	No
			\$9,466	\$131	\$310	\$563	\$666	\$799	\$978	\$1,146	\$1,407	\$1,733	\$1,733				
Claudelands renewals	Renewals and Compliance	\$27,234	\$27,234	\$1,974	\$774	\$1,587	\$2,073	\$1,067	\$1,507	\$4,605	\$9,285	\$3,246	\$1,117	Renewals of building components, plant, equipment and operational assets at Claudelands. Major renewals in years 1-3 include replacing second hand HVAC in exhibition halls A and B, conference centre flooring, HVAC, security. The Grandstand major renewals and seismic upgrade in later years.	0%	0%	No
			\$3,662	\$47	\$80	\$143	\$186	\$220	\$262	\$417	\$702	\$802	\$802				
FMG Waikato Stadium renewals	Renewals and Compliance	\$35,107	\$35,107	\$3,542	\$5,264	\$1,745	\$2,468	\$2,979	\$1,723	\$2,762	\$2,593	\$3,095	\$8,936	Renewals of building components, plant, equipment and operational assets at FMG Waikato Stadium. Major renewals in years 1-3 include sport light renewal and WEL Stand seismic upgrade. Brian Perry Stand seating renewals in middle years and design in year 10 for WEL Stand replacement outside 10 years.	0%	0%	No
			\$5,001	\$85	\$258	\$349	\$378	\$470	\$517	\$629	\$708	\$803	\$803				
Seddon Park renewals	Renewals and Compliance	\$5,326	\$5,326	\$374	\$770	\$214	\$431	\$2,578	\$108	\$252	\$117	\$77	\$404	Renewals of building components, plant, equipment and operational assets at Seddon Park. Major refurbishment of Pavillion scheduled in programme in year 5.	0%	0%	No
			\$994	\$9	\$34	\$45	\$52	\$128	\$131	\$145	\$149	\$151	\$151				
VTME Minor site renewals	Renewals and Compliance	\$97	\$97	\$8	\$8	\$8	\$10	\$10	\$11	\$11	\$9	\$12	\$12	Minor capital provision to ensure funding available for reactive works required for management of closed Founders Theatre site for health and safety.	0%	0%	No
			\$15	\$0	\$0	\$1	\$1	\$1	\$2	\$2	\$2	\$3	\$3				
VTME security, health and safety programmes	Renewals and Compliance	\$5,784	\$5,784	\$837	\$620	\$542	\$782	\$812	\$495	\$495	\$378	\$476	\$347	Programme of compliance works to respond to escalating security threats. Includes improvements to infrastructure and physical environment across the various venues.	0%	0%	No
			\$1,061	\$20	\$43	\$66	\$81	\$106	\$119	\$141	\$152	\$167	\$167				
VTME technical and turf service equipment renewals	Renewals and Compliance	\$3,582	\$3,582	\$209	\$319	\$331	\$404	\$519	\$434	\$292	\$285	\$284	\$506	Renewal of technical equipment for events and specialist turf service equipment.	0%	0%	No
			\$554	\$5	\$15	\$28	\$37	\$52	\$65	\$77	\$86	\$94	\$94				
Hamilton Garden renewals	Renewals and Compliance	\$4,938	\$4,938	\$438	\$14	\$425	\$221	\$360	\$1,786	\$206	\$297	\$606	\$586	Renewals of buildings, strucutres and operational assets at Hamilton Gardens and Nursery site. Includes CCTV for parking area. Year 1 - Nursey renewal of roofing, security, replacing gas with electric heating.	0%	0%	No
			\$770	\$17	\$19	\$35	\$38	\$49	\$101	\$112	\$121	\$140	\$140				
Hamilton Zoo renewals	Renewals and Compliance	\$26,369	\$26,369	\$3,347	\$2,529	\$2,057	\$4,381	\$3,089	\$2,292	\$2,340	\$1,720	\$2,479	\$2,133	Renewal of Zoo buildings, structures, animal enclosures, plant & equipment, infrastructure and site assets. Major renewals include - Reception (year 1), quarantine/back of house buildings (year 4), free flight avairy (year 5).	0%	0%	No
			\$4,613	\$80	\$172	\$262	\$357	\$453	\$517	\$615	\$668	\$744	\$744				
Zoo safety and compliance requirements	Renewals and Compliance	\$2,813	\$2,813	\$377	\$376	\$198	\$255	\$240	\$277	\$287	\$222	\$293	\$288	Various safety and compliance works at Zoo. Projects in first years including off display animal management systems, keeper safety, giraffe house works.	0%	0%	No
			\$475	\$9	\$22	\$31	\$35	\$42	\$50	\$62	\$69	\$78	\$78				
Aquatics renewals	Renewals and Compliance	\$22,395	\$22,395	\$2,030	\$1,358	\$515	\$567	\$520	\$869	\$5,126	\$9,283	\$763	\$1,365	Renewals for Waterworld, Gallagher building complexes and associated operational assets. Renewals considered for Year 1 and 2 include replacement of the boilers (reflecting Climate Change Action Plan) , electrical renewals, pool equipment, grandstand seating and compliance works. The peak in renewals in year 8 is the structural renewal of the current building and seismic strengthening.	0%	0%	No
			\$2,975	\$49	\$99	\$129	\$130	\$147	\$171	\$337	\$622	\$646	\$646				
Museum renewals	Renewals and Compliance	\$11,773	\$11,773	\$155	\$3,422	\$170	\$229	\$211	\$224	\$954	\$6,073	\$198	\$137	Renewals of building assets and equipment and Collection acquisition. Significant building renewal in year 2 including ceilings, Heating Ventilation and Air Conditioning (HVAC), CCTV, parents room and electrical components.	0%	0%	No
			\$1,830	\$4	\$105	\$124	\$115	\$123	\$129	\$165	\$351	\$357	\$357				

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Play spaces programme	Community	\$5,353	\$5,853	\$649	\$614	\$614	\$614	\$614	\$614	\$614	\$614	\$614	\$295	Continuation of the playgrounds development programme, implementing the existing Playgrounds Plan. Community expectation that the playground programme will continue to be delivered. Aligns with playgrounds renewals and continues to build on past projects. This programme allows for seven upgraded community playgrounds and two new playgrounds.	0%	9%	Yes
			\$3,304	\$167	\$209	\$170	\$215	\$270	\$332	\$402	\$467	\$531	\$541				
West Town Belt Implementation - Founders Theatre site upgrade	Community	\$3,893	\$3,893	\$3,893	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	This project is for the detailed concept plan for the Founders Theatre site. The Founders Theatre site upgrade will provide a significant enhancement to a key central city public green space and provide an improved place where events, community activities and recreation will combine and intersect. As a prominent site within the heart of the West Town Belt, it's an important public open space for the central city and wider Hamilton.	0%	0%	No
			\$2,493	\$227	\$248	\$262	\$247	\$248	\$247	\$253	\$253	\$253	\$253				
Pukete Neighbourhood House	Community	\$1,300	\$1,950	\$650	\$1,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Building of a purpose built facility (attached to Te Rapa Sportsdrome) for Pukete Neighbourhood House (PNH) to operate community outreach services. This enables Te Rapa Sportsdrome to be fully utilised as a indoor sporting facility.	0%	33%	No
			\$1,827	\$85	\$192	\$199	\$191	\$192	\$191	\$194	\$194	\$194	\$194				
Indoor recreation - Te Rapa Sportsdrome upgrade	Community	\$356	\$356	\$25	\$331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	This project consists of the upgrading of existing indoor sportsdrome flooring and improvements to the indoor sporting facility. The aim is to address outcomes specific to the 'Regional Sports Facility Plan', with Te Rapa Sportsdrome being listed as a key site for the provision of indoor recreation. The current flooring at Te Rapa Sportsdrome is over 20 years old, presenting numerous health and safety risks. Indoor sports flooring has progressed dramatically over the past 20 years with more suitable options available.	0%	0%	No
			\$455	\$26	\$47	\$49	\$47	\$47	\$47	\$48	\$48	\$48	\$48				
Sports parks floodlighting and safety lighting improvements	Community	\$2,220	\$4,399	\$1,124	\$1,458	\$1,817	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Improvements to floodlights across a select number of sports fields will increase the available hours for sporting community and provide safety lighting across select sports parks. The recently completed 'Sports field capacity/demand study' has recommended the provision of floodlighting at specific locations in Hamilton to help address shortfalls in capacity across the city. This project speaks directly to the recommendations in the report.	0%	50%	No
			\$4,892	\$136	\$268	\$466	\$448	\$592	\$591	\$598	\$598	\$598	\$598				
Sports parks toilets and changing room improvement programme	Community	\$4,533	\$4,533	\$559	\$1,283	\$1,002	\$858	\$832	\$0	\$0	\$0	\$0	\$0	This programme will provide new public toilets and changing rooms within the sports park network to ensure fit for purpose facilities are available for the community. Currently, there are some sports parks that have no public toilet or changing room facilities and, in some incidences, the organisation allocates resources and funding towards providing temporary portable toilets during sporting seasons for members of the public to use. Proposed sites for new toilets and/or changing rooms are Clyde Park, Grosvenor Park, Te Kooti, Deanwell, Kahikatea Park, Edgecombe Park and Derek Heather Park.	0%	0%	No
			\$3,461	\$102	\$223	\$301	\$320	\$415	\$414	\$421	\$421	\$421	\$421				
Hamilton Gardens development programme	Community	\$10,081	\$13,381	\$663	\$1,030	\$1,982	\$1,164	\$1,439	\$1,359	\$490	\$1,942	\$2,016	\$1,296	This programme consists of ongoing development at Hamilton Gardens including: resource consents, civil works design, Pacifica Garden, Baroque Garden, Medieval Garden, Information Centre expansion and Pavilion forecourts, Rhododendron toilet, planting around future carpark and roads, expansion of Nursery yard, covered bus arrival, tree top walkway, and cycleway bridge. It is important to complete the current development and understand future stages of development given Hamilton Gardens' status as a regionally significant asset. A targeted rate is in place to fund ongoing development of Hamilton Gardens through to 2028 and potentially 2031. This is being supported with an ongoing campaign to raise external funds and sponsorship.	0%	25%	No
			\$5,638	\$46	\$114	\$252	\$432	\$541	\$646	\$708	\$837	\$995	\$1,068				

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Zoo and Waiwhakareke entrance precinct	Community	\$742	\$1,642	\$1,642	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Continuation of current Zoo/Waikwhakareke entrance precinct project (Stage 1) This project is underway and will be contractually committed in the next 6 months.	0%	45%	No
			\$761	\$67	\$75	\$82	\$75	\$76	\$75	\$78	\$78	\$78	\$78				
Zoo master plan implementation - Animal exhibit projects	Community	\$2,500	\$2,500	\$0	\$163	\$1,156	\$0	\$25	\$1,156	\$0	\$0	\$0	\$0	Design and construction of two medium sized animal exhibits (one in Years 1-3 and another Years 4-6). This Masterplan will increase visitation and ensure that people have fresh reasons to continue to enjoy and visit the zoo. A regular schedule for new/refreshed experiences is critical to our success as a visitor destination and our reputation as a quality modern conservation centre. The new exhibits are in line with projects identified in the Zoo Master Plan and offer an opportunity for improvement from a visitor perspective and build upon a modern conservation centre brand. This plan demonstrates our commitment to providing exemplary animal welfare, and responds to the changing standards, compliance and priorities for modern zoos.	0%	0%	No
			\$1,508	\$7	\$10	\$88	\$97	\$99	\$238	\$242	\$242	\$242	\$242				
Zoo master plan implementation - Savannah accom stage 1	Community	\$4,625	\$4,625	\$625	\$4,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	This plan is to complete an accommodation option based on a safari-style experience overlooking the Savannah exhibit where the giraffes and zebra gather. Feasibility, design and any pre-requisite enabling works will be essential to the delivery of an accommodation offering and attractive visitor experience.	0%	0%	No
			\$4,206	\$36	\$290	\$477	\$458	\$460	\$459	\$466	\$466	\$473	\$620				
Zoo/Waiwhakareke shared entry precinct - Stage 2 - Visitor connections	Community	\$3,909	\$3,909	\$565	\$3,344	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	This stage will introduce car parks for both Zoo and Waiwhakareke, which will bring both sides of the precinct together with stormwater management and landscaping. The programme of works will deliver infrastructure upgrades to enable: an enhanced visitor arrival precinct, enhanced visitor experiences, creating a third visitor destination within the city, infrastructure to support the local community (cafe and function spaces) and safer pedestrian, cycle and vehicle access and parking. Ultimately it should deliver an increased length of stay and spend per visitor both within the City and in the wider region thereby improving economic outcomes.	0%	0%	No
			\$2,684	\$21	\$167	\$181	\$165	\$355	\$354	\$360	\$360	\$360	\$360				
Lido cover	Community	\$5,588	\$5,588	\$889	\$889	\$3,810	\$0	\$0	\$0	\$0	\$0	\$0	\$0	This will create a pool that can be dedicated to casual swimming without the cost of a new leisure pool build. There are two enclosure options; one a permanent structure that can be opened up in the summer months, the other is an inflatable structure which will be in place on a 6-monthly basis (and removed in summer).	0%	0%	No
			\$4,898	\$36	\$82	\$278	\$580	\$682	\$681	\$790	\$590	\$590	\$590				

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Museum river entrance	Community	\$6,600	\$6,600	\$360	\$840	\$5,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Develop a new entrance area at the rear of the museum with an external elevator, a new lobby (with air lock door), a covered outdoor reception/cultural performance area and a direct path from the Museum jetty on the Waikato River. Key Benefits are Victoria Street/river path connectivity, increased visibility, access and visitation for the Museum and an outdoor area that provides additional exhibition and performance 'space'	0%	0%	No
			\$3,327	\$15	\$55	\$468	\$391	\$394	\$393	\$403	\$403	\$403	\$403				
Museum loading bay	Community	\$671	\$671	\$72	\$0	\$599	\$0	\$0	\$0	\$0	\$0	\$0	\$0	An upgrade would allow the museum to make health and safety improvements and meet the requirements for a greater range of touring exhibitions. This project has already been approved in 2018-28 LTP for 22/23, but costings and scope are now obsolete. The current loading bay limits the functionality of the museum and this will only get worse over time if the upgrade isn't approved.	0%	0%	No
			\$294	\$3	\$3	\$33	\$36	\$36	\$36	\$37	\$37	\$37	\$37				
Museum road entrance upgrade	Community	\$3,600	\$3,600	\$360	\$240	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	The museum's current Building Management System (BMS) cannot maintain conditions set by museums worldwide to maintain and protect art works and taonga. Running costs will be reduced with improved systems. Key benefits - improved internal climate management (requirement for major exhibitions), visibility from street level and visitor/staff/collections safety and security.	0%	0%	No
			\$1,479	\$15	\$28	\$189	\$174	\$176	\$175	\$181	\$181	\$181	\$181				
Museum vertical maze	Community	\$0	\$432	\$72	\$360	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Exscite has the potential to be a significant drawcard for family-based visitation to the central city and aligns to the Council's Play Strategy. Timing would tie the project in with the Exscite refresh planned for 2022/2023. This project will drive visitation and revenue and along with the Ferrybank Splashpad, it will enable more family-based activity in the South End.	0%	100%	No
			\$348	\$5	\$34	\$36	\$34	\$49	\$34	\$35	\$50	\$35	\$35				
Rototuna parks - Neighbourhood parks	Rototuna	\$4,898	\$4,898	\$875	\$224	\$875	\$2,924	\$0	\$0	\$0	\$0	\$0	\$0	Neighbourhood reserves are now relatively well provided for throughout the Rototuna growth cell. One additional neighbourhood reserve is required in order to meet the 500m walking distance requirements of the Open Space Provision Policy.	0%	0%	Yes
			\$1,239	\$21	\$32	\$65	\$142	\$159	\$158	\$165	\$165	\$165	\$165				
Peacocke network stage one - Neighbourhood parks	Peacocke	\$1,099	\$1,099	\$875	\$224	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Neighbourhood park land acquisition and development. Development of parks and open space in Peacocke is needed to ensure HCC has the adequate provision of green space required to accommodate future growth both in the southern parts of the city as well as collectively across Hamilton. There will be increasing demand for local neighbourhood parks as the city grows. In order to continue to meet Councils target of 76% of the population being within 500m walking distance of a park (Open Space Provision policy), investment is needed in these smaller parks as well as sports parks to meet a more localised need.	0%	0%	Yes
			\$337	\$21	\$32	\$38	\$34	\$34	\$34	\$36	\$36	\$36	\$36				
Peacocke network stage two - Neighbourhood parks	Peacocke	\$7,764	\$7,764	\$0	\$0	\$875	\$1,099	\$1,489	\$1,099	\$224	\$875	\$1,099	\$1,004		0%	0%	Yes
			\$1,186	\$0	\$0	\$29	\$57	\$117	\$150	\$166	\$195	\$228	\$245				
Peacocke stage two - Sports parks and reserve land acquisition and development	Peacocke	\$26,185	\$26,185	\$0	\$0	\$15,711	\$5,237	\$5,237	\$0	\$0	\$0	\$0	\$0	Land acquisition and staged development of sports parks in Peacocke, Rotokauri and Rototuna. This project is required to accommodate a growing population in terms of the increase in demand for formal sport and recreational space and to ensure our parks network is accessible and spread out across all of Hamilton.	0%	0%	Yes
			\$6,199	\$0	\$0	\$519	\$607	\$784	\$792	\$846	\$857	\$888	\$906				

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Public toilet facilities programme	Community	\$1,710	\$1,710	\$350	\$340	\$340	\$340	\$340	\$0	\$0	\$0	\$0	\$0	Consists of new and upgraded public toilet development in parks and aligns to other park development such as playground development. This programme allows for the development of new public toilet facilities at Hammond Park, Moonlight Drive Reserve, West Town Belt, Melville Park, Ashurst Park, Parana Park.	0%	0%	No
			\$1,069	\$25	\$53	\$83	\$105	\$132	\$132	\$134	\$134	\$134	\$134				
West Town Belt Heart Park upgrade	Community	\$4,660	\$4,660	\$125	\$286	\$4,249	\$0	\$0	\$0	\$0	\$0	\$0	\$0	The parks in the centre of the West Town Belt are currently underutilised and the central city has no designated play spaces and has limited opportunities for active and passive recreation. Enhancing central city green spaces is key to attracting residents to central city housing. The upgrade will create a safer, more inviting, accessible, fun and well-connected destination park space. It will deliver an increased quality of existing open space to inner city residents and add family-friendly activities in the city centre (e.g. new play spaces). This project complements the potential Founders Theatre Project.	0%	0%	No
			\$2,475	\$7	\$26	\$309	\$295	\$302	\$301	\$308	\$308	\$308	\$308				
Sports parks drainage and irrigation Improvement programme	Community	\$8,466	\$8,466	\$1,524	\$1,039	\$1,228	\$1,232	\$868	\$880	\$641	\$868	\$185	\$0	This programme looks at improvements to drainage and sports field surfaces to improve levels of service and increase capacity of Sports Parks. Additional investment is required as the majority of our sports parks have ageing infrastructure, resulting in current provisions being below standard and not delivering on customer/community expectations.	0%	0%	No
			\$11,353	\$187	\$381	\$682	\$923	\$1,238	\$1,351	\$1,493	\$1,608	\$1,730	\$1,760				
Visitor Destinations, Aquatics - Mobility and accessibility equipment improvements	Community	\$164	\$164	\$56	\$12	\$0	\$42	\$6	\$18	\$12	\$6	\$6	\$6	Additional mobility aid resource needs for the Community and Visitor Attractions to meet the increased demand for mobility aids at Council sites. This increase is expected to accelerate with the removal of hire fees. Delivering on this project will help support our mobility-restricted communities and makes our visitor destinations more attractive and accessible.	0%	0%	No
			\$311	\$13	\$22	\$22	\$30	\$31	\$35	\$38	\$39	\$41	\$42				
Zoo/Waiwhakareke shared entry precinct - Stage 3 - Function and education centre	Community	\$5,615	\$6,315	\$0	\$0	\$0	\$0	\$0	\$0	\$962	\$5,353	\$0	\$0	This stage plans to build a new function and education centre with toilets, outdoor space, providing for overnight education stays, kitchen/staff area complete with landscaping. The overall programme outcome is to enhance the biodiversity and green infrastructure of the park. It will offer an attractive hub to the community and visitors to gather and enjoy and enable further business opportunities through new experiences and events, enhances education offerings and contributes to the city's tourism portfolio and broader economic growth.	0%	11%	No
			\$1,733	\$0	\$0	\$0	\$0	\$0	\$0	\$46	\$429	\$629	\$629				
Waterworld leisure pool	Community	\$21,352	\$21,352	\$0	\$0	\$0	\$0	\$0	\$2,512	\$18,840	\$0	\$0	\$0	At the moment, none of the Council aquatic facilities currently offer a dedicated leisure swimming pool. An additional pool will be required to meet the needs of a growing city and to accommodate leisure and play activities without detracting from other existing programmes and club use.	0%	0%	No
			\$7,586	\$0	\$0	\$0	\$0	\$250	\$365	\$1,011	\$1,986	\$1,986	\$1,986				
Museum Kīngitanga exhibition	Community	\$1,800	\$1,800	\$480	\$360	\$960	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Long-term large-scale exhibition at Waikato Museum. There is a national movement to raise awareness of New Zealand history and the opportunity exists to mount a long-term large-scale exhibition with Waikato-Tainui that tells the history of the Kīngitanga and the regionally significant events of the New Zealand Land Wars. This exhibition experience would be developed in conjunction with Waikato-Tainui.	0%	0%	No
			\$949	\$21	\$41	\$95	\$88	\$89	\$169	\$91	\$91	\$171	\$91				
Rototuna parks - Sports park development	Rototuna	\$22,580	\$22,580	\$4,420	\$4,568	\$8,060	\$0	\$5,532	\$0	\$0	\$0	\$0	\$0	Land acquisition and staged development of sports parks in Peacocke, Rotokauri and Rototuna. This project is required to accommodate a growing population in terms of the increase in demand for formal sport and recreational space and to ensure our parks network is accessible and spread out across all of Hamilton.	0%	0%	Yes
			\$13,599	\$390	\$700	\$1,269	\$1,256	\$1,609	\$1,648	\$1,682	\$1,682	\$1,682	\$1,682				
Rotokauri stage one - Neighbourhood parks	Rotokauri	\$1,098	\$1,098	\$0	\$0	\$223	\$0	\$0	\$0	\$0	\$0	\$0	\$875	Development of parks and open space in Rotokauri is needed to ensure HCC has the adequate provision of green space required to accommodate future growth both in the western parts of the city as well as collectively across Hamilton.	0%	0%	Yes
			\$121	\$0	\$0	\$12	\$13	\$13	\$13	\$13	\$13	\$13	\$31				
Rotokauri Stage two - Community and neighbourhood parks	Rotokauri	\$11,000	\$11,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,000	There will be increasing demand for local neighbourhood parks as the city grows. To continue to meet Councils target of 76% of the population being within 500m walking distance of a park (Open Space Provision policy), investment is needed in these smaller parks as well as sports parks to meet a more localised need.	0%	0%	Yes
			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				
Rotokauri stage one - Sports park development	Rotokauri	\$7,596	\$7,596	\$0	\$0	\$0	\$0	\$316	\$7,280	\$0	\$0	\$0	\$0	Land acquisition and staged development of sports parks in Peacocke, Rotokauri and Rototuna. This project is required to accommodate a growing population in terms of the increase in demand for formal sport and recreational space and to ensure our parks network is accessible and spread out across all of Hamilton.	0%	0%	Yes
			\$2,736	\$0	\$0	\$0	\$0	\$20	\$475	\$560	\$560	\$560	\$560				

2021-31 LONG-TERM PLAN – Unfunded Operational Projects – A fun city with lots to do

November 2020

The following programmes/project(s) have been identified for the 2021-31 Long-Term Plan (LTP).

KEY: Orange – Funded in Base Budget \$ shown in \$000's

Project and Description	Activity	Currently funded in Base	Unfunded in base										Opportunity & Benefit	Risk & Mitigation
			Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		
Aquatics pool maintenance Increase in resources for external expertise in pool maintenance	Community Services	\$190	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	• Additional technical expertise to ensure with increased use of the facility, the correct and appropriate actions are in place.	• Lack of funding may result in the failure to identify issues with the pool resulting in the facility being closed for a period of time.
Asset condition assessment Expert assessment of the condition of Zoo and Pools assets to ensure the buildings, structures, animal enclosures and plant are operating safely, in a compliant manner and are fit-for-purpose for staff, public and animals.	Business and Planning		\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	• Improved asset data to support the management and safety of assets and to ensure future funding requests are aligned to the asset requirements.	• If not completed, asset knowledge may result in asset failure or risk of injury. The mitigation is to close the facility (or area) until the failure is funded to be addressed.
Rototuna Pool Operational costs associated with community use of a private commercial pool at Rototuna Village.	Aquatics		\$300	0	\$150	\$152	\$155	\$158	\$162	0	0	0	• Council has made a commitment to the North-East Hamilton community to provide a pool at Rototuna and a private commercial opportunity is being considered. The Rototuna Village will be enhanced by the presence of a pool at Rototuna.	• If not undertaken in the near term, there is increased risk that a competing fitness centre will establish in the area resulting in the pool not being viable (as the fitness part of the business is essential to support the pool).
Funding for Partner Pools Aquatics - increase Partner Pool grants.	Community Services		\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	• Opportunity to expand our partner pool arrangements to enable efficient delivery of aquatic provision around the city.	• Council currently cannot meet casual swimming demand over summer months and the mitigation is to recommend other swimming facilities within the city.
Blockbuster and Exscite interactive Additional funding to extend the blockbuster and exscite interactive experiences	Museum		\$168	\$58	\$58	\$193K	\$58	\$58	\$168K	\$58	\$83	\$168	• Expansion of these attractions and increased promotion will increase visitor experience and visitor numbers at Museum.	• The mitigation is the status quo remains.
Venue & Event security programme Programme of work, covering activities to increase our security levels across assets, people, processes.	Venues		\$138	\$138	\$138	\$138	\$138	\$138	\$138	\$138	\$138	\$138	• Having venues operating to security standards aligned to government and industry levels, ensures longevity and ensures our reputation is maintained. Implementing security improvements at the venues will help to protect against a potential attack, act as a deterrent against attack and minimise impact from attack.	• Health & Safety - Injury or loss of life from a physical security attack Reputational/Revenue - The loss of events due to our security standards not meeting industry, national and international levels. Venue Assets - Loss of venue assets resulting in material damage.

Last updated: 19 November 2020

The purpose of this document is to inform 2021-31 Long-Term Plan decision-making focusing on
A city that's easy to live in • A city where our people thrive • A central city where people love to be
A fun city with lots to do • A green city

TE ANAMATA O KIRIKIROA | 2021-31
LTP@hcc.govt.nz | Connect with us [here](#)

2021-31 LONG-TERM PLAN - CAPITAL PROGRAMME - A GREEN CITY - FUNDED

KEY: Capex \$'000's			Opex \$'000's (Includes depreciation, interest, consequential opex & project opex)														
Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Closed landfill management and asset renewals	Renewals and Compliance	\$4,275	\$4,275	\$407	\$73	\$260	\$321	\$119	\$353	\$201	\$240	\$1,343	\$959	Replacement of closed landfill assets at end of life and ongoing compliance of consents .	0%	0%	No
			\$476	\$10	\$14	\$24	\$31	\$35	\$45	\$53	\$61	\$102	\$102				
Reconfiguration of Refuse Transfer Station	Renewals and Compliance	\$1,645	\$1,645	\$0	\$0	\$0	\$0	\$0	\$162	\$1,483	\$0	\$0	\$0	Renewal and reconfiguration of Refuse Transfer Station	0%	0%	No
			\$207	\$0	\$0	\$0	\$0	\$0	\$5	\$51	\$51	\$51	\$51				
Refuse drop off points	Renewals and Compliance	\$200	\$200	\$0	\$0	\$0	\$20	\$180	\$0	\$0	\$0	\$0	\$0	Creation of refuse drop off point for improvements in refuse service as city grows and intensifies.	0%	0%	No
			\$37	\$0	\$0	\$0	\$1	\$6	\$6	\$6	\$6	\$6	\$6				
Refuse Transfer Station and Hamilton Organic Centre building renewals	Renewals and Compliance	\$2,667	\$2,667	\$37	\$76	\$47	\$621	\$783	\$1,040	\$3	\$51	\$0	\$8	Renewals of Refuse Transfer Station and Hamilton Organic Centre building assets / components.	0%	0%	No
			\$479	\$1	\$3	\$5	\$23	\$46	\$76	\$80	\$82	\$82	\$82				
Wastewater model	Renewals and Compliance	\$1,499	\$1,499	\$96	\$96	\$54	\$745	\$67	\$76	\$145	\$61	\$82	\$77	Ongoing renewal and updating of Wastewater Model for management of wastewater.	0%	0%	No
			\$777	\$42	\$116	\$78	\$69	\$71	\$73	\$79	\$81	\$84	\$84				
Wastewater network improvements	Renewals and Compliance	\$13,711	\$13,711	\$1,255	\$1,821	\$1,363	\$1,238	\$947	\$1,661	\$1,135	\$1,197	\$1,588	\$1,508	Renewals and compliance works to improve resilience and compliance of wastewater network. Includes programme for increasing the capacity of pumpstations throughout existing city.	0%	0%	No
			\$3,333	\$140	\$200	\$257	\$275	\$305	\$352	\$399	\$436	\$485	\$485				
Wastewater renewals	Renewals and Compliance	\$60,214	\$60,214	\$6,116	\$4,338	\$5,097	\$5,840	\$5,391	\$5,645	\$5,466	\$4,513	\$7,262	\$10,544	Renewal of wastewater pipes and pump station assets based on condition and performance.	0%	0%	No
			\$8,837	\$147	\$308	\$517	\$620	\$786	\$946	\$1,166	\$1,303	\$1,522	\$1,522				
Wastewater treatment plant compliance	Renewals and Compliance	\$16,033	\$16,033	\$361	\$510	\$460	\$2,437	\$6,372	\$465	\$1,406	\$1,168	\$1,549	\$1,305	Upgrade of critical Wastewater Treatment Plant assets to improve resilience, compliance and risk managemet. Includes significant investment in Year 5 for process optimisation for Climate change mitigation .	0%	0%	No
			\$2,473	\$9	\$26	\$44	\$109	\$298	\$310	\$369	\$405	\$452	\$452				
Wastewater treatment plant renewals	Renewals and Compliance	\$33,718	\$33,718	\$2,564	\$3,065	\$2,987	\$4,288	\$3,631	\$4,697	\$4,372	\$2,425	\$3,997	\$1,691	Renewals of infrastructure, systems, consents and buildings at Wastewater Treatment Plant	0%	0%	No
			\$7,810	\$163	\$336	\$426	\$740	\$802	\$936	\$1,097	\$1,027	\$1,149	\$1,134				

Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Water model	Renewals and Compliance	\$1,352	\$1,352	\$82	\$106	\$46	\$646	\$57	\$65	\$160	\$53	\$70	\$66	Ongoing renewal and updating of water model for management of water supply.	0%	0%	No
			\$725	\$42	\$101	\$68	\$66	\$68	\$69	\$76	\$77	\$79	\$79				
Water network improvements	Renewals and Compliance	\$4,479	\$4,479	\$271	\$377	\$435	\$673	\$488	\$534	\$542	\$323	\$429	\$407	Minor works to improve resilience and compliance of water network. Includes programme for smart metering of network throughout existing city to better manage operations.	0%	0%	No
			\$1,823	\$117	\$129	\$146	\$161	\$176	\$191	\$212	\$222	\$235	\$235				
Water reticulation renewals	Renewals and Compliance	\$55,499	\$55,499	\$2,533	\$5,164	\$5,522	\$7,160	\$6,949	\$8,171	\$8,305	\$4,156	\$4,098	\$3,441	Renewals of existing watermain, valves, meters and hydrants based on condition and performance.	0%	0%	No
			\$9,168	\$61	\$226	\$437	\$591	\$803	\$1,037	\$1,345	\$1,472	\$1,598	\$1,598				
Water treatment plant and reservoir asset renewals	Renewals and Compliance	\$16,316	\$16,316	\$1,060	\$921	\$964	\$1,862	\$1,631	\$2,966	\$1,879	\$1,808	\$1,845	\$1,379	Renewals of infrastructure, consents and buildings at Water Treatment Plant and reservoir sites.	0%	0%	No
			\$2,450	\$25	\$58	\$97	\$139	\$189	\$275	\$346	\$402	\$459	\$459				
Water treatment plant compliance and minor upgrades	Renewals and Compliance	\$12,486	\$12,486	\$331	\$1,056	\$2,735	\$2,072	\$3,747	\$1,234	\$330	\$527	\$233	\$221	Renewal and minor upgrade of assets at Water Treatment Plant to ensure continued service provision, resilience and compliance.	0%	0%	No
			\$2,459	\$8	\$41	\$136	\$180	\$292	\$326	\$353	\$369	\$377	\$377				
Comprehensive stormwater consent	Renewals and Compliance	\$3,546	\$3,546	\$169	\$291	\$283	\$405	\$351	\$432	\$405	\$350	\$430	\$430	Programme for upgrade of stormwater assets to ensure compliance with Comprehensive stormwater consent.	0%	0%	No
			\$2,991	\$224	\$263	\$275	\$283	\$294	\$306	\$322	\$332	\$346	\$346				
Stormwater asset renewals	Renewals and Compliance	\$10,848	\$10,848	\$792	\$760	\$832	\$1,044	\$1,367	\$1,113	\$1,313	\$1,063	\$1,216	\$1,349	Replacement of stormwater infrastructure and resource consents.	0%	0%	No
			\$1,615	\$19	\$45	\$79	\$99	\$141	\$172	\$222	\$254	\$292	\$292				
Stormwater device upgrades	Renewals and Compliance	\$1,651	\$1,651	\$130	\$195	\$117	\$163	\$163	\$325	\$202	\$325	\$33	\$0	Programme for renewal and upgrades to existing brownfield stormwater devices.	0%	0%	Yes
			\$302	\$3	\$10	\$15	\$18	\$23	\$32	\$43	\$53	\$54	\$54				
Drainage renewals	Renewals and Compliance	\$16,525	\$26,053	\$1,952	\$1,970	\$2,057	\$2,740	\$2,584	\$2,961	\$3,024	\$2,433	\$3,244	\$3,089	Renewal programme for existing drainage infrastructure (including kerb and channel and catchpits, culverts up to 2.0m diameter, environmental treatment such as enviropods).	0%	0%	No
			\$3,907	\$47	\$115	\$198	\$253	\$332	\$416	\$531	\$605	\$705	\$705				
Erosion control renewals	Renewals and Compliance	\$1,696	\$1,696	\$131	\$130	\$136	\$181	\$169	\$193	\$196	\$156	\$207	\$197	Physical works (including planting) to mitigate adverse effects of erosion from stormwater in city gullies / watercourses.	0%	0%	No
			\$278	\$3	\$8	\$13	\$17	\$25	\$30	\$38	\$43	\$49	\$52				

Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Waste minimisation in parks	Community	\$60	\$60	\$60	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	The project will address waste management in parks, providing recycling options in key Hamilton parks. Aligns with roll out of household recycling bins and behaviour change we are asking of our residents.	0%	0%	No
			\$448	\$44	\$45	\$45	\$45	\$45	\$45	\$45	\$45	\$45	\$45				
Hamilton Lake Domain wetland and stormwater daylighting	Community	\$974	\$974	\$103	\$871	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	The project aims to create habitat for endemic native species, improve water quality, and reduce erosion and sediment loss into water ways. If not undertaken the implications are further decay and decline of the water quality in the Lake.	0%	0%	No
			\$765	\$55	\$78	\$82	\$78	\$78	\$78	\$79	\$79	\$79	\$79				
Waiwhakareke - Development programme	Community	\$1,250	\$1,250	\$0	\$0	\$0	\$0	\$63	\$1,188	\$0	\$0	\$0	\$0	To continue development of the City's flagship natural heritage park amenities by developing further path networks required for public use and enhancing the attractiveness of the Zoo and Waiwhakareke as a visitor destination.	0%	0%	No
			\$432	\$0	\$0	\$0	\$0	\$10	\$83	\$85	\$85	\$85	\$85				
Nature in the city portfolio programme - Gully restoration and development	Community	\$16,353	\$16,353	\$763	\$1,489	\$1,598	\$1,717	\$1,815	\$1,815	\$1,715	\$1,815	\$1,815	\$1,813	The project is needed to improve the biodiversity in the city and improve the health of Hamiltonians through the restoration of the natural environment. The benefits will be an increase to community wellbeing both physically and mentally while providing habitat for native flora and fauna. It will also improve ecosystem services such as the mitigation of erosion, sedimentation and the reduction of pollutants in our water ways.	0%	0%	No
			\$9,233	\$292	\$395	\$517	\$549	\$670	\$910	\$1,171	\$1,355	\$1,599	\$1,776				
City wide flood management	Waters	\$15,759	\$15,759	\$0	\$151	\$1,352	\$3,101	\$2,201	\$2,001	\$2,001	\$2,001	\$1,751	\$1,201	Program investigating the likely extent of flooding and upgrading existing assets where appropriate. Flood management in the St Andrews catchment is currently included as an opportunity.	0%	0	Yes
			\$3,021	\$0	\$6	\$65	\$180	\$268	\$345	\$440	\$521	\$592	\$604				
Integrated Catchment Management Plan development	Waters	\$9,404	\$9,404	\$1,151	\$1,100	\$900	\$1,050	\$1,050	\$950	\$801	\$801	\$801	\$801	Program to complete the city's Integrated Catchment Management Plans, flood modelling and collect LiDAR data. Ensuring the cumulative effects of development are managed.	0%	0%	Yes
			\$2,188	\$39	\$88	\$136	\$164	\$207	\$243	\$285	\$318	\$350	\$358				
Wastewater developer upsizing	Waters	\$4,750	\$5,500	\$75	\$75	\$1,500	\$550	\$550	\$550	\$550	\$550	\$550	\$550	This is money set aside to contribute to developer lead projects to ensure infrastructure built by developers is the most appropriate for the community now and into the future. These projects are all built by developers and the budget is only used when the developers are ready to build the infrastructure. This budget includes wastewater customer connections.	0%	14%	Yes
			\$1,147	\$3	\$6	\$71	\$86	\$108	\$129	\$157	\$179	\$201	\$207				

Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Wastewater master planning	Waters	\$2,100	\$2,100	\$600	\$100	\$300	\$100	\$100	\$300	\$100	\$100	\$300	\$100	This programme includes updates to the current wastewater reticulation master plan and the capitalisation of existing treatment plant strategic planning. Strategic planning is a requirement of resource consent conditions. The master plans allow for the holistic review of the assets and process optimisation to inform future upgrades. The wastewater treatment plan master planning is currently included as an capital opportunity (works were previously funded from operational budgets in the 2018-28 LTP). This is important to ensure future investment to a complex plant is optimised and to meet resource consent compliance conditions for capacity and technology reviews.	0%	0%	Yes
			\$1,303	\$54	\$67	\$100	\$105	\$115	\$144	\$156	\$166	\$195	\$201				
Wastewater pump station upgrades	Waters	\$13,102	\$13,102	\$1,450	\$2,909	\$2,590	\$3,973	\$2,160	\$20	\$0	\$0	\$0	\$0	Upgrade of pump stations across the city to avoid predicted overflows. Benefits include a better utilisation of available network capacity, reduction in wet weather overflows and improved environmental, social, cultural and public health outcomes. The programme of work in the base budget includes pumping capacity upgrades at Fitzroy, Snells, Normandy and Lorne and flow diversions between interceptors at Snells and Fitzroy pump stations. Flynn pump station and the Te Anau/Split pump station upgrade and diversion is currently included as an opportunity.	0%	0%	Yes
			\$4,228	\$49	\$176	\$304	\$431	\$525	\$529	\$553	\$553	\$553	\$553				
Wastewater reticulation upgrades	Waters	\$3,898	\$3,898	\$0	\$0	\$0	\$0	\$99	\$267	\$3,497	\$34	\$0	\$0	Pipe upgrades to increased conveyance capacity of wastewater network. The purpose of this programme is to increase the conveyance capacity of the wastewater network with proposed pipe upgrades downstream of Ranfurly pump station and new pipe between Enderley and Fifth Avenue. Benefit of these upgrades is the increased available network capacity and reduction in the risk of wet weather overflows.	0%	0%	Yes
			\$651	\$0	\$0	\$0	\$0	\$4	\$14	\$157	\$159	\$159	\$159				
Wastewater storage	Waters	\$72,554	\$72,554	\$1,233	\$2,049	\$5,596	\$6,588	\$11,210	\$7,070	\$749	\$14,514	\$20,072	\$3,473	Bulk storage where flows exceeding the conveyance capacity of the network will be detained during extreme wet-weather events, that will be returned to the network when conveyance capacity becomes available after the wet-weather event. Benefits include reduction in the risk of wet weather overflows to the environment, improved public health outcomes, and better control of wet weather flows conveyed to the treatment plant. The locations of strategic bulk storages are Bremworth, Collins Rd, FE2, Howell & Morris, Mid Section Donny Park, Upper (Steele Park). The budget for the first two years is for the land designations and planning. The first storage is planned for construction in 2023/24.	0%	0%	Yes
			\$15,318	\$136	\$337	\$561	\$763	\$1,200	\$1,824	\$2,158	\$2,432	\$2,950	\$2,958				
Wastewater treatment plant upgrade	Waters	\$100,170	\$100,170	\$1,700	\$11,100	\$11,570	\$1,300	\$15,000	\$6,000	\$21,500	\$10,000	\$11,000	\$11,000	Upgrade the treatment plant to minimise health and safety risks to staff, ensure resource consent and seismic compliance is met, reduce the risk of overflows, and ensure sufficient capacity for growth. Projects include retrofitting of existing bioreactors, inlet works and the staged increase of major treatment components.	0%	0%	Yes
			\$29,390	\$64	\$609	\$1,248	\$1,797	\$2,548	\$2,885	\$4,196	\$4,903	\$5,460	\$5,680				
Wastewater Western Interceptor	Waters	\$21,179	\$21,179	\$4,908	\$1,197	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,074	Performance improvement of the Western Interceptor with increased conveyance and storage capacity. The second stage includes a suite of projects to increase the capacity of the upper section of the interceptor consisting of storage, conveyance and pretreated controlled overflow options with the overall aim of reducing wet weather overflows and to improve environmental outcomes.	0%	0%	Yes
			\$2,577	\$73	\$107	\$117	\$106	\$107	\$107	\$111	\$379	\$734	\$735				
Eastern reservoir bulk mains	Waters	\$8,200	\$8,200	\$1,200	\$3,500	\$3,499	\$0	\$0	\$0	\$0	\$0	\$0	\$0	These are bulk mains that will be constructed with the Peacocke bridge and will provide resilience to our water supply network. This project was approved by Council as part of the Peacocke contract award have been included in the base as this are committed.	0%	0%	Yes
			\$2,878	\$41	\$185	\$353	\$320	\$323	\$321	\$334	\$334	\$334	\$334				
Newcastle demand management zone	Waters	\$13,957	\$13,957	\$10,000	\$3,958	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	This project is currently underway. It is contractually committed and is a subset of works carried out under 'Water demand management zones'	0%	0%	Yes
			\$6,092	\$358	\$623	\$675	\$619	\$625	\$622	\$643	\$643	\$643	\$643				

Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Water reservoirs	Waters	\$13,657	\$13,657	\$63	\$0	\$0	\$0	\$0	\$74	\$50	\$150	\$13,320	\$0	Upgrades and new reservoirs meeting projected growth to ensure the city can provide adequate storage volumes to meet the increasing peak day zone demands while also meeting fire fighting and emergency storage requirements. Also, an additional reservoir at Ruakura to cater for additional demand has been budgeted for construction in 2029/30. Upgrade to the Ruakiwi reservoir pump station, Maeroa reservoir pump station and new reservoir at Hillcrest have been included as opportunities.	0%	0%	Yes
			\$1,212	\$17	\$8	\$8	\$8	\$8	\$11	\$13	\$19	\$561	\$561				
Water demand management zones	Waters	\$534	\$534	\$0	\$0	\$360	\$0	\$74	\$0	\$100	\$0	\$0	\$0	This is a programme of works to create dedicated water supply zones around existing and proposed reservoirs to reduce peaks and the treatment plant supplying water directly to customers. It also enables better management of the water supply and reduces water losses in the network. Work on network water loss has been included in the base budget with the all other projects identified as an opportunity.	0%	0%	Yes
			\$157	\$0	\$0	\$16	\$15	\$18	\$18	\$23	\$23	\$23	\$23				
Water developer upsizing	Waters	\$7,250	\$7,750	\$50	\$50	\$2,225	\$775	\$775	\$775	\$775	\$775	\$775	\$775	This is money set aside to contribute to developer lead projects to ensure infrastructure built by developers is the most appropriate for the community now and into the future. These projects are all built by developers and the budget is only used when the developers are ready to build the infrastructure. This includes water customer connections.	0%	6%	Yes
			\$1,682	\$2	\$4	\$104	\$126	\$160	\$190	\$230	\$263	\$296	\$305				
Water master planning	Waters	\$882	\$882	\$183	\$183	\$0	\$150	\$33	\$0	\$150	\$33	\$0	\$150	This programme includes updates to the current Water reticulation master plan and the capitalisation of existing treatment plant strategic planning. The master plans allow for the holistic review of the assets and process optimisation to inform future upgrades. The water treatment plan master planning is currently included as a capital opportunity (works were previously funded from operational budgets in the 2018-28 LTP). This is important for balancing needs across a complex treatment plant to ensure future investment is optimised.	0%	0%	Yes
			\$535	\$17	\$35	\$36	\$49	\$53	\$53	\$68	\$71	\$71	\$81				
Water treatment plant upgrade	Waters	\$30,350	\$30,350	\$14,000	\$7,450	\$4,600	\$1,800	\$0	\$0	\$0	\$0	\$0	\$2,500	Upgrade of critical assets and the addition of treated storage to improve resilience and compliance while considering sustainability. Additional treatment capacity to cater for growth, increased compliance and resilience. This includes installation of a parallel treatment stream, washwater upgrades, clearwater storage capacity and design of the intake structure.	0%	0%	Yes
			\$25,096	\$765	\$1,345	\$2,293	\$2,650	\$2,761	\$2,806	\$2,848	\$2,873	\$3,278	\$3,477				
Stormwater developer upsizing	Waters	\$3,750	\$4,000	\$25	\$25	\$1,150	\$400	\$400	\$400	\$400	\$400	\$400	\$400	This is money set aside to contribute to developer lead projects to ensure infrastructure built by developers is the most appropriate for the community now and into the future. These projects are all built by developers and the budget is only used when the developers are ready to build the infrastructure. This includes stormwater customer connections.	0%	6%	Yes
			\$831	\$1	\$2	\$52	\$62	\$79	\$94	\$114	\$130	\$147	\$151				

Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Stormwater intensification	Waters	\$6,625	\$6,625	\$0	\$0	\$938	\$0	\$0	\$0	\$0	\$2,813	\$375	\$2,500	Network stormwater improvements to facilitate intensification.	0%	0%	Yes
			\$782	\$0	\$0	\$40	\$37	\$37	\$37	\$58	\$173	\$188	\$213				
City wide erosion control	Waters	\$14,766	\$14,766	\$1,909	\$1,760	\$1,879	\$2,072	\$1,349	\$347	\$1,007	\$1,025	\$1,478	\$1,940	Mitigation of potential adverse effects to ensure compliance with resource consent conditions. Benefits include resilient waterways and enhanced habitat. Erosion Control in the Te Rapa Catchment is currently included as an opportunity.	0%	0%	Yes
			\$3,876	\$65	\$144	\$242	\$319	\$384	\$408	\$472	\$548	\$629	\$664				
Rototuna Village supporting infrastructure - Stormwater	Rototuna	\$1,465	\$1,465	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$59	\$176	\$1,231	Stormwater infrastructure to support the Rototuna Village.	0%	0%	Yes
			\$34	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$10	\$22				
Lake Magellan	Rototuna	\$2,246	\$2,246	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$135	\$2,033	\$78	Upgrade of existing stormwater management device to comply with Waikato Regional Council requirements in line with the comprehensive stormwater consent.	0%	0%	Yes
			\$198	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6	\$88	\$104				
Rototuna stormwater improvements	Rototuna	\$6,186	\$6,186	\$0	\$0	\$267	\$224	\$1,495	\$39	\$36	\$4,125	\$0	\$0	Improve and upgrade stormwater management within Rototuna including stormwater management devices to protect the receiving environment. These projects were identified though the stormwater master plan.	0%	0%	Yes
			\$1,627	\$0	\$0	\$11	\$44	\$103	\$179	\$184	\$352	\$377	\$377				
Rototuna stormwater upsizing	Rototuna	\$1,433	\$1,433	\$57	\$173	\$382	\$382	\$381	\$29	\$29	\$0	\$0	\$0	This budget is set aside to contribute to developer-led projects to ensure infrastructure built by developers is the most appropriate for the community now and into the future. These projects are all built by developers and the budget is only used when the developers are ready to build the infrastructure.	0%	0%	Yes
			\$519	\$2	\$9	\$26	\$39	\$54	\$55	\$83	\$83	\$83	\$83				
Peacocke stormwater management and treatment devices	Peacocke	\$7,115	\$7,115	\$0	\$0	\$2,285	\$545	\$637	\$142	\$0	\$0	\$2,466	\$1,040	National Policy Statement requirements for freshwater quality and commitments to the Waikato River Vision and Strategy require higher treatment standards to meet expectations. These investments will be timed to match development and deliver efficient and appropriate long-term catchment management for stormwater.	0%	0%	Yes
			\$2,168	\$0	\$0	\$98	\$191	\$227	\$238	\$286	\$305	\$406	\$417				

Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Peacocke network stage one - Natural areas and gullies	Peacocke	\$651	\$651	\$315	\$315	\$21	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Land acquisition and development of natural areas, gullies and esplanade reserve in Peacocke. Development of parks and open space in Peacocke is needed to ensure HCC has the adequate provision of green space required to accommodate future growth both in the southern parts of the city as well as collectively across Hamilton.	0%	0%	Yes
			\$228	\$8	\$18	\$22	\$25	\$25	\$25	\$26	\$26	\$26	\$26				
Peacocke network stage two - Natural areas and gullies	Peacocke	\$2,725	\$2,725	\$0	\$0	\$315	\$315	\$315	\$315	\$315	\$315	\$315	\$520		0%	0%	Yes
			\$335	\$0	\$0	\$10	\$18	\$28	\$37	\$48	\$58	\$68	\$68				
Rotokauri swale consents and design	Rotokauri	\$8,800	\$8,800	\$2,200	\$2,200	\$4,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Growth in Rotokauri cannot commence until the swale is in place and operational. The asset will manage all stormwater conveyance and storage in the Rotokauri growth cell. This will form a green corridor that will allow the flora and fauna to be reintroduced into the area. It will also provide an alternative recreational cycle/pedestrian route for the community. The construction of the swale is currently outside of the 2021-31 LTP.	0%	0%	Yes
			\$3,094	\$75	\$173	\$379	\$343	\$347	\$345	\$358	\$358	\$358	\$358				
Rotokauri swale (channel only) - Land, procurement and construction	Rotokauri	\$28,746	\$28,746	\$0	\$0	\$0	\$0	\$0	\$0	\$2,855	\$7,000	\$9,140	\$9,751		0%	0%	Yes
			\$2,161	\$0	\$0	\$0	\$0	\$0	\$0	\$116	\$401	\$773	\$871				
Rotokauri stormwater upsizing	Rotokauri	\$13,229	\$13,229	\$0	\$0	\$0	\$0	\$0	\$0	\$139	\$6,826	\$3,134	\$3,129	This is funding set aside to contribute to developer-led projects to ensure infrastructure built by developers is the most appropriate for the community now and into the future. These projects are all built by developers and the budget is only used when the developers are ready to build the infrastructure.	0%	0%	Yes
			\$1,225	\$0	\$0	\$0	\$0	\$0	\$0	\$6	\$283	\$452	\$483				
Mangaonua Stream protection	Ruakura	\$1,000	\$4,000	\$3,000	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Jointly funded between HCC and Crown Infrastructure Partners. Removal of pest species, bank stabilisation and gully system restoration.	0%	75%	Yes
			\$1,553	\$102	\$157	\$172	\$156	\$158	\$157	\$163	\$163	\$163	\$163				

2021-31 LONG-TERM PLAN – CAPITAL PROGRAMME - A GREEN CITY - UNFUNDED

KEY: Capex \$000's			Opex \$000's (Includes depreciation, interest, consequential opex & project opex)														
Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Taitua Arboretum development	Community	\$365	\$365	\$48	\$317	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Over 100,000 people visit the Arboretum annually making it a key destination within our park network. The new toilet facilities are key to improving the experience while the carpark parking increase needs to be appropriately investigated.	0%	0%	No
			\$292	\$38	\$28	\$29	\$28	\$28	\$28	\$28	\$28	\$28	\$28				
Nature in the city portfolio programme - Gully restoration and development	Community	\$16,454	\$16,454	\$764	\$1,489	\$1,598	\$1,717	\$1,815	\$1,815	\$1,815	\$1,815	\$1,815	\$1,813	The project is needed to improve the biodiversity in the city and improve the health of Hamiltonians through the restoration of the natural environment. The benefits will be an increase to community wellbeing both physically and mentally while providing habitat for native flora and fauna. It will also improve ecosystem services such as the mitigation of erosion, sedimentation and the reduction of pollutants in our water ways.	0%	0%	No
			\$9,233	\$447	\$532	\$634	\$611	\$712	\$912	\$1,129	\$1,233	\$1,438	\$1,586				
Waiwhakareke - Predator proofence	Community	\$130	\$130	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$130	Along with the revegetation, a predator proof fence will enable the development of a translocation program with the Hamilton Zoo, reintroducing fauna into this unique predator proof sanctuary. Coupled with intensive predator control, this will allow species to flourish in an urban environment and spill over to other parts of the city, providing residents and visitors with enhanced recreation and tourism opportunities.	0%	0%	No
			\$3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3				
City wide flood management - Additional opportunities	Waters	\$3,801	\$3,801	\$0	\$0	\$0	\$0	\$501	\$1,300	\$200	\$0	\$501	\$1,300	Program investigating the likely extent of flooding and upgrading existing assets where appropriate. Flood management in the St Andrews catchment is currently included as an opportunity.	0%	0%	Yes
			\$470	\$0	\$0	\$0	\$0	\$20	\$71	\$81	\$81	\$102	\$115				
Wastewater intensification	Waters	\$31,634	\$31,634	\$0	\$0	\$1,000	\$6,380	\$10,600	\$10,160	\$3,494	\$0	\$0	\$0	Network wastewater improvements to facilitate intensification	0%	0%	Yes
			\$7,400	\$0	\$0	\$43	\$288	\$708	\$1,103	\$1,306	\$1,318	\$1,318	\$1,318				
Wastewater master planning - Additional opportunities	Waters	\$1,600	\$1,600	\$370	\$370	\$370	\$70	\$70	\$70	\$70	\$70	\$70	\$70	This programme includes updates to the current wastewater reticulation master plan and the capitalisation of existing treatment plant strategic planning. Strategic planning is a requirement of resource consent conditions. The master plans allow for the holistic review of the assets and process optimisation to inform future upgrades. The wastewater treatment plan master planning is currently included as an capital opportunity (works were previously funded from operational budgets in the 2018-28 LTP). This is important to ensure furture investment to a complex plant is optimised and to meet resource consent compliance conditions for capacity and technology reviews.	0%	0%	Yes
			\$2,555	\$174	\$211	\$251	\$253	\$260	\$267	\$275	\$282	\$289	\$294				
Wastewater pump station upgrades - Additional opportunities	Waters	\$7,455	\$7,455	\$0	\$0	\$0	\$0	\$164	\$1,564	\$435	\$2,800	\$2,380	\$112	Upgrade of pump stations across the city to avoid predicted overflows. Benefits include a better utilisation of available network capacity, reduction in wet weather overflows and improved environmental, social, cultural and public health outcomes. The programme of work in the base budget includes pumping capacity upgrades at Fitzroy, Snells, Normandy and Lorne and flow diversions between interceptors at Snells and Fitzroy pump stations. Flynn pump station and the Te Anau/Split pump station upgrade and diversion is currently included as an opportunity.	0%	0%	Yes
			\$975	\$0	\$0	\$0	\$0	\$6	\$68	\$88	\$204	\$304	\$305				
Water reservoirs - Additional opportunities	Waters	\$32,209	\$32,209	\$466	\$3,670	\$218	\$576	\$4,932	\$4,990	\$49	\$2,004	\$1,984	\$13,320	Upgrades and new reservoirs meeting projected growth to ensure the city can provide adequate storage volumes to meet the increasing peak day zone demands while also meeting fire fighting and emergency storage requirements. Also, an additional reservoir at Ruakura to cater for additional demand has been budgeted for construction in 2029/30. Upgrade to the Ruakiwi reservoir pump station, Maeroa reservoir pump station and new reservoir at Hillcrest have been included as opportunities.	0%	0%	Yes
			\$4,822	\$16	\$155	\$195	\$201	\$406	\$608	\$673	\$753	\$842	\$975				

Project	Programme	Net Total 10 Years Budget	EXPENDITURE											Considerations	REVENUE		Debt Funded by DC's
			Gross Total 10 Years Budget	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		Assumed NZTA Revenue (%)	Assumed Other Revenue (%)	
Strategic demand management intervention	Waters	\$19,002	\$19,002	\$0	\$0	\$0	\$83	\$250	\$251	\$2,518	\$5,300	\$5,300	\$5,300	Universal water metering program to retrofit all existing residential water services with meters. Allowing significant ability to track and manage total demands and water losses in both the public and private reticulation ensuring the city is not being wasteful with its water allocation whilst providing a resilient and cost-effective service.	0%	0%	Yes
			\$2,128	\$0	\$0	\$0	\$4	\$16	\$29	\$157	\$426	\$695	\$801				
Stormwater improvements to the existing city	Waters	\$12,121	\$12,121	\$0	\$0	\$0	\$0	\$3,117	\$3,116	\$0	\$5,587	\$0	\$300	This program aims to improve stormwater quality in catchments which currently have no treatment. Improvements are required to comply with the Council's comprehensive stormwater discharge consent and provide capacity for stormwater related to infill.	0%	0%	Yes
			\$2,147	\$0	\$0	\$0	\$0	\$123	\$244	\$274	\$501	\$501	\$504				
Stormwater intensification - Additional opportunities	Waters	\$25,000	\$25,000	\$0	\$0	\$0	\$1,000	\$12,000	\$12,000	\$0	\$0	\$0	\$0	Network stormwater improvements to facilitate intensification.	0%	0%	Yes
			\$6,001	\$0	\$0	\$0	\$39	\$512	\$980	\$1,118	\$1,118	\$1,118	\$1,118				
City wide erosion control - Additional opportunities	Waters	\$1,560	\$1,560	\$0	\$0	\$0	\$66	\$132	\$1,328	\$34	\$0	\$0	\$0	Mitigation of potential adverse effects to ensure compliance with resource consent conditions. Benefits include resilient waterways and enhanced habitat. Erosion Control in the Te Rapa Catchment is currently included as an opportunity.	0%	0%	Yes
			\$333	\$0	\$0	\$0	\$3	\$8	\$60	\$63	\$63	\$66	\$69				
Water demand management zones - Additional opportunities	Waters	\$6,380	\$6,380	\$1,462	\$2,700	\$760	\$0	\$200	\$1,249	\$10	\$0	\$0	\$0	This is a programme of works to create dedicated water supply zones around existing and proposed reservoirs to reduce peaks and the treatment plant supplying water directly to customers. It also enables better management of the water supply and reduces water losses in the network. Work on network water loss has been included in the base budget with the all other projects identified as an opportunity.	0%	0%	Yes
			\$2,178	\$51	\$166	\$219	\$200	\$209	\$257	\$267	\$269	\$269	\$269				
Water intensification - City wide	Waters	\$25,000	\$25,000	\$0	\$0	\$0	\$1,000	\$12,000	\$12,000	\$0	\$0	\$0	\$0	Network water improvements to facilitate intensification	0%	0%	Yes
			\$5,846	\$0	\$0	\$0	\$41	\$535	\$1,024	\$1,062	\$1,062	\$1,062	\$1,062				
Water master planning - Additional opportunities	Waters	\$1,450	\$1,450	\$320	\$320	\$320	\$70	\$70	\$70	\$70	\$70	\$70	\$70	This programme includes updates to the current Water reticulation master plan and the capitalisation of existing treatment plant strategic planning. The master plans allow for the holistic review of the assets and process optimisation to inform future upgrades. The water treatment plan master planning is currently included as a capital opportunity (works were previously funded from operational budgets in the 2018-28 LTP). This is important for balancing needs across a complex treatment plant to ensure future investment is optimised.	0%	0%	Yes
			\$2,424	\$169	\$201	\$236	\$239	\$246	\$252	\$261	\$268	\$274	\$279				
Rototuna Village tree cells	Rototuna	\$799	\$799	\$0	\$727	\$72	\$0	\$0	\$0	\$0	\$0	\$0	\$0	The project provides for the additional costs over the minimum size and type for tree pits for trees planted as part of the Rototuna village. The Council's Regional Infrastructure Technical Specifications allow for tree pits of 1 - 2.5m3 (depending on the location). Trees that have paving (and loads such as traffic) within the rootzone will not thrive as they could. The consequence will be slower growing trees, which do not reach full size, with higher mortality rates and poor canopy cover.	0%	0%	No
			\$311	\$0	\$31	\$37	\$34	\$34	\$34	\$35	\$35	\$35	\$35				

2021-31 LONG-TERM PLAN – Unfunded Operational Projects – A green city

November 2020

The following programmes/project(s) have been identified for the 2021-31 Long-Term Plan (LTP).

KEY: Orange - Funded in Base Budget \$ shown in \$000's

Project and Description	Activity	Currently funded in Base	Unfunded in base										Opportunity & Benefit	Risk & Mitigation
			Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31		
Jetting and cleaning of wastewater pipes Proactive and reactive jetting and cleaning in the wastewater activity that reduces the risk of wastewater network blockages and overflows to meet compliance and reduce the risk of discharge events that may lead to prosecution.	Waters	\$67	\$66	\$66	\$66	\$66	\$66	\$66	\$66	\$66	\$66	\$66	<ul style="list-style-type: none">• Opportunity to reduce the risk of wastewater network blockages and overflows through increasing the amount of the network that is jetted and cleaned.	<ul style="list-style-type: none">• Risk of reduced maintenance could result in an event that leads to prosecution by WRC if Council is not deemed not to be maintaining wastewater infrastructure appropriately.• Mitigation is to accept the resulting prosecution and fine.
Change in delivery model for 3 Water connections The increased demand for 3 Water connections due to growth has impacted the people resources required to maintain the city's assets.	Waters		\$957	\$957	\$957	\$957	\$957	\$957	\$957	\$957	\$957	\$957	<ul style="list-style-type: none">• The proposal is to shift the demand for connections to external contractors this provides an opportunity to refocus existing staff (who are experienced and extremely hard to recruit) to undertake reactive and planned maintenance works required in the networks to ensure our currently levels of service are met.	<ul style="list-style-type: none">• The risk of not changing the delivery model is that there is a risk of noncompliance with the comprehensive stormwater consent; risk of poorly maintained assets and staff fatigue.• The mitigation is that the model remains as it is, recognising the potential risk.
Compliance Due to increase in waters activities across the city, additional resource to ensure 3 Waters consent compliance; policy and bylaw compliance; resilience of operations and implementation of the Waste Management and Minimisation Plan.	Waters		\$73	\$73	\$73	\$73	\$73	\$73	\$73	\$73	\$73	\$73	<ul style="list-style-type: none">• Opportunity to promote compliance with policy, plans and bylaws to reduce the possibility of consent breaches.	<ul style="list-style-type: none">• Non-compliance of Council with plans, policies and bylaws could result in greater risk of compliance breach.• The mitigation is the acceptance of the resulting prosecuting and fine.
Drainage maintenance Increased cost to maintain the stormwater network.	Transport		\$1,140	\$1,140	\$1,140	\$1,140	\$1,140	\$1,140	\$1,140	\$1,140	\$1,140	\$1,140	<ul style="list-style-type: none">• The inclusion of rain gardens and wet ponds in new neighbourhoods have increased the costs to maintain these assets in relation to the cost to maintain a piped stormwater or kerb and channel.	<ul style="list-style-type: none">• Not undertaking maintenance of our stormwater network will likely result in the flooding of private property and there is a risk of non-compliance with our Comprehensive Stormwater Consent which also impacts the quality of stormwater reaching the river.
Sustainability programme of work Initiate new and enhanced sustainability (incl waste management) practices across H3 venues.	Venues		\$74	\$74	\$74	\$74	\$74	\$74	\$74	\$74	\$74	\$74	<ul style="list-style-type: none">• Opportunity to continue our sustainability programme to meet hirer and community expectations.	<ul style="list-style-type: none">• Unable to contribute fully to HCC Climate Action Plan.

Last updated: 19 November 2020

The purpose of this document is to inform 2021-31 Long-Term Plan decision-making focusing on
A city that's easy to live in • A city where our people thrive • A central city where people love to be
A fun city with lots to do • A green city

TE ANAMATA O KIRIKIROA | 2021-31
LTP@hcc.govt.nz | Connect with us [here](#)

2021-31 LONG-TERM PLAN - Potential Changes to Operating Budgets for Alternative Rating Scenarios (Option 1 and 2)

Category 1: Items that were put into the base as increase to base Opex

Activity	Project Description	Proposed Year 1 2021/22 increase in Draft Budget '000	Potential Impact/Risk
Waters	Proactive and reactive jetting and cleaning in the wastewater activity that reduces the risk of wastewater network blockages and overflows to meet compliance and reduce the risk of discharge events that lead to prosecution.	67	Opportunity to reduce the risk of wastewater network blockages and overflows. Compliance with Regional plan permitted activity rules. Currently not a consented activity by WRC, so risk of reduced maintenance could result in an event that leads to prosecution by WRC if HCC are deemed not to be maintaining wastewater infrastructure appropriately.
CE Office	External legal advice on organisational matters.	210	Increased to reflect general advice to the CE on various matters. The benefit of the spend is that the CE Office obtains timely, professional advice on increasingly complex legal matters.
Transport	Maintenance for new Rotokauri Hub transport facility. Cost of \$240k pa 51% funding by WRC.	118	New funding required to provide for maintenance of the new Rotokauri Hub transport facility. There is a risk of not maintaining a new facility once opened.
Organisational	Reduction in facility maintenance contract	1,458	Would result in the need to reduce maintenance being undertaken to match the available budget. This would mean that some assets would remain broken or needing servicing for a period before they are maintained. Result in forced service reduction through assets being in poor quality for extended period or not maintained at all.
Transport	Development of operational plans to support the delivery of the Transport Strategy, our external roading maintenance contract review and approved Council Plans i.e. CCTP; River Plan; West Town Belt.	90	Won't give effect to our Transport Strategy which may affect the Waka Kotahi (NZTA) Subsidy. It may also result in a less than optimal solution for a coordinated delivery of Council's strategic plans. Our road maintenance contract may not satisfy Waka Kotahi procurement rules.
Growth Funding and Analytics	Continue to enhance HCC's growth modelling environment and capability to deliver insight for decision making, provide easily accessible modelling across the organisation and useable information for community and stakeholder engagement.	120	We won't improve our understanding of growth, lost opportunity to understand how growth will happen in the city and no support for growth modelling needs of NPS-UD and District Plan review.
Transport	Pavement and Pre-Seal Repairs. Ensuring that the roading asset is well maintained and that defects are addressed and that work is completed in a timely manner to ensure smooth travel exposure targets are met and that the lowest life cycle cost of maintaining the asset is achieved.	2,343	If defects are not addressed, there is a risk that there will be pre-mature failure in the roading network, resulting in additional work being required and potential risk to road users safety. This would be in the form of the reappearance of potholes and other deformations. The mitigation is to accept a service standard with a greater level of potholes and other deformation and a reduced 'smooth travel exposure' target.

Activity	Project Description	Proposed Year 1 2021/22 increase in Draft Budget '000	Potential Impact/Risk
Transport	Footpath maintenance - Increase to remove the worst of the defects (P4/P5) across the city's footpath network. Reduce the number of defects across the city to no more than 3 defects per 100m.	600	Non funding will result in the footpaths faults being addressed over a longer timeframe creating a safety risk to the public and reducing confidence in Council's delivery of core services.
Transport	Road marking - Increase in cost for road marking to maintain safety standards, visibility and readability of road marking. Includes additional costs relating to increased coloured markings for cycleways and other safety improvements.	784	Not fully addressing road marking increases the risk of road safety and regulatory markings (stops and give ways etc) not being fully visible in all conditions, and reduces the ability of vehicles to read the lane assist sensors. Maintaining road markings on arterial and other roads is essential for road safety. The mitigation is to accept the risk of the lower level of service on non-regulatory signage markings e.g. cyclelanes and/or faded markings.
Community	Municipal Pool Demolition -Costs to meet consent requirements of Municipal Pool Demolition in line with River Plan and Central City outcomes space.	100	We may not meet consent requirements in line with the River Plan and Central City outcomes
Parks & Recreation	Parks structure Assets - Increase in resources to enable effective and safe management of parks structural assets.	75	The lack of resources will result in maintenance work and repairs being delayed and could reduce the life of the structures.
H3	Staffing levels to align with forecast events (aligned to revenue).	121	We may not be able to meet forecast events requirements
Transport	Additional staff resourcing to provide project support for low cost low risk and mode shift implementation, transport optimisation and efficiency, and network compliance due to growth in the network.	505	The risk is that we would not be able to deliver on Council's strategic plans and the delivery of key projects that are aligned to these plans. The mitigation is projects either will not proceed or will be reprioritised.
Development	Additional technical expertise to support the delivery of the larger capital programme.	587	Capital programme will have to be delivered with the existing support and technical expertise. This would not meet expectations for best practice capital delivery.
Development	Additional staff resources to capital projects not recoverable against the capital projects	256	Capital programme will have to be delivered with the existing support and technical expertise. This would not meet expectations for best practice capital delivery.
Total		7,434	

Category 2: Potential Reductions in Levels of Service

Activity	Current Service Levels	Service Level Reduction	Annual Operating Expenditure Reduction '000	Potenital Impact / Risk
Streetscape planting	Some of the city's streetscapes, roundabouts etc are planted with annual bedding features.	Reduce size or remove annual bedding sites from streetscapes	150	Reduced plantings could result in increased community dissatisfaction.
Parks maintenance	Parks across the city are maintained to a set standard. Mowing and bin clearances are undertaken to a level that supports community use but is not inefficient (e.g. over mowing).	Reduce the mowing and rubbish collection across the city parks	360	Reduced service could result in increased community dissatisfaction and complaints.
Pools	The cost of the Aquatic education programme \$65,000 after funding received from Water Safety NZ \$15,000 (2019/20) is \$50,000. 30 schools (6000 students) benefited from the programme in 2019/20.	Cease aquatic education programmes.	50	As a river city, water safety is vitally important to wellbeing and Council has a role to play in supporting low cost and accessible options for the development of increased water safety capacity of Hamiltonians. Reduced service provision increases risk of drownings.
Litter	Regular street litter pick up and cleaning in the CBD between London-Hood Streets including Embassy (Riff Raff) Park and PWC courtyard. Regular litter pickup (at least 3 x per week) on main roads and underpasses.	CBD cleaning would be stopped between Monday-Saturday 11am-2pm. Reduction in patrolling main streets and underpasses 3 times per week to 1-2 times per week. Gum removal from CBD streets would not take place.	250	Increased dis-satisfaction from business owners, shoppers and residents within the CBD. Rubbish bins would be fuller with the potential for rubbish to be overflowing onto footpaths. Main roads and underpasses would have an increase in litter. Reputation of Hamilton being a Keep New Zealand Beautiful recipient would be damaged.
Street Cleaning	Regular cleaning of road sumps, road sweeping and maintenance of minor stormwater devices. Road sweeping on main roads is on average once per month.	Reduction in road sweeping from monthly to 3 monthly.	150	Environmental risk and potential for increased flooding events. Resident dis-satisfaction.
Verge Landscape and Maintenance	Garden and shrub maintenance and mowing. This activity is completed on a 5-6 weekly cycle.	Reduction in garden and shrub maintenance from 5-6 weekly to 8-9 weekly.	300	Maintenance would become reactive more than proactive. Estimate an increase in customer complaints of 20-30%. Increase time of completing this work, which would require a change of methodology for delivery.
Education	Delivery of community education programmes including workplace travel planning, smart travel, school travel. This programme attracts NZTA subsidy.	Reduce the delivery of transport education programmes to workplaces and schools.	100	The full cost of this activity is \$769,000 which is offset by \$392,000 in NZTA funding. A reduction in the delivery of the programme may impact the funding received. The programme supports safe travel initiatives across the city to encourage alternative ways of travel.

Activity	Current Service Levels	Service Level Reduction	Annual Operating Expenditure Reduction '000	Potenital Impact / Risk
Libraries	Auaha, the central library maker space provides an accessible low cost opportunity for the community to experience emerging technologies and develop STEAM literacy skills. This is now a common provision for modern public libraries.	Stop providing the Auaha makerspace activity.	110	Customer dissatisfaction and reduced visitation of Central Library. Not meeting community expectation re modern library service.
Libraries	The libraries currently offer a range of programmes and events to the community which support the development of literacy skills. These include Wriggle and Rhyme, Storytime and digital literacy and inclusion programming. Last year the library delivered 1300 programmes and events	Reduced programming and events to offer community by libraries.	120	This is likely to result substantial community dissatisfaction as events and programming to support literacy development are seen as a core part of modern library service provision.
Libraries	The Central Library is currently open 9.30am - 8pm Monday - Friday, 9am - 4pm Saturday and 12pm - 3.30pm Sunday.	Close Central Library at 5pm (M, T, W, F) keeping late night Thursday.	80	Benchmarked libraries around NZ offer similar, or longer opening hours. There is risk of community dissatisfaction. Previous reductions to Libraries hours have been unpopular with the community.
City Planning - cat de-sexing fund	Council provides a fund to support the de-sexing of feral and stray cats.	Cease funding this activity.	100	2000 feral and stray cats will not be de-sexed leading to increased litters and increased environmental impact.
Customer Services	Customer service team takes more than 205,000 phone calls, deals with 53,000 counter enquiries each year.	Reduce hours of operation in the service centre.	150	This would result in a major impact on level of customer service provided, increase the response time/wait time for customers and reduce the hours the service centre is open.
Event sponsorship	Council current provides \$451,000 pa for event sponsorship.	Reduce funding by amount of budget that is currently unallocated to events. Note that following Councils pre-approvals (proposed by EM's) leaves only \$45k in year one and \$125k in year two.	45	If fund removed or pulled back by 50%, Balloons Over Waikato and Gardens Arts Festival would likely not happen.
Hamilton Waikato Tourism	Current funding \$614pa.	A 50% reduction in Hamilton support of HWT could cause the partnership across Councils via HWT to be lost.	300	Loss of marketing exposure for attracting visitors to the city and for H3 and Visitor Destination activities. This would likely negatively impact revenue for H3 and increase need for business development costs to attract events. In addition, Hamilton would need to consider how it handles its interface with central Govt tourism promotion and development (TNZ) and put at risk receipt of central Government development grants targeting the tourism sector. Note that HCC has already reduced its investment in iSite activity by 50% before the advent of COVID 19.
Museum	Annual revenue for the museum is currently \$360,000.	Increase fee revenue by 5%.	15	Community and visitor dissatisfaction if this is achieved through an increased entry fee for exhibitions and Excite.

Activity	Current Service Levels	Service Level Reduction	Annual Operating Expenditure Reduction '000	Potenital Impact / Risk
Museum	Museum educator-led education programmes for schools (city, region and North Island), public education programmes available to residents and visitors and the school-holiday programmes.	Removal of the Museum lead education service . The Museum will not have the ability to host school visits, public education offerings and the school holiday programme or any public programmes and events. Direct community impact is significant, uptake of these programmes in recent years is: School visits – 6,132 students (income around \$60K pa) Public programmes – 10,683 people (income around \$7.5K pa) School holiday programmes – 581 children (income around \$26k). Indirect community impact is also significant as the loss of these programmes greatly reduces the Museum's visibility and perceived value to the community. These visitors often become ambassadors for the Museum and stats demonstrate a good proportion of school children return with their families to share the experience with them.	60	Reputational risk is high for the following reasons: The core purpose of museums is to educate and inspire; educational programmes are fundamental to the delivery of this purpose. Community and customer backlash about the loss of a longstanding and well utilised service. Loss of reputation in the museum, arts and science centre sectors. Stakeholder dissatisfaction e.g. Friends of the Museum, schools regionally, arts and culture groups and the Ministry of Education (including loss of MoE funding for education initiatives (currently \$30kpa + one FTE for a digital learning contract with strong Maaori dimensions). New school curriculum around New Zealand history due to be released for 2021, museums nationally will be responding to this and we should, also particularly given our aspirations to develop a Kiingitanga exhibition.
Hamilton Gardens	The current marketing budget for Hamilton Gardens is \$200,000. This covers all aspect of advertising, marketing and promotion of the Gardens.	The reduction in Hamilton Gardens marketing budget from \$200,000 to \$150,000. This saving could be spread across visitor destinations to minimise impact on Gardens.	50	Lower visitation and lack of awareness of products / offering at each of our visitor destinations.
Zoo/ Waiwhakareke	Entry fees for the Zoo are currently \$26 for an adult, \$12 for a child and \$71 for a family (2 adults and up to 4 children).	\$1 fee addition at the gate for Waiwhakareke/Zoo conservation projects. Such increases have been successful at other Australasian institutions when the increased revenue has been linked to a particular outcome and this is clearly communicated to those paying.	150	May be some community and visitor dissatisfaction due to increased fee.
City Safe	Safety officers provide operations across the city to increase public safety.	Ceasing of City Safe - Safety officer functions / operations across the city. Retain CCTV operation.	1,000	The result would be a likely increase in public nuisance behaviour and less access for those people to support services. This may result in a reduction in confidence of central city businesses, reduction in attractiveness of central city and people feeling safe.
Total			3,540	

Category 3: Reversing Suggested Changes form Workshop 24-25 Nov - reduction in all years

Activity	Service Level Reduction	Annual Operating Expenditure reduction	Potential Impact / Risk
Organisational	Remove funding for He Pou Manawa Ora (this is half of the original proposed budget option)	147	If the Action Plan is unfunded (or partially funded), delivery of the aspirations in the He Pou Manawa Ora strategy will be limited to what can be achieved with existing resources. This is also likely to fall short of expectations of Council from our Maori partners.
City Safety	Remove funding for Suburban Response Team	250	Reduction in the community feeling safe and the ability to respond to issues.
Total		397	

Category 4: Reversing Suggested Changes form Workshop 24-25 Nov - First Year Only

Activity	Service Level Reduction	Year 1 Operating Expenditure reduction	Potential Impact / Risk
Planning	Remove additional funding for District Plan	790	Reduced resources of \$790,000 to reflect the least preferred option for the review of the District Plan will result in the following not being undertaken at the optimal time: \$50,000 Urban design standards \$30,000 Noise \$40,000 Parking mitigation \$400,000 Precinct planning (zones only - eg Rotokauri) \$100,000 Heritage schedule \$50,000 Tree identification and protection \$123,000 e plan In total, the total District Plan project will be more expensive over the long term if this funding was removed from year 1.
Planning	Remove funding for Central City design guidelines	80	These spaces are currently disjointed and do not meet the needs of the community or the environment. The mitigation is to accept a continued lack of cohesion, a lack of investment in the city centre, lack of buy in from the community and developers who are expecting to see change.
Zoo/ Waiwhakareke	Remove funding for Zoo/Waiwhakareke master plan	100	The risk is the plan will be delivered on a project by project basis resulting in additional cost for planning at each project stage and loss of opportunity to align projects.
Total		970	
Annual Operating reduction if all reductions made in full		12,341	

Option 1

Would require operational budget reduction of between \$5m - \$10m pa, in combination with capital expenditure reductions outlined in separate schedule.
List of operational budgets above provides options for Council to achieve these reductions.

Option 2

Would require operational budget reduction of between \$2.5m - \$5m pa, in combination with capital expenditure reductions outlined in separate schedule.
List of operational budgets above provides options for Council to achieve these reductions.

2021-31 LONG-TERM PLAN - Potential Changes to Capex for Option 1 and 2

*Dollars in \$000's and uninflated

Priority	Programme	High Level Project	Targeted Rate	Comments	Total Gross Capex Change 1-5 Year*
All	Renewals and Compliance	Many		Further reduced budget by \$5M/year from Year 4	\$10,000
City where people thrive	Subregional Programme	Subregional Wastewater Treatment Plant - Design		Pushed out 7 years	\$9,000
A central city where people love to be	Community	Ferrybank Park Enhancement - Municipal Pool Site	Central City and River Development		\$1,352
A central city where people love to be	Community	River Plan - South End Precinct (CCTP)	Central City and River Development		\$5,005
A central city where people love to be	Community	River Plan - Wayfinding Jetty to Victoria Street (CCTP)	Central City and River Development		\$42
A central city where people love to be	Community	River Plan - Wayfinding London Street to Cobham Drive (CCTP)	Central City and River Development		\$325
A central city where people love to be	Community	River Plan - Wellington Street Beach	Central City and River Development		\$4,212
A central city where people love to be	Community	River Plan- Jetty at Hamilton Gardens	Central City and River Development		\$2,396
A central city where people love to be	Transport	Alexandra Street Upgrade			\$5,000
A central city where people love to be	Transport	Intersection Upgrades - Unsubsidised (Tristram/Collingwood)	Central City and River Development		\$3,150
A central city where people love to be	Transport	Theatre Access and Pedestrian Environment	Central City and River Development		\$1,000
A central city where people love to be	Transport	Ward Street - Tristram to Anglesea	Central City and River Development		\$4,500
A central city where people love to be	Transport	Central City Street Furniture		100% Funding	\$200
A central city where people love to be	Transport	Ferrybank Walking and Cycling Bridge	Central City and River Development	75% Funding	\$26,000
A central city where people love to be	Transport	Intersection Upgrades - Subsidised (Ward Street)		51% Funding	\$2,700
A fun city with lots to do	Community	Indoor Recreation - Te Rapa Sportsdrome Upgrade			\$356
A fun city with lots to do	Community	Lido Cover			\$5,588
A fun city with lots to do	Community	Museum Loading Bay	Community Attractions		\$671
A fun city with lots to do	Community	Museum River Entrance	Community Attractions		\$6,600
A fun city with lots to do	Community	Museum Road Entrance Upgrade	Community Attractions		\$3,600
A fun city with lots to do	Community	Museum Vertical Maze		100% Funding	\$432
A fun city with lots to do	Community	Play Spaces Programme			\$3,103
A fun city with lots to do	Community	Sports Parks Floodlighting & Safety Lighting Improvements			\$4,399
A fun city with lots to do	Community	Sports Parks Toilets & Changing Room Improvement Programme			\$4,533
A fun city with lots to do	Community	West Town Belt Implementation - Founders Theatre Site Upgrade			\$3,893
A fun city with lots to do	Community	Zoo Master Plan Implementation - Animal Exhibit Projects	Community Attractions		\$1,344

Priority	Programme	High Level Project	Targeted Rate	Comments	Total Gross Capex Change 1-5 Year*
A fun city with lots to do	Community	Zoo Master Plan Implementation - Savannah Accom Stage 1	Community Attractions		\$4,625
A fun city with lots to do	Community	Zoo/Waiwhakareke Shared Entry Precinct - Stage 2 - Visitor Connections	Community Attractions		\$3,909
A fun city with lots to do	Community	Pukete Neighbourhood House			\$1,950
A fun city with lots to do	Rototuna	Rototuna Parks - Neighbourhood Parks		Pushed out 5 years (DC Considerations)	\$4,898
A fun city with lots to do	Peacocke	Peacocke Stage 2 - Sports Parks and Reserve Land Acquisition and Development		Pushed out 4 years (DC Considerations)	\$26,185
A green city	Community	Hamilton Lake Domain Wetland & Stormwater Daylighting			\$974
A green city	Community	Nature in the City Portfolio Programme - Gully Restoration & Development	A Greener City		\$7,383
A green city	Community	Waiwhakareke - Development Programme	A Greener City		\$63
A city that's easy to live in	Transportation	Biking and Micro-mobility	Enhanced Walking, Cycling and Public Transport	51% Funding	\$38,000
A city that's easy to live in	Transportation	Eastern Pathways	Enhanced Walking, Cycling and Public Transport	51% Funding	\$23,000
A city that's easy to live in	Community	Beale Cottage		90% Funding	\$81
A city that's easy to live in	Community	Chartwell Library Courtyard Garden		90% Funding	\$155
A city that's easy to live in	Community	Cultural Identity at Library Branches		90% Funding	\$203
A city that's easy to live in	Transportation	Transport Centre Rejuvenation		51% Funding	\$4,600
A city that's easy to live in	Community	Hillscrest Library Extension			\$3,975
A city that's easy to live in	Rototuna	Rototuna Walking and Cycling			\$460
TOTAL					\$229,859

Notes:
In developing the list of potential capital projects shown above, the projects that fit in the following criteria have been excluded:
- Projects that have commenced or are contractually committed.
- Projects in the Green City priority that are investing in water, wastewater and stormwater required to mean critical compliance, risk mitigation, and resilience outcomes.
- Projects that are consistent with the 2018-28 LTP and are part of the schedule of assets used to determine Development Contributions.
- Projects that are likely to attract Waka Kotahi revenue subsidy (exception being Biking and Mobility and Eastern Pathways projects which are are candidates for a targeted rate).
It is noted that different priorities could be adopted with associated risk acceptance meaning that projects not on this list could be considered.

For Option1 - Rates increase 3.8%, no new targeted rate.
- Most of the projects in the table will need to be removed from the budget with some deferred to Year 6-10. The Capex saving is dependent on the opex reduction.

For Option 2 - Rates increase 4.9% pa, new targeted rates halved (targeted rate average of \$100 per SUIP)
- If the targeted rates are halved, halving projects associated with the targeted rates will account for \$68M of the capex saving required. The Capex saving is dependent on the opex reduction.
- The projects removed from years 1-5 can be deferred out of Year 6-10.

Council Report

Item 7

Committee: Council

Date: 09 December 2020

Author: Stafford Hodgson

Authoriser: Richard Briggs

Position: Programme Manager -
Economics and Policy

Position: Chief Executive

Report Name: 2021/22 Development Contributions Policy Review - options for proposed policy

Report Status	<i>Open</i>
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Purpose - *Take*

1. To seek direction and approval from the Council on options presented in this report for the purpose of preparing a draft Development Contributions (DC) Policy which will then come back to the Council for consideration and approval for inclusion in the draft 2021-2031 Long Term Plan community consultation document.
2. To provide the Council, where available, estimates of DC revenue for each option over the 2021-31 Long Term Plan period.

Staff Recommendation - *Tuutohu-aa-kaimahi*

3. That the Council, for the purpose of preparing a draft Development Contributions Policy, approves:
 - a) extending the 66% CBD remission for a further 3 years to 30 June 2024;
 - b) introducing a 100% remission on charges for buildings 6 storeys or higher in the CBD until 30 June 2024;
 - c) beginning to charge development contributions on residential development for community infrastructure projects;
 - d) introducing a 100% remission for charges on registered social housing providers and charitable trusts providing social housing;
 - e) introducing a cap on charges of \$20K, \$30K and \$40K for industrial, commercial and retail development respectively (exclusive of GST) per 100m² of gross floor area for the total of water, wastewater and transport activities, and correspondingly for stormwater on a site area basis; and
 - f) introducing a phased transition by incremental increase in Development Contributions for residential development in the Peacocke 1, Peacocke 2, Rotokauri, Rototuna and Ruakura catchments, such that:
 - (i) in year one of the Long Term Plan the Development Contribution charges will be equal to the current 2019/20 DC Policy charges plus one third of difference between the 2019/20 DC Policy charges and the full 2021/22 DC Policy charges; and
 - (ii) in year two the Development Contribution charges will be equal to the current

2019/20 DC Policy charges plus two thirds difference between the 2019/20 DC Policy charges and the full 2021/22 DC Policy charges; and

(iii) in year three the DC charges will be the full 2021/22 Development Contributions Policy charges.

4. That the Council notes that:
 - a) these recommendations will not immediately become operative in the Development Contributions Policy;
 - b) the options will be developed and tested by staff through the Council's 2021/22 Development Contributions Policy review process, including impact assessments;
 - c) a draft Development Contributions Policy will be presented to the Council for approval to go out for community consultation; and
 - d) the approved Development Contributions Policy will be operative from 1 July 2021.

Executive Summary - *Whakaraapopototanga matua*

5. At its 19 September 2019 meeting, the Council resolved its strategic considerations for Development Contribution (DC) policy reviews. This included the key principle of reviewing its DC policy once every three years with the Long-Term Plan, unless there are sound reasons to do otherwise.
6. Through the Long-Term Plan, the Council will agree a new capital programme. The DC Policy needs to be amended to reflect this new capital programme and remain consistent with the purpose of DCs in the Local Government Act 2002 (LGA). This process also dictates that the Council update growth projections and other [inputs and parameters](#) to the model such as interest and inflation rates.
7. The Council, like other high growth councils in New Zealand, faces significant challenges in providing and funding infrastructure to service growth. DCs are one of the principal funding tools available to the Council.
8. The principle that 'growth should pay for growth' guided the Council's decision-making during the development of the current policy. The principle has been revised based on Elected Member feedback to be 'Those who benefit from growth pay a fair share of the cost of growth'. Council recognises that growth must pay for its appropriate proportion of growth-related expenditure.
9. The recommendations in this report follow engagement with Elected Members which support strategic objectives and to mitigate the impact changing charges has on the community.
10. The following table summarises the recommendations and their estimated impacts on DC revenue over the Long Term Plan Period as compared to a baseline with no approved amendments to the current DC Policy.

Recommendation description	LTP estimated DC revenue Impact
Retain CBD remission of 66% until 30 June 2024	\$10M reduction
100% remission for buildings 6 storeys or higher in the CBD until 30 June 2024	\$1M reduction
Charge residential development for community infrastructure in the DC policy	\$600K addition

Provide 100% remission for registered social housing providers (excluding Kāinga Ora) and charitable trusts providing social housing	\$8M reduction
Cap non-residential DC charges	\$5M reduction
Phased increase in residential DC charges in Peacocke 1, Peacocke 2, Rotokauri, Rototuna and Ruakura general catchments	\$10M reduction

11. Staff consider that the recommendations comply with the Council's legal requirements.

Background - *Koorero whaimaarama*

12. The Council approved its current Development Contributions Policy 19/20 at the [20 June 2019](#) Council meeting.
13. At the [19 September 2019](#) Council meeting, the Council resolved its strategic considerations for DC policy reviews, and the key principle of reviewing its DC policy once every three years with the Long-Term Plan, unless there are sound reasons to do otherwise.
14. The strategic considerations were:
- alignment with the Council's Long-Term Plan capital programme
 - integration with the Council's Growth Strategy and Financial Strategy
 - early engagement with the development community and the ability to leverage the comprehensive Long-Term Plan consultation process
 - alternative sources of growth infrastructure funding
 - the desired benefits of policy changes
 - the 'all up' cost of a policy review
 - the overall impact on the community
 - the impact on business certainty for developers including inflation increases only in interim years
 - the Council's legal risk profile in regard to the DC policy process and substance.
15. Staff have introduced Elected Members to the DC policy review through two DC Elected Member Briefings covering 'Growth Funding Tools' and 'Policy Development Direction' on 19 August 2020 and 2 September 2020 respectively.
16. After these briefings staff ran optional 'DC 101' information sessions to upskill new Elected Members and those returning Elected Members wanting a DC 'refresher'.
17. At the [22 October 2020](#) Council meeting the Council [resolved](#), subject to Council Budget Deliberations, for staff to develop policy options for introducing social housing provisions, extending the CBD remission for a further 3 years to 30 June 2024, to begin charging for community infrastructure projects, and to introduce a 100% DC remission for CBD developments with six or more storeys for 3 years to 30 June 2024.
18. Following this meeting a further briefing was held on 11 November 2020 to refine the options for the DC Policy. DCs were further discussed through the Long Term Plan workshops on 24 and 25 November 2020.

Discussion - *Matapaki*

Item 7

19. The Council, like other high growth councils in New Zealand, faces significant challenges in providing and funding infrastructure to service growth. DCs are one of the principal funding tools available to the Council.
20. The purpose of the DCs under the LGA is to enable territorial authorities to recover from those persons undertaking development a fair, equitable and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term.
21. Through the Long-Term Plan, the Council will agree a new capital programme. The DC Policy needs to be amended to reflect this new capital programme and remain consistent with the purpose of DCs in the LGA. This process also dictates that the Council update growth projections and other [inputs and parameters](#) to the DC model such as interest and inflation rates.
22. Through the DC model update process, the capital inputs will include the projects associated with the \$85M of DC capex that was omitted at the last policy review. Staff are working through adjustment options for the modelling of these projects to reflect that the projects were not collected over the 1 July 2018 to 30 June 2021 period. The adjustment staff undertake will ensure compliance with the LGA.
23. The principle that 'growth should pay for growth' guided the Council's decision-making during the development of the current policy. This principle was not absolute and there was a recognition that not all growth-related capital expenditure must or can legally be met by the development community.
24. The principle has been revised based on Elected Member feedback to be 'Those who benefit from growth pay a fair share of the cost of growth'. Council recognises that growth must pay for its appropriate proportion of growth-related expenditure.
25. The following option summary table lays out options and the staff recommendation for each.

Option	Description	Status
Option 1	a) Extend CBD remission of 66% until 30 June 2024	Recommended
	b) CBD remission expires on 30 June 2021	Not Recommended /Status Quo
Option 2	a) 100% remission for buildings 6 storeys or higher in the CBD until 30 June 2024	Recommended
	b) No additional remissions for 6 storey buildings in CBD	Not Recommended /Status Quo
Option 3	a) Charge residential development for community infrastructure in the DC policy	Recommended
	b) Do not charge for community infrastructure in the DC policy	Not Recommended /Status Quo
Option 4	a) Provide 100% remission for registered social housing providers (excl. Kāinga Ora) and charitable trusts providing social housing	Recommended
	b) Registered social housing providers pay standard DC charges	Not Recommended /Status Quo

Option 5	a) Cap high DC charges	Recommended /Status Quo
	b) Remove existing caps on DC charges	Not recommended
Option 6	a) Phased increase in DCs for residential development in the Peacocke 1, Peacocke 2, Rotokauri, Rototuna and Ruakura catchments incrementally each year over the 3-year span of the 2021 DC policy by one third of the difference each year for three years.	Recommended
	b) Increase DC charges in full at 1 July 2021	Not Recommended /Status Quo
Option 7	a) Stop collecting DCs for capital costs that are programmed outside the LTP period	Not recommended
	b) Continue collecting DCs for selected capital costs that are programmed outside the LTP period	Recommended/Status Quo

Modelling assumptions

26. DC revenue has been calculated for each of the options and set out in the tables below. Certain assumptions have been made because all the information for modelling is not available yet, and full technical and legal reviews have not been carried out.
27. Key assumptions and limitations of the revenue figures presented in this report include:
- NIDEA Low 2020 has been used.
 - That the draft base 2021-31 Long Term Plan capital programme will be delivered.
 - Draft updated cost allocations have been applied to the capital programme.
 - An adjustment has been made to the first 3 years of revenue to account for differences in the timing of requirement of a DC and the timing of the invoice.
 - A 25% allowance for some development not proceeding due to the impact of high charges has been made against raw DC Model outputs.
 - A 21.9% allowance for operational under-recovery has been made against raw DC Model outputs.
28. Developments paying DCs in the early years of the 2021-31 Long Term Plan largely pay old DC rates from previous policies – the effect of provisions in the LGA 2002. If and as expected, the new DC charges are likely to be significantly higher than current charges therefore the Council won't collect as much in the first year of the new DC Policy as it will in later years. This effect regresses over time and is why the DC revenue forecasts start lower, rise, then flatten out.

Option 1: CBD remission

Description

29. Extend the CBD 66% DC remission for a further 3 years ending 30 June 2024.
30. The current CBD 66% DC remission, by Council resolution in 2019, expires on 30 June 2021. It was introduced to incentivise and aid redevelopment in the CBD following a period of movement out of the CBD by businesses following the growth of retail at The Base and, to a lesser extent, enabling commercial development outside the CBD.

31. This policy provision supports the Central City Transformation Plan and the Council's priority of *"Shaping a central city where people love to be"*.

Advantages, disadvantages and comments

Advantages	Disadvantages
<ul style="list-style-type: none"> Aids development feasibility in the CBD Aligns with the Central City Transformation Plan Aligns with the Council priority <i>"Shaping a central city where people love to be"</i> 	<ul style="list-style-type: none"> Creates inequity between developers in the CBD and those developing in other parts of the city. DCs in the CBD are already relatively cheaper than other growth cells (e.g. Rotokauri, Ruakura and Peacocke) Burden of growth is transferred to the rate payer.
Comments	
<ul style="list-style-type: none"> Staff have had mixed feedback from developers on the CBD remission with some believing that there should not be any remissions as the remission advantages some developers above others. Other developers support the CBD remission. The CBD has seen more growth since the remission's introduction. It has anecdotally helped to make development in the CBD more feasible and purportedly has been a deciding factor for some projects. Resolved subject to Council Budget Deliberations. 	

Financial implications

32. The estimated cost of the CBD remission is \$10m over 3 years. This is based on an average \$3m average per year with an additional \$1m in year 3 as a rush of consenting may occur prior to its removal.

Option 2: High-rise building remission

Description

33. Introduce a 100% DC remission for CBD developments with six or more storeys for three years ending 30 June 2024.

Advantages, disadvantages and comments

Advantages	Disadvantages
<ul style="list-style-type: none"> Same advantages as option 1 Aligns with the NPS-UD 	<ul style="list-style-type: none"> Same disadvantages as option 1
Comments	
<ul style="list-style-type: none"> Instead of building 4 or 5 storey buildings, developers could be incentivised to build additional storeys to meet the remission criteria. Arguably an additional 34% remission (in addition to a 66% CBD remission) is unlikely to be the difference between a project being feasible or not. 	

- Resolved subject to Council Budget Deliberations.

Financial implications

34. This estimated cost of this remission is \$200K - \$300K extra per building over the remission provided by **Option 1**. Projecting high-rise building construction is inherently difficult. As such, this financial estimate carries an intrinsically high margin of error.
35. The estimated cost of the high-rise remission is \$1M over 3 years.

Option 3: Charge residential development DCs for Community infrastructure projects

Description

36. Require development contributions from residential developments for the growth portion of community infrastructure.
37. The LGA 2002 was amended to enable councils to recover a portion of the capital costs of community infrastructure through DCs. Council can now decide whether to collect for these assets through DCs.

Advantages, disadvantages and comments

Advantages	Disadvantages
<ul style="list-style-type: none"> • Aligns with the Council priority “Shaping a fun city with lots to do” • Delivering communities to enable wellbeing outcomes • Consistent with the purpose of DCs • Burden of growth is transferred from the rate payer 	<ul style="list-style-type: none"> • Increases DC charges
Comments	
<ul style="list-style-type: none"> • The projects that the Council can include in the DC Schedule of Assets are libraries and cemeteries. The other community infrastructure projects the Council is proposing through its Long Term Plan are not growth projects. • Due to the open access nature and regional use of these facilities, the growth portion of these projects is lower than for other activities. • Decisions made by the Council to include more community projects in the Long Term Plan would mean more potential projects to recover costs through DCs. • The estimated Citywide community infrastructure DC is approximately \$40 per HUE. • The estimated Rototuna community infrastructure DC is approximately \$50 per HUE. • Resolved subject to Council Budget Deliberations. 	

Financial implications

38. The estimated increase in DC revenue is \$600K over 10 years.
39. The detailed modelling work on Option 3 has yet to be finalised. This was unable to be completed as the model needs to be adjusted to reflect the unique history of DCs and community infrastructure where its eligibility for collection has changed over time. This work

will be completed over the coming months and will likely materially change both the per HUE DC charge and the revenue implications.

Option 4: Social housing remission

Description

40. Provide a 100% remission on residential DCs for registered social housing providers and charitable trusts providing social housing.
41. To be eligible for a remission, it is proposed that the applicant on the consent needs to be a registered [Community Housing Provider](#) (CHP) through the [Community Housing Regulator Authority](#) or a registered charitable trust that has as one of its objects the provision of social and/or affordable rental housing. The binary nature of this remission criteria means that the application of this remission would be able to be efficiently administered. Where possible, effective DC policy provisions cannot be subjective or qualitative in nature to avoid disputes and provide certainty to both the Council and developers.
42. Kāinga Ora would be ineligible for this remission.

Advantages, disadvantages and comments

Advantages	Disadvantages
<ul style="list-style-type: none"> Supports the provision of social housing in Hamilton May enable some providers to build additional dwellings Aligns with the Council priority “Shaping a city where our people thrive” 	<ul style="list-style-type: none"> Financial cost to the Council Social housing providers may buy a prebuilt house from a third party so will not get a remission.
Comments	
<ul style="list-style-type: none"> The number of remissions under this provision is expected to be low and the remission may not make a fundamental difference to the number of houses provided in Hamilton. Uptake may be low due to timing differences between when DCs are typically paid and when the nature of development is certain enough for a remission to be granted. Resolved subject to Council Budget Deliberations. 	

Financial implications

43. We anticipate less than 20 social houses per year would qualify for this remission. This assumption was developed in collaboration with input from the Council’s community advisor. Assuming \$40K DC per HUE (this varies catchment by catchment) and at 20 HUEs remitted per year, this policy would result in a \$8M cost to rate payers across the Long-Term Plan period.
44. If the uptake risk described above eventuates the financial impact will be overstated.

Option 5: Cap Non-Residential DC charges

Description

45. Introduce a cap on charges of \$20K, \$30K and \$40K for industrial, commercial and retail development respectively (exclusive of GST) per 100m² of gross floor area for the total of water, wastewater and transport activities, and correspondingly for stormwater on a site area basis.

Background

46. The DC model produces mathematically and legally justifiable DC charges (“base charges”) but whether these base charges are levied is required to be tested in accordance with [s101\(3\)b of the LGA](#).
47. There may be some circumstances where Council considers the modelled development contributions place an unacceptable level of burden on the development community such that a reallocation is required through a capping mechanism. Equally, the Council may determine, as part of a policy decision, the capping mechanism is not appropriate in terms of its allocation of liability for revenue needs. Ultimately, as long as the Council turns its mind to, and properly applies, the criteria set out in section 101(3) of the LGA, the removal of current capped charges and the setting of new capped charges is lawful.
48. In the 2019/20 DC Policy, the base charges generated for the Rotokauri catchment were significantly higher than in other parts of the city, largely due to the higher investment needed by the Council and the projected yield. The high level of the charges was likely to negatively impact on development in the area and could have materially compromised the Council’s investment in infrastructure.
49. The Council considered that the base charges in some cases would represent an allocation of liability for revenue needs which would not deliver the most advantageous impacts on the community. Accordingly, the Council decided to reduce base charges for non-residential developments in Rotokauri. The caps are set in the current DC Policy at \$31,935 for commercial, \$15,841 for industrial, or \$39,731 for retail (exclusive of GST) per 100m² of gross floor area.
50. The Council’s approach to growth funding is that those who contribute to or benefit most from the Council’s growth investment make a proportional contribution to the costs of growth. However, external economic advice is that very high DC charge levels will negatively affect development activity. Residential and non-residential activities generate different community benefits, the latter including employment, commodities, and commerce. In staff’s opinion, it is in the community’s interests to introduce a cap to charges which – left unmitigated – would erode these benefits unreasonably.
51. If charges are significantly high, feasibility will, be compromised and development may stall.
52. The Council commissioned Insight Economics in March 2018 to prepare a report titled “*Likely Developer Reactions to Increased Development Contributions Charges*”. In its findings, the report focused on Rotokauri, where the charges were the highest at the time of the report’s preparation.
53. Option 5 recommends capping all non-residential DC charges at a level that is comparable to the current non-residential caps in Rotokauri, reflecting staff view that the circumstances and economics of those high charges are broadly the same now as they were when those caps were set.

Advantages, disadvantages and comments

Advantages	Disadvantages
<ul style="list-style-type: none"> Helps development feasibility where high charges are otherwise prohibitive Supports growth in growth cells where Council is investing significantly Mitigates the risk of pricing new 	<ul style="list-style-type: none"> Costs not recouped through DCs will be transferred to the rate payer Increased DC complexity Inequity between developers that get caps and those that don’t

development outside of Hamilton <ul style="list-style-type: none"> • Supports the balanced development of a community with access to local shops and services, and mitigates stymying development in small but important commercial and retail nodes in new growth cells 	<ul style="list-style-type: none"> • Creates an issue for future councils who have to either continue to cap or face large DC increases
Comments	
<ul style="list-style-type: none"> • A cap currently exists for non-residential developments in Rotokauri. • Caps can be set at different levels for different sectors (i.e. residential, retail, industrial and commercial). • Option to cap particular areas (catchments) or cap to set a maximum DC charge across the city by development type (sector). • Need to justify which DCs are capped and which are not. • Feedback from developers tends to support across-the-board caps rather than remissions in particular areas; this is seen as fair and equitable and allows the market to direct growth where there is demand. • Previous feedback from developers raised concerns about potential problems in the future arising from capping charges today, for example, inter-generational equity. • It is important to note that it should not be assumed, as a matter of fact, by not capping all recovery will eventuate. If charges are too high and growth is suppressed revenue projections will be overstated. 	

Financial implications

54. This estimated cost of these caps is \$5M over the Long Term Plan period.
55. Non-residential projections are more uncertain than residential projections and as such this estimated financial impact carries a correspondingly higher uncertainty factor.
56. While capping in this way can result in a significantly reduced charge on a per 100m² it does not have a correspondingly large reduction in estimated DC revenue, because the areas where the most significant caps are proposed are primarily residentially zoned and not a lot of non-residential growth is anticipated.

Option 6: Phased transition to higher DC charges

Description

57. Introduce a phased transition in the increase in DCs for residential development in the Peacocke 1, Peacocke 2, Rotokauri, Rototuna and Ruakura catchments where the difference between the current Policy charge and the modelled charge is incrementally increased each year over the 3-year span of the 2021 DC policy by one third of the difference each year for three years.
58. The purpose of this recommendation is to increase developer certainty and to avoid abrupt and large increases in Council imposed developer costs. Large and unanticipated increases in costs can disrupt and slow development.

Advantages, disadvantages and comments

Advantages	Disadvantages
<ul style="list-style-type: none"> • Gives time for developers to build the increase in DCs to their development feasibility • The full DC charge is reached prior to the subsequent Long Term Plan which protects the subsequent Councils options 	<ul style="list-style-type: none"> • Financial cost to Council • More complex DC policy
Comments	
<ul style="list-style-type: none"> • The purpose of this recommendation is to increase developer certainty and to avoid abrupt and large increases in Council imposed developer costs. Large and unanticipated increases in costs can disrupt and slow development. • These reductions would be considered a cap under the policy. As you cannot raise DC charges in a DC policy at a rate greater than construction inflation without consultation. • Would probably cause a rush of consent lodgement each year to avoid higher charges. This would not necessarily advance development timeframes as consents do not expire quickly. This would cause work load pressures for staff in particular for the Building Unit, the Planning Guidance Unit and the DC assessment team. • The infill area modelled DC charges are not increasing at rates similarly high to those in the Peacocke 1, Peacocke 2, Rotokauri, Rototuna and Ruakura catchments and as such were not considered for phasing. 	

Financial implications

59. This estimated cost of the introduction of the phased transition is \$10M over the Long Term Plan period.
60. While this option lowers charges in the first two years of the Long Term Plan period the effect of the lowered charges will play out in later years of the Long Term Plan too. This is due to the differences in the timing of requirement of a DC and the timing of the invoice. The requirement to pay DCs on a resource consent are pinned to the lodgement date. The invoice for required DCs is raised prior to the titling of a section. The time between these dates can be many years as large developments play out. These timing differences are due to LGA provisions not the Council policy.

Option 7: Stop collecting for projects outside the Long Term Plan**Description**

61. Remove strategic capital projects in its Development Contributions Policy Schedule of Assets, where the capital expenditure is programmed to occur outside the Long Term Plan period.

Advantages, disadvantages and comments

Advantages	Disadvantages
<ul style="list-style-type: none"> • Lowers DC charges 	<ul style="list-style-type: none"> • Financial cost to Council • Fairness and equity reduced between developers across time
Comments	
<ul style="list-style-type: none"> • The Council included certain strategic capital projects in its Development Contributions Policy Schedule of Assets, where the capital expenditure is programmed to occur outside the Long Term Plan period for the first time in 2018. • Recovering capital expenditure costs outside of the Long Term Plan period ensures, where appropriate, the cost of large growth assets is collected over a longer period and the burden of payment is spread across more developments. For example, major strategic infrastructure that will benefit all growth in a catchment should be shared across all of those units of growth over the capacity life of that project. • Legislation requires the Council to demonstrate the link between development today the need for the new infrastructure. 	

Financial implications

62. Financial implications of this modelling option were not available at the time of drafting this report.

Financial Considerations - Whaiwhakaaro Puutea

63. The estimated DC revenue currently included in the draft 2021-31 Long Term Plan is \$392M over the Long Term Plan period.
64. The estimated DC revenue without any of the options is \$427M over the Long Term Plan period.
65. The following table summarises the estimated quantum of impact each decision has in isolation of the others. Due to the interrelated nature of these mechanisms the impact of several options is not the sum of the individual impacts.

Option description	LTP DC revenue impact
1) Retain CBD remission of 66% until 30 June 2024	\$10M reduction
2) 100% remission for buildings 6 storeys or higher in the CBD until 30 June 2024	\$1M reduction
3) Include community infrastructure in the DC policy	\$600K addition
4) Provide 100% remission for registered social housing providers (excluding Kāinga Ora) and charitable trusts providing social housing	\$8M reduction
5) Cap high non-residential DC charges	\$5M reduction
6) Phased increase in residential DC charges in Peacocke 1,	\$10M reduction

Peacocke 2, Rotokauri, Rototuna and Ruakura general catchments	
7) Stop collecting for projects outside the Long Term Plan	TBC, subject to further technical cost allocation work

66. The estimated revenue projections provided to Finance and included in this report will be remodelled over the coming months in conjunction with preparing the Proposed Policy.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

67. The LGA provides the legal and statutory framework for preparing and adopting a DC policy. All decision making must adhere to this framework.
68. This report and the options in this report have been developed with consideration given to this legal and statutory framework. Staff will adhere to the LGA legal framework and engage expert legal advice throughout the development of the Proposed DC Policy.
69. As Elected Members have been advised, the Council's current DC Policy is currently the subject of a judicial review, with a hearing set down for April 2021. Decisions by the court may impact the current policy review, including the requirements to amend the policy. Updates, including any impact on this policy review, will be provided at the earliest opportunity. Until that time, the Council is advised it should continue this policy review process as it would otherwise, but taking legal advice to ensure the Council's legal position is not compromised.
70. A decision on the Judicial Review is not expected until around June 2021. This would preclude those decisions being included in the policy review process, which concludes its public consultation and potential adoption before then. Again, staff will update the Council as the process continues.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

71. The purpose of Local Government changed on 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
72. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below.
73. The recommendations set out in this report are consistent with that purpose.
74. Both those undertaking developments and the general community benefit from growth in Hamilton. The cost of growth needs to be balanced fairly, given the limited sources of funding available to the Council. The overall impact of requiring DCs on the current and future social, economic, environment and cultural wellbeing of the community needs to be considered.
75. If development contributions are not required from developments, the Council may not be able to provide the necessary infrastructure to meet the new demand in a community, or more revenue will need to come from general rates. The latter scenario means that existing ratepayers meet the cost for new development. Both outcomes negatively impact on all aspects of wellbeing for the communities involved.

Social

76. DCs help to fund city infrastructure such as roads and reserves, which help to link whanau and communities and provide places for them to connect.

Economic

77. DCs support investment in critical infrastructure for both residential and non-residential development activity. Once a growth cell, or existing areas in the city, are enabled through infrastructure, economic benefits can be realised. New development creates jobs and wealth both now and in the future, supporting our communities' economic wellbeing.

Environmental

78. DCs help to fund reserves as well as certain environmentally-friendly infrastructure, particularly stormwater and waste water. These help to protect our waterways and ecosystems, while also providing spaces where people can enjoy their local environment.

Cultural

79. Cultural wellbeing is enabled by projects that acknowledge and support their local community's shared cultural attributes. DCs indirectly support these projects through funding.

Risks - *Tuuraru*

80. There are no known risks associated with the decisions required in this report.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

Significance

81. Given the statutory requirement to consult, staff have not considered the key considerations under the Significance and Engagement Policy to assess the significance of recommendation(s) in this report.

Engagement

82. The Council has consulted prior to every DC policy being adopted. The views of historic submitters are known and have been considered during the development of the Proposed Policy.
83. The current DC policy was adopted following consultation undertaken by the Council as part of its 2020 Annual Plan decision-making process. During that consultative process, the Council received 28 submissions.
84. Staff continue to engage with the development community and will formally consult the community concurrent with the Long-Term Plan public consultation in April 2021 prior to adoption of a DC Policy.

Attachments - *Ngaa taapirihanga*

There are no attachments for this report.

Council Report

Item 8

Committee: Council

Date: 09 December 2020

Author: Stafford Hodgson

Authoriser: Richard Briggs

Position: Programme Manager -
Economics and Policy

Position: Chief Executive

Report Name: 2021 Growth Funding Policy

Report Status	Open
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Purpose - *Take*

1. To inform the Council on the review of the Growth Funding Policy (the Policy).
2. To seek the Council's approval to develop policy options for inclusion in a draft 2021 Growth Funding Policy (draft Policy) that will be consulted on alongside the 2021-31 Long-Term Plan.

Staff Recommendation - *Tuutohu-aa-kaimahi*

3. That the Council:
 - a) receives the report;
 - b) approves that a draft Growth Funding Policy be developed that:
 - (i) makes it clear that the Council is open to discussing potential IFF proposals before they go to the Government;
 - (ii) includes reference to the NPS-UD and related Unfunded Growth Projects;
 - (iii) addresses changes to the purpose of local government (the four wellbeings);
 - (iv) refers to the Operative District Plan, Future Proof and the Hamilton Urban Growth Strategy;
 - (v) leverages strategic planning including the Hamilton-Waikato Metro Spatial Plan;
 - (vi) aligns strategically to the draft 2021-31 Long-Term Plan Growth Principles, the draft Financial Strategy and the draft Development Contributions Policy; and
 - c) notes that the draft Growth Funding Policy will go out for community consultation alongside the draft 2021-31 Long-Term Plan.

Executive Summary - *Whakaraapopototanga matua*

4. The current Growth Funding Policy (the Policy) is due for review.
5. The Council regularly receives requests to support or enable developments that are not funded, are out of sequence or are outside the planned scope. These projects are considered "Unfunded Growth Projects". The Policy sets out the criteria for allowing Unfunded Growth Projects to occur.

6. Since the Policy was last reviewed in 2016, there have been changes to the Local Government Act 2002 (LGA 2002) as well as new legislation and the National Policy Statement on Urban Development (NPS-UD).
7. Staff recommend making amendments to the Policy to:
 - a. make it clear that the Council is open to discussing potential IFF proposals before they go to the Government
 - b. include reference to the NPS-UD and related Unfunded Growth Projects
 - c. address changes to the purpose of local government (the wellbeings)
 - d. refers to the Operative District Plan, Future Proof and the Hamilton Urban Growth Strategy;
 - e. leverage strategic planning including [Hamilton Waikato Metro Spatial Plan](#) (MSP) and
 - f. align strategically to the draft 2021-31 Long-Term Plan Growth Principles, the Financial Strategy and the Development Contributions Policy.
8. Staff will then bring a report to the Council early next year seeking resolution to consult on the draft 2021 Growth Funding Policy (draft Policy) in alignment with the draft 2021–31 LTP.
9. Staff consider the decisions in this report have low significance and that the recommendations comply with the Council's legal requirements.

Background - *Koorero whaimaarama*

10. The Council, like other high growth councils in New Zealand, faces significant challenges in providing and funding infrastructure to service growth. The Council, through its Long-Term Plan and 30-Year Infrastructure Strategy provides a pipeline of services supply.
11. There are a range of land developers who want to advance land supply prior to the Council infrastructure investment timeframes. This out-of-sequence growth may be strategically aligned. However, it can place additional financial burden on the Council through engagement and negotiation with landowners but also where the Council seeks to achieve infrastructure and community outcomes which align with our infrastructure network. The Council must balance growth investment with [Our Vision for Hamilton Kirikiriroa](#) and our other priorities.
12. The Council, within its constrained budget, will strive to ensure that the city is developed holistically and not in a fragmented fashion.
13. The Policy is reviewed every 3 years as per best practice. It was last reviewed in 2016. The 2019 review was deferred to 2020 so it could be reviewed alongside the development of the draft 2021–31 LTP, the capital programme and the Development Contributions Policy, to ensure alignment.
14. The purpose of the current Policy is to:
 - a. direct Council decision-making in respect to growth projects and associated infrastructure where those projects are not aligned with Council's Long-Term Plan, in a manner which has no adverse impact on its Long-Term Plan and long-term financial sustainability; and
 - b. align Council decision making with the purpose of local government as defined in 10(1)b of the LGA 2002: to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.
15. The Policy applies to projects that are:
 - a. not funded in the Council's Long-Term Plan (i.e. Unfunded Growth Projects); or
 - b. funded projects that will start earlier than planned; or

- c. funded projects that are beyond the planned scale, scope and/or cost anticipated in the Long-Term Plan.
- 16. The Policy sets out the criteria for allowing Unfunded Growth Projects to occur.
- 17. Staff consulted with Elected Members on the current policy via Sharepoint from 16 October to 30 October 2020.

Discussion - *Matapaki*

- 18. The Council manages and facilitates growth through its Long-Term Plan capital programme. The Long-Term Plan identifies and sequences the capital projects to be funded by the Council.
- 19. The Council's funding and financial policies (including its Revenue and Financing Policy and the Development Contributions Policy) establish the main revenue sources for funding projects as set out in the Long-Term Plan.
- 20. In accordance with its financial strategy and the requirements of the LGA 2002, the Council cannot incur significant capital or development operating expenditure in respect of growth-related infrastructure projects unless they are provided for in the Long-Term Plan.
- 21. The Council regularly receives requests to support or enable developments that are not funded, are out of sequence or are outside of the planned scope.
- 22. The Growth Funding Policy helps the Council to direct its decision-making on Unfunded Growth Projects and ensure that there are no adverse impacts on its Long-Term Plan.
- 23. Since the Policy was last reviewed in 2016, there have been changes made to the LGA 2002 as well as new legislation and National Policy Statement on Urban Development, which the draft Policy needs to reflect.

Infrastructure Funding and Financing Act 2020 (IFF)

- 24. The IFF gained royal assent in August 2020. This act aims to provide a funding and financing model to support the provision of infrastructure for housing and urban development that supports functioning urban land markets and reduces the impact of local authority financing and funding constraints.
- 25. The IFF part funds infrastructure outside of the local authority fiscal envelope. A Special Purpose Vehicle is established that enables debt finance to be raised from the private sector and repaid through a levy on future homeowners who benefit from the infrastructure.
- 26. Any person may propose that a levy be authorised to fund eligible costs relating to eligible infrastructure. Staff are proposing to make it clear within the draft Policy that the Council is open to discussing potential IFF proposals before they go to the Government. In this way, we can signal to the community we are here to support innovative infrastructure funding solutions, help support better considered proposals and provide clarity on how to collaborate with the Council on proposals.

National Policy Statement – Urban Development (NPS-UD)

- 27. The NPS-UD came into effect in August 2020, replacing the NPS on Urban Development Capacity 2016. The NPS-UD recognises the importance of well-functioning urban environments and the need to provide sufficient development capacity to meet the different needs of the community.
- 28. Hamilton is a Tier 1 local authority under the NPS-UD and, as such, must ensure that planning rules are co-ordinated across urban areas and do not constrain growth. The NPS-UD requires local authorities to be responsive to unanticipated or out-of-sequence development where the development is well connected, will add significant capacity and contribute to a well-functioning urban environment.

29. The Council needs to ensure that the Policy aligns with the NPS-UD. Staff therefore propose that it be amended to include reference to the NPS-UD and related Unfunded Growth Projects.

Purpose of local government

30. The Purpose of local government (Section 10(1)) in the LGA 2002 was updated in May 2019 to include the promotion of social, economic, environmental and cultural wellbeing (the 'four wellbeings') of communities in the present and for the future. Staff propose amending the Policy to include the emphasis on the four wellbeings.

Operative District Plan

31. The District Plan became operative on 18 October 2017; the Growth Funding Policy became operative in 2016. References within the Policy are therefore to the Proposed District Plan. This needs to be updated to reflect that the District Plan is now operative.
32. Staff will also ensure alignment with Future Proof and the Hamilton Urban Growth Strategy where possible.

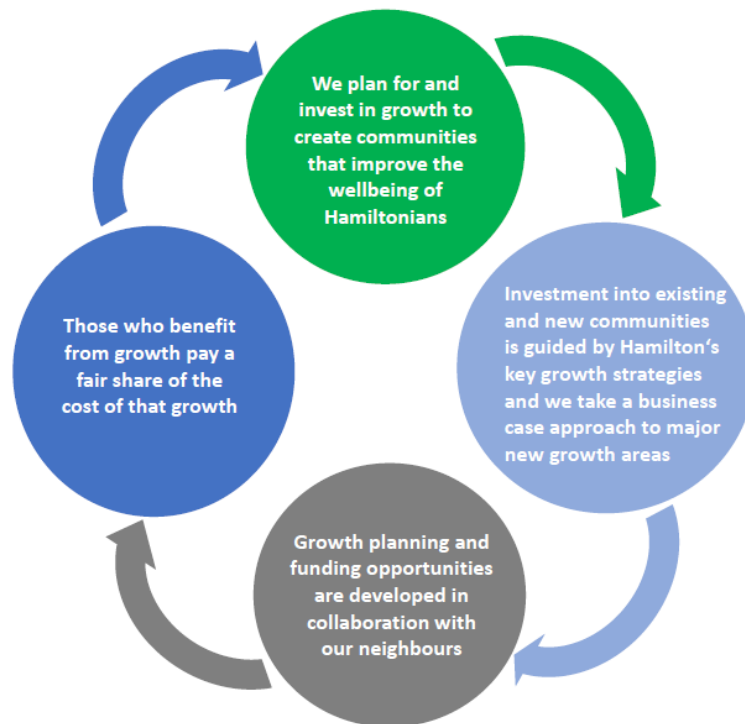
Strategic Planning Alignment

33. The Council has been working closely with neighbouring councils to ensure there is an integrated approach and common vision for the region. It is important that the Policy directs infrastructure investment decision making in alignment with this strategic planning. Staff propose that the Policy be amended to leverage this strategic planning, including the MSP.
34. The MSP is a tool to shape how Hamilton and the neighbouring communities within Waipā and Waikato districts grow and develop in the long term to ensure cultural, social, economic and environmental prosperity, provide for population growth and development that is both up and out, and address housing affordability and choice.

The Council's the Long Term Plan Growth Principles, the Financial Strategy and the Development Contributions Policy

35. The Long Term Plan Growth Principles, the Financial Strategy and the Development Contributions Policy underpin the Council planning, spending and how growth is levied to ensure new development pays a fair share of the cost of providing infrastructure for new growth. The Growth Funding Policy underpins how Unfunded Growth Projects can occur. It is therefore intrinsically linked to both the Financial Strategy and the Development Contributions Policy, and alignment should be maintained.

36. The Long-term Plan Growth Principles, adopted this year by the Council, are:



Next steps and consultation

37. Pending the Council's approval, staff will draft the draft Policy as per the recommendation (refer 3 b)).
38. Staff will then bring a report to the Council early next year seeking resolution to consult on the draft Policy in alignment with the draft 2021–31 LTP.
39. This consultation is scheduled for March 2021. Elected Members will have the opportunity to further guide the review of the draft Policy through the LTP deliberations process.

Financial Considerations - *Whaiwhakaaro Puutea*

40. there are no direct financial considerations for this report, the Policy directs the Council's decision-making in respect to Unfunded Growth Projects. These decisions can have material financial implications for the Council.
41. Unfunded Growth Projects can cause financial pressure on the Council; however, the delivery of these projects through the Policy often generates efficiencies that make the growth infrastructure less expensive for the Council than if it were to be provided by the Council alone.

Legal and Policy Considerations - *Whaiwhakaaro-aa-ture*

42. Staff confirm that the draft Policy will be checked for compliance with Council's legal and policy requirements prior to returning to the Council to seek approval to proceed with consultation.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

43. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').

- 44. Updating the Policy to reflect the LGA 2002 changes will allow the Council to be consistent with that purpose. The changes to the Policy will ensure that future growth funding decisions also align with this purpose.
- 45. There are no specific social, environmental or cultural considerations for this policy review, other than those that arise due to the incorporation of the well-beings into the draft Policy.

Economic wellbeing

- 46. The Policy directs the Council's decision making with respect to Unfunded Growth Projects. Generally speaking, funding more infrastructure in Hamilton enables more land development. With more land development comes more growth and the corresponding economic opportunities will unfold. Funding infrastructure is not without its trade-offs to the Council's financial situation. As such, the Policy helps guide decision making that considers these trade-offs.

Risks - *Tuuraru*

- 47. The risks of not making the suggested changes are that the Growth Funding Policy will be inconsistent with, and in some cases will contradict, other Council policies and Government direction.

Significance & Engagement Policy - *Kaupapa here whakahira/anganui*

Significance

- 48. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the recommendation(s) in this report has/have a low level of significance.

Engagement

- 49. As noted above, the draft Growth Funding Policy will go out for community consultation alongside the draft 2021-31 Long-Term Plan.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Growth Funding Policy - Current 2020 Policy

First adopted:	1 July 2013
Date Operative:	29 September 2016
Revision dates/version:	Version 2
Engagement required:	Sections 82-87 LGA 2020
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Sponsor/Group:	General Manager City Growth

Growth Funding Policy

Purpose and Scope

1. The purpose of this Growth Funding policy is to:
 - a. direct Council decision-making in respect of growth projects and associated infrastructure where those projects are not aligned with Council's 10-Year Plan, in a manner which has no adverse impact on its 10-Year Plan and long term financial sustainability; and
 - b. align Council decision making with the purpose of local government as defined in 10(1)b of the Local Government Act 2002: to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

Introduction

2. One of the ways Council manages and facilitates growth is through its 10 Year Plan capital programme ("10-Year Plan"). The 10-Year Plan identifies and sequences the capital projects to be funded by Council during the life of the 10-Year Plan ("Funded Projects").
3. Council's funding and financial policies, including its revenue and financing policy, and its development contributions policy, establish the main revenue sources for Funded Projects as set out in the 10-Year Plan.
4. In accordance with its financial strategy and the requirements of the Local Government Act 2002, Council cannot incur significant capital or development operating expenditure in respect of growth related projects unless they are funded projects provided for in the 10-Year Plan.
5. Occasionally Council may be requested to provide support or enable developments and the provision of associated public or private infrastructure that are:
 - a. not funded projects; or
 - b. funded projects but which are proposed to commence earlier than the sequencing and timing established in the 10-Year Plan; and/or
 - c. funded projects but which are now proposed to occur beyond the scale, scope and cost prescribed or anticipated for those projects in the 10-Year Plan;
 and in these respects are considered unfunded growth projects ("Unfunded Growth Projects").
6. Council requires a policy to direct its decision-making on how to manage Unfunded Growth Projects. This policy provides that direction.

Policy

7. Council will enable Unfunded Growth Projects to occur provided agreement is entered into between Council and the developer(s) responsible for the Unfunded Growth Project ('Private Developer Agreement').
8. All Private Developer Agreements must be approved by Council and where necessary shall be subject to Council's Annual Plan or 10-Year Plan decision making processes.

9. **Private Developer Agreements will address the following criteria:**
10. **Alignment with the city and sub-regional growth and land use strategies:**
 - a. The development aligns with Council's long term growth planning, land use and development strategies, including but not limited to the Proposed District Plan, Hamilton Urban Growth Strategy and Future Proof; and
 - b. The development meets the requirements of the Waikato Regional Policy Statement.
11. **Integrated and sustainable infrastructure:**
 - a. All resource consent conditions and designation conditions are, or will, be complied with.
 - b. The developer is responsible for the provision of all infrastructure required, regardless of whether it vests in Council or not.
 - c. The sizing and design of the development and its associated infrastructure is the most efficient way to deliver on Council's intended strategic outcomes for infrastructure at a City and Sub-Regional level.
 - d. The infrastructure provided by the developer meets Council's required standards and is integrated with Council's existing and intended infrastructure network.
 - e. Any impacts on City infrastructure both within and outside of the development area, including head works and networks, levels of service and utilization of planned network capacity are addressed by the developer.
12. **Financial neutrality and overall fairness/equity:**
 - a. Unfunded Growth Projects including the consideration and negotiation of private developer agreements, should not increase Council's expenditure net of new revenue beyond that provided for in Council's 10-Year Plan.
 - b. Council's capital expenditure programme, revenue and debt parameters and the overall long-term financial sustainability of the City is not compromised.
 - c. The extent to which new growth created by the Unfunded Growth Projects or development compromises cost recovery for current and future development contribution debt is adequately mitigated by financial or other offsetting benefits to the Council.
 - d. Unfunded Growth Projects which impose or are likely to impose financial loss on Council including those which extend outside the 10-Year Plan parameters shall be considered from an economic perspective using life cycle cost/benefit analysis.
13. **Recognition of Benefits**
 - a. The Private Developer Agreement shall recognise that development associated with Unfunded Growth Projects brings both costs and benefits to the city.
 - b. In addition to the life cycle cost/benefit analysis required under clause 4.3.3(d) above, Council will have regard to relevant broader economic costs and benefits to the city that result as a consequence of the development.
 - c. Benefits derived from Council requiring upsizing of infrastructure to either meet Council's strategic outcomes or accommodate growth unrelated to the development will be recognised in the Private Developer Agreement.
 - d. Development associated with Unfunded Growth Projects will create additional demand on city infrastructure and will attract development contributions under Council's Development Contributions Policy. The total calculated Development Contributions may be the subject of a remission under Section 13 of the Development Contributions Policy in recognition of relevant benefits derived from development associated with Unfunded Growth Projects. The value of any remission will be determined by Council and recorded in any Private Developer Agreement.