

## **Appendix information**

Appendix 1: Amended 2021-31 Long Term Plan

Appendix 2: List of changes to the Long Term Plan Document post agenda release Appendix 3:

Amended 2021-22 Draft Development Contributions Policy

Appendix 4: Amended 2021-22 Draft Development Contributions Policy - Track Changes

Appendix 5: Recommendations from Open Committee Meetings

# 2021-31 Long-Term Plan

Ka hua. Ka puaawai. Ka ora.

Volume 1



**Hamilton  
City Council**  
Te kaunihera o Kirikiriroa



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**Margaret Forsyth**

Hamilton lost a principled and forceful community advocate in May 2021 with the death of Councillor Margaret Forsyth, ONZM. Councillor Forsyth had a deep passion for the environment and for community wellbeing and was a passionate campaigner for the city she loved. We all mourn an outstanding community representative and a deeply respected national sporting icon.



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Hamilton Gardens







# Introduction

Koorero whakataki

Victoria on the River

# Our Long-Term Plan

This Long-Term Plan document outlines our plans, budgets and priorities for the next decade, with a focus on the next three years.

The Plan has been developed alongside the people of Hamilton, reflecting the aspirations they have for their city. It ensures we will look after the assets we already have and continue to meet the growth challenges and opportunities we will face. It's a balance of supporting and enhancing the lifestyle which makes Hamilton such an attractive place to live and work, now, and in the future.

This 2021-31 Long-Term Plan will see our city investing \$2.5 billion on capital projects, plus a further \$3.7 billion on operating activity. Specific investments include:

- \$55 million over 10 years to provide safe routes for walking, biking, scooting and skating.
- \$3 million to upgrade the Gordonton Road/Puketaha Road intersection.
- \$22 million to upgrade the Borman Road

and Horsham Downs intersection as well as the Borman Road East project in 2021/22 (including an \$8 million subsidy, subject to confirmation, from Waka Kotahi NZ Transport Agency).

- \$5 million to expand the Hillcrest library.
- a creative sector funding trial of \$100,000 for three years.
- \$11 million for a new walking and cycling bridge across the Waikato River.
- \$534,000 to complete engagement, feasibility investigations and concept design for river infrastructure.
- \$6 million to build a seasonal dome over the outdoor pool at Waterworld.
- \$29 million over 10 years to improve and restore the city's gullies.

Under this plan, Council will balance its books by 2023/24, meaning we will no longer be borrowing to pay for everyday costs. The Plan will also see our debt-to-revenue ratio peak at 276% in 2025/26.

To deliver upon these commitments, we will be implementing a government compliance targeted rate of 4.5% and a general annual average rates increase of 4.4%. This means an average annual rate rise of 8.9% across the city in the first year, followed by annual 4.9% increases.

The government compliance targeted rate is to cover growing costs as a result of legislation introduced by central government to deliver water services and make changes to the District Plan. We have no option but to deliver upon these government expectations and we have sought to be as transparent as possible about these significant costs outside our control.

The Long-Term Plan is the culmination of an extensive and deliberate community engagement process. More than 5,600 submissions were made and each was carefully considered before final decisions were reached.

# Tā Mātou Mahere Pae Tawhiti

Ko tā tēnei tuhinga Pae Tawhiti, he whakaatu atu i ā mātou mahere, tahua pūtea me ngā mahi nui mō te tekau tau kei mua i te aroaro, heoi ko te aronga nui ia ko ngā tau e toru e haere ake nei.

Kua whanakehia tēnei mahere ki te taha o ngā tāngata o Kirikiriroa, e whakaatu atu ai ō rātou nei wawata mō tō rātou tāone. Ka whakaū tēnei, i tō tātou takohanga ki te tiaki i ngā rawa o te nāiane, ki te tutuki hoki i ngā wero me ngā āheinga ā-tipu ka ara ake ki mua i a tātou. Ko te taurite ia, kia taunaki, kia whakapai ake anō hoki i te tāera ora e hanga pai ai te āhua o Kirikiriroa hei wāhi noho, hei wāhi mahi hoki ināiane, ā haere ake nei.

Ka kite tēnei Mahere Pae Tawhiti 2021-31, i te haumitanga o tō tātou tāone, \$2.5 piriona te rahinga, ki ngā kaupapa hanganga, tae atu ki ngā utu whakahaere, ka \$3.7 piriona te rahinga. Ko ngā haumitanga e whaitake ana:

- \$55 miriona puta noa i te tekau tau ki mua, ki te hanga i ngā huarahi haumarua mō te hīkoi, pahikara, kutarere me te retireti.
- \$3 miriona ki te whakapai ake i te whakawhitinga rori ki Gordonton Road/ Puketaha Road.

- \$22 miriona ki te whakapai ake i te whakawhitinga rori ki Borman Road/ Horsham Downs, ā, ki te whakapai i te kaupapa i Borman Road East i te tau 2021/2022 (Tae atu ki tētahi pūtea āwhina, \$8 miriona te rahinga, nā Waka Kotahi).
- \$5 miriona ki te whakawhānui i te whare pukapuka o Hillcrest.
- He whakamātautau ā-haumi mō te rāngai auaha, \$100,000 te rahinga, mō ngā tau e toru.
- \$11 miriona mō tētahi whakawhitinga hou i te awa o Waikato mō te hīkoi me ngā pahikara.
- \$534,000 kia oti ai te wāhanga ki te whakapāpā, ngā tūhuratanga āheinga me te hoahoa aroro mō te hanganga awa.
- \$6 miriona ki te hanga i tētahi whare kōpuku e taea ana te neke hei whakamaru i te puna waho i Waterworld.
- \$29 miriona puta noa i te tekau tau ki mua ki te whakaora i ngā pakohu o te tāone.

I raro i tēnei mahere, ka whakataurite te Kaunihera i āna anō puka i mua i te tau 2023/2024, nā runga i tēnei ka mimiti noa

te matea ki te whai pūtea taurewa mō ngā utu o te ia rā. Ka piki ake, i tēnei mahere, te ōwehenga ā-nama ki te moni whiwhi, kia 276% ā te tau 2025/26.

Kia tutuki pai i ēnei ruruku, ka kōkiriha e mātou tētahi rēti hāngai ā-tūtohu kāwana, 4.5% te rahinga, me tētahi pikinga rēti arowhānui ā-tau, 4.4% te rahinga. Ko te tikanga o tēnei, ka piki ake te toharite o ngā rēti ā-tau kia 8.9% te rahinga i te tau tuatahi, puta noa i te tāone. Whai muri i tēnei, ka piki ake te rēti hei ia tau kia 4.9% te rahinga.

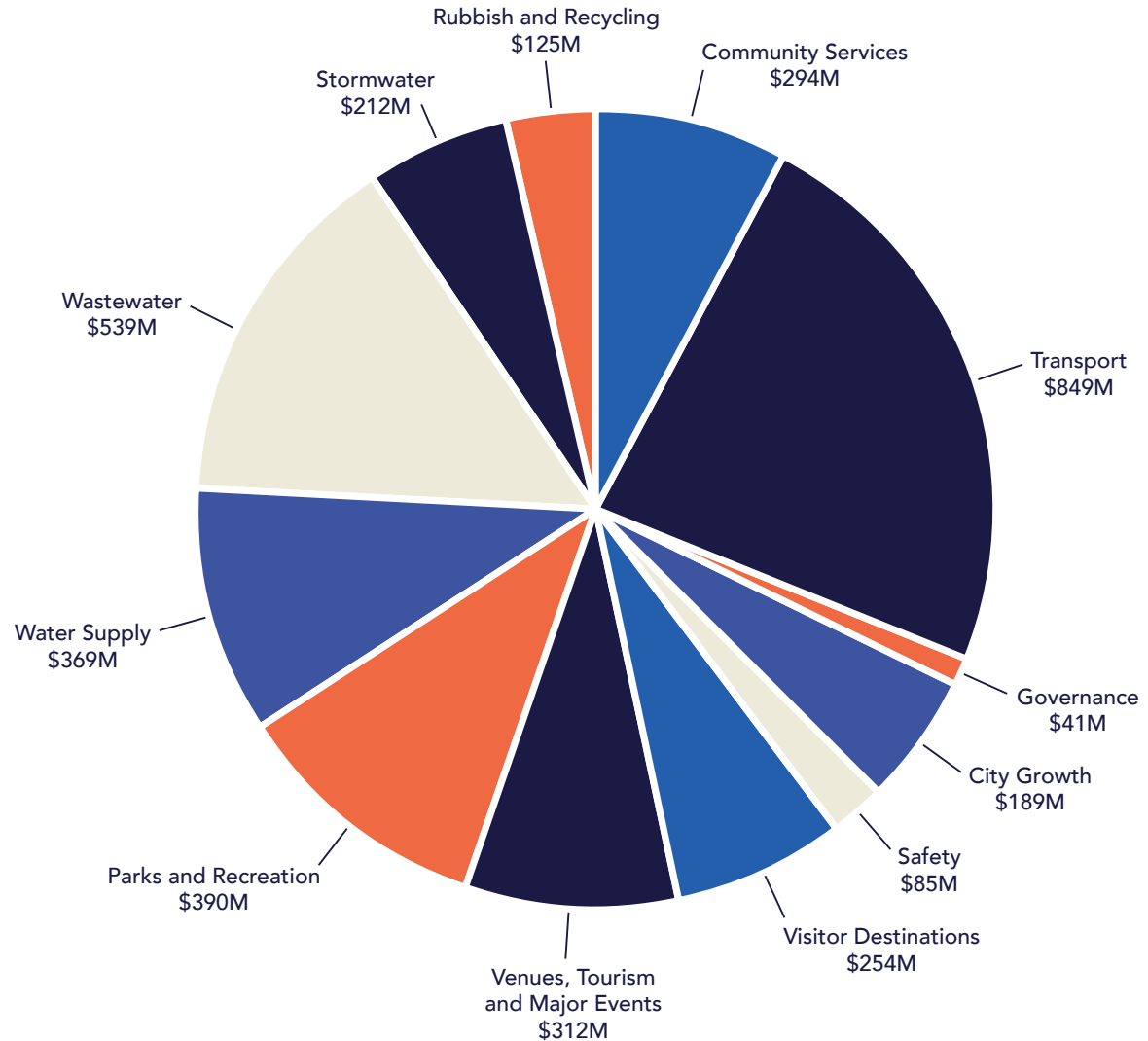
Ko te take o te rēti hāngai ā-tūtohu kāwana, kia tutuki i ngā utu e piki haere ana i te putanga mai o te whakatureture i te Kāwanatanga Matua, e whaitake ana ki ngā ratonga tuku wai, me te whakapanoni i te Mahere Rohenga. Kāore ā mātou kōwhiringa, me mātua tutuki i a mātou ēnei kawatau ā-Kāwana, engari kua ngana mātou ki te noho pūataata me ēnei utu nui kua ara mai i waho i tō mātou mana.

Kua taka iho te Mahere Pae Tawhiti nei i tētahi hātepe whakapāpā i āta whakahaerehia i te hāpori whānui. Koni atu i te 5,600 ngā tāpaetanga i whakaaroarotia i mua i te whakataunga whakamutunga.

# What we're planning to spend

To keep the city running, we will spend \$3.7 billion over the next 10 years.

## Total operating expenditure over 10 years

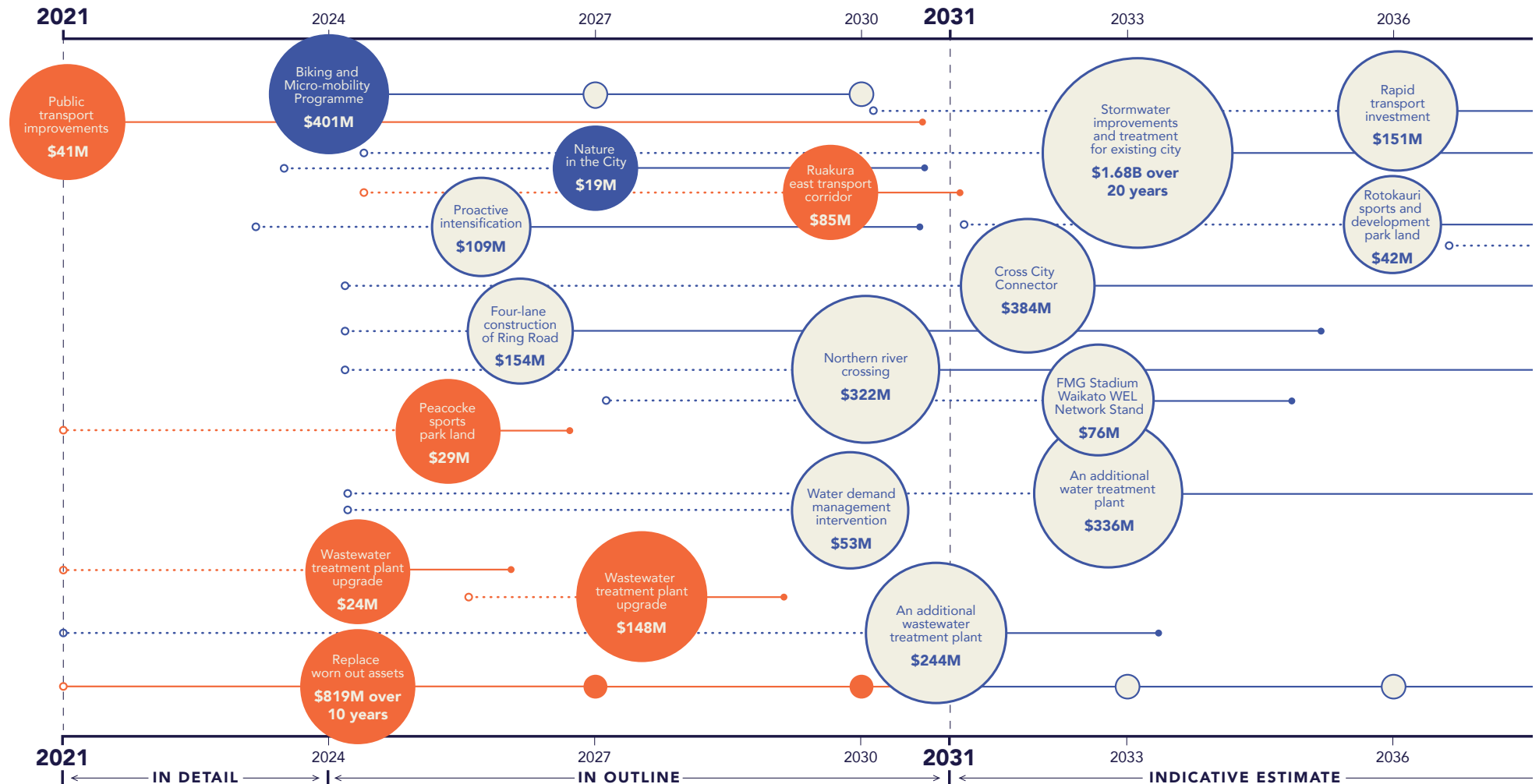


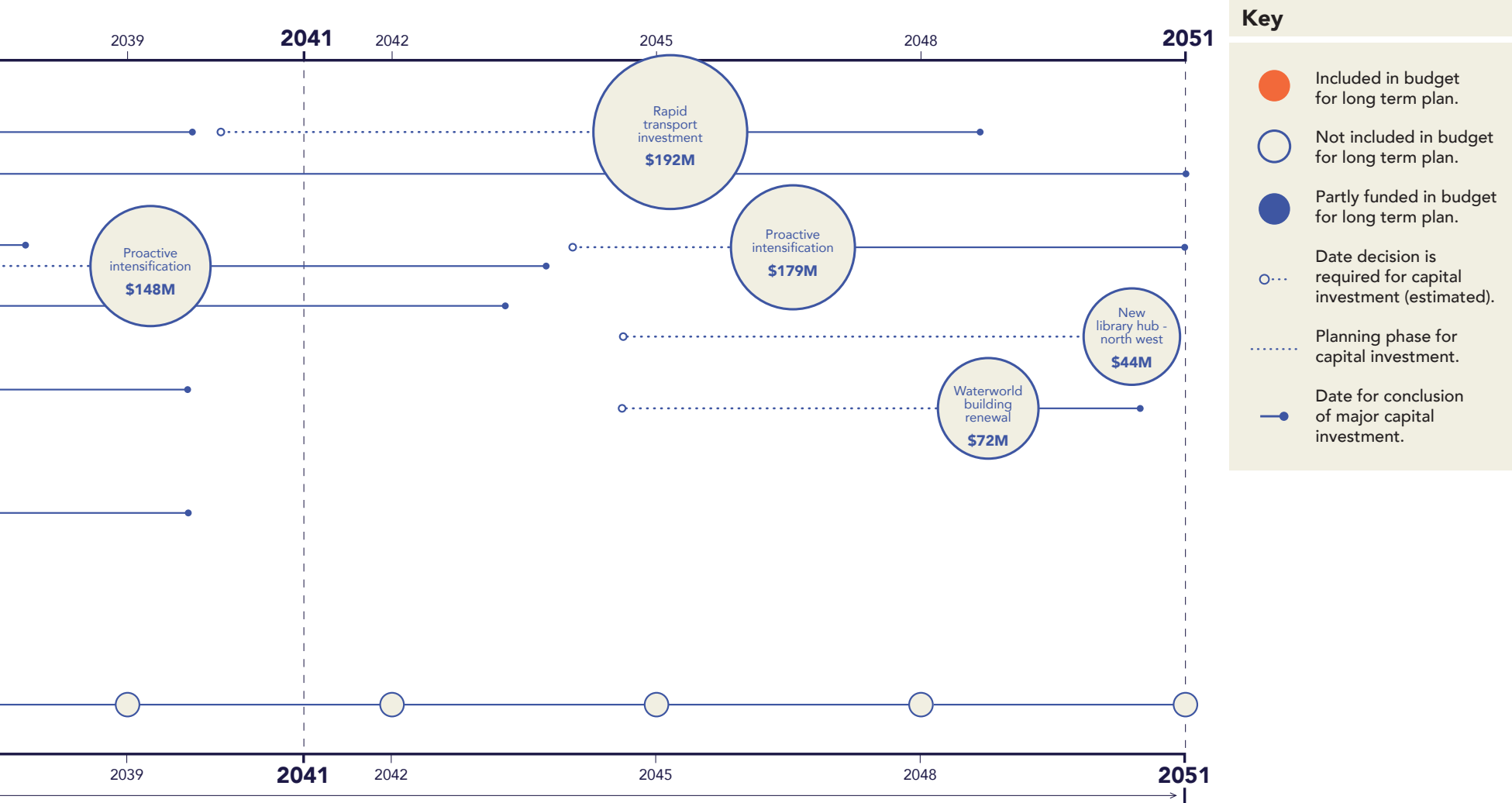


# Looking beyond - the next 30 years

## Significant capital expenditure decisions required

### Timeline of major projects





# Our vision for Hamilton

Kirikiroa ka hua. Ka puaawai. Ka ora

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

Over the past two years, we have been talking to you (a lot!) to understand what you love about Hamilton Kirikiroa and what would make our city an even better place to be.

We've used your feedback to create five long-term priorities<sup>1</sup> for Hamilton Kirikiroa over the next decade. These priorities reflect what you said is important to you, your family and your neighbourhood.

The five priorities for our city are:

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

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

<sup>1</sup> These priorities are our Community Outcomes as defined under the Local Government Act 2002

# A city that's easy to live in



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

As we continue to evolve into a metropolitan centre, we have the game-changing opportunity to become a 20-minute city. A 20-minute city is about creating liveable neighbourhoods with local access to amenity that is important to residents. It's also about linking existing destinations, facilities, places of work and education with safe walking, cycling and public transport connections so our residents can safely access most of the things they need within 20 minutes.

We want our children to be able to cycle safely to school and for people of all ages

and abilities to easily access different neighbourhoods, from one side of the Waikato River to the other – by whatever transport option we choose.

By investing in cyclepaths and accessways, and utilising our beautiful gully network, we will create a city that our people can easily enjoy and explore. But we'll also need improvements in public transport – so we're working with partners like Waikato Regional Council to get better bus services.

People in our city want to live in lively, safe communities with shared identities and public facilities such as libraries, playgrounds and community hubs accessible to everyone.

And we're focusing on delivering the amenities and services that build strong communities, both in our existing neighbourhoods and for our new ones.

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

- Community services
  - o Libraries
  - o Aquatic facilities
  - o Community development
- Transport
  - o Transport network
  - o Parking management

What you can expect from us	What we will measure	Latest result (2019/20)	Targets			
			2021/22	2022/23	2023/24	By 2030/31
Our city is easy to live in, explore and connect.	Percentage of residents who think Hamilton is a great place to live.	77%*	At least 79%	At least 79%	At least 79%	At least 79%
	Percentage of residents who are proud of how Hamilton looks and feels.	53%*	At least 60%	At least 60%	At least 60%	At least 60%

\* This result was not reported in the 2019/20 Annual Report. The latest result presented is based on internal data.

# Community Services

*Providing this  
activity helps  
create a city that's  
easy to live in*



Learn to swim at Waterworld

**Council's investment in libraries, aquatic facilities and community development contributes to strong communities that are proud to call Hamilton home. Our community services foster the social and cultural wellbeing of Hamiltonians through spaces, places, services and support that are inclusive and accessible to all.**

Supporting our community to be increasingly more connected and resilient and to develop and express themselves in ways that help build their identity is fundamental to creating a city that's easy to live in.

## **Libraries**

Hamilton City Libraries provide access to information, knowledge and welcoming spaces for all members of our community through a network of six libraries and online offerings. Libraries are continuously evolving and adapting to meet the changing needs of communities by finding innovative ways to support and encourage literacy. Hamilton's library facilities are dynamic community hubs where people come to connect, create, share, and learn in a social space.

The capacity of our libraries network will be improved with the construction of a new library in Rototuna and expansion of the existing library in Hillcrest.

## **Aquatic facilities**

We are a key provider of public aquatic facilities in Hamilton, catering for diverse community needs with affordable entry. Council's aquatic facilities at Waterworld and Gallagher Aquatic Centre are dedicated to promoting health, recreation and rehabilitation through swimming and water-related activities. These facilities offer many recreational programmes and activities, including lane and leisure swimming, water education and a health and fitness centre.

Over the period of this plan we will increase

recreational swim space by putting a seasonal dome over the outdoor pool at Waterworld.

## **Community development**

Our Community Development team supports the wellbeing of Hamiltonians by enabling local organisations and private providers to deliver a variety of services and activities to meet the needs of local communities.

Our work includes advisory services and grants through a community assistance fund. Council's Community Advisors work with organisations and agencies throughout the city to increase the ability of the community to meet its own needs. Their work focuses on building greater social cohesion and inclusion, creating a better city for all people who live here.

## How will you know we're delivering?

What you can expect from us	What we will measure	Latest result (2019/20)	Targets			
			2021/22	2022/23	2023/24	By 2030/31
Our libraries are well used.	The number of physical and online visits to Hamilton Libraries each year.	890,440 <sup>#</sup>	1% increase on previous year	1% increase on previous year	2% increase on previous year	2% increase on previous year
	The number of physical and online issues by Hamilton City Libraries each year.	1,009,707 <sup>#</sup>	1% increase on previous year	1% increase on previous year	2% increase on previous year	2% increase on previous year
Our libraries provide quality customer experiences.	The percentage of library customers surveyed who are satisfied with their overall experience.	89%	At least 85%	At least 85%	At least 85%	At least 85%
Our aquatic facilities are well used.	The number of visits to Council-owned aquatic facilities each year.	321,106 <sup>#</sup>	At least 500,000 visits each year	At least 500,000 visits each year	At least 500,000 visits each year	At least 575,000 visits each year
Our aquatic facilities provide quality customer experiences.	The percentage of aquatic facilities customers surveyed who are satisfied with their overall experience.	80% <sup>*</sup>	At least 83%	At least 84%	At least 85%	At least 85%
We work alongside others to support a strong and connected community.	The value of services leveraged for every \$1 of community grant funding provided.	\$16.72 <sup>*</sup>	At least \$3.00 worth of services leveraged for every \$1 provided	At least \$3.00 worth of services leveraged for every \$1 provided	At least \$3.00 worth of services leveraged for every \$1 provided	At least \$3.00 worth of services leveraged for every \$1 provided
	The percentage of community stakeholders surveyed who are satisfied with community and social development outcomes.	New measure	At least 80%	At least 80%	At least 80%	At least 80%

\* This result was not reported in the 2019/20 Annual Report. The latest result presented is based on internal data.

# Result impacted by COVID-19

## Significant negative effects

There are no significant negative effects associated with this activity.

## Capital projects

R - Renewals      LOS - Levels of service      G - Growth

	Type	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Libraries</b>											
CE10005 - Libraries collection purchases	R	980	1,013	1,070	1,210	1,246	1,494	1,615	1,208	1,773	1,743
CE10006 - Library operational renewals	R	171	167	142	149	145	173	155	109	238	233
CE10007 - Library building renewals	R	3,047	91	804	583	517	919	1,487	25	25	26
CE21044 - Libraries development	LOS	294	33	34	-	-	260	4,469	-	-	-
CE19017 - Rototuna community facilities	G	7,095	2,686	-	-	-	-	-	-	-	-
		<b>11,587</b>	<b>3,990</b>	<b>2,050</b>	<b>1,942</b>	<b>1,908</b>	<b>2,846</b>	<b>7,726</b>	<b>1,342</b>	<b>2,036</b>	<b>2,002</b>
<b>Aquatic facilities</b>											
CE10001 - Aquatic facilities building renewals	R	2,042	1,463	393	295	304	451	3,001	12,486	341	850
CE21005 - Aquatic facilities renewals	R	410	319	244	281	276	479	2,549	280	549	753
CE21046 - Aquatic facilities development	LOS	1,048	1,789	4,407	-	-	-	-	-	-	-
		<b>3,500</b>	<b>3,571</b>	<b>5,044</b>	<b>576</b>	<b>580</b>	<b>930</b>	<b>5,550</b>	<b>12,766</b>	<b>890</b>	<b>1,603</b>
<b>Community services total</b>		<b>15,087</b>	<b>7,561</b>	<b>7,094</b>	<b>2,518</b>	<b>2,488</b>	<b>3,776</b>	<b>13,276</b>	<b>14,108</b>	<b>2,926</b>	<b>3,605</b>



## Prospective Community Services funding impact statement

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	17,994	19,438	20,828	22,323	23,940	25,660	27,763	29,706	31,810	34,051	36,405
Targeted Rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	2	2	2	2	2	2	2	2	2	2	2
Fees and charges	3,045	3,412	3,720	3,949	4,044	4,145	4,249	4,360	4,569	4,693	4,816
Local authorities fuel tax, fines, infringement fees, and other receipts	131	125	137	142	146	151	156	162	167	174	181
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Funding (A)</b>	<b>21,172</b>	<b>22,977</b>	<b>24,687</b>	<b>26,416</b>	<b>28,132</b>	<b>29,958</b>	<b>32,170</b>	<b>34,230</b>	<b>36,548</b>	<b>38,919</b>	<b>41,403</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	22,080	19,777	20,791	21,613	22,109	22,684	23,321	24,126	25,604	25,439	25,989
Finance Costs	54	243	597	712	834	940	971	1,079	1,422	1,686	1,633
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>22,134</b>	<b>20,019</b>	<b>21,388</b>	<b>22,325</b>	<b>22,943</b>	<b>23,624</b>	<b>24,292</b>	<b>25,205</b>	<b>27,026</b>	<b>27,124</b>	<b>27,622</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>(962)</b>	<b>2,958</b>	<b>3,299</b>	<b>4,091</b>	<b>5,189</b>	<b>6,334</b>	<b>7,878</b>	<b>9,024</b>	<b>9,522</b>	<b>11,795</b>	<b>13,781</b>
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	-	265	30	31	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	986	15,057	7,635	7,037	2,514	2,332	3,555	12,985	13,697	2,610	3,117
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>986</b>	<b>15,322</b>	<b>7,665</b>	<b>7,068</b>	<b>2,514</b>	<b>2,332</b>	<b>3,555</b>	<b>12,985</b>	<b>13,697</b>	<b>2,610</b>	<b>3,117</b>
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	9,503	7,095	2,563	-	-	-	-	-	-	-	-
- to improve the level of service	14	1,619	2,094	4,633	154	82	337	4,555	71	104	99
- to replace existing assets	3,488	7,102	3,453	2,984	3,004	2,950	4,013	9,337	14,579	3,546	4,198
Increase (decrease) in reserves	(12,994)	3,720	2,769	3,467	4,556	5,659	7,145	8,164	8,589	10,660	12,564
Increase (decrease) of investments	13	(1,256)	85	75	(11)	(25)	(63)	(47)	(20)	94	37
<b>Total Applications of Capital Funding (D)</b>	<b>24</b>	<b>18,280</b>	<b>10,964</b>	<b>11,159</b>	<b>7,704</b>	<b>8,666</b>	<b>11,432</b>	<b>22,009</b>	<b>23,219</b>	<b>14,405</b>	<b>16,898</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>962</b>	<b>(2,958)</b>	<b>(3,299)</b>	<b>(4,091)</b>	<b>(5,189)</b>	<b>(6,334)</b>	<b>(7,878)</b>	<b>(9,024)</b>	<b>(9,522)</b>	<b>(11,795)</b>	<b>(13,781)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Transport

Providing this activity helps create a city that's easy to live in



**Transport is about Hamilton being a city that is easy to get around. We want to have a safe, reliable and sustainable transport system that is accessible to everyone and caters to a variety of transport choices. We want to meet our legislative obligations relating to the way we manage the road corridor and transport network within our boundaries.**



## Transport network

Our transport network integrates different modes of transport including freight, rail, private vehicles, buses, biking, micro-mobility (scooting and skating) and walking. We also manage on-street and off-street parking activities within the city.

We manage and operate the transport network and work to manage demand on the system. We ensure the maintenance and renewal of existing transport infrastructure as well as plan and invest in new transport infrastructure.

Working with the community and stakeholders to raise awareness of travel options and influence travel behaviour (for mode choice and safety) is a very important part of this activity.

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

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

Planning for future development, growth, trends in network use and asset management needs is also a significant focus. Over the next 10 years we will continue to significantly invest in the transport network, focusing on safety, travel choice and the provision of new strategic infrastructure to support growth and economic development.

Improving road safety is a big focus and we have set a target of zero deaths (by 2028) on the transport network which is monitored quarterly throughout the year. Areas of the network where crashes occur most frequently are known, and we will invest in these to improve safety for everyone - regardless of how you choose to travel. Investment in road safety education will continue, along with exploring new ways to make sure everyone arrives safely at their destination.

The delivery of key projects in the Biking Plan to complete the cycle network and make it

safe, family-friendly and attractive is also a key focus of this plan. We are also investing in a prioritised programme of projects and actions that will make it safer for people to bike, scoot and skate around our city. These actions include things like building cycleways, bike/scooter parking and charging stations and delivering safety programmes.

## Parking management

Parking management involves setting guiding principles and policies for the management and supply of on-street and Council-controlled off-street parking in Hamilton in a way that equitably supports wider transport and urban form outcomes such as mode shift and urban amenity improvements. We have a focus on encouraging efficient utilisation of parking resources and managing demand through compliance and enforcement activities.

A parking management plan will be developed to identify how parking will be provided for and managed, and support recent changes to Local, Regional and Central Government objectives.

## How will you know we're delivering?

What you can expect from us	What we will measure	Latest result (2019/20)	Targets			
			2021/22	2022/23	2023/24	By 2030/31
As our city grows you can expect travel times for all vehicles to be predictable.	Travel times are predictable during peak hours.	New measure	A variation of no more than 25%	A variation of no more than 25%	A variation of no more than 25%	A variation of no more than 25%
You can expect the transport network to be safe to use.	The change from the previous financial year in the number of fatal and serious injury crashes on the local road network.*	38 (12 fewer death or serious injury crashes than in 2018/19)	Decrease from previous year	Decrease from previous year	Decrease from previous year	Decrease from previous year
You can expect the transport network to be kept in good operating condition.	The average quality of ride on Hamilton's sealed local road network, measured by smooth travel exposure.*	85%	At least 80%	At least 80%	At least 80%	At least 80%
	The percentage of the sealed road local network (by length) that is resurfaced each financial year.*	3.60%	At least 3.5%	At least 3.5%	At least 3.5%	At least 3.5%
	The percentage of qualifying footpaths within Hamilton which meet the level of service standard of less than 5 faults per 100m section.*	78%	At least 85%	At least 88%	At least 92%	At least 97%
You can expect customer service requests to be responded to promptly.	The percentage of customer service requests relating to roads and footpaths which are responded to within five working days.*	95.70%	At least 96%	At least 96%	At least 96%	At least 96%

What you can expect from us	What we will measure	Latest result (2019/20)	Targets			
			2021/22	2022/23	2023/24	By 2030/31
We'll prioritise building connected and safe walkways and cycleways that promote transport choices that are accessible to all, bringing neighbourhoods together and allowing people to move around our city quickly and easily.	The increase in active mode** trips on Hamilton's network.	New measure	Establish baseline	Increase of at least 3% on prior year	Increase of at least 3% on prior year	Increase of at least 5% on prior year

+ Measure required by the Department of Internal Affairs

\*\* Micro-mobility

## Significant negative effects

Activity	Wellbeing	Effect	Mitigation
Transport network	Social	Traffic can cause noise pollution.	Roads carrying more than 15,000 vehicles per day are surfaced with asphalt to reduce the noise.
Transport network	Social	Roads can form barriers between sections of the community. They can be difficult to cross particularly for pedestrians, cyclists and also motor vehicles.	Affected communities are consulted while obtaining resource consents for significant roading projects. Provisions are put in place to assist pedestrians and cyclists such as refuge islands, traffic signals and underpasses or over bridges.
Transport network	Environmental	Traffic can cause air pollution which effects the environment.	Alternative methods of transport such as walkways, cycling and public transport assist to mitigate air pollution.
Transport network	Cultural	Natural heritage sites can be negatively impacted by the construction of new roads.	Projects are investigated to identify possible heritage artefacts. Taangata whenua and other affected parties are consulted prior to construction.

## Capital projects

		R - Renewals					LOS - Levels of service			G - Growth	
		2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Transport network											
CE10072 - Footpath and street furniture renewals	R	3,305	3,660	3,171	4,060	4,376	4,626	4,764	3,996	5,180	4,285
CE10074 - Drainage (kerb and channel) renewals	R	2,390	2,709	2,780	2,656	2,756	2,949	3,058	3,169	3,281	3,381
CE10075 - Road base Renewals	R	5,184	4,882	3,852	4,448	4,694	4,196	4,322	4,452	5,850	6,014
CE10076 - Road resurfacing	R	5,900	6,077	4,986	6,502	6,809	9,317	9,597	5,975	10,181	10,647
CE10077 - Bridge and structures renewals	R	291	72	74	76	322	182	284	193	197	203
CE10078 - Retaining wall and structures renewals	R	90	258	265	13	14	14	-	-	-	52
CE10080 - Street lighting renewals	R	651	420	433	632	651	2,057	2,870	501	5,257	5,404
CE10081 - Traffic equipment renewals	R	942	970	999	1,032	1,062	1,092	1,127	1,161	1,449	1,489
CE19055 - Upgrade city directional signage	R	-	-	530	-	-	-	-	-	-	-
CE21012 - Transport building renewals	R	20	21	21	22	98	1,074	3,614	857	206	1,149
CE19052 - Intersection upgrades	LOS	4,950	9,785	2,122	-	-	-	-	-	-	-
CE19062 - Bridge resilience programme	LOS	-	-	3,821	328	-	-	-	-	-	-
CE19064 - Transport Centre rejuvenation	LOS	4,600	3,193	-	-	-	-	-	-	-	-
CE21053 - Central city transportation improvements	LOS	650	5,511	-	-	-	-	-	-	-	-
CE21057 - Ferrybank walking and cycling bridge	LOS	500	1,545	12,731	13,112	-	-	-	-	-	-
CE21058 - Transportation safety improvements	LOS	8,100	9,491	9,230	6,119	6,303	5,785	5,959	6,138	6,322	6,499
CE21059 - Transportation smart improvements	LOS	200	206	212	219	225	231	238	246	253	260
CE21060 - Public transport improvement	LOS	700	721	743	765	788	694	715	737	759	780
CE15087 - Transportation upgrades to allow for development	G	219	225	232	239	246	253	261	269	277	284
CE15088 - Peacocke transport upgrades and development stage 1	G	76	2,000	1,949	-	-	-	-	-	-	-
CE15089 - Peacocke transport upgrades and development stage 2	G	51,098	59,292	21,225	12,283	4,337	3,784	1,321	9,639	8,069	20,135
CE15090 - Rotokauri transport upgrades and development	G	6,667	2,175	2,216	-	-	-	478	5,300	12,298	6,410
CE15092 - Rototuna transport upgrades and development	G	13,226	8,952	7,810	-	3,819	62	-	5,253	6,169	10,558
CE15093 - Ruakura transport upgrades and development	G	36,392	1,859	53	-	-	752	830	27,036	27,753	25,651
CE15096 - Cross city connector	G	200	206	637	5,464	-	-	-	798	1,011	1,040
CE15097 - Northern city crossing	G	-	-	-	-	-	-	-	-	3,555	2,436
CE19036 - Ring Road	G	15,947	206	-	-	-	-	-	-	-	-
CE19037 - Hamilton transport model	G	60	1,131	1,763	243	-	-	358	-	-	-
CE19057 - Biking plan implementation	G	11,100	13,905	27,053	16,937	10,692	8,678	8,938	9,206	9,482	9,748
CE19058 - Public Transport Mode Shift	G	-	-	-	-	-	9,256	8,342	4,910	1,264	3,769
CE21052 - Peacocke transportation land	G	8,712	7,646	1,085	-	-	-	-	-	-	-
CE21055 - Te Rapa transportation upgrades and development	G	-	-	-	-	-	-	432	5,858	13,380	211
		182,170	147,118	109,994	75,149	47,193	55,003	57,507	95,691	122,192	120,404
Parking Management											
CE10070 - Parking enforcement renewals	R	615	124	59	55	45	50	52	56	58	60
		615	124	59	55	45	50	52	56	58	60
Transport total		182,785	147,242	110,053	75,204	47,237	55,052	57,559	95,747	122,250	120,464



## Prospective Transport funding impact statement

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	35,426	46,953	50,305	53,909	57,808	61,954	67,026	71,711	76,783	82,186	87,862
Targeted Rates	145	145	145	145	145	145	145	145	145	145	145
Subsidies and grants for operating purposes	6,498	7,858	8,069	8,035	8,340	9,231	9,194	9,714	10,289	10,833	11,800
Fees and charges	4,253	4,444	4,593	5,271	6,006	6,191	6,357	6,532	6,717	6,902	7,087
Local authorities fuel tax, fines, infringement fees, and other receipts	3,359	3,507	3,568	3,624	3,680	3,736	3,794	3,856	3,923	3,995	4,065
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	49,682	62,907	66,680	70,983	75,979	81,258	86,516	91,958	97,858	104,061	110,959
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	29,332	39,376	41,267	44,090	44,439	47,562	48,114	49,834	52,104	54,383	58,090
Finance Costs	3,802	2,682	3,929	4,226	4,698	4,924	4,600	4,025	4,184	5,068	5,530
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total Applications of Operating Funding (B)	33,135	42,058	45,197	48,316	49,138	52,486	52,714	53,859	56,288	59,451	63,620
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>16,547</b>	<b>20,849</b>	<b>21,484</b>	<b>22,668</b>	<b>26,841</b>	<b>28,772</b>	<b>33,802</b>	<b>38,099</b>	<b>41,569</b>	<b>44,610</b>	<b>47,339</b>
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	57,122	97,603	66,724	49,039	36,880	17,702	21,482	21,258	34,033	35,401	35,563
Development and financial contributions	6,717	11,638	11,521	12,608	12,524	13,012	13,743	14,745	14,252	13,987	14,170
Increase (decrease) in debt	47,969	64,404	59,907	34,687	7,893	(4,049)	(4,558)	(6,676)	16,189	37,861	28,998
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total Sources of Capital Funding (C)	111,807	173,645	138,152	96,334	57,298	26,665	30,667	29,326	64,473	87,249	78,731
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	96,432	143,697	97,598	64,023	35,165	19,095	22,785	20,958	68,268	83,258	80,242
- to improve the level of service	9,984	20,918	31,653	29,706	21,222	7,677	7,051	7,293	7,432	7,792	7,975
- to replace existing assets	22,856	21,380	20,957	18,630	21,641	22,867	27,749	32,027	22,441	34,398	35,302
Increase (decrease) in reserves	(1,552)	14,038	9,052	6,310	6,158	5,907	7,161	7,352	7,989	5,995	2,387
Increase (decrease) of investments	634	(5,539)	376	333	(47)	(110)	(277)	(206)	(87)	416	164
Total Applications of Capital Funding (D)	128,355	194,494	159,635	119,002	84,139	55,436	64,469	67,425	106,042	131,858	126,070
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(16,547)</b>	<b>(20,849)</b>	<b>(21,484)</b>	<b>(22,668)</b>	<b>(26,841)</b>	<b>(28,772)</b>	<b>(33,802)</b>	<b>(38,099)</b>	<b>(41,569)</b>	<b>(44,610)</b>	<b>(47,339)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



# A city where our people thrive

**We want to actively create 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.**

Increasingly, our city is a place where people and businesses want to come, stay, and grow. Our attractive lifestyle, based upon a vibrant city that's easy to live in, means more and more people want to be here.

Young people are now coming to our city (and in some cases, returning home) to find good jobs, buy homes, raise families and

become part of our community. This, along with more than 160 ethnic groups making up our city, adds a valuable diversity to Hamilton which brings opportunities and benefits for all Hamiltonians.

We want Hamilton to continue to build on its growing reputation as a centre of excellence within innovation, training, smart and tech-sector industries. We need the infrastructure and support services in place to nurture and promote sustainable businesses that add value to our city.

We'll empower and enable our diverse communities to share their voice, and shape their city.

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

- Governance
  - Governance and public affairs
  - Partnership with Māori
- Growth
  - City planning
  - Planning guidance
  - Building control
- Safety
  - Public safety
  - Animal education and control
  - Environmental health and alcohol licensing
  - Civil Defence

What you can expect from us	What we will measure	Latest result (2019/20)	Targets			
			2021/22	2022/23	2023/24	By 2030/31
We will make decisions that improve the wellbeing of Hamiltonians.	The percentage of residents who believe we make decisions that are in the best interest of the city.	42%*	At least 32%	At least 32%	At least 32%	At least 32%

\* This result was not reported in the 2019/20 Annual Report. The latest result presented is based on internal data.



# Governance

Providing this activity helps create a city where people thrive



**Governance is about providing Hamiltonians with sound leadership for the city. We want to provide open and effective city governance and opportunities for people to be involved in shaping our city. We want to continue to meet Te Tiriti O Waitangi (The Treaty of Waitangi) and legislative requirements.**

In carrying out this activity we enable, promote and support local democracy by providing governance advice and democratic services to Elected Members, Maangai Maaori, Appointed Members, the wider organisation and the public.

### **Governance and public affairs**

We support public engagement with the mayor, councillors and with our democratic processes. This includes facilitating local government elections, by-elections, Council and committee meetings, petitions, referenda, polls and representation reviews. This activity also includes providing induction, training and administration support for the Elected Members.

We will undertake a representation review in line with legislative requirements to ensure

that our communities of interest within the city are effectively represented.

We will work with other areas of the organisation and partners to develop a civic education programme for schools, tertiary institutions and community groups to promote a better understanding of, and active engagement in, the local democracy processes which allow the public to help shape their city.

### **Partnership with Maaori**

We seek to honour the principles of partnership in decision-making with our treaty partners. Working to foster opportunities for Maaori to be involved in our decision-making through relationships, Maangai Maaori, service contracts and the Co-Governance Forum with Waikato-Tainui which is an important part of

this activity. Our partnerships with iwi, mana whenua and maataa 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. In 2021, Council resolved to establish Maaori wards, which will come into effect for the 2022 elections.

We will continue to build positive and stronger relationships with our Maaori partner organisations and through partnership projects with Waikato-Tainui, mana whenua and maataa waka.

## How will you know we're delivering?

What you can expect from us	What we will measure	Latest result (2019/20)	Targets			
			2021/22	2022/23	2023/24	By 2030/31
We'll empower and enable our diverse communities to share their voice, and shape their city.	Percentage of Hamilton voter turnout for local government elections.	39.4% (2019 election)*	Not applicable, not an election year	Increase on previous result	Not applicable, not an election year	2025/26: Increase on previous result  2028/29: Increase on previous result

\* This result was not reported in the 2019/20 Annual Report. The latest result presented is based on internal data.

## Significant negative effects

There are no significant negative effects associated with this activity.

## Capital projects

There are no capital projects directly associated with this activity.

## Prospective Governance funding impact statement

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	3,018	3,065	3,283	3,518	3,772	4,043	4,373	4,678	5,009	5,361	5,731
Targeted Rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	13	12	170	13	13	183	14	14	198	15	16
Local authorities fuel tax, fines, infringement fees, and other receipts	21	26	27	28	29	30	31	32	33	34	35
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Funding (A)</b>	<b>3,052</b>	<b>3,102</b>	<b>3,480</b>	<b>3,559</b>	<b>3,814</b>	<b>4,255</b>	<b>4,417</b>	<b>4,724</b>	<b>5,240</b>	<b>5,410</b>	<b>5,782</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	3,165	3,592	4,119	3,581	3,686	4,391	3,833	3,927	4,741	4,148	4,312
Finance Costs	(6)	(7)	(5)	(8)	(15)	(10)	(8)	(8)	(7)	(6)	(8)
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>3,159</b>	<b>3,585</b>	<b>4,114</b>	<b>3,573</b>	<b>3,671</b>	<b>4,381</b>	<b>3,825</b>	<b>3,920</b>	<b>4,734</b>	<b>4,142</b>	<b>4,304</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>(107)</b>	<b>(483)</b>	<b>(634)</b>	<b>(15)</b>	<b>143</b>	<b>(126)</b>	<b>592</b>	<b>805</b>	<b>506</b>	<b>1,268</b>	<b>1,478</b>
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	-	143	132	102	126	107	113	121	106	142	136
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>-</b>	<b>143</b>	<b>132</b>	<b>102</b>	<b>126</b>	<b>107</b>	<b>113</b>	<b>121</b>	<b>106</b>	<b>142</b>	<b>136</b>
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	1	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	3	54	53	38	30	16	15	17	14	20	19
- to replace existing assets	125	89	78	65	95	91	97	104	92	122	116
Increase (decrease) in reserves	(235)	(237)	(651)	(29)	145	(121)	604	814	510	1,250	1,470
Increase (decrease) of investments	-	(246)	17	15	(2)	(5)	(12)	(9)	(4)	18	7
<b>Total Applications of Capital Funding (D)</b>	<b>(107)</b>	<b>(340)</b>	<b>(502)</b>	<b>88</b>	<b>269</b>	<b>(19)</b>	<b>705</b>	<b>925</b>	<b>612</b>	<b>1,410</b>	<b>1,613</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>107</b>	<b>483</b>	<b>634</b>	<b>15</b>	<b>(143)</b>	<b>126</b>	<b>(592)</b>	<b>(805)</b>	<b>(506)</b>	<b>(1,268)</b>	<b>(1,478)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Growth

Providing this activity helps create a city where people thrive



Intensification

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



## City planning

In an environment of fast-paced growth such as Hamilton is experiencing, it is important the development of the city is managed strategically. Good planning is necessary to support smart development and sustainable growth across the entire city. It protects Hamilton's natural and built environments, our heritage and quality of life for our residents.

We manage the District Plan and monitor its effectiveness. The District Plan is the key document defining how and where the city grows. We manage the city's natural and physical resources along with other policies that guide the future development of our city.

Hamilton is experiencing very high growth and projections show the city is well on its way to

having more than 201,000 people living here within the next 10 years. To meet demand, we are continuing work to open the Peacocke area. This work is being completed with funding support through the Government's Housing Infrastructure Fund (HIF). Our focus on infill and intensification continues to help us accommodate growth within the city centre and existing suburbs.

We have an important role in contributing to Hamilton's economic development by working to ensure that the right policies and plans are in place to make doing business in the city easy.

Over the next 10 years, we will review and update the District Plan to address new government requirements and ensure it delivers good urban design across our city,

improves housing affordability and diversity and enables a city that grows up and out in the appropriate places.

## Planning guidance

We provide information and advice for those planning developments and process applications for land-use and subdivision consents. We work closely with developers to ensure the city is well-designed, safe and embraces growth.

## Building control

We issue building consents, inspect buildings under construction, audit building warrants of fitness, and provide advice to make sure Hamilton's buildings are safe, healthy and durable.

## How will you know we're delivering?

What you can expect from us	What we will measure	Latest result (2019/20)	Targets			
			2021/22	2022/23	2023/24	By 2030/31
<b>A sufficient supply of land for housing and business.</b>	There will be at least three years capacity of residential zoned land supplied with development infrastructure for the city.	3.7 years	At least three years	At least three years	At least three years	At least three years
	There will be at least three years capacity of business zoned land supplied with development infrastructure for the city.	2.6 years	At least three years	At least three years	At least three years	At least three years
<b>We will support the delivery of safe, sustainable and attractive development.</b>	Average processing days for non-notified land use and subdivision resource consents.	17.55 working days	20 working days^^	20 working days^^	20 working days^^	20 working days^^
	Average processing days for building consents.	16.31 working days	18 working days^^	18 working days^^	18 working days^^	18 working days^^
	Average processing days for Code of Compliance certificates.	12.1 working days*	18 working days^^	18 working days^^	18 working days^^	18 working days^^

\* This result was not reported in the 2019/20 Annual Report. The latest result presented is based on internal data.

^^ A working day means any day except for a weekend day, public holiday, and those days between 20 December and 10 January. The processing clock may be stopped at any point should we require further information from the applicant.

## Significant negative effects

There are no significant negative effects associated with this activity.

## Capital projects

There are no capital projects directly associated with this activity.

## Prospective Growth funding impact statement

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	5,690	8,938	9,575	10,260	11,001	11,790	12,753	13,644	14,608	15,635	16,714
Targeted Rates	310	2,448	2,611	2,785	2,973	3,172	352	361	371	381	391
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	8,511	10,451	11,034	11,360	11,710	11,880	12,228	12,841	13,262	13,541	13,731
Local authorities fuel tax, fines, infringement fees, and other receipts	104	90	93	97	100	104	107	111	115	119	124
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	14,615	21,927	23,313	24,503	25,784	26,946	25,441	26,957	28,356	29,676	30,959
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	16,093	20,002	19,600	18,932	19,340	19,565	19,765	19,794	20,494	21,036	21,331
Finance Costs	535	409	397	281	184	104	(3)	(119)	(242)	(386)	(520)
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total Applications of Operating Funding (B)	16,628	20,411	19,997	19,214	19,524	19,669	19,762	19,675	20,252	20,650	20,811
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>(2,012)</b>	<b>1,516</b>	<b>3,317</b>	<b>5,289</b>	<b>6,260</b>	<b>7,276</b>	<b>5,678</b>	<b>7,282</b>	<b>8,104</b>	<b>9,026</b>	<b>10,148</b>
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	6,772	(2,052)	(1,840)	(2,484)	(2,897)	(3,255)	(3,731)	(4,282)	(4,579)	(4,901)	(5,650)
Gross proceeds from sale of assets	2,396	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total Sources of Capital Funding (C)	9,168	(2,052)	(1,840)	(2,484)	(2,897)	(3,255)	(3,731)	(4,282)	(4,579)	(4,901)	(5,650)
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	2	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	9	190	187	132	106	56	53	59	49	71	68
- to replace existing assets	439	333	293	247	356	340	369	394	346	459	440
Increase (decrease) in reserves	6,615	(196)	938	2,375	2,909	3,641	1,568	2,579	3,144	3,530	3,964
Increase (decrease) of investments	90	(862)	58	52	(7)	(17)	(43)	(32)	(14)	65	26
Total Applications of Capital Funding (D)	7,156	(536)	1,477	2,805	3,364	4,021	1,947	3,000	3,525	4,125	4,498
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>2,012</b>	<b>(1,516)</b>	<b>(3,317)</b>	<b>(5,289)</b>	<b>(6,260)</b>	<b>(7,276)</b>	<b>(5,678)</b>	<b>(7,282)</b>	<b>(8,104)</b>	<b>(9,026)</b>	<b>(10,148)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Safety

Providing this activity helps create a city where people thrive



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

## Public safety

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

We will continue to look at ways we can improve our CCTV monitoring services in terms of the cameras operating, our analytic capability and links with different parts of our organisation. This will build the cohesiveness and efficiency of the CCTV operations that support safety services across the city. The City Safe patrols will continue in the central city, and Suburban Response Team patrols will continue in our suburbs.

## Animal education and control

To reduce the risk of danger and nuisance from dogs, we make sure they are registered and controlled and investigate offences under the Dog Control Act 1996. Providing education to schools, businesses and community groups about safety around dogs is an important part of this service.

## Environmental health and alcohol licensing

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

We will be increasing our resource to deal with anticipated higher demand and greater levels of regulation for food safety services.

## Civil defence

Through emergency management, we work to help 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 help communities recover as quickly as possible after an emergency.



## How will you know we're delivering?

What you can expect from us	What we will measure	Latest result (2019/20)	Targets			
			2021/22	2022/23	2023/24	By 2030/31
<b>We work with partner organisations and the community to improve safety.</b>	The percentage of central city users surveyed who feel very safe or reasonably safe in the central city during daytime.	89%	At least 80%	At least 80%	At least 80%	At least 80%
<b>A timely response to requests for dog control, graffiti, and excessive noise.</b>	The percentage of urgent dog control requests responded to within 60 minutes.	100%*	At least 95%	At least 95%	At least 95%	At least 95%
	The percentage of graffiti removed within two working days.	95%*	At least 95%	At least 95%	At least 95%	At least 95%
	The percentage of complaints about excessive noise responded to within 30 minutes.	92%*	At least 95%	At least 95%	At least 95%	At least 95%

\* This result was not reported in the 2019/20 Annual Report. The latest result presented is based on internal data.

## Significant negative effects

There are no significant negative effects associated with this activity.

## Capital projects

R - Renewals

LOS - Levels of service

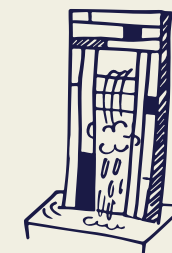
G - Growth

	Type	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<b>Public safety</b>		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
CE21015 - City safe renewals	R	171	121	113	128	132	159	192	128	187	185
CE21016 - City safe upgrades	LOS	-	-	104	-	-	-	-	-	-	-
		<b>171</b>	<b>121</b>	<b>217</b>	<b>128</b>	<b>132</b>	<b>159</b>	<b>192</b>	<b>128</b>	<b>187</b>	<b>185</b>
<b>Animal education and control</b>											
CE21013 - Animal control building renewals	R	-	11	-	-	-	-	145	-	-	186
		-	<b>11</b>	-	-	-	-	<b>145</b>	-	-	<b>186</b>
<b>Safety total</b>		<b>171</b>	<b>132</b>	<b>217</b>	<b>128</b>	<b>132</b>	<b>159</b>	<b>337</b>	<b>128</b>	<b>187</b>	<b>370</b>

## Prospective Safety funding impact statement

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	4,043	4,675	5,009	5,367	5,755	6,167	6,671	7,137	7,641	8,178	8,742
Targeted Rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	53	53	53	53	53	53	53	53	53	53	53
Fees and charges	1,954	2,108	2,190	2,244	2,301	2,358	2,417	2,480	2,547	2,616	2,685
Local authorities fuel tax, fines, infringement fees, and other receipts	62	69	71	72	73	75	76	78	80	82	84
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	6,112	6,905	7,321	7,736	8,181	8,652	9,217	9,748	10,321	10,928	11,563
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	6,477	7,118	7,217	7,390	7,728	8,044	8,288	8,538	8,785	9,083	9,357
Finance Costs	(9)	142	143	111	86	68	39	7	(25)	(62)	(98)
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total Applications of Operating Funding (B)	6,468	7,261	7,360	7,501	7,814	8,112	8,327	8,545	8,761	9,022	9,258
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>(357)</b>	<b>(356)</b>	<b>(39)</b>	<b>235</b>	<b>368</b>	<b>541</b>	<b>890</b>	<b>1,203</b>	<b>1,560</b>	<b>1,907</b>	<b>2,305</b>
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	-	(451)	(422)	(553)	(767)	(885)	(1,012)	(1,007)	(1,306)	(1,347)	(1,403)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total Sources of Capital Funding (C)	-	(451)	(422)	(553)	(767)	(885)	(1,012)	(1,007)	(1,306)	(1,347)	(1,403)
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	1	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	4	81	80	160	45	24	23	25	21	31	29
- to replace existing assets	243	281	231	191	248	245	276	463	244	337	512
Increase (decrease) in reserves	(604)	(799)	(797)	(691)	(690)	(605)	(403)	(279)	(5)	164	349
Increase (decrease) of investments	-	(369)	25	22	(3)	(7)	(18)	(14)	(6)	28	11
Total Applications of Capital Funding (D)	(357)	(807)	(461)	(318)	(399)	(344)	(123)	196	254	559	902
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>357</b>	<b>356</b>	<b>39</b>	<b>(235)</b>	<b>(368)</b>	<b>(541)</b>	<b>(890)</b>	<b>(1,203)</b>	<b>(1,560)</b>	<b>(1,907)</b>	<b>(2,305)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# A central city where people love to be



**We want our central city to be the beating heart of Hamilton which always has something going on for our diverse communities to come together and enjoy.**

Our central city should be accessible via different transport modes and enjoy easy access to the nearby Waikato River which is celebrated and treasured for the city taonga (treasure) it is.

Our restaurants and bars will offer Hamiltonians choice and entertainment, and draw people from outside of Hamilton who know that a visit to central Hamilton is a trip well worth making.

Our central city should support a thriving visual arts and performance scene through our iconic local theatres and bring the area around our Waikato Regional Theatre alive, further linking our city to the stunning Waikato River.

Inner-city dwellers will enjoy a range of apartment options, close to where they work

or close to strong transport links that get them to where they need to be. But they will always be close to green open spaces, along the river and with parks like Victoria on the River nearby.

Local, national and international businesses will choose to base themselves in our central city which remains affordable and accessible, serviced by everything needed to live a full Hamilton life.

All our activities (such as safety and transport) contribute to creating a central city where people love to be, and we have a number of exciting plans for the central city over the next 10 years<sup>2</sup>.

We'll continue to invest in our central city by focusing on opening it up to the Waikato River, encouraging people to live and work in the central city and make it easy to access and move around in. We'll also continue supporting and providing funding for central city activations such as the Hamilton Central Business Association events programme and the annual Christmas parade and Christmas tree installation.

**Here are just some of the ways that we're investing in our central city over the next 10 years:**

- \$1 million to revitalise and refresh the site of the former Municipal Pool.
- \$5 million to upgrade Embassy Park so there is a strong connection to the Waikato River and the new Waikato Regional Theatre when it opens in 2023.
- \$11 million to make a number of intersections within the central city safer such as Tristram Street and Collingwood Street, Ward Street (Tristram Street and Anglesea Street end), Sapper Moore-Jones Place and Victoria Street. We will be seeking co-investment from Waka Kotahi NZ Transport Agency for some of these projects, meaning ratepayers will not have to pay the full cost.

<sup>2</sup>This priority does not have a separate capital programme or funding impact statement as the costs are already reflected in our other activity statements.



# A fun city with lots to do

## **We want Hamilton to be an even better place for everyone to play, with things to do or see around every corner.**

We want to make sure our city provides opportunities for all our people to play and have fun - whether it be through organised sport, local playgrounds, events, or our visitor destinations.

We want to build on our growing reputation for hosting outstanding events; events that bring economic benefit, that Hamiltonians love, and that bring people from all over New Zealand to our city.

But small events also have a role in the life of our city. We're keen to support more arts and cultural events and make sure we have the right indoor and outdoor facilities in place to support local community sports events that people of all ages can get involved in. All of

these things add to the sense of community we all value about Hamilton.

We have already invested in world-class stadium and event facilities like Seddon Park, Claudelands Event Centre and FMG Stadium Waikato and are home to key visitor destinations such as Hamilton Zoo, Hamilton Gardens, and Waikato Museum.

And we'll continue to embrace the outdoors, not just the Waikato River but places like Waiwhakareke Natural Heritage Park, our destination playgrounds and Lake Rotorua (Hamilton Lake). These facilities provide locals and visitors with memories and experiences that keep people entertained and wanting more. They drive interest and appreciation in our city. They make living here fun.

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

- Visitor destinations
  - Hamilton Gardens
  - Hamilton Zoo and Waiwhakareke Natural Heritage Park
  - Waikato Museum
  - i-SITE Visitor Information Centre
- Venues, tourism and major events
  - Claudelands Event Centre, FMG Stadium Waikato and Seddon Park
  - Tourism and events funding
  - Theatres
- Parks and recreation
  - Parks (including community parks, natural areas, sports parks, streetscapes and playgrounds)
  - Cemeteries and crematorium
  - Indoor recreation
  - Community facilities



# Visitor Destinations



Providing this activity contributes to a fun city with lots to do

**Visitor Destinations are about providing our community and visitors with memorable experiences.**



Feeding giraffes at Hamilton Zoo

We want Hamiltonians to have high-quality attractions they are proud of and want to visit again and again because they always offer something new and interesting. We want more national and international visitors to visit our city and contribute to our economy because they hear about the unique experiences and stories we have here.

By taking a strategic and joined-up approach to our three major cultural and tourism assets, we will strengthen their collective profile and maximise their potential and the benefits to the city. The investment in this plan will see increased visitation, through projects to enhance and improve our facilities, and initiatives that create new and diverse offerings for our people and visitors to Hamilton.

We are also committed to identifying and implementing initiatives that will reduce the contribution ratepayers make toward our attractions without negatively affecting the visitor experience.

## **Hamilton Gardens**

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

We will continue to support the success of

Hamilton Gardens and seek to increase the economic contribution the Gardens make to our city. We plan to leverage growing visitor numbers to the Gardens to support the wider Hamilton tourism industry. We propose to start charging a \$10 fee to non-Hamiltonians over the age of 14 for entry to the enclosed gardens from 1 January 2023. This will coincide with the upgrading of the visitor arrival centre. Resulting revenue will contribute to improving and adding new services and facilities that make visiting Hamilton Gardens easier.

Some other projects we'll be delivering over the next three years include an Egyptian Garden, and a Palm Court.

## **Hamilton Zoo and Waiwhakareke Natural Heritage Park**

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

As well as being a tourism and recreation park, Hamilton Zoo is committed to the conservation of animals and the environment by participating in conservation and research projects and contributing to breeding programmes for endangered species.

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

The plan includes funding for new overnight stay facilities for visitors who are interested in a new unique zoo experience. The proposed accommodation facilities will be situated to provide visitors a view of the savannah enclosure, where animals such as Giraffe, Zebra and Black Buck can be seen in a natural setting. The accommodation together with the visitor precinct project currently underway will deliver modern facilities and connections to Waiwhakareke Natural Heritage Park creating a premier visitor experience.

## **Waikato Museum**

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

One of the Museum's greatest strengths is its high-value location in the central city. Investment in this plan will see improvements

to the Museum's Victoria Street entrance and foyer. In later years, we plan to create an entrance to the Museum from the river, increasing the Museum's profile from the river paths and better utilising the river connection.

### i-SITE Visitor Information Centre

Through a comprehensive nationwide information and booking service, i-SITE connects people with great places and

experiences in Hamilton and the Waikato region, promoting our liveable city and regional tourism.

## How will you know we're delivering?

What you can expect from us	What we will measure	Latest result (2019/20)	Targets			
			2021/22	2022/23	2023/24	By 2030/31
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.	Total number of visits to Hamilton Zoo/ Waikwhakareke Natural Heritage Park, Waikato Museum, and Hamilton Gardens (enclosed gardens only).	633,026 <sup>#</sup>	Increase on previous year	Increase on previous year	Increase on previous year	1,000,000
	The number of new unique experiences.	New measure	At least 10 each year across the three visitor destinations.	At least 10 each year across the three visitor destinations.	At least 10 each year across the three visitor destinations.	At least 10 each year across the three visitor destinations.

<sup>#</sup> Result impacted by COVID-19

## Significant negative effects

Activity	Wellbeing	Effect	Mitigation
Hamilton Gardens and Museum	Cultural	Natural heritage sites may be adversely impacted as part of further developing the Hamilton Gardens or by work around the Museum.	Projects are investigated to identify possible heritage artefacts. Taangata whenua and other affected parties are consulted prior to development.

## Capital projects

		R - Renewals      LOS - Levels of service      G - Growth									
	Type	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Hamilton Gardens</b>											
CE10026 - Hamilton Gardens renewals	R	40	14	22	114	237	149	180	169	622	173
CE10028 - Hamilton Gardens building renewals	R	132	-	46	109	159	1,722	50	115	107	96
CE21001 - Nursery renewals	R	244	92	498	-	-	-	-	83	-	407
CE19023 - Hamilton Gardens development	LOS	1,963	2,010	331	2,292	972	580	584	2,385	2,549	1,684
CE21047 - Hamilton Gardens themed gardens	LOS	400	-	-	-	-	-	-	-	-	-
		<b>2,779</b>	<b>2,116</b>	<b>897</b>	<b>2,515</b>	<b>1,368</b>	<b>2,451</b>	<b>814</b>	<b>2,752</b>	<b>3,278</b>	<b>2,360</b>
<b>Hamilton Zoo and Waiwhakareke Natural Heritage Park</b>											
CE10017 - Hamilton Zoo building renewals	R	1,675	915	581	2,514	2,597	280	251	139	368	35
CE21002 - Hamilton Zoo operational renewals	R	2,317	2,035	1,540	1,741	1,793	2,151	2,324	1,738	2,552	2,507
CE21043 - Hamilton Zoo and Waiwhakareke development	LOS	3,237	7,976	217	246	324	4,571	328	246	360	355
		<b>7,229</b>	<b>10,926</b>	<b>2,338</b>	<b>4,501</b>	<b>4,714</b>	<b>7,002</b>	<b>2,903</b>	<b>2,123</b>	<b>3,280</b>	<b>2,897</b>
<b>Waikato Museum</b>											
CE10008 - Museum operational renewals	R	74	89	95	117	117	118	121	87	92	19
CE10011 - Museum building renewals	R	50	51	4,662	55	56	58	813	8,221	63	65
CE19028 - Collection acquisition fund	LOS	42	45	48	53	55	67	73	54	80	78
CE21045 - Museum development	LOS	504	618	3,818	-	-	1,388	6,435	-	-	-
		<b>670</b>	<b>803</b>	<b>8,623</b>	<b>225</b>	<b>228</b>	<b>1,631</b>	<b>7,442</b>	<b>8,362</b>	<b>235</b>	<b>162</b>
<b>Visitor destinations total</b>		<b>10,678</b>	<b>13,845</b>	<b>11,858</b>	<b>7,241</b>	<b>6,310</b>	<b>11,084</b>	<b>11,159</b>	<b>13,237</b>	<b>6,793</b>	<b>5,419</b>

## Prospective Visitor Destinations funding impact statement

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	15,531	15,366	16,463	17,644	18,921	20,279	21,939	23,474	25,135	26,904	28,763
Targeted Rates	812	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	85	87	87	87	87	87	87	87	87	87	87
Fees and charges	1,622	2,702	3,883	4,976	6,108	6,267	6,611	6,876	7,189	7,486	7,926
Local authorities fuel tax, fines, infringement fees, and other receipts	210	227	243	251	259	267	275	284	294	305	315
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Funding (A)</b>	<b>18,259</b>	<b>18,382</b>	<b>20,675</b>	<b>22,957</b>	<b>25,374</b>	<b>26,900</b>	<b>28,913</b>	<b>30,720</b>	<b>32,705</b>	<b>34,782</b>	<b>37,092</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	15,316	16,522	18,246	18,247	18,739	20,520	20,077	20,752	22,112	22,110	22,820
Finance Costs	103	229	577	822	1,065	1,281	1,432	1,551	1,840	2,126	2,077
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>15,419</b>	<b>16,752</b>	<b>18,823</b>	<b>19,068</b>	<b>19,804</b>	<b>21,800</b>	<b>21,510</b>	<b>22,303</b>	<b>23,952</b>	<b>24,236</b>	<b>24,897</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>2,840</b>	<b>1,630</b>	<b>1,852</b>	<b>3,888</b>	<b>5,570</b>	<b>5,099</b>	<b>7,403</b>	<b>8,417</b>	<b>8,753</b>	<b>10,546</b>	<b>12,194</b>
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	1,000	1,372	680	477	437	450	174	179	552	948	1,365
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	1,656	9,215	13,088	11,131	6,549	5,400	10,310	10,240	11,813	4,998	2,948
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>2,656</b>	<b>10,587</b>	<b>13,768</b>	<b>11,608</b>	<b>6,986</b>	<b>5,850</b>	<b>10,483</b>	<b>10,419</b>	<b>12,365</b>	<b>5,946</b>	<b>4,312</b>
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	3	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	9,600	6,417	10,916	4,603	2,743	1,431	6,682	7,504	2,754	3,091	2,214
- to replace existing assets	2,291	4,999	3,599	7,767	5,160	5,425	4,965	4,259	11,027	4,413	3,884
Increase (decrease) in reserves	(6,420)	2,033	1,023	3,052	4,664	4,118	6,302	7,119	7,356	8,896	10,372
Increase (decrease) of investments	22	(1,231)	83	74	(11)	(24)	(62)	(46)	(19)	92	36
<b>Total Applications of Capital Funding (D)</b>	<b>5,496</b>	<b>12,217</b>	<b>15,620</b>	<b>15,497</b>	<b>12,556</b>	<b>10,949</b>	<b>17,887</b>	<b>18,836</b>	<b>21,118</b>	<b>16,492</b>	<b>16,507</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(2,840)</b>	<b>(1,630)</b>	<b>(1,852)</b>	<b>(3,888)</b>	<b>(5,570)</b>	<b>(5,099)</b>	<b>(7,403)</b>	<b>(8,417)</b>	<b>(8,753)</b>	<b>(10,546)</b>	<b>(12,194)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



# Venues, Tourism and Major Events



*Providing this activity contributes to a fun city with lots to do*

Chiefs game at FMG Stadium Waikato



**We want to continue to deliver events that support local business opportunities, stimulate our economy and promote our city. Venues, Tourism and Major Events is about showcasing and leveraging Hamilton's event venues, visitor attractions and services.**



Live concert at Claudelands Event Centre



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

### **Claudelands Events Centre, FMG Stadium Waikato (events and turf management), and Seddon Park (events and turf management)**

We will continue to attract a range of national and international standard events to Hamilton, most of which will be held at our Stadia and

Claudelands Events Centre. Our venues are well-positioned to cater for growth within their existing capacity levels and will be maintained to an appropriate standard.

### **Tourism and events funding**

We provide funding for event sponsorship and annual funding to the Regional Tourism Organisation, Hamilton and Waikato Tourism Limited.

Alongside several neighbouring councils, our annual funding to Hamilton and Waikato

Tourism supports the development of a range of strategic tourism initiatives. These initiatives will strengthen the attraction of both Hamilton and the surrounding Waikato region to the visitor market.

### **Theatres**

We will invest with a range of partners through the Momentum Waikato Community Foundation in the delivery of a new international standard performing arts theatre (the Waikato Regional Theatre) for the Waikato region to be built in Hamilton.

## How will you know we're delivering?

What you can expect from us	What we will measure	Latest result (2019/20)	Targets			
			2021/22	2022/23	2023/24	By 2030/31
We provide stadia (FMG Stadium Waikato and Seddon Park) and Claudelands to host events. The measure indicates the utilisation of stadia and Claudelands.	The number of people attending events at the Stadia (FMG Stadium Waikato and Seddon Park) and Claudelands.	440,897 <sup>#</sup>	375,000	444,000	500,000	444,000

<sup>#</sup> Result impacted by COVID-19

## Significant negative effects

Activity	Wellbeing	Effect	Mitigation
Claudelands Events Centre, FMG Stadium Waikato, and Seddon Park	Environmental and social	Significant events at Claudelands Events Centre, FMG Stadium Waikato, and Seddon Park may have temporary environmental and social effects. These include litter, traffic congestion, anti-social behaviour, noise and lighting effects for surrounding residents.	We manage these effects in compliance with the District Plan and resource consents. Effective event management plans are also put in place to reduce the negative effects. These include alcohol, traffic and security strategies.

## Capital projects

Type		R - Renewals      LOS - Levels of service      G - Growth									
		2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
CE21011 - VTME building renewals	R	5,558	6,290	236	5,045	5,285	1,738	6,178	10,203	5,472	2,492
CE21042 - VTME operational renewals	R	1,692	2,771	2,293	2,292	3,243	2,319	2,243	5,530	3,100	10,788
CE21041 - VTME security and health and safety programmes	LOS	861	721	596	753	857	541	566	419	585	426
<b>Venues, Tourism and Major Events total</b>		<b>8,111</b>	<b>9,782</b>	<b>3,125</b>	<b>8,090</b>	<b>9,385</b>	<b>4,598</b>	<b>8,987</b>	<b>16,152</b>	<b>9,157</b>	<b>13,706</b>

## Prospective Venues, Tourism and Major Events funding impact statement

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	20,549	18,760	20,104	21,551	23,117	24,781	26,817	28,698	30,734	32,902	35,181
Targeted Rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	2,894	5,272	5,630	8,408	5,459	5,596	5,736	5,887	6,046	6,210	6,373
Local authorities fuel tax, fines, infringement fees, and other receipts	1,053	965	996	1,024	1,019	1,046	1,075	1,105	1,137	1,172	1,206
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	24,496	24,998	26,730	30,983	29,595	31,423	33,628	35,689	37,917	40,284	42,760
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	33,384	27,491	23,091	22,851	19,780	20,670	20,855	21,314	22,806	22,473	23,031
Finance Costs	1,424	1,598	1,823	1,570	1,443	1,430	1,195	864	767	662	381
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total Applications of Operating Funding (B)	34,808	29,089	24,914	24,421	21,223	22,100	22,050	22,178	23,573	23,135	23,412
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>(10,313)</b>	<b>(4,091)</b>	<b>1,816</b>	<b>6,562</b>	<b>8,372</b>	<b>9,323</b>	<b>11,578</b>	<b>13,511</b>	<b>14,344</b>	<b>17,149</b>	<b>19,348</b>
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	200	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	18,034	379	2,842	(5,981)	(2,544)	(2,446)	(8,937)	(6,510)	(311)	(8,587)	(6,642)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total Sources of Capital Funding (C)	18,234	379	2,842	(5,981)	(2,544)	(2,446)	(8,937)	(6,510)	(311)	(8,587)	(6,642)
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	5	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	502	1,348	1,202	935	1,025	1,001	678	718	544	769	601
- to replace existing assets	5,060	8,047	9,767	3,112	8,196	9,344	4,933	9,356	16,565	9,667	14,326
Increase (decrease) in reserves	2,114	(10,892)	(6,460)	(3,599)	(3,373)	(3,425)	(2,859)	(2,991)	(3,041)	(2,040)	(2,287)
Increase (decrease) of investments	239	(2,216)	150	133	(19)	(44)	(111)	(82)	(35)	166	66
Total Applications of Capital Funding (D)	7,921	(3,713)	4,658	581	5,828	6,876	2,640	7,001	14,033	8,562	12,706
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>10,313</b>	<b>4,091</b>	<b>(1,816)</b>	<b>(6,562)</b>	<b>(8,372)</b>	<b>(9,323)</b>	<b>(11,578)</b>	<b>(13,511)</b>	<b>(14,344)</b>	<b>(17,149)</b>	<b>(19,348)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Parks and Recreation



Providing this activity contributes to a fun city with lots to do

Hamilton Lake Domain destination playground



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



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

One of the things making Hamilton a great place to live, work and play is the range of recreation facilities and open green spaces we have for the community to enjoy. We provide, operate and maintain more than 200 parks and reserves and associated assets across 1196 hectares in the city. These assets include recreational facilities such as playgrounds and play spaces like skate parks, natural areas and open spaces, sports parks and community amenities such as public toilets.

Keeping the city beautiful is an important part of this activity and we do so with our street and park trees, gardens and street plantings.

Our natural areas include indigenous bush areas, the riverbank reserve system, wetlands and lake margins and an extensive system of gullies throughout the city.

The focus for our parks and recreation activity is to make sure all Hamiltonians have good access to well-maintained parks, open spaces and recreation facilities wherever they are in the city.

We are investing in this activity to make sure that the quality and breadth of the parks and recreation network keeps up with growth. This includes the development of new natural areas, sports parks, upgrades to drainage and irrigation on sports parks, upgraded and new play spaces which will be informed by community consultation.

Our Nature in the City Strategy has the vision "Nature thrives in Kirikiriroa/Hamilton and nurtures us wherever we are". Our focus will be on investing in the implementation of this strategy, which will include the improved maintenance of our existing gullies. The next 10 years will also see an increased investment in the restoration of our gully systems, including improvements to paths and boardwalk as well as establish a biodiversity monitoring and reporting programme.

## **Cemeteries and crematorium**

We provide, manage and maintain three cemeteries and one crematorium for burial and cremation services. As part of this management, we make burial records available to the public and protect our heritage cemeteries. The crematorium is a

critical service to the Waikato region in the event of a pandemic or civil emergency. The cemeteries also serve as passive spaces of reflection and remembrance for the community.

## **Indoor recreation**

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

## **Community facilities**

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

## How will you know we're delivering?

What you can expect from us	What we will measure	Latest result (2019/20)	Targets			
			2021/22	2022/23	2023/24	By 2030/31
Our parks and the facilities in them are accessible.	The percentage of residential households with access to a neighbourhood park within 500m walking distance.	78.30%	Maintain or increase on previous year	Maintain or increase on previous year	Maintain or increase on previous year	Maintain or increase on previous year
	The percentage of Parks Survey respondents who are satisfied with the way they get to our city's parks.	New measure	Maintain or increase on previous year	Maintain or increase on previous year	Maintain or increase on previous year	Maintain or increase on previous year
	The percentage of Parks Survey respondents who agree the facilities in our parks and open spaces are easily accessible.	65%*	Maintain or increase on previous year	Maintain or increase on previous year	Maintain or increase on previous year	Maintain or increase on previous year
The city's ecosystems and biodiversity are understood, protected and restored.	Provide a range of opportunities each year for the community to learn about, care for and restore nature.	New measure	At least two opportunities provided each year	At least two opportunities provided each year	At least two opportunities provided each year	At least two opportunities provided each year
Hamilton Park Cemetery is a preferred provider of cremation services.	The number of cremations carried out at Hamilton Park Cemetery.	1308*	At least 1350	At least 1425	At least 1500	Maintain over 1500

\* This result was not reported in the 2019/20 Annual Report. The latest result presented is based on internal data.



## Significant negative effects

Activity	Wellbeing	Effect	Mitigation
<b>Cemeteries and crematorium</b>	Environmental	Leachate from burial grounds can enter the groundwater.	Soil and water tests are taken regularly as required by resource consents to ensure leachate does not enter any groundwater.
<b>Cemeteries and crematorium</b>	Environmental	At times the air cremator units can discharge into the environment and may contain residual contaminants.	Maintenance is done regularly on the cremator units as per the manufacturer's guidelines. This reduces the likelihood of negative cultural or environmental effects on the community.

## Capital projects

		R - Renewals      LOS - Levels of service      G - Growth									
	Type	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<b>Parks and sport parks</b>		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
CE10030 - Parks and recreation building renewals	R	741	3,191	1,496	4,164	761	58	833	1,369	510	451
CE21001 - Nursery renewals	R	24	10	-	34	12	-	-	12	-	-
CE21003 - Parks and recreation renewals	R	2,686	4,975	4,622	3,634	3,749	6,852	3,475	8,295	12,476	8,562
CE17004 - River plan	LOS	1,132	5,154	-	-	-	-	-	-	-	-
CE21006 - Nature in the city gully restoration and development	LOS	581	971	1,483	1,594	1,696	2,312	2,811	2,471	2,622	2,757
CE21010 - Parks and recreation development	LOS	3,030	8,891	4,187	2,170	2,206	1,360	1,717	753	776	383
CE19007 - Peacocke parks development	G	1,190	555	17,953	7,268	2,030	1,636	642	1,461	10,628	1,981
CE19009 - Rototuna parks development	G	2,000	-	237	-	-	579	-	-	-	-
		<b>11,384</b>	<b>23,747</b>	<b>29,978</b>	<b>18,864</b>	<b>10,454</b>	<b>12,797</b>	<b>9,478</b>	<b>14,361</b>	<b>27,012</b>	<b>14,134</b>
<b>Cemeteries and crematorium</b>											
CE10021 - Cemetery and crematorium building renewals	R	5	5	5	5	6	6	30	6	6	26
CE21004 - Cemeteries and crematorium renewals	R	113	146	72	411	69	89	97	616	40	75
CE21007 - Cemeteries and crematorium development	G	70	49	320	98	101	596	164	98	662	3,626
		<b>188</b>	<b>200</b>	<b>397</b>	<b>514</b>	<b>176</b>	<b>691</b>	<b>291</b>	<b>720</b>	<b>708</b>	<b>3,727</b>
<b>Indoor recreation</b>											
CE21008 - Indoor recreation development	LOS	675	1,680	-	-	-	-	-	-	-	-
		<b>675</b>	<b>1,680</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Community facilities</b>											
CE19070 - Community facilities building renewals	R	1,620	933	3,642	1,906	1,572	2,777	348	1,203	903	546
		<b>1,620</b>	<b>933</b>	<b>3,642</b>	<b>1,906</b>	<b>1,572</b>	<b>2,777</b>	<b>348</b>	<b>1,203</b>	<b>903</b>	<b>546</b>
<b>Parks and recreation total</b>		<b>13,867</b>	<b>26,560</b>	<b>34,017</b>	<b>21,284</b>	<b>12,202</b>	<b>16,265</b>	<b>10,117</b>	<b>16,284</b>	<b>28,623</b>	<b>18,407</b>

## Prospective Parks and Recreation funding impact statement

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	23,230	24,948	26,732	28,651	30,726	32,934	35,634	38,128	40,829	43,705	46,727
Targeted Rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	7	7	7	7	7	7	7	7	7	7	7
Fees and charges	3,948	4,998	5,144	5,274	5,406	5,541	5,681	5,830	5,988	6,151	6,313
Local authorities fuel tax, fines, infringement fees, and other receipts	439	471	488	504	519	535	551	568	587	608	628
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	27,625	30,424	32,371	34,435	36,659	39,017	41,873	44,533	47,410	50,470	53,675
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	19,938	24,358	24,630	28,123	27,667	27,045	27,300	28,956	28,967	30,255	31,371
Finance Costs	1,592	1,841	2,355	2,618	3,107	3,339	3,163	2,770	2,656	2,827	2,656
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total Applications of Operating Funding (B)	21,530	26,199	26,985	30,741	30,774	30,383	30,463	31,726	31,623	33,082	34,027
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>6,095</b>	<b>4,226</b>	<b>5,386</b>	<b>3,694</b>	<b>5,885</b>	<b>8,634</b>	<b>11,409</b>	<b>12,807</b>	<b>15,787</b>	<b>17,388</b>	<b>19,648</b>
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	100	198	3,043	133	355	366	260	149	153	158	162
Development and financial contributions	1,196	821	1,168	1,651	1,553	2,088	2,242	2,495	1,983	2,072	2,089
Increase (decrease) in debt	20,207	5,166	16,027	23,816	9,141	(1,295)	981	(7,241)	(2,192)	8,765	(4,380)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total Sources of Capital Funding (C)	21,503	6,184	20,238	25,599	11,050	1,158	3,483	(4,597)	(55)	10,995	(2,129)
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	13,365	3,260	605	18,510	7,366	2,132	2,810	807	1,559	11,290	5,607
- to improve the level of service	5,190	6,035	17,429	6,099	4,108	4,085	3,844	4,721	3,383	3,630	3,361
- to replace existing assets	10,813	6,174	10,145	10,577	11,208	7,190	10,892	5,967	12,543	15,323	10,987
Increase (decrease) in reserves	(2,038)	(2,253)	(2,744)	(6,062)	(5,723)	(3,558)	(2,513)	(3,181)	(1,709)	(2,071)	(2,520)
Increase (decrease) of investments	268	(2,806)	190	169	(24)	(56)	(140)	(104)	(44)	211	83
Total Applications of Capital Funding (D)	27,598	10,410	25,624	29,293	16,935	9,792	14,893	8,210	15,732	28,383	17,519
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(6,095)</b>	<b>(4,226)</b>	<b>(5,386)</b>	<b>(3,694)</b>	<b>(5,885)</b>	<b>(8,634)</b>	<b>(11,409)</b>	<b>(12,807)</b>	<b>(15,787)</b>	<b>(17,388)</b>	<b>(19,648)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



# A green city

**We want to do it right together, so our city will get better by the day and we can leave a legacy we can all be proud of.**

We'll promote becoming a sustainable city by challenging the way we grow our city and how we live within our city. We love our environment and we're all committed to protecting it for future generations.

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

We are proud of our green, clean city and we're taking a thoughtful and city-wide partnership approach between businesses, organisations

and community groups to tackle how our city responds to climate change.

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

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

- Water supply
  - o Water treatment and storage

- o Water distribution
- Wastewater
  - o Wastewater collection
  - o Wastewater treatment and disposal
- Stormwater
  - o Stormwater network
- Rubbish and recycling
  - o Refuse collection
  - o Landfill site management
  - o Waste minimisation

We are also investing in our gullies and implementing our Nature in the City strategy. For more information on this see page 53.

## How will you know we're delivering?

What you can expect from us	What we will measure	Latest result (2019/20)	Targets			
			2021/22	2022/23	2023/24	By 2030/31
<b>We'll reduce the carbon footprint of the city and build a city that is resilient to the effects of climate change.</b>	Reduction in greenhouse emissions footprint for Hamilton City Council.	0.068 tonnes CO <sub>2</sub> e per head of population*	Decrease in greenhouse emissions per head of population from previous year	Decrease in greenhouse emissions per head of population from previous year	Decrease in greenhouse emissions per head of population from previous year	2024/25 - 2029/30: Decrease in greenhouse emissions per head of population from previous year  By 2030/31: 50% reduction in per head of population greenhouse emissions~

\* This result was not reported in the 2019/20 Annual Report. The latest result presented is based on internal data.

~ Reduction on 2018/19 actual emissions of 0.068 tonnes CO<sub>2</sub>e per head of population.

# Water Supply

*Providing this activity contributes to a green city*



Hamilton City Council reservoir at Ruakura



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

## **Water treatment and storage; and water distribution**

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

We operate, maintain and enhance the water treatment plant, water storage reservoirs, pump stations, hydrants and pipelines and commercial water meters. Our water supply network services more than 53,000 households and 5500 commercial and industrial and rural premises. Water from the city also supplies several thousand properties in the Waikato area and more than 100 properties in the Waipa area.

Monitoring and managing risks to the quality and safety of water is an important part of this service. We undertake planning to manage

future capacity needs. Legally, we must ensure our water is used sustainably. We do this in many ways, including water restrictions when demand is high, encouraging residents to conserve our precious water resource, and investment in infrastructure to enhance monitoring and manage water usage better.

An important piece of work for us is preparing for potential changes to drinking water regulation and management arising from the establishment of Taumata Arowai, a new, dedicated water services regulator from July 2021. We will also continue to work with central Government as part of its proposed Three Waters Reform programme which is looking at alternative mechanisms for delivering three waters services (refer to page 90 for further details).

In line with our Water Conservation and Demand Strategy, we will continue implementing discrete water demand zones

which help us identify areas where we are losing water. In turn, this helps us to target the replacement of pipeline infrastructure most likely to be leaking or at most risk of failure. We will also be concentrating on even better interactions with our customers including increasing our activities to keep them informed about the sustainable use and conservation of water and general water quality information.

Over the next 10 years, there are many key projects and initiatives to support the effective management of our water supply. These involve a range of network capacity and management reviews, renewals, upgrades and increases in capacity to cater for growth. A capacity upgrade for our treatment plant will be needed to meet increasing demand from growth. This will also support our resilience during peak demand times to cope with potential unplanned asset failure.

## How will you know we're delivering?

What you can expect from us	What we will measure	Latest result (2019/20)	Targets			
			2021/22	2022/23	2023/24	By 2030/31
The water we supply is safe to drink.	The extent to which the Council's water supply complies with Part 4 of the drinking water standards for bacteria compliance criteria.*	Achieved compliance	Achieve compliance	Achieve compliance	Achieve compliance	Achieve compliance
	The extent to which the Council's water supply complies with Part 5 of the drinking water standards for protozoa compliance criteria.*	Achieved compliance	Achieve compliance	Achieve compliance	Achieve compliance	Achieve compliance
Our water network is managed in a way that minimises the loss of water.	The percentage of real water loss from the water network infrastructure in the city.*	13.2%	No more than 16%	No more than 16%	No more than 16%	No more than 16%
To be satisfied with the clarity, taste, odour, continuity and pressure of the water supply.	The total number of complaints received about drinking water clarity, taste, odour, pressure, flow or continuity of supply and Council's response to any of these issues.*	1.5 complaints per 1000 connections	No more than 5 complaints per 1000 connections (rounded to nearest whole number)	No more than 5 complaints per 1000 connections (rounded to nearest whole number)	No more than 5 complaints per 1000 connections (rounded to nearest whole number)	No more than 5 complaints per 1000 connections (rounded to nearest whole number)
We will work with the community to sustainably manage the supply and use of water.	The average consumption of drinking water per resident per day.*	348 litres	No more than 400 litres per resident, per day	No more than 400 litres per resident, per day	No more than 400 litres per resident, per day	No more than 400 litres per resident, per day



What you can expect from us	What we will measure	Latest result (2019/20)	Targets			
			2021/22	2022/23	2023/24	By 2030/31
<b>A timely response and a timely resolution if there is a problem with the water supply.</b>	The median attendance time for urgent call-outs from the time that Council receives notification of the fault or unplanned interruption to the time that service personnel reach the site.*	36 minutes	No more than 60 minutes	No more than 60 minutes	No more than 60 minutes	No more than 60 minutes
	The median resolution time of urgent call-outs from the time that Council receives notification of the fault or unplanned interruption to the time that service personnel confirm resolution of the fault or interruption.*	2.7 hours	No more than 5 hours	No more than 5 hours	No more than 5 hours	No more than 5 hours
	The median attendance time for non-urgent call-outs from the time that Council receives notification of the fault or unplanned interruption to the time that service personnel reach the site.*	3 working days	No more than 5 working days	No more than 5 working days	No more than 5 working days	No more than 5 working days
	The median resolution time of non-urgent call-outs from the time that Council receives notification of the fault or unplanned interruption to the time that service personnel confirm resolution of the fault or interruption.*	4 working days	No more than 10 working days	No more than 10 working days	No more than 10 working days	No more than 10 working days

+ Measure required by the Department of Internal Affairs.

\* We use the water New Zealand Loss Guidelines to calculate how much water is lost from the water network.

## Significant negative effects

Activity	Wellbeing	Effect	Mitigation
Water treatment and storage and water distribution	Environmental	Extracting an excess volume of water from the Waikato River can impact the amount of water available for users downstream from Hamilton.	Resource consents restrict the amount of water taken from the Waikato River.
Water treatment and storage and water distribution	Cultural	Water management practices utilised in the abstraction of water from natural resources like the Waikato River can vary from Maaori cultural beliefs and practices.	We work in partnership with iwi to incorporate Maaori values into the management of water-related activities.

## Capital projects

		R - Renewals					LOS - Levels of service			G - Growth	
	Type	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Water treatment and storage											
CE10138 - Treatment plant and reservoir renewals	R	1,283	1,042	1,095	1,803	1,757	3,255	2,215	2,121	2,268	1,766
CE15139 - Water treatment plant compliance - minor upgrades	LOS	425	1,195	3,105	2,006	3,991	1,385	393	589	288	283
CE15144 - Upgrade water treatment plant	G	14,000	7,674	4,880	1,967	-	-	-	-	-	3,249
		15,708	9,911	9,080	5,776	5,748	4,640	2,608	2,710	2,556	5,298
Water distribution											
CE10123 - Watermain renewals	R	2,525	5,131	5,503	6,059	6,498	8,055	8,684	3,917	3,999	3,941
CE10124 - Watermain valves and hydrants renewals	R	700	668	726	826	854	1,054	1,177	682	999	395
CE10145 - Tools of trade renewals	R	40	41	43	49	51	61	66	49	72	70
CE15158 - Water model	R	100	121	52	625	61	73	192	59	86	84
CE15133 - Water network improvements	LOS	350	427	876	651	520	598	767	361	531	521
CE15126 - Rototuna upgrade or new watermains	G	-	796	2,264	26	-	-	-	897	2,218	710
CE15127 - Water pipe upgrades	G	-	-	1,989	683	703	723	745	767	790	812
CE15128 - Rotokauri upgrade and new watermains stage 1	G	84	130	532	27	-	-	-	261	853	3,506
CE15130 - Peacocke watermains stage 1	G	-	-	103	937	-	-	-	-	-	-
CE15132 - Water network upgrades to allow new development	G	1,200	3,605	4,031	109	113	116	119	123	126	130
CE15134 - Water demand management - Pukete reservoir zone	G	-	-	-	-	84	-	-	-	-	-
CE15135 - Peacocke water distribution mains stage 1	G	22	-	-	-	-	-	-	-	-	-
CE15137 - Water demand management - Newcastle reservoir zone	G	10,000	4,076	-	-	-	-	-	-	-	-
CE15141 - Water demand management - Hillcrest reservoir zone	G	63	-	-	-	-	86	-	-	-	-
CE15146 - Water customer connections	G	50	52	53	55	56	58	60	61	63	65
CE15148 - Ruakura upgrade and new watermains	G	200	-	212	-	225	-	238	-	253	-
CE15159 - Water master plan	G	183	188	-	164	37	-	179	41	-	195
CE19045 - Ruakura reservoir and associate bulk mains	G	-	-	-	-	-	-	60	184	16,840	-
CE19046 - Peacocke watermains stage 2	G	242	1,267	1,004	1,048	959	76	94	529	510	1,145
CE21036 - Rotokauri upgrade and new watermains stage 2	G	-	-	-	-	-	-	-	-	-	362
		15,759	16,502	17,388	11,259	10,161	10,900	12,381	7,931	27,340	11,936
Water supply total		31,467	26,413	26,468	17,035	15,909	15,540	14,989	10,641	29,896	17,234

## Prospective Water Supply funding impact statement

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	20,136	10,981	11,766	12,610	13,523	14,494	15,682	16,779	17,967	19,232	20,561
Targeted Rates	8,518	10,591	10,975	11,341	11,723	12,121	12,533	12,972	13,441	13,930	14,427
Subsidies and grants for operating purposes	-	6	-	-	-	-	-	-	-	-	-
Fees and charges	433	450	465	488	502	525	539	555	571	588	606
Local authorities fuel tax, fines, infringement fees, and other receipts	93	(68)	(71)	(75)	(79)	(83)	(90)	(96)	(101)	(105)	(109)
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Funding (A)</b>	<b>29,180</b>	<b>21,961</b>	<b>23,134</b>	<b>24,364</b>	<b>25,668</b>	<b>27,056</b>	<b>28,663</b>	<b>30,209</b>	<b>31,877</b>	<b>33,645</b>	<b>35,485</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	14,524	18,051	18,622	19,759	20,325	21,678	22,155	22,983	23,949	25,071	26,092
Finance Costs	2,931	3,477	4,241	4,016	4,073	3,981	3,469	2,742	2,222	1,880	1,292
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>17,455</b>	<b>21,528</b>	<b>22,863</b>	<b>23,775</b>	<b>24,398</b>	<b>25,660</b>	<b>25,623</b>	<b>25,725</b>	<b>26,171</b>	<b>26,951</b>	<b>27,383</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>11,725</b>	<b>433</b>	<b>272</b>	<b>589</b>	<b>1,270</b>	<b>1,396</b>	<b>3,040</b>	<b>4,484</b>	<b>5,706</b>	<b>6,694</b>	<b>8,102</b>
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	54	50	52	53	439	56	58	60	61	63	65
Development and financial contributions	4,359	5,111	5,140	5,353	5,240	5,112	5,291	5,681	5,682	5,527	5,776
Increase (decrease) in debt	36,762	15,098	11,566	7,316	(5,709)	(8,821)	(12,690)	(17,247)	(23,510)	(7,007)	(24,954)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>41,175</b>	<b>20,258</b>	<b>16,758</b>	<b>12,722</b>	<b>(31)</b>	<b>(3,653)</b>	<b>(7,341)</b>	<b>(11,506)</b>	<b>(17,767)</b>	<b>(1,417)</b>	<b>(19,113)</b>
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	11,689	26,042	17,789	15,068	5,016	2,177	1,059	1,495	2,863	21,655	10,175
- to improve the level of service	2,128	1,560	2,396	4,528	3,095	4,744	2,202	1,406	1,152	1,115	1,086
- to replace existing assets	9,814	5,932	8,141	8,359	10,745	10,534	13,910	13,841	8,169	9,189	7,944
Increase (decrease) in reserves	28,782	(9,274)	(11,539)	(14,857)	(17,586)	(19,642)	(21,294)	(23,631)	(24,189)	(26,950)	(30,322)
Increase (decrease) of investments	487	(3,570)	242	214	(31)	(71)	(178)	(133)	(56)	268	106
<b>Total Applications of Capital Funding (D)</b>	<b>52,900</b>	<b>20,691</b>	<b>17,030</b>	<b>13,311</b>	<b>1,239</b>	<b>(2,257)</b>	<b>(4,301)</b>	<b>(7,022)</b>	<b>(12,061)</b>	<b>5,277</b>	<b>(11,011)</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(11,725)</b>	<b>(433)</b>	<b>(272)</b>	<b>(589)</b>	<b>(1,270)</b>	<b>(1,396)</b>	<b>(3,040)</b>	<b>(4,484)</b>	<b>(5,706)</b>	<b>(6,694)</b>	<b>(8,102)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Wastewater

*Providing this activity contributes to a green city*



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



Pukete Wastewater Treatment Plant

## Wastewater collection; and wastewater treatment and disposal

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

At the wastewater treatment plant, wastewater is thoroughly treated before being discharged into the Waikato River. Solid waste (biosolids) removed as part of the treatment process is also treated on site and then composted for reuse. The wastewater network services approximately 53,000 households and 5500 commercial and industrial premises. The network includes the wastewater treatment

plant, pump stations and pipes.

Over the Long-Term Plan period we will be undertaking several resilience, reliability and growth-based projects. These will look to ensure the operational, structural and seismic integrity of the wastewater network and treatment plant assets.

We anticipate we will need to comply with increased legislative and regulatory requirements in terms of existing assets and for planned urbanisation as the city grows. To meet these requirements, we'll also be replacing ageing assets which will provide greater reliability and efficiency and allow us to maintain our level of service as we cater for growth. We plan to consent the treatment plant and increase its capacity along with that of selected pump stations.

Peacockes trench and pipeline install





## How will you know we're delivering?

What you can expect from us	What we will measure	Latest result (2019/20)	Targets			
			2021/22	2022/23	2023/24	By 2030/31
<b>Our wastewater system is designed and maintained to minimise harm to the community and environment.</b>	The number of dry weather wastewater overflows from the wastewater system.*	1.0 overflows per 1000 connections	No more than 4 overflows per 1000 connections	No more than 4 overflows per 1000 connections	No more than 4 overflows per 1000 connections	No more than 4 overflows per 1000 connections
<b>We operate and maintain the wastewater system to minimise odour and blockages.</b>	The total number of complaints received about sewage odour, system faults or blockages and responses to issues raised with Council's wastewater system.*	9.62 complaints per 1000 connections	No more than 20 complaints per 1000 connections	No more than 20 complaints per 1000 connections	No more than 20 complaints per 1000 connections	No more than 20 complaints per 1000 connections
<b>We operate and maintain the wastewater system to minimise the impact on the environment.</b>	The number of abatement notices received in relation to resource consents for discharge from the wastewater system.*	0 abatement notices	No more than 1 abatement notice	No more than 1 abatement notice	No more than 1 abatement notice	No more than 1 abatement notice
	The number of infringement notices, enforcement orders and convictions received in relation to resource consents for discharge from the wastewater system.*	1 conviction	0 infringement, enforcement or conviction actions	0 infringement, enforcement or conviction actions	0 infringement, enforcement or conviction actions	0 infringement, enforcement or conviction actions

What you can expect from us	What we will measure	Latest result (2019/20)	Targets			
			2021/22	2022/23	2023/24	By 2030/31
A timely response and resolution if there is an urgent problem with the wastewater system.	The median attendance time for call-outs from the time that the Council receives notification of the blockage or other fault to the time that service personnel reach the site.*	28 minutes	No more than 60 minutes	No more than 60 minutes	No more than 60 minutes	No more than 60 minutes
	The median resolution time for call-outs from the time that the Council receives notification of the blockage or other fault to the time that service personnel confirm resolution of the fault or interruption.*	2.6 hours	No more than 4 hours	No more than 4 hours	No more than 4 hours	No more than 4 hours

+ Measure required by the Department of Internal Affairs

## Significant negative effects

Activity	Wellbeing	Effect	Mitigation
Wastewater collection, treatment and disposal	Environmental	If not properly managed wastewater can have negative environmental effects such as odour, noise and quality of discharge.	Effects are managed through complying with resource consents. This includes maintaining odour control devices at treatment plants and upgrading or replacing infrastructure as necessary.
Wastewater collection, treatment and disposal	Cultural	Wastewater discharge practices can vary from Maaori cultural beliefs and practices.	We work in partnership with iwi to incorporate Maaori values into the management of wastewater activities.

## Capital projects

Capital projects							R - Renewals	LOS - Levels of service		G - Growth	
		2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Wastewater collection											
CE10100 - Wastewater pump station asset renewals	R	1,063	983	809	931	1,189	1,074	1,117	810	914	1,631
CE10101 - Wastewater asset renewals	R	5,000	3,924	4,979	4,725	4,554	5,262	5,417	4,237	8,073	11,874
CE15160 - Wastewater model	R	100	109	60	722	71	84	173	69	101	99
CE15103 - Wastewater network improvements	LOS	1,304	2,060	1,548	1,199	1,008	1,864	1,356	1,339	1,963	1,931
CE15104 - Wastewater pipe upgrades	G	-	-	1,194	410	422	434	447	460	474	487
CE15105 - Rototuna wastewater infrastructure	G	500	470	204	-	-	-	-	171	234	2,083
CE15106 - Wastewater network upgrades to allow development	G	-	-	318	109	113	116	119	123	126	130
CE15107 - Rotokauri wastewater infrastructure	G	121	166	1,146	47	-	-	-	164	394	546
CE15109 - Peacocke wastewater infrastructure stage 1	G	-	-	179	-	145	307	1,662	199	668	32
CE15111 - Increase capacity of wastewater network	G	1,233	1,594	-	-	-	-	-	-	-	-
CE15113 - Peacocke wastewater strategic pump station	G	-	-	-	-	-	-	-	-	-	-
CE15121 - Wastewater customer connections to network	G	75	77	80	82	84	87	89	92	95	97
CE15161 - Wastewater master plan	G	600	103	318	109	113	347	119	123	379	130
CE19040 - Peacocke wastewater infrastructure stage 2	G	742	711	10,177	6,680	1,446	304	825	1,109	1,223	1,561
CE19041 - Increase capacity wastewater far east network	G	3,500	-	-	-	-	-	-	3,509	8,649	147
CE19042 - Peacocke wastewater south network	G	11,480	23,863	10,215	159	-	-	-	-	-	-
CE19043 - Increase capacity wastewater west network	G	5,258	4,746	8,684	10,513	2,491	23	-	339	6,523	23,860
CE19044 - Increase capacity wastewater east network	G	1,100	-	-	1,028	12,669	8,489	5,060	14,009	10,206	98
		32,076	38,806	39,911	26,714	24,305	18,391	16,384	26,753	40,022	44,706
Wastewater treatment and storage											
CE10115 - Wastewater treatment plant asset renewals	R	3,029	3,302	3,392	4,181	3,875	5,252	5,198	2,795	4,649	2,165
CE15120 - Wastewater treatment plant compliance	LOS	490	577	522	2,360	6,787	522	1,680	1,306	1,917	1,673
CE15117 - Upgrade wastewater treatment plant	G	1,700	11,433	12,275	1,421	16,883	6,942	25,622	12,275	13,907	14,297
CE21073 - Subregional wastewater treatment plant	G	1,000	6,695	1,591	-	-	-	-	-	-	-
		6,219	22,007	17,780	7,962	27,545	12,716	32,500	16,376	20,473	18,135
Wastewater total		38,295	60,813	57,691	34,676	51,850	31,107	48,884	43,129	60,495	62,841

## Prospective Wastewater funding impact statement

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	29,370	24,689	26,453	28,351	30,404	32,588	35,259	37,727	40,398	43,244	46,234
Targeted Rates	1,216	4,436	4,738	5,061	5,410	5,780	6,170	6,584	7,030	7,504	8,002
Subsidies and grants for operating purposes	-	6	-	-	-	-	-	-	-	-	-
Fees and charges	5,747	7,060	7,145	7,335	7,791	7,996	8,198	8,413	8,641	8,877	9,111
Local authorities fuel tax, fines, infringement fees, and other receipts	677	488	507	526	544	562	581	601	622	647	671
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	37,009	36,679	38,844	41,274	44,149	46,926	50,208	53,324	56,692	60,272	64,018
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	21,921	26,983	27,671	28,517	29,591	30,944	31,859	33,229	34,770	36,135	37,636
Finance Costs	3,285	3,781	4,614	4,660	5,133	5,777	5,797	5,388	5,639	6,150	6,134
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total Applications of Operating Funding (B)	25,206	30,763	32,285	33,177	34,723	36,721	37,656	38,617	40,409	42,285	43,770
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>11,803</b>	<b>5,915</b>	<b>6,559</b>	<b>8,097</b>	<b>9,426</b>	<b>10,205</b>	<b>12,552</b>	<b>14,707</b>	<b>16,283</b>	<b>17,987</b>	<b>20,248</b>
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	54	75	77	80	82	84	87	89	92	95	97
Development and financial contributions	7,378	9,123	9,796	10,782	11,385	12,072	12,562	13,482	12,700	12,125	12,013
Increase (decrease) in debt	41,438	20,209	42,556	34,505	7,933	22,386	(2,286)	11,361	3,407	17,764	14,138
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total Sources of Capital Funding (C)	48,870	29,408	52,429	45,366	19,400	34,542	10,363	24,933	16,199	29,984	26,249
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	53,509	27,310	49,858	46,380	20,558	34,364	17,048	33,944	32,574	42,879	43,470
- to improve the level of service	4,885	2,823	3,651	2,785	4,133	8,100	2,673	3,358	2,909	4,268	3,973
- to replace existing assets	10,604	10,874	9,809	10,472	12,370	11,411	13,523	13,880	9,668	16,049	17,980
Increase (decrease) in reserves	(8,875)	(1,006)	(4,648)	(6,456)	(8,195)	(9,035)	(10,095)	(11,369)	(12,595)	(15,575)	(19,064)
Increase (decrease) of investments	549	(4,677)	317	281	(40)	(93)	(234)	(174)	(73)	351	139
Total Applications of Capital Funding (D)	60,673	35,323	58,987	53,463	28,826	44,748	22,915	39,640	32,482	47,971	46,497
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(11,803)</b>	<b>(5,915)</b>	<b>(6,559)</b>	<b>(8,097)</b>	<b>(9,426)</b>	<b>(10,205)</b>	<b>(12,552)</b>	<b>(14,707)</b>	<b>(16,283)</b>	<b>(17,987)</b>	<b>(20,248)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Stormwater

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

Providing this activity contributes to a green city



North City Wetland in Rototuna



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

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

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

Through our comprehensive master planning activities, we'll be working towards improving

the resilience, sustainability and compliance of the stormwater network over the next 10 years.

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

To meet these requirements, we'll be focusing on establishing stormwater infrastructure in greenfield areas, erosion control works, retrofitting and new treatment devices in brownfield areas and continuing thorough catchment management planning.



## How will you know we're delivering?

What you can expect from us	What we will measure	Latest result (2019/20)	Targets			
			2021/22	2022/23	2023/24	By 2030/31
The stormwater system is designed and maintained to minimise the likelihood of stormwater entering habitable buildings.	The number of flooding events <sup>^</sup> that occur within the city. <sup>+</sup>	No flooding events	No more than 1 flooding event	No more than 1 flooding event	No more than 1 flooding event	No more than 1 flooding event
	For each flooding event <sup>^</sup> , the number of habitable floors affected. <sup>+</sup>	0 per 1000 properties (no flooding events)	No more than 1 per 1000 properties	No more than 1 per 1000 properties	No more than 1 per 1000 properties	No more than 1 per 1000 properties
The Council will operate and maintain the stormwater system to minimise the impact on the environment.	The number of abatement notices related to the management of the stormwater system. <sup>+</sup>	0 abatement notices	No more than 1 abatement notice	No more than 1 abatement notice	No more than 1 abatement notice	No more than 1 abatement notice
	The number of infringement notices, enforcement orders and convictions related to the management of the stormwater system. <sup>+</sup>	0 infringement, enforcement or conviction actions	0 infringement, enforcement or conviction actions	0 infringement, enforcement or conviction actions	0 infringement, enforcement or conviction actions	0 infringement, enforcement or conviction actions
A timely response if there is a problem with the stormwater system or flooding of a habitable building.	The median response time, from the time that we receive notification to the time that our service personnel reach the site of the flooding event. <sup>+</sup>	No flooding events	No more than 60 minutes	No more than 60 minutes	No more than 60 minutes	No more than 60 minutes
We provide a reliable and effective stormwater system that the community is satisfied with.	The number of complaints received about the performance of the stormwater system. <sup>+</sup>	9.4 complaints per 1000 connections (rounded to the nearest whole number)	No more than 10 complaints per 1000 properties	No more than 10 complaints per 1000 properties	No more than 10 complaints per 1000 properties	No more than 10 complaints per 1000 properties

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

<sup>+</sup> Measure required by the Department of Internal Affairs

## Significant negative effects

Activity	Wellbeing	Effect	Mitigation
Stormwater	Environmental	There is potential for adverse environmental effects due to stormwater possibly containing contaminants. Examples of potential contaminants could be sediments, oils, greases, rubbish and metal/organic materials that have washed off roads or other surfaces.	These are managed through network design and resource consents which include regular street sweeping, monitoring of stormwater quality and investigating the sources of contaminants.
Stormwater	Cultural	The mixing of stormwater from different water catchments discharging into water bodies and the Waikato River can contrast with Maaori cultural beliefs and practices.	We work collaboratively with iwi to incorporate Maaori values into the management of stormwater related activities.

## Capital projects

Type	R - Renewals						LOS - Levels of service		G - Growth	
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
CE10058 - Stormwater asset renewals R	569	860	945	1,011	1,455	1,248	1,568	1,189	1,505	1,729
CE15067 - Comprehensive stormwater consent implementation LOS	79	329	321	392	374	485	484	392	532	551
CE19026 - Erosion control works LOS	1,434	1,341	2,149	2,439	1,698	1,312	2,148	1,431	2,125	2,773
CE21031 - Flood management LOS	-	155	797	2,733	1,803	2,316	2,384	3,193	2,973	2,342
CE21062 - Stormwater asset upgrades LOS	50	161	102	160	164	395	265	319	47	-
CE15059 - Rototuna stormwater infrastructure G	57	178	688	5,169	2,111	78	77	238	2,792	1,701
CE15060 - Rotokauri stormwater infrastructure stage 1 G	2,200	2,266	4,668	-	-	-	3,568	16,971	15,519	16,740
CE15062 - Peacocke stormwater infrastructure stage 1 G	-	157	-	-	-	-	-	-	-	-
CE15063 - Peacocke stormwater infrastructure stage 2 G	4,826	2,951	3,996	1,568	1,907	193	30	-	3,118	1,352
CE15068 - Stormwater customer connections G	25	26	27	27	28	29	30	31	32	32
CE15162 - Integrated Catchment Management Plan G	1,151	1,133	954	1,148	1,182	1,099	954	983	1,012	1,041
CE21032 - Stormwater infrastructure upgrades G	-	-	2,188	410	422	434	447	3,913	948	3,737
CE21066 - Ruakura stormwater infrastructure G	3,000	1,030	-	-	-	-	-	-	-	-
<b>Stormwater total</b>	<b>13,391</b>	<b>10,587</b>	<b>16,835</b>	<b>15,057</b>	<b>11,144</b>	<b>7,589</b>	<b>11,955</b>	<b>28,660</b>	<b>30,603</b>	<b>31,998</b>

## Prospective Stormwater funding impact statement

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	6,883	15,447	16,548	17,732	19,013	20,375	22,041	23,580	25,246	27,020	28,884
Targeted Rates	-	2,260	2,423	2,598	2,788	2,990	3,203	3,429	3,673	3,934	4,208
Subsidies and grants for operating purposes	-	4	-	-	-	-	-	-	-	-	-
Fees and charges	341	317	327	341	350	364	374	384	395	406	417
Local authorities fuel tax, fines, infringement fees, and other receipts	223	128	134	138	143	148	153	158	164	170	177
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	7,447	18,157	19,432	20,810	22,294	23,877	25,770	27,550	29,477	31,530	33,686
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	5,047	5,800	6,130	6,399	6,245	6,637	7,212	7,511	7,873	8,441	8,744
Finance Costs	899	1,093	1,384	1,451	1,749	1,985	1,920	1,750	2,019	2,588	2,894
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total Applications of Operating Funding (B)	5,946	6,893	7,514	7,850	7,994	8,622	9,133	9,261	9,892	11,029	11,639
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>1,501</b>	<b>11,264</b>	<b>11,918</b>	<b>12,960</b>	<b>14,300</b>	<b>15,256</b>	<b>16,637</b>	<b>18,289</b>	<b>19,585</b>	<b>20,501</b>	<b>22,047</b>
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	104	2,025	1,056	27	27	28	29	30	31	32	32
Development and financial contributions	2,854	4,929	6,197	6,211	5,399	4,906	5,130	5,121	4,877	4,819	9,179
Increase (decrease) in debt	11,350	6,403	5,074	11,008	8,251	3,598	(1,035)	2,090	18,195	19,306	19,066
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total Sources of Capital Funding (C)	14,308	13,357	12,327	17,246	13,677	8,532	4,124	7,240	23,102	24,157	28,278
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	14,953	11,259	7,740	12,521	8,322	5,650	1,833	5,107	22,136	23,421	24,603
- to improve the level of service	2,288	1,834	2,253	3,557	5,875	4,119	4,583	5,365	5,405	5,779	5,763
- to replace existing assets	1,214	1,012	1,252	1,269	1,487	1,909	1,735	2,088	1,652	2,113	2,310
Increase (decrease) in reserves	(2,796)	11,748	12,916	12,785	12,304	12,134	12,671	13,015	13,515	13,253	17,612
Increase (decrease) of investments	150	(1,231)	83	74	(11)	(24)	(62)	(46)	(19)	92	36
Total Applications of Capital Funding (D)	15,809	24,621	24,245	30,207	27,978	23,787	20,761	25,529	42,687	44,659	50,325
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(1,501)</b>	<b>(11,264)</b>	<b>(11,918)</b>	<b>(12,960)</b>	<b>(14,300)</b>	<b>(15,256)</b>	<b>(16,637)</b>	<b>(18,289)</b>	<b>(19,585)</b>	<b>(20,501)</b>	<b>(22,047)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Rubbish and Recycling

*Providing this  
activity contributes  
to a green city*



Rubbish and Recycling collection truck

**Rubbish and Recycling is about protecting the health of Hamiltonians and the environment by providing a reliable kerbside rubbish and recycling collection service and promoting waste minimisation and resource recovery.**

**We want to encourage and support waste reduction, reuse and recycling through education programmes, and the right infrastructure and services.**

### **Refuse collection (refuse and recycling)**

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

We own the Transfer Station, Recycling Centre and the green waste composting facilities at the Hamilton Organic Centre. The operation of these facilities is contracted to privately owned businesses.

Planning for new or reconfigured infrastructure to support projected growth of the city will be important as this will enable us to increase the effectiveness of our resource recovery at solid waste sites.

### **Landfill site management**

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

### **Waste minimisation**

We work hard to minimise waste and to encourage more recycling and reuse through education programmes and promoting waste minimisation. Effective and efficient waste minimisation is a requirement of all councils under a range of legislation.

We will continue to implement our Waste Management and Minimisation Plan which includes waste minimisation education, new partnerships and accessing of relevant grants.

## How will you know we're delivering?

What you can expect from us	What we will measure	Latest result (2019/20)	Targets			
			2021/22	2022/23	2023/24	By 2030/31
<b>We will collect your rubbish and recycling.</b>	The number of valid missed collections of kerbside rubbish, food waste and recycling.	New measure	0 months with greater than 110	0 months with greater than 110	0 months with greater than 110	0 months with greater than 110
<b>A timely response if there is a problem with rubbish and recycling.</b>	The number of valid missed collections of kerbside rubbish, food waste and recycling not resolved by the end of the business day following the initial report.	New measure	0 months with greater than six	0 months with greater than six	0 months with greater than six	0 months with greater than six
<b>We will promote and encourage waste reduction, reuse and recycling.</b>	The percentage of waste recovered for recycling through Council-owned facilities.	New measure	At least 30%	At least 30%	At least 30%	At least 30%
	The percentage of waste recovered for recycling through the kerbside collection.	28.1% <sup>+</sup>	At least 45%	At least 45%	At least 45%	At least 45%
	The amount of waste received at Council-operated waste facilities that is diverted from landfill.	13,383 tonnes	At least 16,000 tonnes per year	At least 16,000 tonnes per year	At least 16,000 tonnes per year	At least 16,000 tonnes per year

<sup>+</sup> The target for percentage of waste recovered for recycling through the kerbside collection has increased due to the implementation of the new rubbish and recycling service, which took effect 1 September 2020. The new level of service sees approximately 500 tonnes a month of food waste that was previously going to landfill recovered and composted.



## Significant negative effects

Activity	Wellbeing	Effect	Mitigation
Rubbish and recycling	Environmental	Closed landfill sites can potentially have negative effects on the environment and public health.	Closed landfills are managed to comply with resource consents. These include monitoring gas and leachate.
Rubbish and recycling	Environmental	Illegal dumping causes a negative visual impact on the community and can potentially have negative effects on the environment and public health.	We manage collection contracts and comply with the Hamilton City Waste Management and Minimisation Bylaw 2019 to minimise the likelihood of these events occurring. In addition, illegal dumping is monitored and where appropriate enforcement action is undertaken.

## Capital projects

		R - Renewals					LOS - Levels of service			G - Growth	
	Type	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
CE10054 - Closed landfill assets renewals	R	450	58	222	281	41	360	129	238	1,540	1,185
CE10056 - Refuse Transfer Station and Hamilton Organics Centre asset renewals	R	50	108	65	669	926	1,112	4	71	-	9
CE15055 - Closed landfill management	LOS	50	25	74	30	86	36	112	29	123	43
CE19027 - Refuse drop off points	LOS	-	-	-	20	182	183	1,772	-	-	-
<b>Rubbish and recycling total</b>		<b>550</b>	<b>191</b>	<b>361</b>	<b>1,000</b>	<b>1,235</b>	<b>1,691</b>	<b>2,017</b>	<b>338</b>	<b>1,663</b>	<b>1,237</b>

## Prospective Rubbish and Recycling funding impact statement

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	7,175	8,306	8,899	9,537	10,226	10,960	11,857	12,686	13,583	14,539	15,543
Targeted Rates	18	267	280	294	309	324	340	356	374	392	411
Subsidies and grants for operating purposes	583	642	650	659	668	676	685	694	702	711	719
Fees and charges	34	35	36	37	38	39	40	41	43	44	46
Local authorities fuel tax, fines, infringement fees, and other receipts	425	432	445	457	469	481	494	508	522	537	552
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Total Operating Funding (A)	8,235	9,682	10,311	10,983	11,709	12,480	13,416	14,285	15,224	16,223	17,271
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	9,657	9,042	9,817	10,143	10,538	11,313	11,665	12,441	12,973	13,621	12,498
Finance Costs	324	198	201	176	158	178	194	202	205	208	196
Internal charges and overheads applied	-	-	-	-	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total Applications of Operating Funding (B)	9,981	9,240	10,019	10,319	10,696	11,491	11,860	12,643	13,178	13,829	12,694
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>(1,746)</b>	<b>441</b>	<b>292</b>	<b>664</b>	<b>1,013</b>	<b>989</b>	<b>1,556</b>	<b>1,642</b>	<b>2,046</b>	<b>2,394</b>	<b>4,577</b>
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	895	460	118	120	730	868	1,251	1,497	(258)	1,075	508
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total Sources of Capital Funding (C)	895	460	118	120	730	868	1,251	1,497	(258)	1,075	508
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	45	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	84	185	158	168	125	308	256	1,926	64	174	91
- to replace existing assets	1,696	721	362	449	1,188	1,193	1,715	392	540	1,844	1,485
Increase (decrease) in reserves	(2,688)	610	(152)	131	436	367	866	843	1,192	1,406	3,491
Increase (decrease) of investments	12	(615)	42	37	(5)	(12)	(31)	(23)	(10)	46	18
Total Applications of Capital Funding (D)	(851)	902	410	785	1,743	1,857	2,807	3,139	1,787	3,470	5,086
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>1,746</b>	<b>(441)</b>	<b>(292)</b>	<b>(664)</b>	<b>(1,013)</b>	<b>(989)</b>	<b>(1,556)</b>	<b>(1,642)</b>	<b>(2,046)</b>	<b>(2,394)</b>	<b>(4,577)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Overhead and support unit capital projects

The following table summarises our overhead and support units capital programme for the next 10 years.

Information on capital projects for other activity areas can be found on pages 16-80.

		R - Renewals					LOS - Levels of service			G - Growth	
	Type	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
OVERHEAD AND SUPPORT UNITS											
Corporate buildings											
CE10158 - Fleet vehicles renewals	R	1,944	1,392	1,073	1,542	1,748	3,255	4,164	2,973	4,879	5,534
CE21014 - Corporate building renewals	R	2,754	2,837	2,922	3,439	3,542	3,641	2,529	2,605	2,683	2,758
		4,698	4,228	3,994	4,981	5,290	6,896	6,693	5,578	7,562	8,292
Information Services											
CE21025 - Information Services renewals	R	4,070	3,502	2,304	3,326	2,600	2,742	3,409	2,619	4,486	3,105
CE21026 - Information Services upgrades	LOS	5,415	5,340	3,766	3,020	1,606	1,512	1,693	1,390	2,039	1,940
		9,485	8,842	6,070	6,346	4,206	4,254	5,103	4,009	6,525	5,045
Strategic property											
CE10151 - Strategic property renewals	R	85	113	185	1,228	1,175	103	291	1,047	123	239
		85	113	185	1,228	1,175	103	291	1,047	123	239
Overhead and support units total		14,268	13,183	10,249	12,555	10,671	11,253	12,086	10,634	14,209	13,577

# Financial matters

Ko ngaa take puutea



# Financial Strategy

The Financial Strategy outlines our overall approach to managing the Council's finances and provides guidance when we make spending decisions.

The budget for the 2021-31 Long-Term Plan has been developed as a 'Community Wellbeing Budget' to give effect to the five priorities as agreed by Council. Council has also indicated a commitment to 'looking after what we have'. As such, the budget provides for an increase in the Renewals and Compliance budget as well as increased investment in renewing assets that will directly improve the amenity of the city.

The Financial Strategy in the previous Long-Term Plan highlighted the unprecedented

growth experienced by Hamilton, which has put increased pressure and demand on existing infrastructure and services. This demand for services is forecast to continue for the next 10 years.

Along with the increasing demand for services, Council is facing a number of challenges being driven by increasing policy and legislation requirements. This includes new direction on growth, water, wastewater and stormwater standards, transport and climate change.

Council's asset base continues to increase with investment in infrastructure assets being the key driver. This in turn results in increased costs to maintain these assets throughout the 10-year period.

The Financial Strategy has been adapted to respond to the challenges outlined above. Council has increased its debt to revenue limits over the 10 years to match that set by the New Zealand Local Government Funding Agency (NZLGFA).

The average rates increase to existing ratepayers will be 8.9% in 2021/22. The rates increase is comprised of an increase to the general rate of 4.4% and the implementation of a targeted rate to meet the challenges of compliance, equivalent to a 4.5% average rates increase for existing ratepayers.

## Debt

### Debt-to-revenue limit

The debt-to-revenue limit will be set at 300% for the year ending June 2022 and decreasing 5% for each of the next four years to 280% for the year ending June 2026 and beyond.

Council is investing \$2.5 billion across the 10 years in its largest capital programme to date. This includes increasing spending on community infrastructure, on renewing existing assets and on delivering projects that meet the objectives of our five priorities.

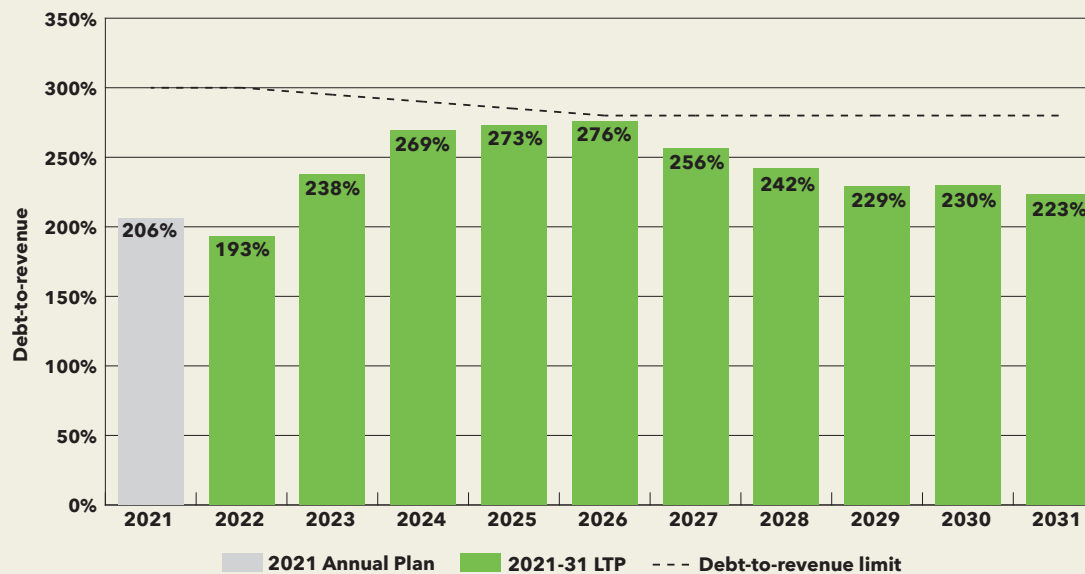
The initial debt-to-revenue limit of 300% in the first year, and subsequent reductions, is higher than was set in the previous Financial Strategy, however it is in line with the limits set by the NZLGFA.

Remaining under these limits over the 10 years supports Council's strong credit rating (AA-). Our ability to fund potential unforeseen events is discussed in the section below.

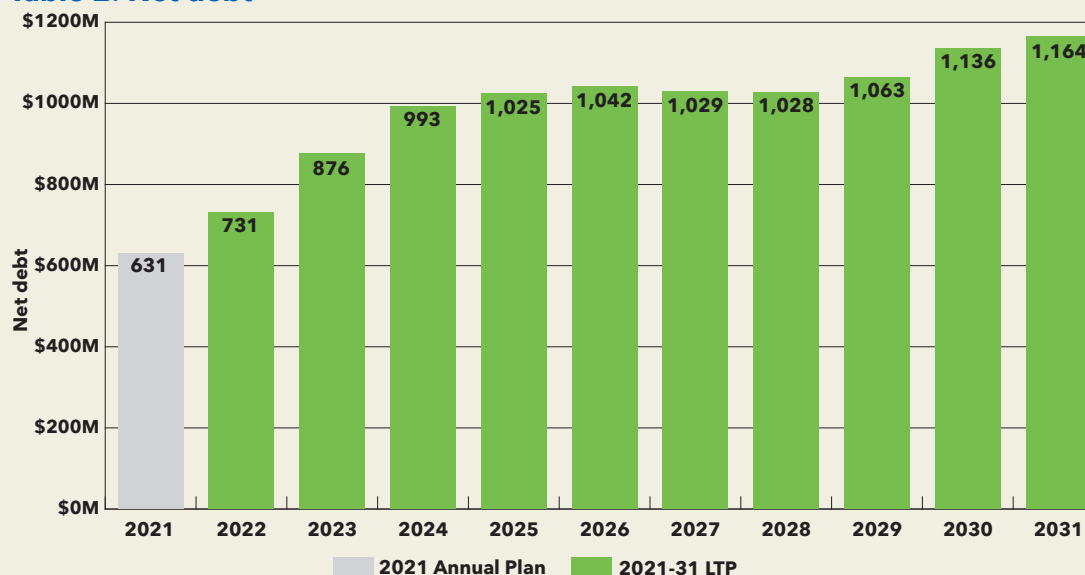
Table 2 shows budgeted net debt for the financial years ending 30 June 2021 to 30 June 2031.

Projections show net debt increasing to a peak of \$1.2 billion in 2031. Rates increases from 2023 onwards at 4.9% will create surpluses to contribute to repaying debt.

**Table 1: Debt-to-revenue limit**



**Table 2: Net debt**





By 2031 Council will have \$297 million of debt capacity within the 280% debt-to-revenue limit. Council's 2021-2051 Infrastructure Strategy shows that debt capacity is needed beyond 2031 for future infrastructure investment.

Council debt includes a Housing Infrastructure Fund (HIF) loan from central government. This provides \$180 million interest free for 10 years.

The HIF loan is no different from other debt when considering the debt-to-revenue limit and the impacts of net debt on our credit rating.

### Paying for the city's everyday costs

Everyday costs should be paid for from everyday revenues.

If we fail to achieve this, these costs are funded by increasing debt. This means existing ratepayers are not paying for some of the services and amenities being provided to them. Using debt to fund everyday costs also means future ratepayers will pay for this cost and the extra interest. This is neither prudent nor sustainable.

We must operate with surpluses if we are to repay debt and continue to invest in the city's future by maintaining existing assets and building new infrastructure. This Financial Strategy enables a balanced or surplus budget from year three onwards.

### Rates

#### Rating limits

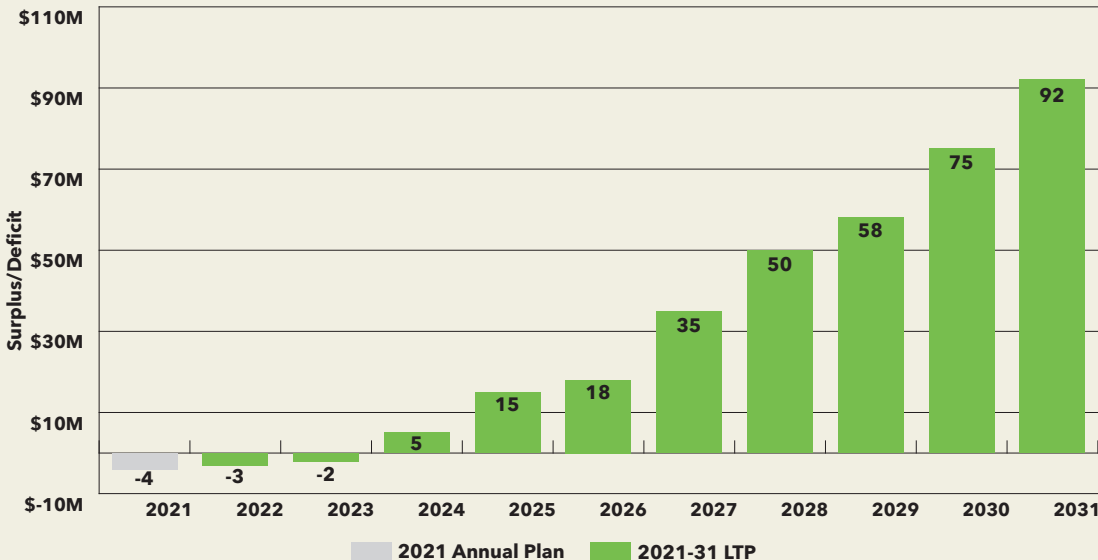
##### Rate increases

Average rate increases to existing ratepayers will not exceed 8.9% in 2021/22. From 2022/23 onwards, rate increases will not exceed 4.9%.

##### Total rates

Rates will not exceed 0.627% of Hamilton's rateable capital value.

Table 3: Everyday costs and revenues (Balancing the books)



After making budget decisions, capping debt and agreeing that paying for everyday costs with everyday revenues was a priority, we have determined our rates limits.

The Council's rating system has been considered with the intention that it represents the most appropriate rates options to address the present and future needs of the city.

A new targeted rate has been introduced for 2021/22 onwards. This new rate is to fund compliance related

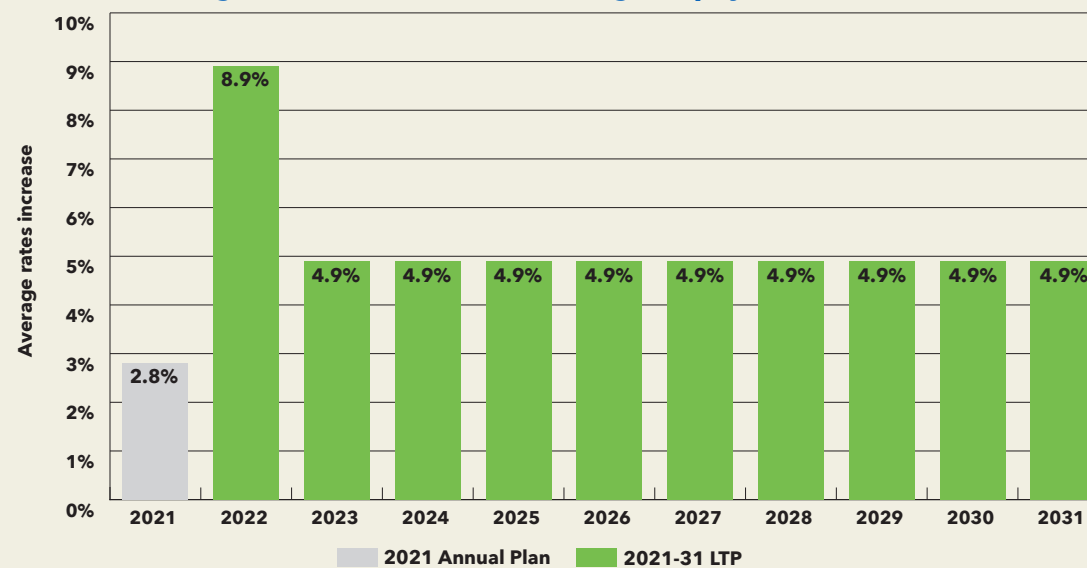
costs which Council faces in relation to water services activities and the District Plan review. The Hamilton Gardens targeted rate will cease from 1 July 2021.

Average rates increases to existing ratepayers are proposed to be 8.9% in 2021/22. This comprises a 4.4% increase to general rates and 4.5% increase resulting from the implementation of the Government compliance targeted rate described above. From 2022/23 onwards, the general rate and Government compliance targeted rate will increase by 4.9%. Average rates increases for existing ratepayers in the previous Financial Strategy were 3.8% per year.

The average rates increases are set at the lowest level possible to still achieve our capital investment programme. Much of this programme is funded from debt and the amount we can borrow is constrained by our debt-to-revenue ratio limits. The budget shows that at this level we can complete our capital investment programme, maintain services and create surpluses necessary to repay debt.

Rates from new growth (new investment in houses and businesses) is essential to Council's financial strategy. When including new rates from growth, our total rates revenue increases by an average of 7.3% each year of the 10 years. A reduction in growth would mean that rates from existing ratepayers would not be sufficient to cover our capital investment programme.

**Table 4: Average rates increases (to existing ratepayers)**



## Growth

Hamilton continues to experience a period of high growth. This presents a financial challenge for Council. A key guiding principle in the development of this Long-Term Plan is to ensure that those who benefit from growth pay a fair share of the costs incurred supporting that growth.

The National Policy Statement on Urban Development requires councils to provide development capacity for housing and business land to meet demand over the next 30 years. 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.

This budget is geared as much as possible towards community amenity, however this creates tension with our legislative obligations to enable growth. Our response in preparing the budget was to balance these two tensions to recommend a capital programme of growth infrastructure in the early years that invests at limited levels to meet demand and fund

planning work for future growth, aligned to the Hamilton Urban Growth Strategy and the Metro Spatial Plan.

In this Long-Term Plan, we have adopted the Low series of population projections provided by the Waikato University National Institute of Demographic and Economic Analysis (NIDEA). This means we need to supply 12,500 new dwellings over the next 10 years and 32,000 over the next 30 years. Currently there are 61,000 dwellings in Hamilton. The population is projected to grow from 176,500 in 2020 to more than 200,000 in 2031.

Dwelling projections have been used to prepare a 30-year demand forecast for the 2021-2051 Infrastructure Strategy and the related capital expenditure programme for the Long-Term Plan has been prioritised from this forecast.

Table 5 shows the total cost of projects over 10 years categorised by type of expenditure. Growth capital expenditure provides new or improved assets which supports more residents to live in our city. Capital expenditure to improve service levels is where we are investing in new assets to service the existing population; and renewals restore our current assets to their original function or capacity.

There are additional operating costs, such as depreciation, associated with adding new assets. These costs are included in the rates increase limit.

## Risk of growth being higher or lower

Should growth be lower than forecast, revenue budgets for rates, building consents, resource consents and development contributions may not be met. This will constrain borrowing as the debt limit of 300% is calculated at three times revenue. We would need to reconsider the appropriateness of the capital programme.

Should growth be higher than forecast, then revenue would be higher. We would then need to consider the speed and timing of the capital programme to maintain housing supply.

These impacts are further considered in the Significant Forecasting Assumptions section of this Long-Term Plan.

## Unplanned Events

This Long-Term Plan provides for the everyday maintenance of assets and the renewal of assets at the end of their economic life. Unplanned events require earlier than planned investment (e.g. Civil Defence emergencies,

**Table 5: Capital expenditure**

Activity Group	2021-31 Long-Term Plan			
	Growth (\$000)	LOS (\$000)	Renewals (\$000)	Total (\$000)
Wastewater	348,384	33,406	107,992	489,782
Stormwater	122,591	43,148	12,080	177,819
Transport	635,090	142,482	234,024	1,013,596
Water supply	103,338	19,265	82,995	205,598
Other	63,727	149,628	380,352	593,707
All activity groups	1,273,130	387,929	819,443	2,480,502
External funding (excl DC's)	431,340			

\*Development contributions

natural events, river slips, fire, theft, and safety concerns). These events, if they occur, could result in significant unplanned operating and capital costs.

The Council has mitigations that can be executed in the case of such an event. The Council can call on an additional \$60 million bank facility, and has the ability to urgently reprioritise and reduce capital spending and community levels of service spending.

Collectively with other councils in the Waikato region, we have an insurance programme through Waikato Local Authority Shared Services Ltd (WLASS). This programme will fund some operational costs (e.g. business interruption) and capital costs where a claimable event occurs.

All councils in the WLASS group have material damage insurance and infrastructure insurance using a maximum probable loss approach rather than reinstatement value for all properties. This policy has the benefit of spreading risk across a wider geographical area. Maximum probable loss is the anticipated value of the biggest monetary loss that might result from an event, whether natural or otherwise.

Additionally, we have a layer of insurance to ensure appropriate cover for key assets including the five Waikato River bridges, other key transportation bridges and underground infrastructure. The water and wastewater treatment plants, reservoirs and pump stations are fully insured including increased costs

of operation through business interruption during a disaster event.

## Investments

We hold investments in companies, property and cash.

### Investments in companies

We are an equity holder in five companies. The principal reason for holding an equity interest in these investments is to achieve efficiency and community outcomes rather than for a financial return on investment. We hold shares in the companies in table 6 (left).

There are no plans to change our shareholdings. In accordance with good practice, however, this is reviewed regularly.

### Property investments

Property investments are divided into three categories:

#### Municipal Endowment property

Budgeted rate of return on property value for Municipal Endowment property is 2%.

From time to time, we will buy and sell endowment properties in the portfolio to improve financial returns. Surplus cash is held in the Municipal Endowment Fund and

**Table 6: Council's investments**

Company	Shareholding %	Principal reason for investment	Budgeted return
Waikato Regional Airport Ltd	50.00	Economic development	Nil
Waikato Innovation Growth Ltd	100.00	Economic development	Nil
Waikato Local Authority Shared Services Ltd	19.6	Efficient government	Nil
New Zealand Local Government Funding Agency Ltd	8.30	Borrowing	\$100,000 per annum
Civic Financial Services Ltd	1.8	Superannuation	Nil

is available for reinvestment in property. All endowment transactions are governed by our investment and endowment policies.

### **Domain Endowment property**

Budgeted rate of return on property value for Domain Endowment property is 2%.

From time to time we will buy and sell endowment properties in the portfolio to improve financial returns. Surplus cash is held in the Domain Endowment Fund and is available for reinvestment in property. All endowment transactions are governed by our investment and endowment policies.

### **Corporate investment property**

Budgeted rate of return on property value for investment property is 5%.

### **Cash investments**

We hold cash for three main reasons:

- To support the balance of reserves.
- To ensure strong lines of liquidity and access to cash. Cash is supplemented by committed banking facilities. In the present financial markets, holding cash is a cheaper option than is available through committed facilities.
- To provide the funds for maturing debt.

Cash is invested on short-term deposit to manage cash flows and maximise returns. Our target is to exceed the average 90-day bank bill rate.

### **Other investments**

As part of borrowing from the Local Government Funding Agency, we are required to invest in financial bonds with the agency. We will receive interest on these bonds.

## **Policy on securities**

To borrow cash, we must offer our lenders security, just like residents do with their mortgage. Like most councils, debt is secured against rates income.

Lenders like this as security and it helps keep our interest rates low. Giving rates as security means that our lenders can make us charge ratepayers more to repay debt. That is why it is important to keep our debt at a sustainable level.

We may also offer other security, including physical assets, in certain circumstances.

The full policy on giving securities can be found in the Investment and Liability Management Policy on our website.

## **Disclosure Statement**

We have included the Disclosure Statement in this Long-Term Plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014.

The purpose of this statement is to disclose our planned financial performance in relation to various nationally consistent benchmarks. These benchmarks enable the assessment of whether we are prudently managing our revenues, expenses, assets, liabilities, and general financial dealings.

Our Long-Term Plan budget meets or exceeds all measures of financial management as determined by the government.

Our target of everyday revenues paying for everyday costs is more appropriate than the regulation measure for balancing the books. This is because it excludes capital revenue. Capital revenue is used for building assets and not to pay for everyday costs. The result is a more transparent view of what it would normally cost to run the city.

# Significant forecasting assumptions

## COVID-19

This LTP assumes COVID-19 Alert Level 1<sup>1</sup> for Year 1 (July 2021-June 2022). From Year 2 (2022/23) each activity area has based their budget on a post-COVID-19 'new normal' operating context.

We have forecast a decrease in revenue in year one at our venues (FMG Stadium Waikato, Claudelands and Seddon Park), our community facilities, and through our consenting activities.

Given the unpredictable nature of this virus, there is a high degree of uncertainty in relation to this assumption. COVID-19 could still be in our community and result in the country or the Waikato region moving into higher alert levels. The impact of this would be a restriction on people attending major events and restrictions on commercial activities. This would reduce our revenue forecasts.

<sup>1</sup> New Zealand Government. <https://covid19.govt.nz>

## Three waters reform

The Government is implementing a package of reforms to the three waters regulatory system, which are designed to:

- Improve national-level leadership, oversight, and support relating to the three waters – through the creation of Taumata Arowai, a new, dedicated Water Services Regulator from July 2021
- Significantly strengthen compliance, monitoring, and enforcement relating to drinking water regulation – through the creation of a new Water Services Bill and revised Drinking Waters Standards of New Zealand that are expected to come into effect mid 2021
- Manage risks to drinking water safety and ensure sources of drinking water are protected
- Improve the environmental performance

and transparency of wastewater and stormwater networks.

We expect that the regulatory reform and the establishment of Taumata Arowai will change the way we will need to demonstrate regulatory compliance, assess risk relating to source and treated water quality and require licencing and authorisation of water supplier entities and individuals involved in providing three water services. As legislative changes relating to regulatory compliance are still in progress, the operating and capital budgets have been developed to anticipate likely new regulatory requirements where possible, however if the new regulatory requirements are unknown then budgets have been set to maintain current service levels under the current regulatory framework.

In addition to regulatory reform, Government has initiated a reform process for service



delivery of three waters. While the Government's starting intention is for publicly-owned multi-regional models for water service delivery (with a preference for local authority ownership), final decisions on a service delivery model will be informed by discussion with the local government sector and the work of the Joint Steering Committee. As details of proposed new entities are still unknown, it is assumed that Council will continue to provide water, wastewater and stormwater services for the duration of the 2021-31 LTP, however this assumption has a high level of uncertainty.

We have signed a Memorandum of Understanding (MoU) with Government to join the first phase of the Government's three waters reform and have received \$17.46 million in stimulus funding to support the delivery of specific three waters projects.

The MoU commits us 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.

The \$17.46 million 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.

## Climate change

The Ministry for Environment has prepared climate change projections for the Waikato region that provide a range of scenarios for what the future climate may look like for Hamilton. The predicted impacts include:

- Increase in average temperatures, compared to 1995, of between 0.7°C and 1.1°C by 2040 and of between 0.7°C and 3.1°C by 2090
- Winter rainfall in the Hamilton area is expected to rise by 4% to 8% by 2090, whereas spring rainfall is projected to decrease by 6%. The variability could lead

to more extreme weather events such as drought and flooding

- There are also potential increases to the intensity of storms, wind extremes and thunderstorms.

These predicted impacts are likely to result in more frequent droughts and flooding. The topography and relatively low natural hazard risk in Hamilton is considered an advantage compared to other parts of the country (such as coastal communities) which are more directly impacted by changes to climate. However, Hamilton may experience changes to our economy, population growth or community wellbeing as a result of impacts on our surrounding council areas.

A programme of funded work in 2020/21 is underway to further understand how Hamilton may be impacted by the physical changes, the impacts of transitioning to a low carbon future and by the changes occurring in the wider region. The outcomes from the work programme will be considered in subsequent LTPs.

## Population growth

Population growth has been forecast for territorial authorities in the Waikato by the National Institute of Demographic and Economic Analysis (NIDEA), University of Waikato. We have assumed the NIDEA low projection (2020) to prepare this LTP.

Population projections have been used to help prepare 30-year demand forecasts for the Infrastructure Strategy.

## Growth infrastructure investment

It is anticipated that all growth cells will be developed by us in partnership with those providing privately funded infrastructure.

As our current financial constraints do not allow for all growth infrastructure in all areas zoned for development, third party funding has been anticipated across all growth cells through the vesting of developer-provided infrastructure and the use of private development agreements (PDAs). Council will

continue to explore the use of new funding and financing tools such as off balance sheet structures provided by the Infrastructure Funding and Financing Act.

It has been assumed we will generally make upsizing contributions to developers on an incremental marginal cost basis where these are required.

## Settlement pattern

Hamilton Urban Growth Strategy, Future Proof Growth Strategy, Operative Waikato Regional Policy Statement and the Operative District Plan (ODP) outline the existing long-term settlement pattern for the city.

The 2021-31 LTP has been developed based on the following land use assumptions.

## Citywide development

Urban regeneration will focus in and around key nodes as identified in the ODP, areas of high accessibility and within walkable catchments of the Central City, major centres and planned rapid and frequent transport in accordance with the National Policy Statement for Urban Development.

The programme of infrastructure investment at a strategic level including treatment plant headworks and bulk reticulation will support both greenfield and urban infill growth.

Total population at 30 June is projected to be:

<b>2022</b>	180,741
<b>2023</b>	183,036
<b>2024</b>	185,377
<b>2025</b>	187,741
<b>2026</b>	190,090
<b>2027</b>	192,422
<b>2028</b>	194,744
<b>2029</b>	197,038
<b>2030</b>	199,276
<b>2031</b>	201,483

New households at 30 June are projected to be:

<b>2022</b>	1177
<b>2023</b>	1215
<b>2024</b>	1279
<b>2025</b>	1274
<b>2026</b>	1232
<b>2027</b>	1221
<b>2028</b>	1295
<b>2029</b>	1300
<b>2030</b>	1246
<b>2031</b>	1248

Infill within the existing established areas of the city will be progressed in parallel with greenfield areas and will accommodate approximately 50 per cent of Hamilton's new dwellings. Further infrastructure investment will be required for intensification once areas for accelerated development are identified. This additional investment will be the subject of subsequent LTPs.

### **Rototuna**

Rototuna is to remain the city's primary growth cell for the early years of the LTP with investment prioritised on completing strategic infrastructure as the need arises. Residential development in Rototuna is expected to be completed within this 10-year period.

### **Peacocke**

Peacocke Stage 1 residential development will continue and is expected to be completed within this 10-year period, with no further strategic infrastructure investment required.

Peacocke Stage 2 is poised to become the city's primary growth cell for residential development following completion of the Housing Infrastructure Fund key strategic transport and wastewater infrastructure in the northern part of the cell.

### **Rotokauri**

Residential growth in Rotokauri Stage 1 is currently limited by the need to invest in strategic stormwater and transport infrastructure.

Staff continue to work with land developers as well as Crown Infrastructure Partners for innovative infrastructure funding, financing and delivery options.

A development which was initially approved as a Special Housing Area in Rotokauri Stage 2 (MADE Development) has now been zoned through a Private Plan Change.

### **Ruakura**

The Ruakura growth cell in the precinct around the Inland Port Development has been enabled through private, Hamilton City Council and central Government funding through the Provincial Growth Unit and Crown Infrastructure Partners.

### **Te Rapa North**

Council is progressing a plan change for Te Rapa North to change the zoning to Employment land. No substantial growth is forecast due to limitations associated with infrastructure capacity.

The Te Awa Lakes Private Plan Change has now been approved and consent is being sought for other parts of the area that will require infrastructure investment.

### **Temple View**

No substantial growth is forecast due to limitations associated with infrastructure capacity.

### **City boundary change**

Hamilton City Council and Waikato District Council have a Strategic Boundary Agreement that provides for boundary extensions in relation to the growth areas of HT1 (Horsham Downs), R2 (Ruakura North) and WA (Whatawhata Road) when required by the City.

Any boundary change will require decisions of both Hamilton City Council and the neighbouring district council, a Local Government Commission process, with any financial considerations reported in a future Annual Plan or LTP.

## **Revenue**

### **Ratepayer growth**

Ratepayer growth has been calculated based on assumptions on the increase in the number

of households as forecast by NIDEA low. The relationship between ratepayer growth and the forecast growth metrics is complex. One household does not represent a one-to-one relationship with one rating unit. Ratepayer growth has been calculated based on the historic trends in the relationship between these forecasts and actual rating unit growth over the previous four years.

As a result of this complexity there is a high degree of uncertainty around these forecasts. The percentage increases and revenue growth on the right represent the expected increase from the previous year due to growth in the general rate, UAGC, and Government compliance rate.

### Development contributions

Future revenue has been projected using the Development Contributions (DC) Model.

The DC revenue assumption also considers current payment patterns, remissions and takes consideration of growth modelling error margins.

Should Hamilton grow more quickly than expected, then DC revenue is likely to exceed these expectations. However, the increase in revenue will be offset over time by a need to accelerate growth-related core network infrastructure.

Conversely, if growth is slower than expected new infrastructure may be deferred until needed, and over time this will offset the loss of projected revenue.

In cases where infrastructure cannot be deferred, infrastructure is supplied ahead of need and the costs will be recouped as the demand (and DCs) is realised.

## Expenditure

### Cost of growth

As Hamilton grows, costs increase for some services. We have assumed increases for contract escalations relating to the growing number of households as forecast by NIDEA low. This occurs only where the

Ratepayer growth:

	Percentage increase	Additional revenue (\$000)
<b>2021/22</b>	2.05%	4,104
<b>2022/23</b>	2.04%	4,558
<b>2023/24</b>	2.07%	4,938
<b>2024/25</b>	2.13%	5,452
<b>2025/26</b>	2.08%	5,697
<b>2026/27</b>	1.95%	5,714
<b>2027/28</b>	1.92%	6,005
<b>2028/29</b>	2.00%	6,682
<b>2029/30</b>	1.96%	7,034
<b>2030/31</b>	1.85%	7,070

DC revenue is estimated to be:

	Revenue estimate (\$000)
<b>2021/22</b>	31,622
<b>2022/23</b>	33,822
<b>2023/24</b>	36,605
<b>2024/25</b>	36,101
<b>2025/26</b>	37,190
<b>2026/27</b>	38,969
<b>2027/28</b>	41,524
<b>2028/29</b>	39,494
<b>2029/30</b>	38,530
<b>2030/31</b>	43,227

supplier agreement includes a set number of households and a contracted escalation if the number of households increase (an example is the household refuse collection contract). Many contracts do not include a contracted escalation clause.

Further consequential cost of growth will be included in relevant activity budgets to reflect the cost of maintenance and operating new assets that are created.

	Savings (\$'000)
2021/22	4,733
2022/23	5,984
2023/24	7,274
2024/25	11,698
2025/26	11,991
2026/27	12,291
2027/28	12,610
2028/29	12,951
2029/30	13,300
2030/31	13,646
<b>Ten year total</b>	<b>106,478</b>

## Savings

We have budgeted for savings for over the 10 years of the plan, with a total value of \$106 million (see table left). This LTP assumes these savings will be realised.

We expect to make these savings through digital-enabled business transformation, property savings, strategic procurement and capital programme optimisation. It is our intention that savings will be achieved without changing the services the community receives.

Given the size and diversity of our activities, along with opportunities to partner with central and other local government, business and the community, we are confident these can be achieved.

## Risk and sensitivity

We have identified that the majority of these savings will be generated from four areas:

- digital-enabled business transformation
- property savings
- strategic procurement
- capital programme optimisation.

Over the next 10 years we have budgeted \$60.5 million of capital investment in information services renewals and upgrades designed to help digitally transform the Council. This investment is expected to achieve

long-term, sustainable savings, enabled by technology. It is expected that these savings will begin to be realised from year one of the plan, and will consolidate from year three onwards as more end-to-end processes are automated. We expect digital-enabled business transformation will deliver the largest proportion of savings over the 10 years.

We expect to realise savings from changing the way we utilise physical space by adopting new ways of working, including but not limited to redesigning work spaces to enable agile working, enabling increased remote-working, exploring options for consolidation of operation worksites and increasing utilisation of community-based facilities.

We are in the process of moving to a strategic procurement model which would see greater centralisation of procurement functions. Moving to a strategic procurement model is expected to deliver savings through, process improvement, negotiated savings, rebates and hard cost avoidance.

We are forecasting our biggest ever capital programme and with that comes new opportunities to gain efficiencies through scale and new procurement opportunities. We are rethinking the way we currently deliver our capital programme to drive a focus on realising these opportunities. This

means new assets are likely to cost us less while still delivering planned service levels. Through this opportunity we expect planned savings in operational costs will come from reduced interest and depreciation costs. We have observed larger councils achieving procurement efficiencies which we are yet to access. We recognise that to realise these savings will have some challenges and therefore note a moderate degree of risk in achieving them.

In the case that we are unable to achieve all of our savings targets there will be consequences that could affect rates, service levels or capital expenditure. However, we have decided that we will not allow service levels to be reduced in this LTP and that this principle is prioritised over the achievement of savings.

We have modelled the impact of only achieving a portion of the savings. If we only saved 50% of the budgeted savings the impact of this would be an increase in our debt to revenue ratio, over the 280% limit in 2025/26. To stay within our financial strategy limits in all years we could increase city rates by an additional 0.5% in 2022/23 or decrease unsubsidised capital spending by \$2 million for each year of the 2021-31 LTP.

## Inflation treatment

Separate inflation rates have been used for the operational and capital budgets due to the different cost drivers that impact these types of cost.

Business and Economic Research Ltd (BERL) were contracted on behalf of the local government sector to provide inflation forecasts for the period of this LTP. These

forecasts are related to the types of costs that the local government sector is likely to incur.

BERL has provided projections of scenarios as to how the New Zealand economy will respond to the impact of the COVID-19 pandemic. The scenarios are:

- BERL mid-scenario – considered to be a likely outcome relevant to most regions of New Zealand

Operating expenditure and revenue inflation used in financial modelling is:

	Operating inflation
<b>2021/22</b>	3.60%
<b>2022/23</b>	2.90%
<b>2023/24</b>	2.50%
<b>2024/25</b>	2.50%
<b>2025/26</b>	2.50%
<b>2026/27</b>	2.50%
<b>2027/28</b>	2.60%
<b>2028/29</b>	2.70%
<b>2029/30</b>	2.70%
<b>2030/31</b>	2.60%

Capital expenditure and revenue (capital subsidies, capital contributions) inflation used in financial modelling is:

	Capital inflation
<b>2021/22</b>	3.30%
<b>2022/23</b>	3.00%
<b>2023/24</b>	3.00%
<b>2024/25</b>	3.00%
<b>2025/26</b>	3.00%
<b>2026/27</b>	2.80%
<b>2027/28</b>	3.00%
<b>2028/29</b>	3.00%
<b>2029/30</b>	3.00%
<b>2030/31</b>	2.80%



- Stalled rebuild scenario – where GDP and employment grow more slowly
- Faster rebuild scenario – where GDP and employment grow more rapidly.

The Council has assumed the mid-scenario for operating inflation rates. The mid-scenario is considered to be the most likely outcome relevant to most areas of New Zealand. Further comfort is provided as cost adjusters used in all three scenarios are consistent with economic forecasts published by the Reserve Bank of New Zealand, the New Zealand Treasury and BERL.

The Council has assumed the faster rebuild scenario for capital inflation rates. The faster rebuild scenario is applicable to councils in areas that have relatively sound infrastructure but also expect to engage in significant infrastructure upgrades in the next decade.

### **Availability of contractors to complete capital programme**

There is a high degree of uncertainty around this assumption as there are high levels of forecasted capital expenditure from other central and local government agencies in the upper North Island as well as strong ongoing demand for new housing and development. The impact of this could be high as budgets

may not be sufficient to undertake the works as planned. The capital expenditure inflation forecast above has included a higher inflation rate in its budget, based on BERL's faster rebuild scenario. This is to recognise the higher costs associated with the high demand for contractors.

### **Capital expenditure forecasts**

The capital programme budgets have been developed using a base estimate plus a nominal contingency. This approach is consistent with previous LTPs and results in budget provisions which assume a risk management approach to actual costs.

### **Availability of resources to deliver service levels**

We have assumed additional staffing resources are required to meet the higher demand of growth.

This includes both staffing associated with capital projects, consequential staff needed to operate the asset and indirect staff to support the greater corporate support activity a bigger city generates.

It is assumed all staff positions can be filled and maintained so we can deliver the proposed service levels.

### **Interest rates**

We use Price Waterhouse Cooper (PwC) Treasury Division for advice on all aspects of our treasury management. We have policies in place providing direction in the management of risks associated with debt.

Council's interest rate risk, the risk of adverse interest rate movements, is mitigated by requiring at least 40 per cent (but no more than 95 per cent) of Council's debt to be at fixed rates with greater than 12 months to maturity. Council's Liquidity and Funding Risk, the risk that Council may not be able to access funds at the time that we need or at a cost no greater than the existing terms, is mitigated in two ways: firstly, by spreading the due dates of our debt per the policy; and, secondly, by ensuring we have access to additional undrawn funds.

The policy also outlines the financial institutions from whom Council can borrow and includes borrowing caps for all but New Zealand Local Government Funding Agency (NZLGFA) and the New Zealand Government.

Being credit rated as AA- by S&P Global Ratings has provided the opportunity to access cheaper sources of debt. On average, the margin benefit is 20 to 30 basis points, for example if the market is 5.1 per cent then Council can borrow at 4.8 per cent.

Interest rates applying to debt are estimated based on current fixed rate contracts, forward looking market rates and expected credit margins.

The interest rate applying to cash investments is 0.5 per cent. It is estimated that the average cash balance of \$50 million will earn approximately \$0.25 million interest per annum.

These rates reflect the current S&P Global Credit Rating being maintained throughout

The interest rates on borrowing used in this LTP are:

	Interest rates
<b>2021/22</b>	2.62%
<b>2022/23</b>	2.93%
<b>2023/24</b>	2.68%
<b>2024/25</b>	2.82%
<b>2025/26</b>	2.91%
<b>2026/27</b>	2.77%
<b>2027/28</b>	2.53%
<b>2028/29</b>	2.56%
<b>2029/30</b>	2.66%
<b>2030/31</b>	2.51%

the LTP. A change in rating up or down could be expected to impact on interest costs by approximately 0.05 per cent or 5 basis points.

## Assets

### Property investment

Expected return on investment in property is based on the objective of maximizing financial return. This is realised by operating property assets to achieve the market or better than market rates of return through maximum rental income, high levels of building occupancy and quality tenants. Rents have been set in line with prevailing market conditions.

### Asset sales

The forecast financial statements include transactions to complete existing contracted asset sales. There are no other asset sales assumed.

No financial impact is assumed from minor assets sales (e.g. disposal of surplus operational assets).

### Revaluation of non-current assets

Revaluations on property, plant and equipment have been calculated on the preceding year's balance as disclosed in the

Statement of Financial Position. This includes an inflation allowance calculated based on Local Government Cost Index (LGCI) as listed in the Local Government Cost Adjustor Factor Forecasts 2020 Update from BERL.

### Useful lives of significant assets

Assets are depreciated on a straight-line basis over their useful lives with annual depreciation expense included in the total costs for each significant service. We have made numerous assumptions about the useful lives of our assets. These are disclosed in the depreciation note within the Statement of accounting policies included in the Prospective financial statements.

### Acquisition of significant assets

Capital expenditure to replace existing assets (renewal projects) it is recognised that projects will be completed throughout the year. It is assumed half of those projects are completed within the first six months. As such, depreciation is forecast based on six months' depreciation for renewal projects in the year the renewals are first budgeted.

For each new capital project, staff have assessed the expected completion date for the project from which time the assets are depreciated.

Depreciation is applied based on the estimated useful life of the asset, consistent with the accounting policies.

Capital expenditure to replace assets (renewals) is primarily funded from rates, and capital expenditure to improve levels of service and growth is funded by loans. Some capital expenditure is also funded by subsidies, development contributions and grants.

### **Seismic rating of Council buildings**

A programme of prioritised seismic assessments on Council buildings has been carried out over recent years on Councils building portfolio. Significant buildings that require further seismic assessment are the Brian Perry Stand at FMG Waikato Stadium and the Chimpanzee House at Hamilton Zoo.

Where a Detailed Seismic Assessment (DSA) has already been done on a building, this assessment is used to determine if a seismic upgrade is required. Asset Management Plans (AMPs) have included any known seismic upgrades needed to meet minimum legislative requirements. Where a DSA has not been done, no provision has been made for seismic upgrade.

### **Investment properties**

We revalue investment properties on an

annual basis and an annual gain on investment property values of 2.5% has been assumed in each year of this LTP.

### **Vested assets**

The level of vested assets has been determined using growth expectations and then compared to historical trends for reasonableness.

### **Infrastructure asset condition information**

Some of our asset data is not as complete as we would ideally like. As we use this information to do our planning, there is a risk that we have not correctly identified some assets that may need replacing. Only having one water treatment plant and one wastewater treatment plant means if either was unable to operate, this would have a significant impact on the community. We lessen this risk by continuing to update our asset information, undertake condition assessments and monitor the performance of our assets. We will continue to use this information to reprioritise our replacement and preventative maintenance on our assets, and to ensure we manage the risk of failure for the most-critical infrastructure. Hamilton is a relatively young city and its assets are newer and made from more modern materials than

those of most other large cities. Because of this, we are confident our water network is in good health and unlikely to experience significant disruption. To ensure this, Council is committed to looking after these assets by investing more in this Long-Term Plan. We are also spending more on understanding the state of our assets as this helps us make better planning and budget decisions. We are working to improve what we know about our assets, including their age, how well they're performing, and their condition.

## **Activity specific assumptions**

### **City planning and growth**

#### **Building control and planning guidance**

Expected revenue is based on a combination of current growth projections and previous year actuals as approved by Council.

### **Transport**

Elected Members have provided direction in the development of the Transport Improvement Programme that has informed additional capital and operational requirements. This aims to address services in relation to safety, micro-mobility, passenger transport and congestion.

### Third party funding

We have assumed that operating and capital expenditure programmes which have in the past received Waka Kotahi NZ Transport Agency subsidies and/or satisfy the criteria required for subsidy, will continue to receive subsidy funding over the course of this LTP.

The Waka Kotahi NZ Transport Agency subsidy rates that have generally been applied have been at the subsidy rate of 51%.

Waka Kotahi NZ Transport Agency provide confirmation of the programmes of work which will receive funding as part of its three yearly National Land Transport Programme (NLTP). Indicative funding advice has been received for the 2021-24 period, but funding beyond 2023/24 will not be known until the next NLTP is released. We have assumed that Waka Kotahi NZ Transport Agency funding in years 4 - 10 will be provided on those projects which have in the past received subsidies and/or satisfy the criteria for subsidy.

There is a risk that Waka Kotahi could make changes to the subsidies and/or criteria required to be satisfied which could result in more or less revenue than forecast. If subsidies from Waka Kotahi are higher than we've assumed, we could complete our work programmes at a lower cost to ratepayers. Alternatively, if funding from Waka Kotahi is

lower than we've assumed, we would need to review our planned programme of work. Work that would otherwise receive subsidy may be reassessed and the approved programme may be adjusted as part of future Annual Plans or Finance Committee meetings.

### Three waters

#### Water safety plan

We have an approved Water Safety Plan that has been assessed by a Drinking Water Assessor and confirmed as implemented. This plan identifies potential risk associated with a water supply and details how those risks are managed. It is assumed that routine reviews of the water safety plan will not identify any significant changes to currently identified risk mitigations.

Water safety planning requirements are likely to be enhanced as part of Government water regulatory reforms. It has been assumed that the current approach to water safety planning will continue as the nature of the reform enhancements are unknown.

#### Drinking Water Standards

Our water supply is fully compliant with the current Drinking Water Standards for New Zealand 2005 (revised 2018) and part 2A of

the Health Act 1956.

Taumata Arowai, the new Water Services Regulator, has indicated that they will be reviewing the current Drinking Water Standards of New Zealand and we expect changes to the way in which we report and demonstrate compliance. As it is unknown what changes could be made, we are not able to forecast the impacts of these changes on costs and levels of service.

LTP planning has generally been based on meeting the current drinking water standards, with the inclusion of some anticipated competency training requirements of the Government reform. There is a high level of uncertainty with this assumption.

#### Freshwater quality standards

Freshwater quality standards are changing. The government has recently released a revised National Policy Statement for Freshwater and Waikato Regional Council has progressed significant changes to the Regional Plan. It has been assumed that current resource consent conditions will continue for the remaining life of discharge resource consents. Resource consent conditions determine the level of infrastructure investment required. There is a medium level of uncertainty with this assumption.

## **Project Watershed**

We have assumed contributions will be received from Waikato Regional Council for Project Watershed projects over the full term of this LTP as proposed in the Project Watershed 10-Year plan submitted to Waikato Regional Council. These contributions are sourced from a Waikato Regional Council targeted rate for Project Watershed. We will apply these funds to projects meeting the criteria set out in the Project Watershed agreement between us and the Waikato Regional Council.

## **Rubbish and recycling**

### **Emission Trade Scheme and Waste Levy**

The government set the rate of Emission Trade Scheme (ETS) and Waste Levy payable of waste disposed of nationally.

The central government Waste Levy Scheme will be increased, and scope expanded (all classes of landfills to be included) by 2023. There is also a proposal to review the Waste Minimisation Act, any review may have an impact on the allocation of waste levy fund contributions.

Current assumptions are that waste levy contributions will continue at current levels (including increases related to growth), over the full term of the LTP. The funds will be

used to deliver on actions from the Waste Management and Minimisation Plan.

## **Visitor destinations**

### **Hamilton Zoo-Waiwhakareke Natural Heritage Park entry precinct**

We have assumed \$900,000 external funding to complete capital works of \$5.7 million. Should the funding targets not be met then the development work would be adjusted to the funding available. There is a low risk of impact on our overall Financial Strategy.

## **Parks and recreation**

### **Playgrounds development**

We have assumed \$600,000 external funding to complete capital works of \$6.6 million. Should the funding targets not be met then the development work would be adjusted to the funding available. There is a low risk of impact on our overall Financial Strategy.

## **Other specific assumptions**

### **Infrastructure Funding and Financing Act**

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.

We are exploring many potential opportunities for the application of the IFF tool at Council, including the possibility of converting part of our current Housing Infrastructure Fund loan into an IFF arrangement for the Peacocke growth area; and 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.

We have not yet negotiated any IFF deals, as such, the financial forecasts do not currently reflect any potential off balance sheet funding arrangements.

## **Unquantified legal claims**

This LTP does not assume any provision for legal claims which are currently in progress.

## **Future legislative change**

The details of future legislative changes are unable to be anticipated with any level of certainty.

The information that has been made available through various policy announcements to date



suggests that the potential risks to materially impact this LTP are moderate in scale. However, given the lack of detail available on future legislative changes and their timing our projects have been planned based on the current legislative regime.

Changes to other legislation, regulations or rules that affect how we operate (usually through requiring compliance with new and higher standards) cannot be anticipated at this point. As a result, this LTP has been developed based on current legislation, regulations, rules and policy.

### Resource consents

It has been broadly assumed that the necessary consents will be able to be obtained.

The following key consents are planned for renewal:

- Wastewater Treatment Plant discharge - 2027
- Water Treatment Plant abstraction - 2044
- Hamilton Gardens water abstraction - 2034
- Comprehensive stormwater consent - 2036
- Crematorium emission consent - 2040

## Sensitivity analysis

### Inflation and interest

A variance in the LGCI (Local Government Cost Index) operating expenditure rate of inflation by 1% would impact the budget by approximately \$854,000 per annum (including staff costs). A similar variance in the capital expenditure inflation rate would impact the capital programme by approximately \$3.4 million per annum.

A 1% variance to interest rates would increase or decrease interest costs by approximately \$6.7 million per annum based on expected 2021/22 debt levels, assuming all of our debt is floating. We currently have 43% of our borrowings at fixed rates, therefore the impact of a 1% variance would be \$3.8 million.

The impact of a 1% increase in inflation can be absorbed within the existing Financial Strategy limits for debt to revenue and balancing the books. The impact of a 1% increase in interest, or a combined increase in both inflation and interest would cause a breach in the balancing the books and debt limits. In the medium term (first three years of this LTP) this is partially mitigated by the 43% of interest on fixed debt.

We would have to respond to such a large change in interest rates and inflation. This

response would depend on any effects these factors had on population growth and associated investment.

### Growth assumptions

In making these forecasting assumptions we have to be mindful the future may not unfold as expected. Many of our assumptions are based on our growth forecasts. As such, we need to prepare for variations to these.

Our current growth assumptions show unprecedented sustained growth over the next ten years. This matter has the greatest impact on our LTP. It results in more expenditure to run the city, more capital expenditure earlier to provide for the growing city and more revenue to pay for it. Growth affects most of our assumptions and it affects our resilience to manage certain types of assumptions, for example climate change.

The Financial Strategy, based on the assumptions in this document, show that growth is affordable. To be prepared for the possibility of growth happening other than planned, analysis has been done on the effects of a 15% change in growth.

The forecast growth is based on the NIDEA low household growth series.



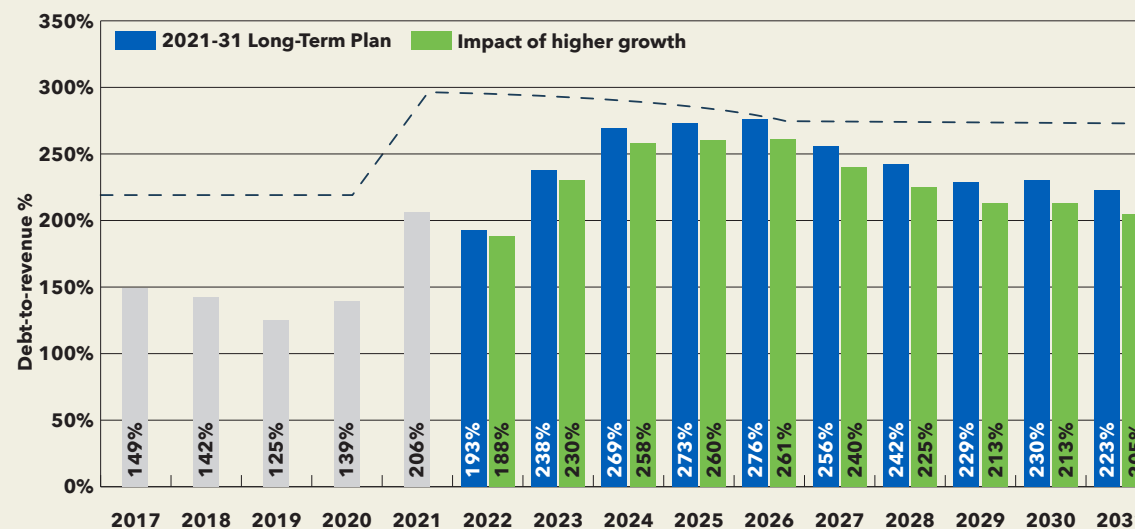
## 15% higher than forecast growth

Higher growth means more income from growth, particularly in terms of revenue from development contributions, rates and consenting processes. This helps pay for the higher everyday costs of running the city that more people create.

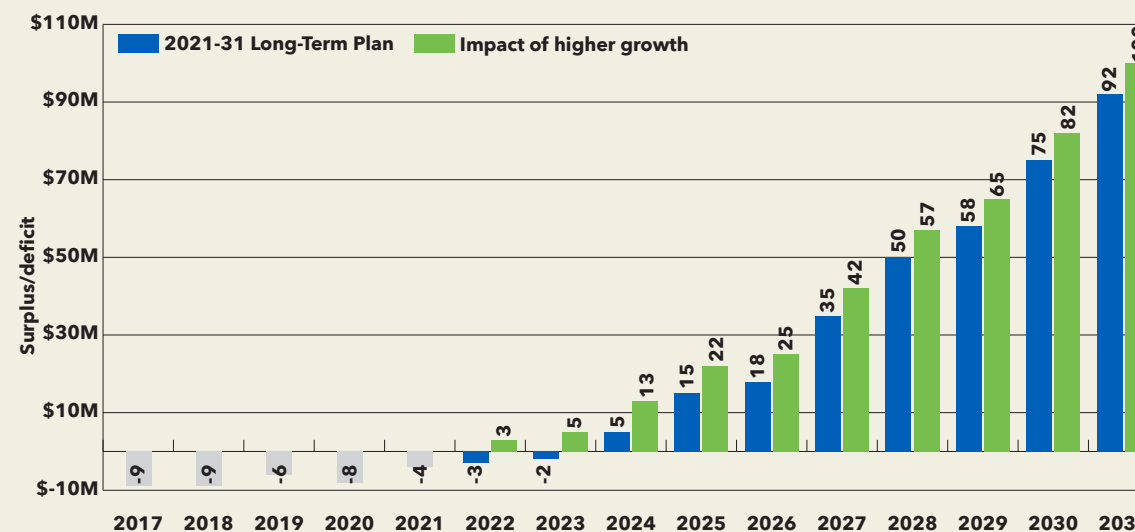
Based on the existing capital programme, Hamilton will be able to accommodate a larger population in the short-term. More infill housing will occur as a result. In time, capital projects currently beyond the ten years will need to be brought forward. A benefit of higher growth would be greater debt capacity for the next big spend when new growth cells need to be opened.

The graphs to the right show that if growth was 15% higher than assumed, surpluses will get stronger and debt capacity increase.

## Debt-to-revenue: 15% higher than forecast growth



## Balancing the books: 15% higher than forecast growth



## 15% lower than forecast growth

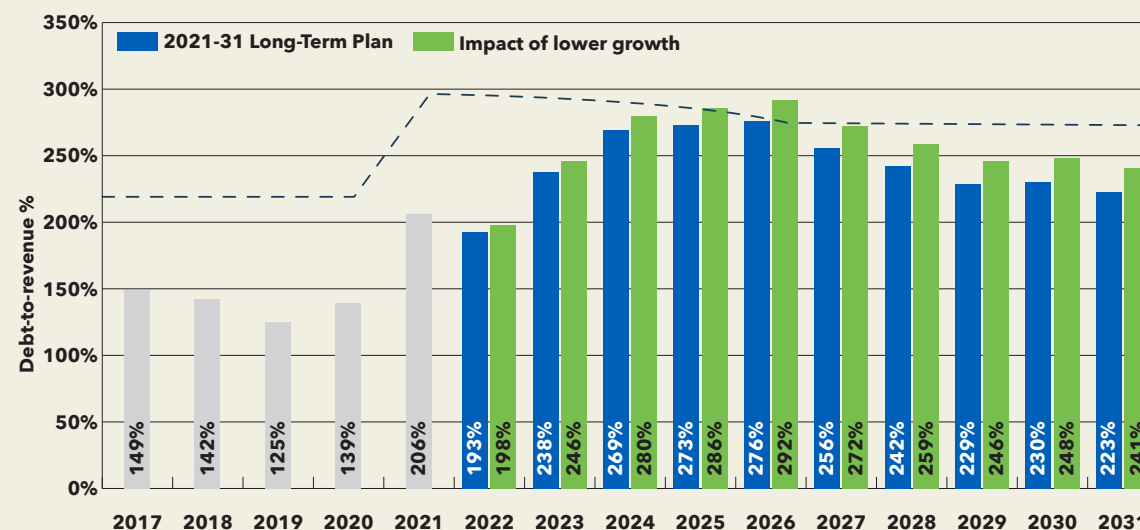
Typically, a recession is likely to occur in any ten year period, but they are almost impossible to forecast. If growth is lower than assumed our challenges will be greater.

With the Financial Strategy forecast to maximise the debt-to-revenue limit in 2025-2026 we are more vulnerable to drops in revenue. Less revenue from grants and subsidies and fees and charges could push us beyond our 280% limit in these years. The biggest impacts come from lower than forecast growth particularly in terms of development contributions, consent processing and rates. Costs are difficult to rein in quickly. The first three years of the plan has our biggest capital programme ever. This will be well underway before a change in growth would become apparent and once started, contracts and practical arrangements would make it difficult to stop.

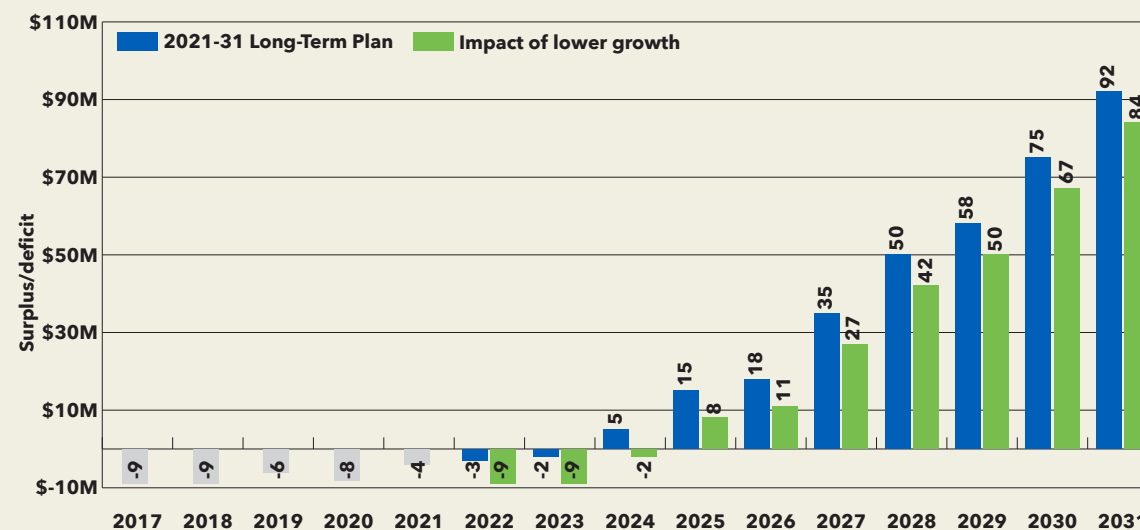
The effect of this on the Financial Strategy would be movements in the wrong direction. The graphs to the right model a lower growth scenario which shows deficits, meaning we would be borrowing more to pay for everyday costs. They also show the impact of less revenue on the debt-to-revenue graphs with two years of debt above the Financial Strategy limit.

We are aware of this risk and constantly monitor actual growth and revenue so we can respond quickly if required.

## Debt-to-revenue: 15% lower than forecast growth



## Balancing the books: 15% lower than forecast growth



# Forecast Financial Statements

## Prospective statement of comprehensive revenue and expense

Forecast for the year ending 30 June 2021-31

		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	Notes	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Revenue</b>												
Rates	2	200,066	221,714	237,140	253,677	271,554	290,555	310,558	331,793	354,775	379,244	404,933
Fees and user charges	3	32,260	40,723	43,775	49,115	49,126	50,463	51,798	53,543	55,472	56,807	58,379
Subsidies and grants	4	7,227	8,664	8,867	8,842	9,156	10,055	10,027	10,556	11,140	11,692	12,667
Interest revenue	5	1,250	302	311	318	317	315	309	304	302	312	315
Other revenue	6	10,298	14,780	18,667	11,865	8,896	7,832	7,558	7,731	7,935	8,147	8,360
Development contributions	7	22,504	31,622	33,822	36,605	36,101	37,190	38,969	41,524	39,494	38,530	43,227
Capital revenue	8	58,634	101,588	71,661	49,839	38,221	18,686	22,089	21,764	34,922	36,697	37,285
Vested assets	9	32,479	34,491	39,199	41,750	45,268	46,408	46,057	47,129	51,490	53,198	52,412
<b>Total revenue (excluding gains)</b>		<b>364,718</b>	<b>453,885</b>	<b>453,441</b>	<b>452,010</b>	<b>458,640</b>	<b>461,504</b>	<b>487,365</b>	<b>514,344</b>	<b>555,530</b>	<b>584,626</b>	<b>617,577</b>
<b>Expenditure</b>												
Personnel costs		83,802	96,917	100,204	103,686	107,175	110,491	113,644	116,644	119,761	122,794	125,675
Depreciation and amortisation expense	10	74,727	75,534	79,914	83,941	90,107	96,816	99,920	103,497	108,204	109,561	114,657
Finance costs	11	17,124	16,270	21,583	23,056	25,425	27,124	26,012	23,570	24,074	26,209	25,713
Operating and maintenance costs		47,775	68,670	73,832	80,007	78,892	87,279	86,620	92,411	98,920	100,623	105,990
Professional costs		13,820	16,531	15,071	13,976	12,700	13,190	13,572	12,565	13,376	14,258	13,492
Administration costs		41,520	24,215	19,578	18,802	17,321	15,327	15,141	15,566	16,105	16,659	17,377
Property costs		10,017	11,779	12,517	13,174	14,098	14,766	15,469	16,218	17,017	17,863	18,738
<b>Total expenditure (excluding losses)</b>		<b>288,785</b>	<b>309,917</b>	<b>322,699</b>	<b>336,641</b>	<b>345,719</b>	<b>364,994</b>	<b>370,378</b>	<b>380,472</b>	<b>397,457</b>	<b>407,967</b>	<b>421,641</b>
<b>Operating surplus/(deficit)*</b>		<b>75,933</b>	<b>143,968</b>	<b>130,742</b>	<b>115,369</b>	<b>112,922</b>	<b>96,510</b>	<b>116,987</b>	<b>133,872</b>	<b>158,073</b>	<b>176,659</b>	<b>195,936</b>
Gains		593	756	775	795	815	835	856	877	899	922	945
Losses		(10,457)	(61,103)	-	-	-	-	-	-	-	-	-
<b>Total surplus/(deficit)</b>		<b>66,069</b>	<b>83,622</b>	<b>131,517</b>	<b>116,164</b>	<b>113,736</b>	<b>97,345</b>	<b>117,843</b>	<b>134,749</b>	<b>158,972</b>	<b>177,581</b>	<b>196,881</b>
<b>Other comprehensive revenue and expense</b>												
Items that will not be reclassified to surplus/(deficit)												
Gain on property, plant and equipment revaluations		178,286	112,916	48,475	145,580	231,920	66,971	189,232	262,526	71,978	232,468	313,010
<b>Total other comprehensive revenue and expense</b>		<b>178,286</b>	<b>112,916</b>	<b>48,475</b>	<b>145,580</b>	<b>231,920</b>	<b>66,971</b>	<b>189,232</b>	<b>262,526</b>	<b>71,978</b>	<b>232,468</b>	<b>313,010</b>
<b>Total comprehensive revenue and expense</b>		<b>244,355</b>	<b>196,538</b>	<b>179,992</b>	<b>261,744</b>	<b>345,656</b>	<b>164,316</b>	<b>307,074</b>	<b>397,275</b>	<b>230,950</b>	<b>410,049</b>	<b>509,891</b>

The accompanying notes form part of these financial statements.

\* Surplus before gains and losses, share of associate's surplus and tax

## Prospective statement of changes in equity

Forecast for the year ending 30 June 2021-31		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Notes		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Equity balance at 1 July</b>		3,964,373	4,221,514	4,418,052	4,598,044	4,859,789	5,205,445	5,369,761	5,676,835	6,074,111	6,305,061	6,715,110
Total comprehensive revenue and expense for the period		244,355	196,538	179,992	261,744	345,656	164,316	307,074	397,275	230,950	410,049	509,891
<b>Equity balance at 30 June</b>		<b>4,208,728</b>	<b>4,418,052</b>	<b>4,598,044</b>	<b>4,859,789</b>	<b>5,205,445</b>	<b>5,369,761</b>	<b>5,676,835</b>	<b>6,074,111</b>	<b>6,305,061</b>	<b>6,715,110</b>	<b>7,225,001</b>
<b>Accumulated comprehensive revenue and expense</b>												
Balance at beginning of year		1,855,419	1,931,292	2,014,949	2,146,511	2,262,727	2,376,525	2,473,912	2,591,797	2,726,606	2,885,656	3,063,333
Operating surplus/(deficit)		66,069	83,622	131,517	116,164	113,736	97,345	117,843	134,749	158,972	177,581	196,881
Transfers (to)/from restricted and council created reserves		(2,196)	35	44	53	62	41	42	60	78	96	115
<b>Balance at end of year</b>		<b>1,919,292</b>	<b>2,014,949</b>	<b>2,146,511</b>	<b>2,262,727</b>	<b>2,376,525</b>	<b>2,473,912</b>	<b>2,591,797</b>	<b>2,726,606</b>	<b>2,885,656</b>	<b>3,063,333</b>	<b>3,260,329</b>
<b>Revaluation reserves</b>												
Balance at beginning of year		2,069,204	2,248,275	2,361,192	2,409,667	2,555,247	2,787,167	2,854,138	3,043,370	3,305,896	3,377,874	3,610,342
Revaluation gains		178,286	112,916	48,475	145,580	231,920	66,971	189,232	262,526	71,978	232,468	313,010
<b>Balance at end of year</b>		<b>2,247,490</b>	<b>2,361,192</b>	<b>2,409,667</b>	<b>2,555,247</b>	<b>2,787,167</b>	<b>2,854,138</b>	<b>3,043,370</b>	<b>3,305,896</b>	<b>3,377,874</b>	<b>3,610,342</b>	<b>3,923,352</b>
<b>Restricted and council created reserves</b>												
Balance at beginning of year		39,750	41,946	41,911	41,867	41,814	41,752	41,711	41,669	41,609	41,531	41,435
Transfers (to)/from reserves		2,196	(35)	(44)	(53)	(62)	(41)	(42)	(60)	(78)	(96)	(115)
Balance at end of year		41,946	41,911	41,867	41,814	41,752	41,711	41,669	41,609	41,531	41,435	41,320
<b>Equity balance at 30 June</b>		<b>4,208,728</b>	<b>4,418,052</b>	<b>4,598,044</b>	<b>4,859,789</b>	<b>5,205,445</b>	<b>5,369,761</b>	<b>5,676,835</b>	<b>6,074,111</b>	<b>6,305,061</b>	<b>6,715,110</b>	<b>7,225,001</b>

The accompanying notes form part of these financial statements.

## Prospective balancing the books measure

Forecast for the year ending 30 June 2021-31		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Notes		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Surplus/(deficit)</b>		66,069	83,622	131,517	116,164	113,736	97,345	117,843	134,749	158,972	177,581	196,881
<b>Remove capital revenue</b>												
Vested assets		(32,479)	(34,491)	(39,199)	(41,750)	(45,268)	(46,408)	(46,057)	(47,129)	(51,490)	(53,198)	(52,412)
Part of development and financial contributions <sup>A</sup>		(14,628)	(20,554)	(21,984)	(23,793)	(23,466)	(24,173)	(25,330)	(26,990)	(25,671)	(25,044)	(28,097)
Capital subsidy (excluding subsidy on transport renewals) <sup>B</sup>		(37,736)	(60,479)	(58,906)	(36,690)	(25,930)	(9,703)	(13,385)	(13,027)	(25,597)	(25,738)	(25,593)
Other capital contributions		(12,496)	(32,863)	(5,040)	(5,415)	(4,781)	(985)	(607)	(506)	(890)	(1,296)	(1,722)
Other items not considered everyday operating revenue <sup>C</sup>		(4,217)	(8,084)	(11,780)	(4,815)	(1,710)	(473)	(18)	-	-	-	-
<b>Remove (gains)/losses</b>												
All (gains)/losses		9,864	60,347	(775)	(795)	(815)	(835)	(856)	(877)	(899)	(922)	(945)
<b>Remove other expenses</b>												
Other items not considered everyday operating expenses <sup>D</sup>		21,189	9,585	4,327	2,421	2,910	3,128	3,242	3,318	3,394	3,470	3,546
<b>Balancing the books (surplus/ (deficit))</b>		<b>(4,434)</b>	<b>(2,918)</b>	<b>(1,840)</b>	<b>5,328</b>	<b>14,677</b>	<b>17,897</b>	<b>34,832</b>	<b>49,537</b>	<b>57,819</b>	<b>74,852</b>	<b>91,658</b>

The accompanying notes form part of these financial statements.

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

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

C Adjustment for fair value calculation on the Housing Infrastructure Fund loans.

D 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.

## Prospective statement of financial position

Forecast for the year ending 30 June 2021-31		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Notes		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Assets</b>												
<b>Current assets</b>												
		76,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
		28,177	34,520	34,817	32,148	29,678	27,179	28,105	28,519	31,028	31,586	32,030
		1,755	1,755	1,755	1,755	1,755	1,755	1,755	1,755	1,755	1,755	1,755
		160	160	160	160	160	160	160	160	160	160	160
Other financial assets	12	432	1,320	1,488	1,335	1,343	1,351	1,359	1,250	-	-	-
Total current assets		106,524	87,755	88,220	85,398	82,936	80,445	81,379	81,684	82,943	83,501	83,945
<b>Non-current assets</b>												
		4,868,181	5,118,820	5,435,271	5,813,393	6,188,478	6,371,655	6,663,311	7,057,052	7,317,981	7,792,496	8,324,715
		23,711	31,886	38,646	40,506	44,845	44,418	43,905	45,231	45,908	51,288	55,286
		30,258	31,014	31,790	32,585	33,399	34,234	35,090	35,967	36,866	37,788	38,733
Other financial assets												
- Investment in CCOs and other similar entities		10,445	11,230	11,230	11,230	11,230	11,230	11,230	11,230	11,230	11,230	11,230
- Other investments		13,089	13,151	14,212	15,396	14,723	13,763	12,053	10,769	11,633	13,482	14,212
Total other financial assets	12	23,534	24,381	25,442	26,626	25,953	24,993	23,283	21,999	22,863	24,712	25,442
Investment in associates	13	7,430	7,430	7,430	7,430	7,430	7,430	7,430	7,430	7,430	7,430	7,430
Derivative financial instruments		1,191	1,191	1,191	1,191	1,191	1,191	1,191	1,191	1,191	1,191	1,191
Total non-current assets		4,954,305	5,214,722	5,539,770	5,921,731	6,301,296	6,483,921	6,774,210	7,168,870	7,432,240	7,914,905	8,452,796
<b>Total assets</b>		<b>5,060,829</b>	<b>5,302,477</b>	<b>5,627,990</b>	<b>6,007,129</b>	<b>6,384,232</b>	<b>6,564,366</b>	<b>6,855,589</b>	<b>7,250,554</b>	<b>7,515,183</b>	<b>7,998,406</b>	<b>8,536,741</b>
<b>Liabilities</b>												
<b>Current liabilities</b>												
		38,446	38,446	38,446	38,446	38,446	38,446	38,446	38,446	38,446	38,446	38,446
		9,620	9,620	9,620	9,620	9,620	9,620	9,620	9,620	9,620	9,620	9,620
		2,116	1,626	1,830	1,883	1,682	1,934	1,850	1,849	1,849	1,848	1,847
Borrowings	14	22,800	86,900	81,900	71,900	71,900	71,900	71,100	71,100	21,100	21,100	21,100
Derivative financial instruments		322	322	322	322	322	322	322	322	322	322	322
Total current liabilities		73,304	136,914	132,118	122,171	121,970	122,222	121,338	121,337	71,337	71,336	71,335
<b>Non-current liabilities</b>												
		1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
		16,948	13,368	12,454	11,483	10,710	9,682	8,731	7,771	6,805	5,832	4,850
Borrowings	14	694,021	666,315	817,545	945,857	978,279	994,873	980,856	979,506	1,064,152	1,138,300	1,167,727
Derivative financial instruments		66,728	66,728	66,728	66,728	66,728	66,728	66,728	66,728	66,728	66,728	66,728
Total non-current liabilities		778,797	747,511	897,827	1,025,169	1,056,817	1,072,383	1,057,415	1,055,106	1,138,785	1,211,960	1,240,405
<b>Total liabilities</b>		<b>852,101</b>	<b>884,425</b>	<b>1,029,945</b>	<b>1,147,340</b>	<b>1,178,787</b>	<b>1,194,605</b>	<b>1,178,753</b>	<b>1,176,443</b>	<b>1,210,122</b>	<b>1,283,296</b>	<b>1,311,740</b>
<b>Net assets</b>		<b>4,208,728</b>	<b>4,418,052</b>	<b>4,598,044</b>	<b>4,859,789</b>	<b>5,205,445</b>	<b>5,369,761</b>	<b>5,676,835</b>	<b>6,074,111</b>	<b>6,305,061</b>	<b>6,715,110</b>	<b>7,225,001</b>
<b>Equity</b>												
		1,919,292	2,014,949	2,146,511	2,262,727	2,376,525	2,473,912	2,591,797	2,726,606	2,885,656	3,063,333	3,260,329
		2,247,490	2,361,192	2,409,667	2,555,247	2,787,167	2,854,138	3,043,370	3,305,896	3,377,874	3,610,342	3,923,352
Restricted reserves	15	41,369	41,410	41,451	41,492	41,533	41,574	41,615	41,656	41,697	41,738	41,779
Council created reserves	15	577	501	416	322	219	137	54	(47)	(166)	(303)	(459)
<b>Total equity</b>		<b>4,208,728</b>	<b>4,418,052</b>	<b>4,598,044</b>	<b>4,859,789</b>	<b>5,205,445</b>	<b>5,369,761</b>	<b>5,676,835</b>	<b>6,074,111</b>	<b>6,305,061</b>	<b>6,715,110</b>	<b>7,225,001</b>

The accompanying notes form part of these financial statements.



## Prospective statement of cash flows

Forecast for the year ending 30 June 2021-31		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Notes		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Cash flows from operating activities</b>												
<b>Cash will be provided from:</b>												
	2	200,066	221,714	237,140	253,677	271,554	290,555	310,558	331,793	354,775	379,244	404,933
		32,260	40,723	43,775	49,115	49,126	50,463	51,798	53,543	55,472	56,807	58,379
		7,227	8,664	8,867	8,842	9,156	10,055	10,027	10,556	11,140	11,692	12,667
		46,138	68,725	66,621	44,424	33,440	17,702	21,482	21,258	34,033	35,401	35,563
		35,000	64,485	38,862	42,020	40,882	38,175	39,576	42,030	40,384	39,826	44,949
		1,250	302	311	318	317	315	309	304	302	312	315
		104	104	104	104	104	104	104	104	104	104	104
	6	5,977	2,113	6,486	9,615	9,552	9,755	6,509	7,213	5,322	7,485	7,812
<b>Total</b>		<b>328,022</b>	<b>406,831</b>	<b>402,165</b>	<b>408,114</b>	<b>414,131</b>	<b>417,123</b>	<b>440,364</b>	<b>466,800</b>	<b>501,531</b>	<b>530,870</b>	<b>564,722</b>
<b>Cash will be applied to:</b>												
		83,802	96,917	100,204	103,686	107,175	110,491	113,644	116,644	119,761	122,794	125,675
		113,132	125,398	121,829	126,990	124,093	131,437	131,928	137,802	146,458	150,441	156,634
		14,670	15,554	20,134	20,519	22,407	23,898	22,679	20,170	20,607	22,675	22,112
		-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>211,604</b>	<b>237,868</b>	<b>242,167</b>	<b>251,196</b>	<b>253,675</b>	<b>265,826</b>	<b>268,251</b>	<b>274,617</b>	<b>286,826</b>	<b>295,911</b>	<b>304,421</b>
<b>Net cash flow from operating activities</b>		<b>116,418</b>	<b>168,962</b>	<b>159,998</b>	<b>156,918</b>	<b>160,456</b>	<b>151,297</b>	<b>172,113</b>	<b>192,184</b>	<b>214,705</b>	<b>234,960</b>	<b>260,301</b>
<b>Cash flows from investing activities</b>												
<b>Cash will be provided from:</b>												
		425	432	440	448	455	464	471	479	-	-	-
		-	960	880	1,040	880	880	880	880	1,250	-	-
		2,396	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>2,821</b>	<b>1,392</b>	<b>1,320</b>	<b>1,488</b>	<b>1,335</b>	<b>1,344</b>	<b>1,351</b>	<b>1,359</b>	<b>1,250</b>	<b>-</b>	<b>-</b>
<b>Cash will be applied to:</b>												
		2,464	2,342	2,549	2,519	670	392	(351)	(34)	864	1,850	730
		302,844	328,668	316,310	277,969	194,786	168,560	158,111	191,368	249,061	306,805	288,862
<b>Total</b>		<b>305,308</b>	<b>331,010</b>	<b>318,860</b>	<b>280,488</b>	<b>195,456</b>	<b>168,952</b>	<b>157,760</b>	<b>191,334</b>	<b>249,925</b>	<b>308,655</b>	<b>289,592</b>
<b>Net cash flow from investing activities</b>		<b>(302,487)</b>	<b>(329,618)</b>	<b>(317,540)</b>	<b>(279,000)</b>	<b>(194,121)</b>	<b>(167,608)</b>	<b>(156,409)</b>	<b>(189,975)</b>	<b>(248,675)</b>	<b>(308,655)</b>	<b>(289,592)</b>
<b>Cash flows from financing activities</b>												
<b>Cash will be provided from:</b>												
		300	300	300	300	300	300	300	300	300	300	300
		246,069	194,030	230,783	189,806	90,322	73,039	41,059	53,632	84,552	73,979	29,181
<b>Total</b>		<b>246,369</b>	<b>194,330</b>	<b>231,083</b>	<b>190,106</b>	<b>90,622</b>	<b>73,339</b>	<b>41,359</b>	<b>53,932</b>	<b>84,852</b>	<b>74,279</b>	<b>29,481</b>
<b>Cash will be applied to:</b>												
		60,000	60,000	74,100	69,100	59,100	59,100	59,100	58,300	53,300	3,300	3,300
		300	300	300	300	300	300	300	300	300	300	300
<b>Total</b>		<b>60,300</b>	<b>60,300</b>	<b>74,400</b>	<b>69,400</b>	<b>59,400</b>	<b>59,400</b>	<b>59,400</b>	<b>58,600</b>	<b>53,600</b>	<b>3,600</b>	<b>3,600</b>
<b>Net cash flow from financing activities</b>		<b>186,069</b>	<b>134,030</b>	<b>156,683</b>	<b>120,706</b>	<b>31,222</b>	<b>13,939</b>	<b>(18,041)</b>	<b>(4,668)</b>	<b>31,252</b>	<b>70,679</b>	<b>25,881</b>
<b>Cash Balance</b>												
		-	(26,000)	-	-	-	-	-	-	-	-	-
		76,000	76,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
<b>Closing cash and cash equivalents balance</b>		<b>76,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>

The accompanying notes form part of these financial statements.

# Notes to the prospective financial statements

## Note 1: Statement of accounting policies

### Reporting entity

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

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

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

### Basis of preparation

We authorised the prospective financial statements on 24 June 2021. We believe the assumptions underlying these prospective financial statements are appropriate. We accept responsibility for the preparation of

the prospective financial statements, including the appropriateness of the assumptions underlying these statements and all other required disclosures. No actual results have been included within the prospective financial statements. We do not intend to update the prospective financial statements after they are presented.

### Statement of compliance

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

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

The reporting period for these prospective financial statements is for the 10 years ending 30 June 2031. The prospective financial

statements are presented in New Zealand dollars, rounded to the nearest thousand (\$000), unless otherwise stated.

The accounting policies set out below have been applied consistently to all periods presented here.

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

### Measurement base

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

For the assets and liabilities recorded at fair value, fair value is defined as the amount for which an item could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's-length transaction. For investment property, non-current assets classified as held for sale and items of

property, plant and equipment which are revalued, the fair value is determined by reference to market value. The market value of a property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction.

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

### **Judgements and estimations**

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

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

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

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

### **Significant accounting policies**

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

### **Standards issued and not yet effective, but early adopted**

#### **PBE IPSAS 41 - Financial Instruments**

PBE IPSAS 41 Financial Instruments replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement and PBE IFRS 9 Financial Instruments and is effective for financial years beginning on or after 1 January 2022, with earlier adoption permitted.

Council adopted PBE IPSAS 41 effective 1 July 2021 and have determined that adopting this standard does not materially impact the financial instruments held.

### **Revenue**

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

Revenue may come from either exchange or non-exchange transactions.

### **Exchange transactions**

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

### **Non-exchange transactions**

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, we either receive value from or give value to another entity without directly giving or receiving approximately equal value in exchange.

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

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

## **Gains**

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

## **Goods and services tax (GST)**

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

## **Taxation**

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

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

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

## **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short term highly liquid investments. The carrying value of cash at bank and short-term

deposits with original maturities of less than three months approximates their fair value.

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

## **Receivables**

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

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

## **Inventory**

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

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition. Inventories held for use in the provision of goods and services on a

commercial basis are valued at the lower of cost (using the FIFO method) and net realisable value.

## Property, plant and equipment

Property, plant and equipment include:

### Operational assets

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

### Zoo animals

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

### Restricted assets

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

### Heritage assets

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

Asset Class	Years	Depreciation rate
<b>Buildings - structure/fit out/services</b>	5 - 200	0.5% - 20%
<b>Plant and vehicles</b>	3 - 15	6.7% - 33.3%
<b>Furniture, fittings and equipment</b>	5 - 50	2% - 20%
<b>Library books</b>	3 - 14	7.1% - 33.3%
<b>Zoo animal (acquisition costs)</b>	10	10%
<b>Improvements - Parks &amp; Gardens</b>	5 - 150	0.7% - 20%
<b>Roads and traffic network:</b>		
Top surface (seal)	5 - 20	5% - 20%
Pavement (basecourse)	50 - 140	0.7% - 2%
Concrete	60	1.7%
Drainage	60 - 70	1.4% - 1.7%
Carparks	6 - 110	0.9% - 6.7%
Footpaths and cycleways	5 - 75	1.3% - 20%
Kerbs and traffic islands	20 - 60	1.7% - 5%
Signs	15	6.7%
Street lights	5 - 50	2% - 4%
Bridges and culverts	40 - 150	0.7% - 2.5%

Asset Class	Years	Depreciation rate
Underpasses	80	1.3%
Traffic signals	15	6.7%
Guarding and railing	20 - 25	4% - 5%
Bus shelters and fences	20	5%
Verge, embankment and retaining walls	50 - 100	1% - 2%
<b>Wastewater reticulation</b>		
Pipes	30 - 100	1% - 3.3%
Manholes	100	1%
Treatment plant	5 - 100	1% - 20%
Valves	40 - 75	1.3% - 2.5%
Pump stations	15 - 100	1% - 6.7%

### Infrastructure assets

These are the fixed utility systems that we own. Each asset type includes all items that are required for the network to function.

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

### Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and

only if, it is probable future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

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

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

### Disposals

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

### Subsequent costs

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

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

### Revaluation

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



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

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

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

### Depreciation

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

Heritage assets are not depreciated.

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

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

Asset Class	Years	Depreciation rate
<b>Stormwater system:</b>		
Pipes	30 - 100	1% - 3.3%
Manholes, inlets and outlets	100	1%
Soakage trench	50	2%
Fish Pass	50	2%
Channels	70-90	1.1%-1.4%
<b>Water reticulation:</b>		
Bulk main chambers	100	1%
Backflow devices	40	2.5%
Pipes	40 - 100	1% - 2.5%
Valves	40 - 75	1.3% - 2.5%
Treatment plant	5 - 100	1% - 20%
Meters	15	6.7%
Hydrants	50 - 75	1.3% - 2%
Cathodic Protection Device	15 - 100	1% - 6.7%
Reservoirs	15 - 100	1% - 6.7%
<b>Refuse - Rubbish and Recycling</b>	5 - 100	1% - 20%

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

### Investment properties

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

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

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

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

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

### Non-current assets held for sale

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

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

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

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

### Intangible assets

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

Intangible assets include:

### Software acquisition and development

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

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

### Consents and designations

- Consents and designations not attributed to a specific asset are capitalised at historic cost. These are amortised on a straight-line

basis over their estimated useful lives.

## Amortisation

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

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

Computer software	3-5 years
Consents & designations	10-35 years
Licenses	3-10 Years
Models	7-15 years

## Impairment of property, plant and equipment

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

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

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written

down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

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

## Creditors and other payables

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

## Employee entitlements

### Short-term employee entitlements

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

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

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

### Long-term employee entitlements

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

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

### Presentation of employee entitlements

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

### Superannuation schemes

#### Defined contribution schemes

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

### Derivative financial instruments

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

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

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

### Leases

Leases include:

#### Operating leases

- An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

#### Finance leases

- A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.
- At the start of the lease term, finance leases are recognized as assets and liabilities in the statement of financial position at the lower of the fair value of the

leased item and the present value of the minimum lease payments.

- The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.
- The amount recognized as an asset is depreciated over its useful life. If there is no reasonable certainty as to whether we will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

### Provisions

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

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

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. This is done using

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

### Landfill aftercare costs

We have legal obligations under resource consents to provide ongoing maintenance and monitoring services at several of our closed landfill sites. Provision for post-closure costs is recognised as a liability when the obligation for post-closure arises.

The provision is measured based on the present value of future cash flows expected to be incurred. This takes into account future events including legal requirements and known improvements in technology. The provision includes all costs associated with landfill post-closure.

Amounts provided for landfill post-closure are capitalized to the landfill asset where they give rise to future economic benefits to be obtained. Components of the capitalized landfill asset are depreciated over their useful lives.

The discount rate used is a rate that reflects current market assessments of the time value

of money and the risks specific to the Council.

All subsequent changes in the liability shall be recognized in the surplus or deficit and the periodic unwinding of the discount will also be recognized in the surplus or deficit as a finance cost as it occurs.

### Contingencies

#### Financial guarantee

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

### Equity

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

- accumulated funds
- other reserves - revaluation reserves and fair value through other comprehensive

revenue and expense reserve

- restricted reserves
- council created reserves.

Accumulated funds include accumulated surpluses over the years.

### Prospective statement of cash flows

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

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

## Significant judgements

We have made a number of judgements in selecting performance measures for inclusion in the Council's 2021-31 Long-Term Plan. The main judgements made in the selection of performance measures are outlined below:

### Community services; Governance, Safety; Venues, tourism and major events; Visitor destinations; Parks and recreation; Rubbish and recycling

There are no mandatory performance measures for these activities, nor any measures that have been established through legislation. As such, in selecting measures for these activities regard was given to those that:

- are considered to be of high public interest;
- relate to a community service level or expectation that is well understood; or
- arise out of a contractual arrangement.

### Transport

The Department of Internal Affairs (DIA) has specified a series of mandatory performance measures for this activity. All measures required to be reported against by the DIA have been included in our performance framework.

DIA have not set any mandatory performance measures in relation to mode shift or travel times. We consider these to be material aspects of the service we deliver and have included performance measures for these outcomes in our performance framework.

### Growth

We are required under legislation to process building consents, resource consents and Code of Compliance certificates within a specified timeframe – as such, we have included performance measures relating to timeliness of processing in our performance framework.

We also consider the sufficient supply of land for housing and business to be a material aspect of the service we deliver and have included performance measures for this outcome in our performance framework.

### Water supply; Wastewater; Stormwater

The Department of Internal Affairs (DIA) has specified a series of mandatory performance measures for these activities. All measures required to be reported against by the DIA have been included in our performance framework. We have not identified any significant aspects of service performance outside of the DIA measures, as such, no additional performance measures have been

included for these activities.

## Public benefit entity financial reporting standard 42 prospective financial statements (PBE FRS 42)

The Council has complied with PBE FRS 42 in the preparation of these draft prospective financial statements. The following information is included to satisfy the requirements of PBE FRS 42:

- Description of the nature of the entity's current operation and its principal activities:  
  
Hamilton City Council is a territorial local authority, as defined in the Local Government Act 2002. Our principal activities are outlined within this Long-Term Plan.
- Purpose for which the prospective financial statements are prepared:

It is a requirement of the Local Government Act 2002 to present prospective financial statements that span one year and include them within the Long-Term Plan. This allows ratepayers and residents the opportunity to review our projected financial results and position. Prospective financial statements are revised annually to reflect updated assumptions and costs.



(iii) Bases for assumptions, risks and uncertainties:

The financial information has been prepared based on best estimate assumptions as to the future events which we expect to take place. We have considered factors that may lead to a material difference between information in the prospective financial statements and actual results. These factors, and the assumptions made in relation to the sources of uncertainty and potential effect, are outlined on pages 90 to 104 of the Long-Term Plan.

(iv) Cautionary note:

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

(v) Other disclosures:

These prospective financial statements were adopted as part of the assumptions that form this Long-Term Plan. We are responsible for the prospective financial statements presented, including the assumptions underlying prospective financial statements and all other disclosures. This Long-Term Plan is prospective and as such contains no actual operating results.

## Note 2: Rates

### Accounting policy

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

### Rates penalties

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

### Rates remissions

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

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>General rates</b>											
General rates	199,929	213,260	228,225	244,299	261,670	280,135	302,613	323,458	346,002	370,003	395,217
Rates charges to Council properties	(465)	(518)	(544)	(570)	(598)	(627)	(658)	(690)	(724)	(760)	(797)
<b>Targeted rates</b>											
Government compliance rate	-	9,656	10,352	11,102	11,913	12,776	10,655	11,406	12,220	13,087	13,998
Metered water supply	8,468	8,618	8,868	9,090	9,317	9,550	9,789	10,044	10,314	10,593	10,869
Metered water charges to Council properties	(484)	(460)	(474)	(486)	(497)	(510)	(524)	(538)	(553)	(569)	(585)
Business improvement district rate	310	310	319	327	335	344	352	361	371	381	391
Service category rates (wastewater, water, and refuse)	1,284	1,419	1,488	1,561	1,638	1,718	1,802	1,890	1,983	2,080	2,182
Hamilton Gardens rate	812	-	-	-	-	-	-	-	-	-	-
Central city rate	145	145	145	145	145	145	145	145	145	145	145
<b>Penalties and remissions</b>											
Rates penalties	1,112	1,067	1,119	1,174	1,231	1,292	1,355	1,421	1,491	1,564	1,641
Rates remissions	-	-	-	-	-	-	-	-	-	-	-
- Hardship	(573)	(319)	(335)	(351)	(368)	(386)	(410)	(431)	(452)	(474)	(497)
- HCC utilities	(9,191)	(10,056)	(10,549)	(11,066)	(11,608)	(12,177)	(12,773)	(13,399)	(14,056)	(14,745)	(15,467)
- HCC other	(1,066)	(1,152)	(1,209)	(1,268)	(1,330)	(1,395)	(1,464)	(1,535)	(1,610)	(1,689)	(1,772)
- Community retail	(54)	(59)	(61)	(65)	(68)	(71)	(74)	(78)	(82)	(86)	(90)
- Wastewater, water and refuse	(163)	(196)	(205)	(215)	(226)	(237)	(249)	(261)	(274)	(287)	(301)
<b>Total rates</b>	<b>200,066</b>	<b>221,714</b>	<b>237,140</b>	<b>253,677</b>	<b>271,554</b>	<b>290,555</b>	<b>310,558</b>	<b>331,793</b>	<b>354,775</b>	<b>379,244</b>	<b>404,933</b>

## **Note 3: Fees and charges**

### **Accounting policy**

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

### **Sale of goods**

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

### **Building and resouce consents**

Fees and charges for building and resource consent services are recognised when the building consent application process is completed.

### **Entrance fees**

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

## Note 3: Fees and charges

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Animal control charges	1,096	1,045	1,075	1,102	1,130	1,158	1,187	1,218	1,251	1,284	1,318
Building and resource consent charges	8,817	10,347	11,389	11,952	12,315	12,501	12,865	13,494	13,932	14,228	14,435
Cemetery and crematorium charges	1,719	1,629	1,676	1,718	1,761	1,805	1,850	1,898	1,949	2,002	2,054
Event facilities charges	1,796	4,141	4,282	7,026	4,282	4,389	4,498	4,616	4,740	4,868	4,995
Hamilton Gardens charges	56	140	990	1,931	2,842	2,971	3,210	3,361	3,522	3,692	4,004
Parking fees	1,831	1,900	1,955	2,531	3,135	3,213	3,294	3,379	3,470	3,564	3,657
Swimming pools charges	2,381	2,745	3,034	3,245	3,322	3,405	3,490	3,581	3,678	3,777	3,875
Trade waste charges	2,950	3,095	3,179	3,252	3,598	3,682	3,766	3,857	3,954	4,054	4,152
Zoo charges	1,027	1,736	1,878	1,980	2,057	2,109	2,161	2,218	2,309	2,372	2,433
Other fees and charges	2,790	3,867	3,538	3,456	3,625	3,774	3,870	3,973	4,174	4,289	4,403
Commission received	842	830	1,059	1,095	972	1,001	1,031	1,063	1,098	1,133	1,176
Sale of goods	2,075	3,143	3,371	3,472	3,576	3,684	3,796	3,916	4,045	4,179	4,314
Operating contributions	4,880	6,105	6,348	6,355	6,511	6,772	6,780	6,967	7,349	7,365	7,562
<b>Total fees and charges</b>	<b>32,260</b>	<b>40,723</b>	<b>43,775</b>	<b>49,115</b>	<b>49,126</b>	<b>50,463</b>	<b>51,798</b>	<b>53,543</b>	<b>55,472</b>	<b>56,807</b>	<b>58,379</b>

## Note 4: Grants, subsidies and reimbursements

### Accounting policy

Grants, subsidies, and reimbursements are initially recognised at their fair value where there is reasonable assurance that the payment will be received, and all attaching conditions will be complied with. Grants and subsidies received in relation to the provision of services are recognised on a percentage of completion basis. Reimbursements (e.g. NZTA roading claim payments) are recognised upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled.

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
New Zealand Transport Agency roading subsidy - operating	6,245	7,440	7,648	7,630	7,929	8,813	8,764	9,232	9,808	10,351	11,318
Waste minimisation levy	583	642	650	659	668	676	685	694	702	711	719
Other grants	398	582	569	553	560	566	578	630	630	630	630
<b>Total grants, subsidies and reimbursements</b>	<b>7,227</b>	<b>8,664</b>	<b>8,867</b>	<b>8,842</b>	<b>9,156</b>	<b>10,055</b>	<b>10,027</b>	<b>10,556</b>	<b>11,140</b>	<b>11,692</b>	<b>12,667</b>

## Note 5: Interest revenue

### Accounting policy

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

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Term deposits	1,250	302	311	318	317	315	309	304	302	312	315
<b>Total interest revenue</b>	<b>1,250</b>	<b>302</b>	<b>311</b>	<b>318</b>	<b>317</b>	<b>315</b>	<b>309</b>	<b>304</b>	<b>302</b>	<b>312</b>	<b>315</b>

## Note 6: Other revenue

### Accounting policy

#### Infringement fees and fines

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

#### Dividends

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

#### Investment property rental revenue

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

#### Bequests and other donations

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

#### Fair value gains

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

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Infringements and fines	1,356	1,656	1,656	1,656	1,656	1,656	1,656	1,656	1,656	1,656	1,656
Rental income	3,450	3,693	3,848	3,979	4,083	4,223	4,368	4,524	4,689	4,861	5,034
Dividend revenue	104	104	104	104	104	104	104	104	104	104	104
Petrol tax income	1,138	1,200	1,235	1,266	1,297	1,330	1,363	1,398	1,436	1,475	1,513
Sponsorship income	13	22	22	22	22	22	22	22	22	22	22
Donations received	20	22	23	24	25	25	26	27	29	30	31
Housing Infrastructure Fund - fair value benefit	4,217	8,084	11,780	4,815	1,710	473	18	-	-	-	-
<b>Total other revenue</b>	<b>10,298</b>	<b>14,780</b>	<b>18,667</b>	<b>11,865</b>	<b>8,896</b>	<b>7,832</b>	<b>7,558</b>	<b>7,731</b>	<b>7,935</b>	<b>8,147</b>	<b>8,360</b>



## Note 7: Development contributions

### Accounting policy

Development and financial contributions are recognised as non-exchange revenue when the application for service connection or code of compliance or s.224(c) completion of resource consent conditions is received.

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Community Services	-	-	-	-	-	-	-	-	-	-	-
Reserves	1,196	821	1,168	1,651	1,553	2,088	2,242	2,495	1,983	2,072	2,089
Stormwater	2,854	4,929	6,197	6,211	5,399	4,906	5,130	5,121	4,877	4,819	9,179
Transport	6,717	11,638	11,521	12,608	12,524	13,012	13,743	14,745	14,252	13,987	14,170
Wastewater	7,378	9,123	9,796	10,782	11,385	12,072	12,562	13,482	12,700	12,125	12,013
Water Supply	4,359	5,111	5,140	5,353	5,240	5,112	5,291	5,681	5,682	5,527	5,776
<b>Total development contributions</b>	<b>22,504</b>	<b>31,622</b>	<b>33,822</b>	<b>36,605</b>	<b>36,101</b>	<b>37,190</b>	<b>38,969</b>	<b>41,524</b>	<b>39,494</b>	<b>38,530</b>	<b>43,227</b>

## Note 8: Capital revenue

### Accounting policy

#### New Zealand Transport Agency roading subsidies - capital

Reimbursements (e.g. NZTA roading claim payments) are recognised upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled.

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Capital contributions - general	12,496	32,863	5,040	5,415	4,781	985	607	506	890	1,296	1,722
New Zealand Transport Authority roading subsidy - capital	46,138	68,725	66,621	44,424	33,440	17,702	21,482	21,258	34,033	35,401	35,563
<b>Total capital revenue</b>	<b>58,634</b>	<b>101,588</b>	<b>71,661</b>	<b>49,839</b>	<b>38,221</b>	<b>18,686</b>	<b>22,089</b>	<b>21,764</b>	<b>34,922</b>	<b>36,697</b>	<b>37,285</b>

## Note 9: Vested assets

### Accounting policy

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

		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Vested assets	- Stormwater	5,508	4,800	5,455	5,811	6,299	6,458	6,410	6,559	7,166	7,404	7,294
	- Transport	21,764	24,589	27,946	29,765	32,273	33,085	32,835	33,599	36,708	37,925	37,365
	- Wastewater	3,287	3,312	3,764	4,008	4,347	4,456	4,422	4,525	4,943	5,108	5,032
	- Water supply	1,920	1,790	2,034	2,166	2,349	2,409	2,390	2,447	2,672	2,761	2,720
<b>Total vested assets</b>		<b>32,479</b>	<b>34,491</b>	<b>39,199</b>	<b>41,750</b>	<b>45,268</b>	<b>46,408</b>	<b>46,057</b>	<b>47,129</b>	<b>51,490</b>	<b>53,198</b>	<b>52,412</b>

## Note 10: Depreciation and amortisation expense by group of activity

### Accounting policy

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

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

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Growth	-	-	-	-	-	-	-	-	-	-	-
Safety	70	89	90	92	114	116	117	118	120	100	101
Community Services	4,007	4,105	4,176	4,429	4,607	4,679	4,753	4,825	4,985	5,069	5,155
Governance	-	-	-	-	-	-	-	-	-	-	-
Overheads/Support Units	6,188	5,147	5,815	5,604	5,011	5,385	5,740	4,823	3,823	2,828	2,266
Parks and Recreation	4,707	5,391	5,514	6,435	6,762	6,922	7,682	7,853	8,055	8,893	9,110
Rubbish and Recycling	564	560	587	590	594	640	648	652	743	746	752
Stormwater	9,748	9,838	10,349	10,511	10,401	11,685	11,896	12,057	13,387	13,615	14,063
Transport	20,411	20,546	22,222	23,723	27,887	29,477	30,125	33,291	33,737	34,376	38,547
Venues, Tourism and Major Events	5,599	5,918	6,085	6,239	6,386	6,554	6,730	6,890	7,066	7,243	7,430
Visitor Destinations	2,219	2,687	2,849	3,242	3,385	3,522	3,616	3,833	4,055	4,205	4,369
Wastewater	12,716	12,909	13,651	14,240	15,308	17,079	17,695	18,147	20,142	20,328	20,461
Water Supply	8,498	8,344	8,576	8,836	9,653	10,757	10,918	11,007	12,090	12,157	12,404
<b>Total depreciation expense</b>	<b>74,727</b>	<b>75,534</b>	<b>79,914</b>	<b>83,941</b>	<b>90,107</b>	<b>96,816</b>	<b>99,920</b>	<b>103,497</b>	<b>108,204</b>	<b>109,561</b>	<b>114,657</b>

## Note 11: Finance costs

### Accounting policy

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

### Fair value discount unwinding

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

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Interest on borrowings	14,599	15,534	20,114	20,499	22,387	23,878	22,659	20,150	20,587	22,655	22,092
Interest on finance leases	70	20	20	20	20	20	20	20	20	20	20
Discount unwind on provisions	265	132	122	115	107	98	91	82	73	64	55
Fair value discount unwinding	2,189	585	1,327	2,421	2,910	3,128	3,242	3,318	3,394	3,470	3,546
<b>Total finance costs</b>	<b>17,124</b>	<b>16,270</b>	<b>21,583</b>	<b>23,056</b>	<b>25,425</b>	<b>27,124</b>	<b>26,012</b>	<b>23,570</b>	<b>24,074</b>	<b>26,209</b>	<b>25,713</b>

## **Note 12: Other financial assets**

### **Accounting policy**

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

### **Term deposits and community loans (loans and receivables)**

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

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

At year-end, the assets are assessed for indicators of impairment. Impairment is established when there is evidence that we will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payments are indicators that the asset is impaired. If assets are impaired, the amount not expected to be collected is recognised in the surplus or deficit.

### **Shares in subsidiaries**

The investment in subsidiaries is carried at cost.

### **Unlisted shares**

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

## Note 12: Other financial assets

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

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

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

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

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Current portion</b>											
Loan to Melody Dairies Partnership Limited	432	440	448	455	463	471	479	-	-	-	-
Term deposits with maturities greater than 3 months but less than 1 year	-	880	1,040	880	880	880	880	1,250	-	-	-
<b>Total current portion</b>	<b>432</b>	<b>1,320</b>	<b>1,488</b>	<b>1,335</b>	<b>1,343</b>	<b>1,351</b>	<b>1,359</b>	<b>1,250</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Non-current portion</b>											
<b>Investment in CCOs and similar entities</b>											
NZ Local Government Funding Agency Limited	6,154	6,939	6,939	6,939	6,939	6,939	6,939	6,939	6,939	6,939	6,939
Shares in subsidiaries											
- Waikato Innovation Growth Limited	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Waikato Local Authority Shared Services Limited	291	291	291	291	291	291	291	291	291	291	291
	<b>10,445</b>	<b>11,230</b>	<b>11,230</b>	<b>11,230</b>	<b>11,230</b>	<b>11,230</b>	<b>11,230</b>	<b>11,230</b>	<b>11,230</b>	<b>11,230</b>	<b>11,230</b>
<b>Other investments</b>											
Civic Financial Services Limited	188	188	188	188	188	188	188	188	188	188	188
Loan to Melody Dairies Limited Partnership	2,757	2,317	1,869	1,414	951	479	-	-	-	-	-
Term deposits with maturities greater than 1 year	10,144	10,646	12,155	13,794	13,584	13,096	11,865	10,581	11,445	13,294	14,024
	<b>13,089</b>	<b>13,151</b>	<b>14,212</b>	<b>15,396</b>	<b>14,723</b>	<b>13,763</b>	<b>12,053</b>	<b>10,769</b>	<b>11,633</b>	<b>13,482</b>	<b>14,212</b>
<b>Total non-current portion</b>	<b>23,534</b>	<b>24,381</b>	<b>25,442</b>	<b>26,626</b>	<b>25,953</b>	<b>24,993</b>	<b>23,283</b>	<b>21,999</b>	<b>22,863</b>	<b>24,712</b>	<b>25,442</b>
<b>Total other financial assets</b>	<b>23,966</b>	<b>25,701</b>	<b>26,930</b>	<b>27,961</b>	<b>27,296</b>	<b>26,344</b>	<b>24,642</b>	<b>23,249</b>	<b>22,863</b>	<b>24,712</b>	<b>25,442</b>



## Note 13: Investment in associates

### Accounting policy

An associate is an entity over which we have significant influence and that is neither a subsidiary nor an interest joint venture.

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Investment in associates</b>											
Waikato Regional Airport Limited	7,430	7,430	7,430	7,430	7,430	7,430	7,430	7,430	7,430	7,430	7,430
<b>Total investment in associates</b>	<b>7,430</b>	<b>7,430</b>	<b>7,430</b>	<b>7,430</b>	<b>7,430</b>	<b>7,430</b>	<b>7,430</b>	<b>7,430</b>	<b>7,430</b>	<b>7,430</b>	<b>7,430</b>
<b>Total investment in CCOs (as per Note 12) and other entities</b>	<b>7,430</b>	<b>7,430</b>	<b>7,430</b>	<b>7,430</b>	<b>7,430</b>	<b>7,430</b>	<b>7,430</b>	<b>7,430</b>	<b>7,430</b>	<b>7,430</b>	<b>7,430</b>

## **Note 14: Borrowings**

### **Accounting policy**

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless we have an unconditional right to defer settlement of the liability for at least 12 months after balance date.

### **Housing Infrastructure Fund Loan**

The Housing Infrastructure Fund Loan (HIF) is interest free for ten years from the date of each drawdown. The fair value of the loan recognises the interest free benefit and is recognised as other revenue. Ten years after each drawdown the loan will be recognised at its nominal value with the unwinding of the fair value gains being recognised annually as a finance cost.

### **Finance leases**

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item and the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty as to whether we will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

## Note 14: Borrowings

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<b>Current portion</b>	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Secured loans - Housing Infrastructure Fund	-	4,100	4,100	4,100	4,100	4,100	3,300	3,300	3,300	3,300	3,300
Secured loans - general	22,500	82,500	77,500	67,500	67,500	67,500	67,500	67,500	17,500	17,500	17,500
Finance leases	300	300	300	300	300	300	300	300	300	300	300
<b>Current portion</b>	<b>22,800</b>	<b>86,900</b>	<b>81,900</b>	<b>71,900</b>	<b>71,900</b>	<b>71,900</b>	<b>71,100</b>	<b>71,100</b>	<b>21,100</b>	<b>21,100</b>	<b>21,100</b>
<b>Non-current portion</b>											
Secured loans - general	649,004	592,538	699,509	810,274	837,058	852,737	838,705	837,337	921,888	995,867	1,025,048
Secured loans - Housing Infrastructure Fund	44,182	72,942	117,201	134,748	140,386	141,301	141,316	141,335	141,428	141,598	141,844
Finance Leases	835	835	835	835	835	835	835	835	835	835	835
<b>Non-current portion</b>	<b>694,021</b>	<b>666,315</b>	<b>817,545</b>	<b>945,857</b>	<b>978,279</b>	<b>994,873</b>	<b>980,856</b>	<b>979,506</b>	<b>1,064,152</b>	<b>1,138,300</b>	<b>1,167,727</b>
<b>Total external debt</b>	<b>716,821</b>	<b>753,215</b>	<b>899,445</b>	<b>1,017,757</b>	<b>1,050,179</b>	<b>1,066,773</b>	<b>1,051,956</b>	<b>1,050,606</b>	<b>1,085,252</b>	<b>1,159,400</b>	<b>1,188,827</b>
Adjustments required to determine overall debt:											
External debt	716,821	753,215	899,445	1,017,757	1,050,179	1,066,773	1,051,956	1,050,606	1,085,252	1,159,400	1,188,827
Less cash held and cash investments	(86,144)	(61,526)	(63,195)	(64,674)	(64,464)	(63,976)	(62,745)	(61,831)	(61,445)	(63,294)	(64,024)
<b>Net debt</b>	<b>630,677</b>	<b>691,689</b>	<b>836,250</b>	<b>953,083</b>	<b>985,715</b>	<b>1,002,798</b>	<b>989,211</b>	<b>988,775</b>	<b>1,023,807</b>	<b>1,096,106</b>	<b>1,124,803</b>
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<b>Debt servicing performance indicators financial ratios</b>											
Liquidity ratio (target >110%)	>110%	>110%	>110%	>110%	>110%	>110%	>110%	>110%	>110%	>110%	>110%
Net debt/Total revenue (target <230%)	206%	193%	238%	269%	273%	276%	256%	242%	229%	230%	223%
Net interest on external debt/Total revenue (target <20%)	5%	4%	6%	6%	7%	7%	6%	5%	5%	5%	5%

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

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

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

**Cash flow** is defined as net surplus (or deficit) plus depreciation, less vested assets, and capital subsidies.

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

## **Note 15: Reserves**

### **Accounting policy**

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

### **Restricted and Council created reserves**

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Restricted reserves include those subject to specific conditions we accept as binding and which may not be revised without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. Also included in restricted reserves are reserves we restrict by resolution. We may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at our discretion. Council created reserves are restricted in their application by our resolution.

### **Revaluation reserves**

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

### **Fair value through other comprehensive revenue and expense reserve**

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

## Note 15: Reserves

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Restricted reserves</b>											
Cemetery plot maintenance in perpetuity	1,733	1,733	1,733	1,733	1,733	1,733	1,733	1,733	1,733	1,733	1,733
Municipal endowment fund	31,415	31,415	31,415	31,415	31,415	31,415	31,415	31,415	31,415	31,415	31,415
Domain endowment fund	8,210	8,251	8,292	8,333	8,374	8,415	8,456	8,497	8,538	8,579	8,620
Waikato Art Gallery endowment reserve	11	11	11	11	11	11	11	11	11	11	11
<b>Total restricted reserves</b>	<b>41,369</b>	<b>41,410</b>	<b>41,451</b>	<b>41,492</b>	<b>41,533</b>	<b>41,574</b>	<b>41,615</b>	<b>41,656</b>	<b>41,697</b>	<b>41,738</b>	<b>41,779</b>
<b>Council created reserves</b>											
Bus shelter (adshel) reserve	-										
Project watershed operating reserve	308	308	308	308	308	308	308	308	308	308	308
Waste minimisation reserve	269	193	108	14	(89)	(171)	(254)	(355)	(474)	(611)	(767)
Hamilton Gardens reserve	-	-	-	-	-	-	-	-	-	-	-
<b>Total council created reserves</b>	<b>577</b>	<b>501</b>	<b>416</b>	<b>322</b>	<b>219</b>	<b>137</b>	<b>54</b>	<b>(47)</b>	<b>(166)</b>	<b>(303)</b>	<b>(459)</b>
<b>Total restricted and council created reserves</b>	<b>41,946</b>	<b>41,911</b>	<b>41,867</b>	<b>41,814</b>	<b>41,752</b>	<b>41,711</b>	<b>41,669</b>	<b>41,609</b>	<b>41,531</b>	<b>41,435</b>	<b>41,320</b>

## Note 15: Reserves

	Activities to which the reserve relates	Opening balance July 2021	Transfers into reserve	Transfers out of reserve	Closing balance June 2031
<b>Restricted reserves</b>		\$000	\$000	\$000	\$000
Cemetery Plot Maintenance in perpetuity - to maintain and provide for improvements to the cemeteries.	Cemeteries and Crematorium	1,733	90	(90)	1,733
Municipal endowment fund - to provide a capital fund for crown endowment land vested in the Council for investment	Strategic Property Investment	31,415	1,570	(1,570)	31,415
Domain endowment fund - to provide a capital endowment fund for domain land for investment in property. Rental income and interest earned from domain endowment land is used to fund parks and reserves operating costs.	Parks and Recreation Stormwater	8,210	410	-	8,620
Waikato Art Gallery endowment reserve - to provide funds for the acquisition of works of art for the Waikato Museum of Art and History	Visitor Attractions	11	-	-	11
<b>Total restricted reserves</b>		<b>41,369</b>	<b>2,070</b>	<b>(1,660)</b>	<b>41,779</b>
<b>Council created reserves</b>					
Bus shelter (adshel) reserve - to manage the income generated from advertising in bus shelters to provide, maintain and enhance passenger infrastructure	Transport	-	1,201	(1,201)	-
Project watershed operating reserve - to fund works relating to river flood protection and erosion control (project watershed). Waikato Regional Council is the funding agency and Hamilton City Council carries out agreed works within the city boundary.	Parks and Recreation Stormwater	308	20	(20)	308
Waste minimisation reserve - to encourage a reduction in the amount of waste generated and disposed of in New Zealand, and to lessen the environmental harm of waste. The reserve was created in 2009 as a result of the Waste Minimisation Act 2008. Funding is distributed to local authorities by the Ministry of Environment and expenditure includes grants to others, waste minimisation initiative operating expenses and recycling contract.	Rubbish and Recycling	269	6,805	(7,851)	(767)
Hamilton Gardens reserve - to provide funds for the development of Hamilton Gardens. Funds are being sourced from a targeted rate.	Parks and Recreation	-	-	-	-
<b>Total council created reserves</b>		<b>577</b>	<b>8,026</b>	<b>(9,072)</b>	<b>(459)</b>
<b>Total restricted and council created reserves</b>		<b>41,946</b>	<b>10,096</b>	<b>(10,732)</b>	<b>41,320</b>



## Note 16: Reconciliation between Prospective Statement of Comprehensive Revenue and Expense and Prospective Funding Impact Statement

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Operating surplus/(deficit) per prospective statement of comprehensive revenue and expense	66,069	83,622	131,517	116,164	113,736	97,345	117,843	134,749	158,972	177,581	196,881
<b>Items recognised as revenue in the statement of comprehensive revenue and expense and as capital expenditure funding sources in funding impact statements:</b>											
Capital subsidies	(46,138)	(68,725)	(66,621)	(44,424)	(33,440)	(17,702)	(21,482)	(21,258)	(34,033)	(35,401)	(35,563)
Development, financial and capital contributions	(34,999)	(64,485)	(38,862)	(42,020)	(40,882)	(38,175)	(39,576)	(42,030)	(40,384)	(39,826)	(44,949)
<b>Non-cash items recognised in prospective statement of comprehensive revenue and expense and not included in funding impact statements:</b>											
Depreciation	74,727	75,534	79,914	83,941	90,107	96,816	99,920	103,497	108,204	109,561	114,657
Recognition of revenue from vested assets	(32,479)	(34,491)	(39,199)	(41,750)	(45,268)	(46,408)	(46,057)	(47,129)	(51,490)	(53,198)	(52,412)
Gain on fair value of investment properties	(593)	(756)	(775)	(795)	(815)	(835)	(856)	(877)	(899)	(922)	(945)
Housing Infrastructure Fund - fair value benefit	(4,217)	(8,084)	(11,780)	(4,815)	(1,710)	(473)	(18)	-	-	-	-
Housing Infrastructure Fund - fair value discount unwinding	2,189	585	1,327	2,421	2,910	3,128	3,242	3,318	3,394	3,470	3,546
Transfer of assets constructed but not owned	10,457	61,103	-	-	-	-	-	-	-	-	-
<b>Operating funding surplus/(deficit) per prospective funding impact statement</b>	<b>35,016</b>	<b>44,302</b>	<b>55,522</b>	<b>68,724</b>	<b>84,639</b>	<b>93,698</b>	<b>113,016</b>	<b>130,270</b>	<b>143,764</b>	<b>161,265</b>	<b>181,216</b>
<b>Balance as per Council FIS operating surplus/(deficit) of operating funding</b>	<b>35,015</b>	<b>44,302</b>	<b>55,522</b>	<b>68,724</b>	<b>84,639</b>	<b>93,698</b>	<b>113,016</b>	<b>130,270</b>	<b>143,764</b>	<b>161,265</b>	<b>181,216</b>

## Note 17: Operating funding variance by activity

		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<b>Total applications of operating funding</b>		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Community Services	1	22,134	20,019	21,388	22,325	22,943	23,624	24,292	25,205	27,026	27,124	27,622
Safety	2	6,468	7,261	7,325	7,428	7,699	7,957	8,131	8,306	8,479	8,695	8,886
Governance	3	3,159	3,585	4,114	3,573	3,671	4,381	3,825	3,920	4,734	4,142	4,304
Parks and Recreation	4	21,530	26,199	26,985	30,741	30,774	30,383	30,463	31,726	31,623	33,082	34,027
Growth	5	16,628	20,411	19,997	19,214	19,524	19,669	19,762	19,675	20,252	20,650	20,811
Rubbish and Recycling		9,981	9,240	10,019	10,319	10,696	11,491	11,860	12,643	13,178	13,829	12,694
Stormwater	6	5,946	6,893	7,514	7,850	7,994	8,622	9,133	9,261	9,892	11,029	11,639
Transport	7	33,135	42,058	45,197	48,316	49,138	52,486	52,714	53,859	56,288	59,451	63,620
Venues, Tourism and Major Events	8	34,808	29,089	24,914	24,421	21,223	22,100	22,050	22,178	23,573	23,135	23,412
Visitor Destinations	9	15,419	16,752	18,823	19,068	19,804	21,800	21,510	22,303	23,952	24,236	24,897
Wastewater	10	25,206	30,763	32,285	33,177	34,723	36,721	37,656	38,617	40,409	42,285	43,770
Water Supply	11	17,455	21,528	22,863	23,775	24,398	25,660	25,623	25,725	26,171	26,951	27,383

### Explanation for variances +/- 10% (figures highlighted in blue above)

- Community Services.** 2020/21 included a one off grant to the Community Lands Trust. Two indoor recreation grants of \$2 million are budgeted in 2023/24 and 2024/25.
- Safety.** Increase in staff costs across the group.
- Governance.** Costs increase every three years to pay for our local government elections.
- Parks and Recreation.** Consultants for capex projects \$825,000. Nature in the City \$900,000. Depreciation increase \$1.4 million.
- Growth.** Increase due to the cost of the District Plan.
- Stormwater.** Increase in interest expense and general operating and maintenance.
- Transport.** Personnel costs increase \$1.5 million. Operating and maintenance costs increase \$5.8 million.
- Venues, Tourism and Major Events.** The variance is due to the timing of the Waikato Regional Theatre grant. Operating and maintenance costs increase \$2 million.
- Visitor Destinations.** The cost increase in 2025/26 is due to painting of Visitor Destinations buildings.
- Wastewater.** Increased operating and maintenance costs.
- Water Supply.** Increase in interest expense and general operating and maintenance.



# Disclosure Statement

**This statement discloses our planned financial performance in relation to various benchmarks which help us to assess whether we are prudently managing our revenues, expenses, assets, liabilities, and general financial dealings.**

**We are required to include this statement in our 10-Year Plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Please refer to the regulations for more information, including definitions of some of the terms used in this statement.**

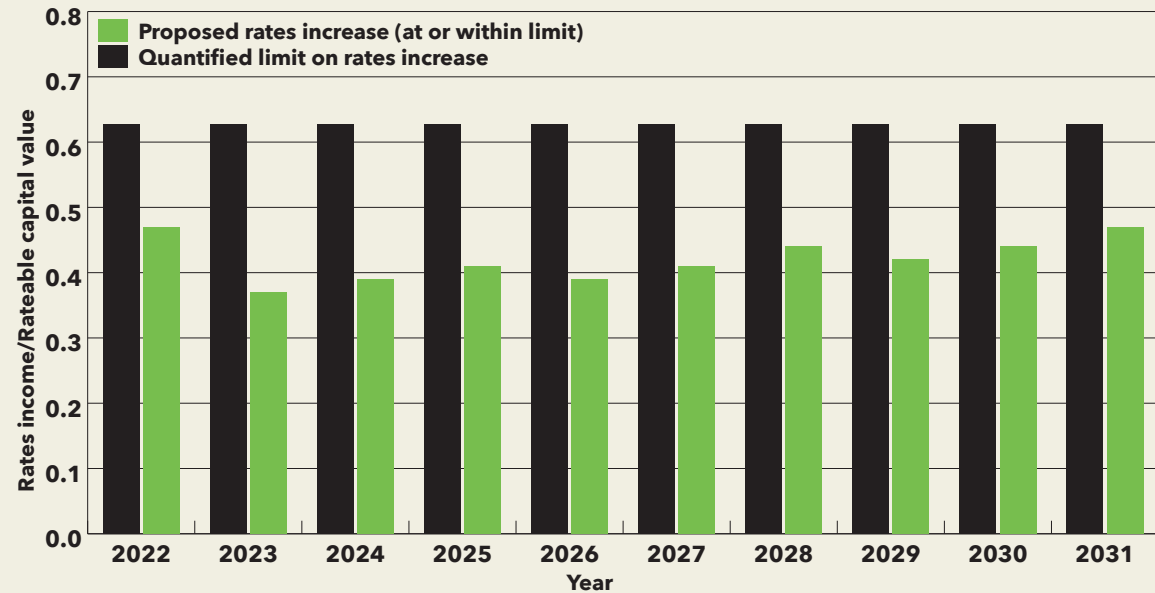
## Rates affordability benchmark

We meet the rates affordability benchmark if:

- Planned rates income equals or is less than each quantified limit on rates; and
- Planned rates increases equal or are less than each quantified limit on rates increases.

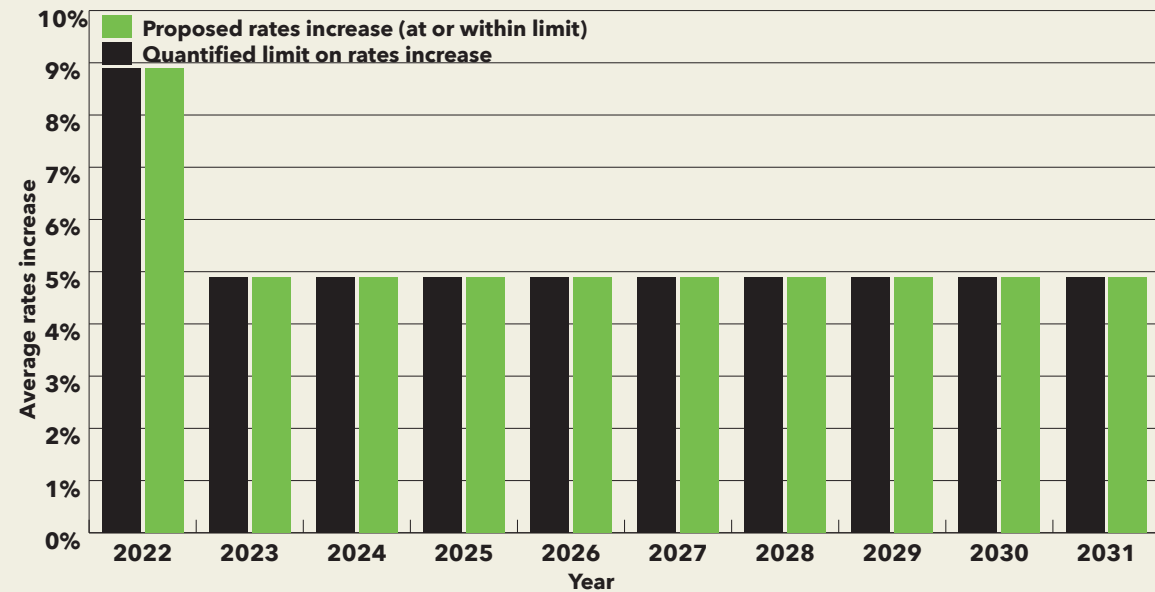
### Rates (income) affordability

The following graph compares our planned rates income with a quantified limit on rates contained in the 2021-31 Financial Strategy. The quantified limit is that rates will not exceed 0.627% of the city's rateable capital value.



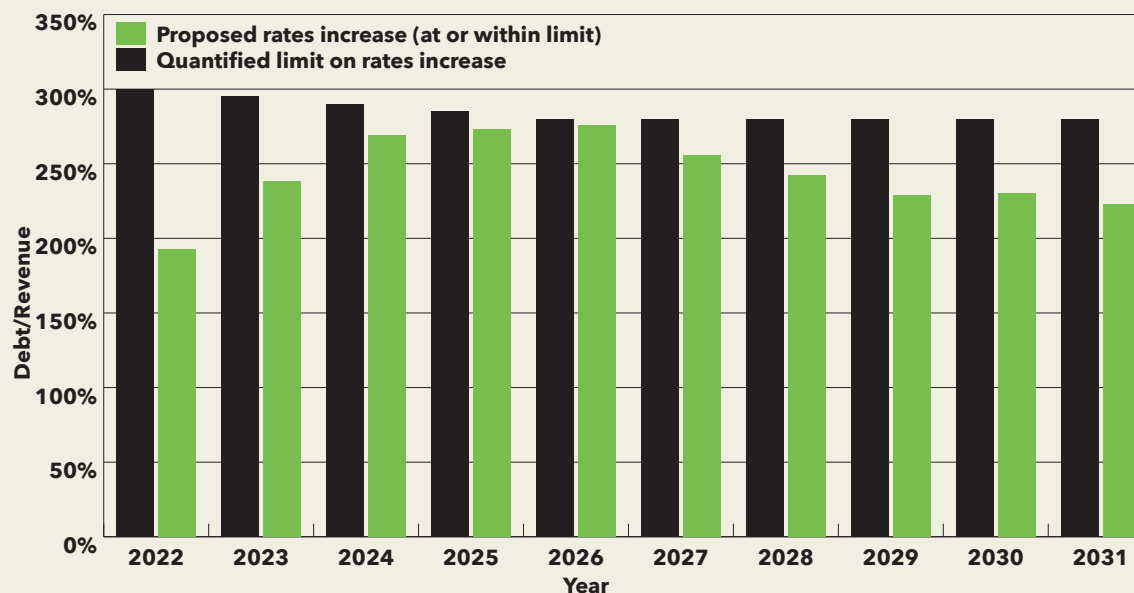
### Rates (increases) affordability

The following graph compares our planned rates increases with a quantified limit on rates increases contained in our 2021-31 Financial Strategy. The quantified limit is that average rate increases to existing ratepayers will not exceed 8.9% in 2021/22 or 4.9% thereafter.



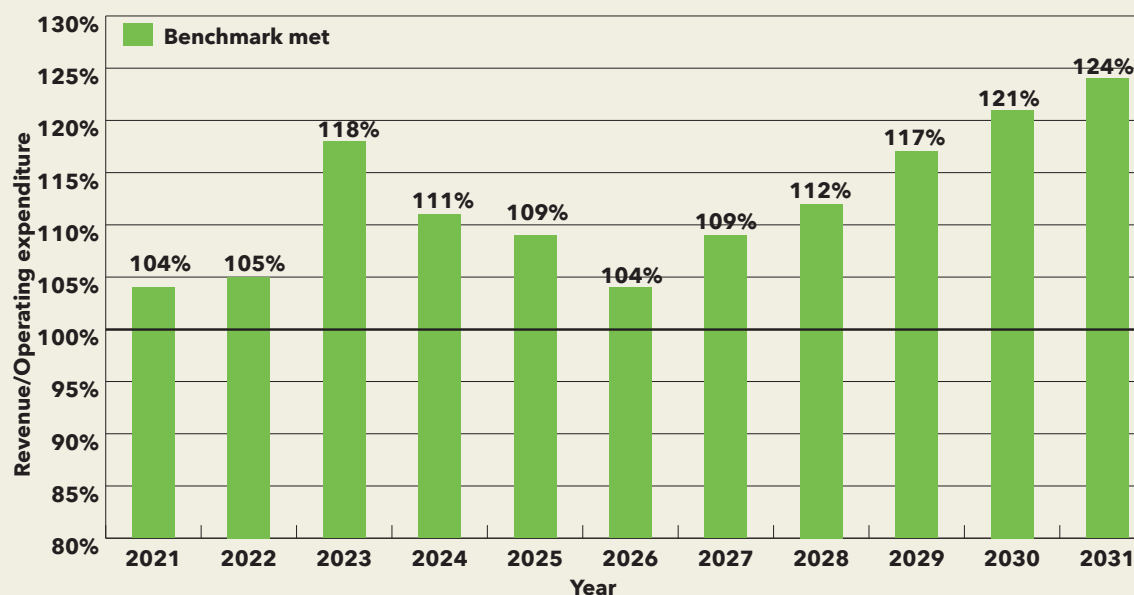
## Debt affordability benchmark

We will meet the debt affordability benchmark if our planned borrowing is within each quantified limit on borrowing. The following graph compares our planned debt with a quantified limit on borrowing contained in the 2021-31 Financial Strategy. The quantified limit is that the debt to revenue ratio will remain below 300% in 2022, 295% in 2023, 290% in 2024, 285% in 2025 and 280% thereafter.



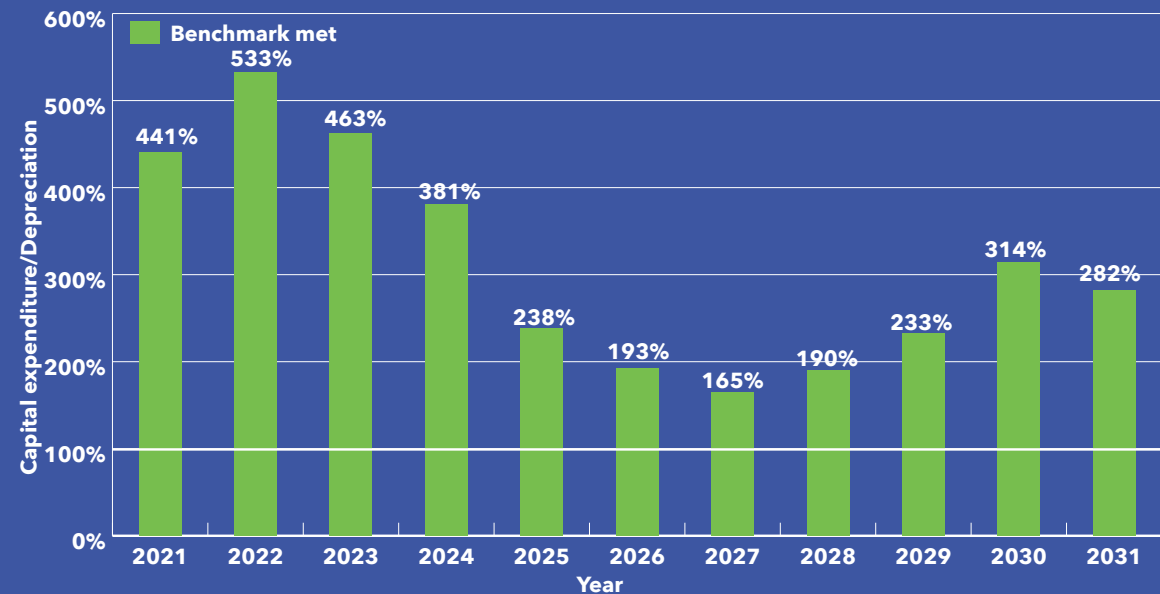
## Balanced budget benchmark

The following graph shows our planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment). We meet the balanced budget benchmark if our planned revenue equals or is greater than our planned operating expenses.



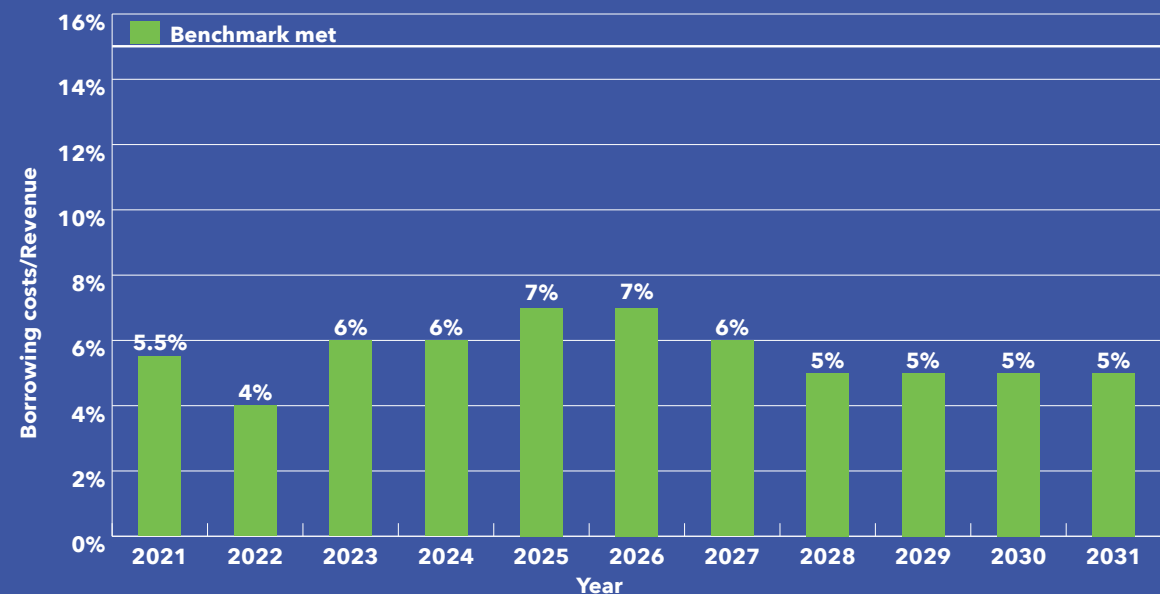
## Essential services benchmark

The following graph shows our planned capital expenditure on network services as a proportion of expected depreciation on network services. We meet this benchmark if our planned capital expenditure on network services equals or is greater than the expected depreciation on our network services.



## Debt servicing benchmark

The following graph displays our planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment). Because Statistics New Zealand projects that our population will grow faster than the national population is projected to grow, we will meet the debt servicing benchmark if our planned borrowing costs equal or are less than 15% of our planned revenue.





# Council Funding Impact Statement

**The Funding Impact Statement is made up of three parts:**

- Rating Information for 2021/22
- Rates Samples for 2021/22
- The Whole of Council Funding Impact Statement.

The Funding Impact Statement should be read in conjunction with our Revenue and Financing Policy and Rating Policy. These can be found on our website.

Figures in this statement include GST unless otherwise stated.

## Rating information for 2021/22

We set and assess these rates under the Local Government (Rating) Act 2002:

- General rate
- Uniform Annual General Charge (UAGC)
- Targeted rates include:
  - Business Improvement District (BID)
  - Central city
  - Government compliance
  - Service use water
  - Service use wastewater
  - Service use refuse
  - Metered water
  - Commercial and Other category non-metered water

Details of the rates revenue to be collected and the rating categories that will pay these rates are in this funding impact statement.

### General rate

A general rate is set and assessed on the capital value of all rateable land in the city.

General rates are set on a differential basis on the categories of land identified below. The differential bases are the use to which the land

is put, the provision or availability to the land of a service provided, the activities permitted, controlled, or discretionary for the area in which the land is situated and the rules to which the land is subject under the operative district plan, and in the case of the BID Commercial differential, the location of the land.

The objective of including differentials in the general rate is to achieve an appropriate distribution of the general rate, considering all factors we believe are relevant. This rate covers all of the services we provide.

The total revenue sought is \$204,952,463.

Land described in Part 2 Schedule 1 of the Local Government (Rating) Act 2002 (broadly speaking, land owned or used by societies for arts or sports) will be assessed at 50% of

the residential rate (general rate, UAGC, and Government compliance rate) that applies to the land. This general rate revenue is included within the Residential category shown in the table below, and within the targeted rates revenue where applicable.

### Uniform Annual General Charge

A Uniform Annual General Charge (UAGC) is set and assessed on all rateable land. The UAGC is set at \$584 per Separately Used or Inhabited Part of a rating unit (SUIP). We have determined the level of UAGC in order to distribute the allocation of the general rate at an appropriate level among all ratepayers.

The total revenue sought from the UAGC is \$40,296,000.

The general rate is set and assessed on a differential basis as follows:

Source	Differential categories	Differential factor	Percentage of total general rates	Rate in the dollar of capital value (GST incl)	Rates revenue (GST incl)
<b>General rate</b>	Commercial	2.6473	34.03%	0.00947723	\$69,757,651
	BID Commercial	2.5149	7.07%	0.00900337	\$14,488,969
	Other	0.7400	1.40%	0.00264921	\$2,865,041
	Residential	1.0000	57.50%	0.00358001	\$117,840,802

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

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

An SUIP is every rating unit and, without limitation, every additional dwelling, commercial or community activity. This includes:

- a. any part or parts of a rating unit used or occupied by the ratepayer for more than one single use
- b. any parts, whether or not actually occupied at any particular time, which are used for rental (or other form of occupation) on an occasional or long-term basis
- c. vacant land and vacant premises offered or intended for use or habitation and usually used as such are defined as 'used'.

For the purposes of clarity, every rating unit has a minimum of one SUIP.

As part of this definition, the list below sets out our intent in the application of SUIPs to rating units used as for residential purposes:

- the second and each additional SUIP must have a separate bathroom, bedroom or living area and separate sink
- any part of a rating unit as described in a - c above that is inhabited by virtue of a

tenancy, lease, license or other agreement on an occasional or long-term basis

- single dwelling with flat attached
- two or more houses, flats or apartments on one rating unit
- ancillary flat or detached dwellings (as defined in the District Plan)
- individually surveyed lots of vacant land on one Certificate of Title offered for sale separately or in groups; and
- residential accommodation rented individually per room. For a residential property to be classified as having additional SUIPs, each part must have a separate bathroom, bedroom or living area and separate sink.

As part of this definition, the list below sets out our intent in the application of SUIPs to rating units used for commercial activities:

- a commercial activity is any activity involving the exchange of goods or services for reward (whether for profit or not)
- any part of a rating unit as described in a - c above that is inhabited through a tenancy, lease, license or other agreement on an occasional or long-term basis
- commercial building where there are clearly defined vacant parts, advertised for

lease or tenancy

- business premise with separate permitted residential activity
- home-based business (as defined in the District Plan)
- each use within a single rating unit involving a different activity conducted by a person, company, or organisation different to the ratepayer (i.e. a large store which has a café operating within it, where the café is a separate business entity)
- commercial building leased, or sub-leased, to multiple tenants
- a separate dwelling used for short-term accommodation
- commercial accommodation provided on a single rating unit for short-term stays (where average occupancy is limited as prescribed within the District Plan) will be one SUIP.

In addition to the primary use, the list below defines our intent in the application of SUIPs to rating units used as community activities:

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

## Targeted rates

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

## Metered water rate

This rate is set and assessed for metered and restricted flow water supply on a differential basis to all rating units that are metered (as defined by Hamilton City Council's Water Supply Bylaw 2013).

This rate is:

- a fixed amount per connected meter, based on the nature of the connection, as follows:
  - i. \$444 for all metered rating units (except rating units receiving a restricted flow supply); and
  - ii. \$360 for rating units receiving a restricted flow supply.
- a charge per unit of water consumed or supplied on every metered connection in accordance with the following scale:
  - i. all metered rating units (except rating units receiving a restricted supply) - \$1.85 per kilolitre of water supplied after the first 60 kilolitres of consumption or supply per quarter;

and

- ii. rating units receiving a restricted flow supply - \$1.50 per kilolitre of water supplied after the first 60 kilolitres of consumption or supply per quarter.

This rate contributes to the funding of the Water Distribution and Water Treatment and Storage activities. The total revenue sought is \$9,644,774.

## Commercial and Other category non-metered water rate

This rate is set and assessed on Commercial and Other category properties connected to the water network, but not provided with a metered connection. The rate is \$444 per rating unit.

This rate contributes to the funding of the Water Distribution and Water Treatment and Storage activities. The total revenue sought is \$266,260.

Properties in Waikato District Council and Waipa District Council areas supplied with water under contractual arrangements will be charged according to these contracts.

## Business Improvement District (BID) rate

This rate is set and assessed on all rating units defined within the BID Commercial General rate category and comprises both a fixed amount per SUIP and a rate in the dollar based on the Capital Value.

The Business Improvement District (BID) and Central City rating areas map is shown in Schedule 1 of the Rating Policy. The components of this rate are:

- a. BID Fixed rate: a fixed amount of \$240 per SUIP of a commercial rating unit within the defined area; and
- b. BID CV rate: a rate per dollar of capital value required to meet the total revenue, after allowing for the total revenue raised by the BID Fixed rate. The rate is \$0.00002602 per dollar of capital value.

The rate provides funding to the City Planning activity. The total revenue sought is \$356,528.

## Central city rate

This rate is set on all rating units defined within the BID Commercial General rate category and is set as a fixed amount per SUIP.

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

This rate is a fixed amount of \$127 per SUIP.

This rate provides funding to the Transportation Network activity. The total revenue sought is \$166,750.

### Government compliance rate

This rate is set and assessed on the capital value of all rateable land in the city.

This rate is set on a differential basis on the categories of land identified below. The differential bases are the use to which the land is put, the provision or availability to the land of a service provided, the activities permitted, controlled, or discretionary for the area in which the land is situated and the rules to which the land is subject under the operative district plan, and in the case of the BID Commercial differential, the location of the land.

This rate provides funding to the Wastewater Treatment and Disposal, Wastewater Collection, Water Treatment and Storage, Water Distribution, Stormwater Network and City Planning activities. The total revenue sought is \$11,104,400.

This rate is set and assessed on a differential basis as follows:

Source	Differential categories	Differential factor	Percentage of total Government compliance rates	Rate in the dollar of capital value (GST incl)	Rates revenue (GST incl)
<b>Government compliance rate</b>	Commercial	2.6473	34.03%	0.00051347	\$3,779,495
	BID Commercial	2.5149	7.07%	0.00048779	\$785,018
	Other	0.7400	1.40%	0.00014353	\$155,229
	Residential	1.0000	57.50%	0.00019396	\$6,384,658

Land described in Part 2 Schedule 1 of the Local Government (Rating) Act 2002 (broadly speaking, land owned or used by societies for arts or sports) will be assessed at 50% of the residential rate that applies to the land. This Government compliance rate revenue is included within the Residential category shown in the table above.

### Service use category

Service Use Category means rating units that are defined by the use of the land, for the purpose of charging water, wastewater and refuse collection, set and assessed as targeted rates.

Service Use Category rating units are provided

with one or more of these services and are used:

- i. as a reserve under the Reserves Act 1977
- ii. for conservation, wildlife management or preservation purposes and not for private pecuniary profit and accessible to the public
- iii. by us for:
  - public garden, reserve, or children's playground
  - games and sports
  - public hall, athenaeum, museum, gallery or similar institution
  - public baths, swimming baths and sanitary convenience.

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



- cemeteries or crematorium
- iv. by the Queen Elizabeth the Second National Trust
- v. by the Royal Foundation of the Blind, except as an endowment
- vi. by or for an education establishment, special school or other institution under s159(1) of the Education Act 1989
- vii. by a district health board for health and health related services
- viii. solely and principally as a place of religious worship, Sunday or Sabbath school or other form of religious worship and not for private pecuniary profit
- ix. as Maaori meeting house that is Maaori freehold land not exceeding 2ha
- x. as railway or for the loading and unloading of goods or passengers from trains
- xi. for the free maintenance or relief of persons in need, not exceeding 1.5 hectares.

Where there is a community, sporting or cultural activity on Council reserve land, and the activity is subject to a lease agreement as defined within our Community Occupancy Policy, these targeted rates will apply.

Upon application, we extend the rating treatment of the Service Use category to

rating units which are operated by not for profit organisations, whom provide benefits to the wider community and where there is no private pecuniary gain. Refer to the Rates Remissions and Postponements Policy for criteria.

### **Service use water rate**

The rate is set and assessed on properties as defined as a Service Use Category and which are connected to our water network but are not provided with a metered connection.

The rate is a fixed amount of \$444 per SUIP.

The rate provides funding towards the Water Distribution and Water Treatment and Storage activities. The total revenue sought is \$59,940.

### **Service use refuse rate**

The rate is set and assessed on properties defined as a Service Use Category and which are provided with refuse collection service. The rate is a fixed amount of \$178 per SUIP.

The rate provides funding towards the Refuse Collection activity. The total revenue sought is \$25,454.

### **Service use wastewater rate**

The rate is set and assessed on properties

defined as a Service Use Category and which are connected to the wastewater network. This rate comprises two components. These are:

- a rate per dollar of land value set at \$0.00126242; and
- a rate per dollar of capital value set at \$0.00036402.

The rate provides funding towards the Wastewater Collection and Wastewater Treatment and Disposal activities.

The total revenue sought is \$1,546,198.

## **Future rates**

Based on the assumptions and decisions included in this Long-Term Plan we intend to set and assess rates from the sources listed above in each year of the Plan.

Future rates are proposed to increase by 4.9% annually, except:

- the Government compliance rate in year six which is proposed to decrease and cease to provide funding to the City Planning activity
- the General rate in year six which is proposed to increase to maintain the overall increase of the UAGC, General rate, and Government compliance rate at 4.9%
- the BID rate, for which the total revenue

sought is proposed to increase by Council's rate of operating inflation

- the Central City rate, for which the total revenue sought is not proposed to change
- rates for water, wastewater, and refuse collection which are linked to the cost of providing the service.

## Inspection of Rating Information Database

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

## Rating base

Total land value for 2021/22 is \$23,915,332,000.

Total capital value for 2021/22 is \$45,592,703,000.

The projected number of rating units for the following ten years are:

<b>2021/22</b>	61,823
<b>2022/23</b>	62,802
<b>2023/24</b>	63,813
<b>2024/25</b>	64,878
<b>2025/26</b>	65,938
<b>2026/27</b>	66,963
<b>2027/28</b>	67,979
<b>2028/29</b>	69,056
<b>2029/30</b>	70,138
<b>2030/31</b>	71,174

## 2021/22 Rates - sample properties

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 Charge	General rates	Other rates	Total rates	Uniform Annual General Charge	General rates	Other rates	Government compliance rate	Total rates		
Residential	1	365,000	534	1,259	14	<b>1,807</b>	584	1,307	0	71	<b>1,962</b>	155	8.6%
Residential	1	435,000	534	1,500	14	<b>2,048</b>	584	1,557	0	84	<b>2,226</b>	178	8.7%
Residential	1	530,000	534	1,828	14	<b>2,376</b>	584	1,897	0	103	<b>2,584</b>	208	8.8%
Residential	1	670,000	534	2,311	14	<b>2,859</b>	584	2,399	0	130	<b>3,113</b>	254	8.9%
Residential	1	820,000	534	2,828	14	<b>3,376</b>	584	2,936	0	159	<b>3,679</b>	303	9.0%
Residential	4	875,000	2,136	3,018	55	<b>5,209</b>	2,336	3,133	0	170	<b>5,638</b>	429	8.2%
Residential	12	2,000,000	6,408	6,898	166	<b>13,472</b>	7,008	7,160	0	388	<b>14,556</b>	1,084	8.0%
Other	1	490,000	534	1,252	14	<b>1,800</b>	584	1,298	0	70	<b>1,952</b>	152	8.5%
Other	1	1,005,500	534	2,570	14	<b>3,118</b>	584	2,664	0	144	<b>3,392</b>	274	8.8%
Other	1	2,960,000	534	7,566	14	<b>8,113</b>	584	7,842	0	425	<b>8,851</b>	737	9.1%
Commercial	1	190,000	534	1,735	14	<b>2,283</b>	584	1,801	0	98	<b>2,482</b>	200	8.7%
Commercial	1	374,500	534	3,419	14	<b>3,967</b>	584	3,549	0	192	<b>4,326</b>	358	9.0%
Commercial	1	640,000	534	5,844	14	<b>6,391</b>	584	6,065	0	329	<b>6,978</b>	587	9.2%
Commercial	1	1,375,000	534	12,555	14	<b>13,103</b>	584	13,031	0	706	<b>14,321</b>	1,219	9.3%
Commercial	1	2,962,000	534	27,045	14	<b>27,593</b>	584	28,072	0	1,521	<b>30,176</b>	2,583	9.4%
Commercial	4	2,100,000	2,136	19,175	55	<b>21,366</b>	2,336	19,902	0	1,078	<b>23,316</b>	1,951	9.1%
Commercial	10	12,000,000	5,340	109,569	138	<b>115,047</b>	5,840	113,727	0	6,162	<b>125,728</b>	10,681	9.3%
BID Commercial	1	188,000	534	1,631	387	<b>2,552</b>	584	1,693	372	92	<b>2,740</b>	188	7.4%
BID Commercial	1	310,000	534	2,689	390	<b>3,613</b>	584	2,791	375	151	<b>3,901</b>	288	8.0%
BID Commercial	1	700,000	534	6,072	401	<b>7,007</b>	584	6,302	385	341	<b>7,613</b>	606	8.6%
BID Commercial	1	1,460,000	534	12,664	422	<b>13,621</b>	584	13,145	405	712	<b>14,846</b>	1,225	9.0%
BID Commercial	1	3,268,000	534	28,347	472	<b>29,354</b>	584	29,423	452	1,594	<b>32,053</b>	2,699	9.2%
BID Commercial	4	3,000,000	2,136	26,023	1,610	<b>29,769</b>	2,336	27,010	1,546	1,463	<b>32,356</b>	2,587	8.7%
BID Commercial	10	20,000,000	5,340	173,484	4,372	<b>183,197</b>	5,840	180,067	4,190	9,756	<b>199,854</b>	16,657	9.1%

## Prospective Whole of Council Funding Impact Statement

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
<b>Sources of Operating Funding</b>	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
General rates, uniform annual general charges, rates penalties	189,531	201,566	215,967	231,453	248,206	266,022	287,816	307,946	329,742	352,958	377,348
Targeted Rates	10,535	20,148	21,173	22,225	23,348	24,532	22,743	23,847	25,033	26,286	27,585
Subsidies and grants for operating purposes	7,227	8,664	8,867	8,842	9,156	10,055	10,027	10,556	11,140	11,692	12,667
Fees and charges	32,260	41,262	44,335	49,695	49,728	51,085	52,444	54,212	56,166	57,527	59,125
Interest and dividends from investments	1,354	406	415	422	421	419	413	408	406	416	419
Local authorities fuel tax, fines, infringement fees, and other receipts	5,977	6,053	6,222	6,365	6,481	6,634	6,790	6,958	7,137	7,322	7,510
<b>Total Operating Funding (A)</b>	<b>246,884</b>	<b>278,100</b>	<b>296,979</b>	<b>319,002</b>	<b>337,340</b>	<b>358,747</b>	<b>380,232</b>	<b>403,927</b>	<b>429,624</b>	<b>456,201</b>	<b>484,654</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	196,934	218,113	221,202	229,644	230,187	241,053	244,446	253,404	265,179	272,197	281,271
Finance Costs	14,934	15,686	20,256	20,634	22,515	23,996	22,770	20,252	20,680	22,740	22,167
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total Applications of Operating Funding (B)	211,869	233,798	241,457	250,278	252,701	265,049	267,216	273,656	285,860	294,936	303,438
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>35,015</b>	<b>44,302</b>	<b>55,522</b>	<b>68,724</b>	<b>84,639</b>	<b>93,698</b>	<b>113,016</b>	<b>130,270</b>	<b>143,764</b>	<b>161,265</b>	<b>181,216</b>
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	58,634	101,588	71,661	49,839	38,221	18,686	22,089	21,764	34,922	36,697	37,285
Development and financial contributions	22,504	31,622	33,822	36,605	36,101	37,190	38,969	41,524	39,494	38,530	43,227
Increase (decrease) in debt	186,069	134,030	156,683	120,706	31,222	13,939	(18,041)	(4,668)	31,252	70,679	25,881
Gross proceeds from sale of assets	2,396	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>269,603</b>	<b>267,240</b>	<b>262,166</b>	<b>207,149</b>	<b>105,543</b>	<b>69,815</b>	<b>43,017</b>	<b>58,620</b>	<b>105,668</b>	<b>145,906</b>	<b>106,393</b>
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	199,508	218,663	176,152	156,502	76,426	63,419	45,536	62,310	127,399	182,503	164,097
- to improve the level of service	34,691	43,064	72,073	57,345	42,661	31,644	28,397	36,950	23,796	26,844	25,280
- to replace existing assets	68,645	66,942	68,086	64,122	75,699	73,497	84,178	92,108	97,866	97,459	99,486
Increase (decrease) in reserves	(690)	7,492	(292)	(3,575)	(4,394)	(4,559)	(847)	(1,564)	757	(1,484)	(1,983)
Increase (decrease) of investments	2,464	(24,618)	1,669	1,479	(210)	(488)	(1,231)	(914)	(386)	1,850	730
Total Applications of Capital Funding (D)	304,618	311,542	317,688	275,873	190,182	163,513	156,033	188,890	249,432	307,171	287,609
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(35,015)</b>	<b>(44,302)</b>	<b>(55,522)</b>	<b>(68,724)</b>	<b>(84,639)</b>	<b>(93,698)</b>	<b>(113,016)</b>	<b>(130,270)</b>	<b>(143,764)</b>	<b>(161,265)</b>	<b>(181,216)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



# Council Controlled Organisations

We are involved with and represented in a number of organisations to support the realisation of our vision for Hamilton City. Council Controlled Organisations (CCOs) are any organisation in which one or more local authorities control 50% or more of the voting rights or appoint 50% or more of the directors.

We have an interest in the following CCOs:

- Waikato Local Authority Shared Services Limited,
- New Zealand Local Government Funding Agency Limited,
- Waikato Regional Airport Limited and its subsidiaries, Hamilton & Waikato Tourism Limited, Titanium Park Limited and Waikato Regional Airport Hotel Limited, and
- Waikato Innovation Growth Limited and its subsidiary, New Zealand Food Innovation (Waikato) Limited.

The following tables explain what these organisations do, our objectives in regard to ownership, nature and scope of activities, key performance targets and outcomes. We also have interests in other Council Organisations details of which are available on our website.

We manage and monitor our investment in CCO's by reviewing statement of intents, six month and annual reports at our Finance Committee.

<b>Organisation</b>	<b>Waikato Local Authority Shared Services Limited (WLASS)</b>														
<b>Ownership</b>	13.72% SDVS shares, 37.5% WRTM Service shares and 17.8% WRAPS shares equating to 19.6% of the total weighted value of issues shares. The balance of shares is owned by other Local Authorities in the Waikato Region. Council has only one voting right out the 12 voting Local Authorities.														
<b>Representation (total members)</b>	1(6) - WLASS has six Directors, with five Directors each representing a shareholder Council, as well as an Independent Chair.														
<b>Significant policies and objectives</b>	To make a regional leadership contribution and seek opportunities to operate more efficiently by participating with the region's local authorities on shared services, particularly in respect of information collection and management, with the aim of reducing the cost of those activities to the community at large.														
<b>Nature and scope of activities</b>	<ul style="list-style-type: none"> <li>Shared Valuation Data Service</li> <li>Regional Asset Technical Accord</li> <li>Local Government Contractor Health and Safety Pre-qualification Scheme</li> <li>Aligned Resource Consent Planning</li> <li>Light Detection and Ranging Technology</li> <li>Waikato Building Consent Group</li> <li>Energy Management</li> <li>Joint Procurement Initiatives</li> <li>Waikato Regional Transportation Model</li> <li>Waikato Regional Aerial Photography Syndicate</li> <li>WLASS Water Services</li> <li>Regional Infrastructure Technical Specifications</li> </ul>														
<b>Key performance targets</b>	<ul style="list-style-type: none"> <li>Prioritise and develop business cases for opportunities, including measurable benefits (projected savings/increased revenue to councils of at least \$300K), that are supported by 75% of councils.</li> <li>Develop opportunities and deliver projects within agreed budgets (target of 90%) and timelines (target of 80%).</li> <li>Ensure projects realise their expected benefits by monitoring measurable benefits and reporting on a six-monthly basis. Audit</li> </ul> <p>Financial forecasts to be achieved:</p> <table> <tr> <th>Financial Forecasts</th><th>2022</th><th>2023</th><th>2024</th></tr> <tr> <td>EBITDA</td><td>(\$0.2M)</td><td>\$0.1M</td><td>\$0.0M</td></tr> <tr> <td>Net surplus /(deficit) before tax</td><td>(\$0.2M)</td><td>\$0.1M</td><td>\$0.0M</td></tr> </table>			Financial Forecasts	2022	2023	2024	EBITDA	(\$0.2M)	\$0.1M	\$0.0M	Net surplus /(deficit) before tax	(\$0.2M)	\$0.1M	\$0.0M
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<b>Organisation</b>	<b>New Zealand Local Government Funding Agency Limited (NZLGFA)</b>																																														
<b>Ownership</b>	8.3%																																														
<b>Representation (total members)</b>	1(31) - There are currently 31 shareholders comprising of the New Zealand Government at 20% and 30 local councils at 80%																																														
<b>Significant policies and objectives</b>	Council's main objective for ownership in NZLGFA is to access shared funding at better rates and for more flexible terms.																																														
<b>Nature and scope of activities</b>	NZLGFA will raise debt funding either domestically and/or offshore in either NZ dollars or foreign currency and provide debt funding to New Zealand Local Authorities and CCO's, and may undertake any other activities considered by the Board to be reasonably related or incidental to, or in connection with, that business. The NZLGFA will only lend to local authorities that enter into all the relevant arrangements with it (Participating Local Authorities) and comply with the NZLGFA's lending policies.																																														
<b>Key performance targets</b>	<ul style="list-style-type: none"> <li>Statement of Corporate Intent, Interim Report and Annual Report is presented to the CCO Subcommittee.</li> <li>Financial forecasts, based on the draft Statement of Corporate Intent, to be achieved as follows:</li> </ul> <table border="1"> <thead> <tr> <th>Financial Forecasts</th><th>2022</th><th>2023</th><th>2024</th></tr> </thead> <tbody> <tr> <td>Comprehensive income</td><td></td><td></td><td></td></tr> <tr> <td>Net interest revenue</td><td>\$18M</td><td>\$23.3M</td><td>\$26.6M</td></tr> <tr> <td>Issuance and operating expenses</td><td>\$7.6M</td><td>\$7.8M</td><td>\$7.7M</td></tr> <tr> <td>Surplus</td><td>\$11.1M</td><td>\$16.3M</td><td>\$19.9M</td></tr> <tr> <td>Dividend</td><td>\$0.7M</td><td>\$0.7M</td><td>\$0.8M</td></tr> <tr> <td>Financial Position</td><td></td><td></td><td></td></tr> <tr> <td>Total assets</td><td>\$14,428.8M</td><td>\$15,041.3M</td><td>\$15,557.4M</td></tr> <tr> <td>Total LG loans</td><td>\$12,523.6M</td><td>\$12,940.7M</td><td>\$13,228.3M</td></tr> <tr> <td>Total Equity</td><td>\$104.9M</td><td>\$120.5M</td><td>\$139.7M</td></tr> <tr> <td>Shareholders Funds/Total assets</td><td>2.4%</td><td>2.6%</td><td>2.8%</td></tr> </tbody> </table> <ul style="list-style-type: none"> <li>Performance targets to be met or exceeded as follows: NZLGFA's total operating income for the period to: <ul style="list-style-type: none"> <li>30 June 2022 will be greater than \$18.7 million</li> <li>30 June 2023 will be greater than \$24.2 million</li> <li>30 June 2024 will be greater than \$27.6 million</li> </ul> </li> </ul>			Financial Forecasts	2022	2023	2024	Comprehensive income				Net interest revenue	\$18M	\$23.3M	\$26.6M	Issuance and operating expenses	\$7.6M	\$7.8M	\$7.7M	Surplus	\$11.1M	\$16.3M	\$19.9M	Dividend	\$0.7M	\$0.7M	\$0.8M	Financial Position				Total assets	\$14,428.8M	\$15,041.3M	\$15,557.4M	Total LG loans	\$12,523.6M	\$12,940.7M	\$13,228.3M	Total Equity	\$104.9M	\$120.5M	\$139.7M	Shareholders Funds/Total assets	2.4%	2.6%	2.8%
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	NZLGFA's annualised issuance and operating expenses for the period to: <ul style="list-style-type: none"> <li>30 June 2022 will no more than \$7 million</li> <li>30 June 2023 will no more than \$7.2 million</li> <li>30 June 2024 will no more than \$7.4 million</li> </ul> Total lending to participating local authorities at: <ul style="list-style-type: none"> <li>30 June 2022 will be at least \$12,874 million</li> <li>30 June 2023 will be at least \$13,291 million</li> <li>30 June 2024 will be at least \$13,578 million</li> </ul>																																														

Organisation	Waikato Regional Airport Limited (WRAL) and its Subsidiaries, Hamilton & Waikato Tourism Limited and Titanium Park Limited			
Ownership	50%			
Representation (total members)	0(4)			
Significant policies and objectives	Council's main objective in the ownership of WRAL (and its subsidiaries) is to support and provide economic growth to our community which can benefit from the opportunities WRAL provides.			
Nature and scope of activities	<ul style="list-style-type: none"><li>• Operate an efficient, sustainable and resilient airport.</li><li>• Enhance the traveller experience.</li><li>• Maintain a viable and sustainable aeronautical business.</li><li>• Maximise revenue diversification through non-aeronautical business opportunities.</li></ul>			
Key performance targets	<ul style="list-style-type: none"><li>• Financial performance targets be achieved as follows:</li></ul>			
	Financial Forecasts	2022	2023	2024
	Consolidated company forecast:			
	EBITDA excluding land sales	\$3.6M	\$4M	\$4.2M
	EBITDA including land sales	\$5.7M	\$6.1M	\$5.5M
	Net surplus/(deficit) after tax	\$1.9M	\$2M	\$2.3M
	Net operating cash flow (excluding land sales)	\$4.2M	\$5.2M	\$5.2M
	Total debt	\$29M	\$29M	\$29M
	Parent Company operations only:			
	Percentage of non- landing charges revenue	60%	60%	60%
Interest cover	4.0	4.0	4.0	
	<ul style="list-style-type: none"><li>• Non-financial performance targets: Health &amp; safety:<ul style="list-style-type: none"><li>• Facilitate Health &amp; Safety meeting every two months with representatives from each entity in the Group.</li><li>• Zero Worksafe notifiable accidents/ injuries.</li><li>• Independently review and audit the Health &amp; Safety system each year.</li></ul>Operational Compliance:<ul style="list-style-type: none"><li>• To achieve the Airport Certification Standards as required by the Civil Aviation Authority and as evidenced by the Civil Aviation Authority audit reports.</li><li>• Ensure airport is operationally available for all passenger services (except for uncontrollable events).</li></ul></li><li>• Monitor aeronautical noise and facilitate noise management meetings in accordance with the Noise Management Plan.</li></ul> <p>Property (Titanium Park Limited)</p> <ul style="list-style-type: none"><li>• Complete construction of the 5th Stage of Titanium Park’s Central Precinct.</li><li>• Prepare a private plan change submission to Waipa District Council in relation to the future Northern Precinct Development.</li></ul> <p>Hotel operation</p> <ul style="list-style-type: none"><li>• Implement a recovery plan to enable a steady return from a Managed Isolation Facility to normal trading as a hotel and achieve pre-covid metrics in line with the expectations underlying the achievement of a Qualmark 4 Star rating.</li></ul>			

Organisation	Waikato Innovation Growth Limited (WIGL) and its subsidiary, New Zealand Food Innovation (Waikato) Limited (NZFIW)																							
Ownership	Council has 100% shareholding in WIGL and holds a 70% shareholding in NZFIW (its subsidiary).																							
Representation (total members)	0(5) - There are two boards. WIGL and NZFIW. The WIGL board consists of all NZFIW board members except one.																							
Significant policies and objectives	Our ownership in WIGL & NZFIW is to promote and provide support to business development and innovation in our community.																							
Nature and scope of activities	<p><b>WIGL</b></p> <ul style="list-style-type: none"><li>To provide business and innovation advisory services for customers such as small and medium-sized enterprises (SMEs) and High Value Manufacturing and Services (HVMS) business in the Waikato Region.</li></ul> <p><b>NZFIW</b></p> <ul style="list-style-type: none"><li>To provide facilities on an open access basis in which food processing companies and those entering new markets can develop new or improved food ingredient products</li><li>To provide open access basis a small-scale production plant capable of producing samples for market development which is to be self-sustaining in the medium to long term</li><li>To participate in and promote a national network of similarly focussed food innovation organisations as a shareholder in a food innovation network</li><li>To provide an independent and secure facility to ensure the intellectual property and know-how of the Company and its customers are protected</li><li>To provide a centre of learning for food technology, catering primarily to the pastoral product value chain, in cooperation with tertiary education intuitions</li><li>To provide one of several tangible centres and organisations throughout New Zealand around which networks of food processors and exporters, food equipment manufacturers and other partners can develop.</li></ul>																							
Key performance targets	<ul style="list-style-type: none"><li>Statement of Corporate Intent, Interim Report and Annual Report is presented to the CCO Subcommittee.</li><li>Financial Forecast and Performance Targets are specified annually in the Statement of Corporate.</li><li>Financial forecast targets to be achieved:</li></ul> <table><tr><th>Financial Forecasts</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><td>EBITDA (earnings before interest, tax, dep &amp; amortisation)</td><td>\$1.4M</td><td>\$1.5M</td><td>\$1.6M</td></tr><tr><td>Cash from operating activities</td><td>\$0.9M</td><td>\$1.2M</td><td>\$1.1M</td></tr><tr><td>Surplus after tax &amp; dividends</td><td>\$0.1M</td><td>\$0.1M</td><td>\$0.2M</td></tr><tr><td>Shareholders’ funds/Total assets</td><td>57%</td><td>60%</td><td>62%</td></tr></table> <ul style="list-style-type: none"><li>Key objectives include:<ul style="list-style-type: none"><li>253 days of product development and small-scale commercial powder production via the spray dryer thereby contributing &gt; \$40 million to the regional economy.</li><li>An 11% minority interest in a second spray dryer will increase open access space for the sheep industry customers. Total sheep milk production increasing by 70% to 938 tonnes.</li><li>Assist with the development of new valued added sheep milk industry products.</li><li>Income receiving from managing Melody Dairies expects to amount to a gross of \$1.1 million.</li></ul></li></ul>				Financial Forecasts	2022	2023	2024	EBITDA (earnings before interest, tax, dep & amortisation)	\$1.4M	\$1.5M	\$1.6M	Cash from operating activities	\$0.9M	\$1.2M	\$1.1M	Surplus after tax & dividends	\$0.1M	\$0.1M	\$0.2M	Shareholders’ funds/Total assets	57%	60%	62%
Financial Forecasts	2022	2023	2024																					
EBITDA (earnings before interest, tax, dep & amortisation)	\$1.4M	\$1.5M	\$1.6M																					
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Shareholders’ funds/Total assets	57%	60%	62%																					

# Revenue and Financing Policy

## Purpose and scope

This policy outlines the choices Hamilton City Council (Council) has made in deciding the appropriate sources of funding for operating and capital expenditure from those sources listed in the New Zealand Local Government Act 2002 (NZLGA). The policy also illustrates Council's compliance with NZLGA section 101(3) which sets out the factors Council must consider in making these decisions. A comprehensive analysis of how Council has complied with this section of NZLGA s 101(3) is included in the Funding Needs Analysis.

Deciding the best way to fund Council activities is complex. Complying with legislation takes account of many factors including, but not limited to, the following:

- Legal
- Social
- Competition
- Affordability
- Impact of change
- Efficiency
- Equity
- Cost
- Intergenerational equity
- Transparency
- Accountability
- Business
- Strategic alignment
- Benefit

## Principles

The following guiding principles will be applied when considering our use of funding sources:

### Strong financial management

- We will adopt a prudent Financial Strategy, which supports our 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

### 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

Balancing these principles can be challenging at times. Council must use its judgement in assessing many options in the development of budgets or acquisition of assets and the choice of funding sources to enact these.

## Policy

### Funding sources for operating costs

Operating costs are the everyday spending on services Council provides. This includes contributions to the wear and tear of assets used (depreciation), interest charged on borrowing for capital projects and overhead costs.

We must consider the funding for each activity individually. Some activities may be best funded by user charges, such as swimming pool admission fees, others with targeted rates, such as a Business Improvement District Rate, and others from the general rate, such as road maintenance.

The funding sources for operating costs are described in the following sections.

### User charges

User charges are applied to services where it is identified there is a benefit to an individual or group. User charges are a broad group of fees charged directly to an individual or entity and includes:

- Entry fees
- Service charges
- Hire
- Rent, lease, licences for land and buildings
- Permits
- Regulatory charges
- Fines and penalties
- Connection fees
- Disposal fees
- Deposits
- Private works
- Memberships

- Planning and consent fees
- Statutory charges
- Retail sales

The price of the service is based on a number of factors, including:

- The cost of providing the service;
- The estimate of the users' private benefit from using the service;
- The impact of cost on encouraging/discouraging behaviours;
- The impact of cost on demand for the service;
- Market pricing, including comparability with other councils;
- The impact of rates subsidies if competing with local businesses;
- Cost and efficiency of collecting the user charge;
- The impact of affordability on users;
- Statutory limits; and
- Other matters as determined by the Council.

Council's ability to charge user charges is limited by various statutes and regulations. As a general rule, fees for statutory functions should be set at no more than the cost of providing the service. In some cases,

legislation sets the fees at a level that is below cost and in other cases, where provided by legislation (e.g. Waste Minimisation Act 2008) fees may be set at greater than the cost of providing the service. Council considers it appropriate to incorporate overhead charges when determining the cost of providing a service.

Where goods or services are sold commercially, and taking into consideration legislative limitations, Council's preference is to charge a market price. This includes leases, rents and licences for land and buildings.

Fees and charges may be set at any time and are reviewed annually. A list of current fees and charges is maintained on our website.

Revenue from user charges is allocated to the activity which generates the revenue.

### **Grants, sponsorship, subsidies and other income**

Grants, sponsorship and subsidies are used where they are available. Many of these types of income are regular and predictable and can therefore be budgeted for. Some other types are unexpected or unpredictable and may not be able to be prudently budgeted (e.g. reparation payments, civil defence and other reimbursements, legal settlements and

insurance claims).

Council expects to continue to receive substantial subsidies from central government or its agents for road maintenance.

### **Investment income**

Council's approach to investments is documented in its Investment and Liability Management Policy. These investments generate income such as dividends, interest, and rents.

Income from assets is receipted to the activity that owns the asset.

### **Development contributions, financial contributions, proceeds from the sale of assets and lump sum contributions**

Generally, Council does not collect revenue from these funding sources to fund operating costs.

Development Contributions revenue funds the interest cost on debt for growth-related capital projects.

## Reserve funds

Council maintains a small number of cash-funded reserve funds. Some of these reserve funds may be used to meet operating costs (e.g. cemetery maintenance). Generally, reserve funds are used for the purposes that they were created for.

## Borrowing

Borrowing is generally undertaken at a whole of Council level subject to constraints on rates increases and debt levels set by the Financial Strategy.

Council generally plans to fund all cash operating costs from sources other than borrowing. However, in specific circumstances, where Council decides it is prudent to do so, it may fund some operating costs from borrowing.

## Rates

Having appropriately exhausted all other funding sources, we fund all remaining operating expenses from rates. For many activities this is the main funding source.

The above matters are all considered when determining the funding required from general rates or targeted rates for each activity

in the Funding Needs Analysis, as required by section 101(3)(a).

Council may choose to establish targeted rates to fund operating costs.

Further information on rates can be found from clause 68 of this policy.

## Summary of sources of funding for operating costs by activity

Council will apply the funding source preferences noted above to each activity in its Funding Needs Analysis. Table 1 shows the degree to which (expressed as a range) each funding source is used to fund operating costs following the NZLGA s101(3)(a) assessment.

This s101(3)(a) assessment may be modified by the s101(3)(b) assessment. The latter assessment requires Council to consider the overall impact of any allocation of liability for revenue needs on the community. Council's consideration of s101(3)(b) is included later in this policy.

The ranges in Table 1 are expressed as a percentage of the revenue required to fund each activity and are indicative only. They may change over time as a result of changes

in expenditure requirements. It is possible that actual funding sources may differ from budgeted funding sources.



**Table 1: Summary of funding sources by activity s.101(3)(a) only**

Range name	Range	Key	Activity	General Rates	Targeted Rates	Fees and User Charges	Grants and subsidies	Other	Borrowing	Activity	General Rates	Targeted Rates	Fees and User Charges	Grants and subsidies	Other	Borrowing
Unlikely	0%	x														
Minimal	0% - 20%	✓														
Low	20% - 40%	✓														
Moderate	40% - 60%	✓														
High	60% - 80%	✓														
Most	80% - 100%	✓														
All	100%	✓														
Animal Control	✓	x	✓	x	✓	x	✓	✓	✓	Streetscapes	✓	x	✓	x	✓	✓
Aquatics	✓	x	✓	x	✓	x	✓	✓	✓	Sports Parks	✓	x	✓	x	✓	✓
Community Development	✓	x	x	x	x	✓	✓	✓	✓	Playgrounds	✓	x	✓	x	✓	✓
Building Control	x	x	✓	x	✓	x	✓	✓	✓	Indoor Recreation	✓	x	✓	x	✓	✓
Cemeteries and Crematorium	✓	x	✓	✓	✓	x	x	✓	✓	Partnership with Māori	✓	x	x	x	x	✓
City Planning	✓	✓	✓	x	✓	x	✓	✓	x	Growth Programmes	✓	x	✓	x	x	✓
Public Safety	✓	x	✓	✓	✓	✓	✓	✓	✓	Planning Guidance	✓	x	✓	x	x	✓
Civil Defence	✓	x	x	x	x	x	x	✓	✓	Refuse Collection	✓	✓	x	✓	✓	✓
Claudlands	✓	x	✓	x	✓	x	✓	✓	✓	Waste Minimisation	✓	✓	x	✓	✓	✓
Environmental Health	✓	x	✓	x	✓	x	x	✓	✓	Landfill Site Management	✓	✓	x	✓	✓	✓
Governance and Public Affairs	✓	x	x	x	x	x	x	✓	✓	FMG Stadium Waikato	✓	x	✓	x	✓	✓
Hamilton Gardens	✓	x	✓	x	✓	x	✓	✓	✓	Seddon Park	✓	x	✓	x	✓	✓
Hamilton Zoo	✓	x	✓	✓	✓	✓	✓	✓	✓	Stormwater Network	✓	✓	x	x	✓	x
i-Site	✓	x	✓	x	✓	x	✓	✓	✓	Theatres	✓	x	x	x	x	✓
Libraries	✓	x	✓	✓	✓	x	✓	✓	✓	Event Sponsorship	✓	x	x	x	x	✓
Liquor Licensing	x	x	✓	x	x	x	x	x	x	Transportation Network	✓	x	✓	✓	✓	✓
Museum	✓	x	✓	✓	✓	✓	✓	✓	✓	Wastewater Treatment and Disposal	✓	✓	✓	x	x	✓
Parking	✓	✓	✓	x	✓	x	✓	x	x	Wastewater Collection	✓	✓	✓	x	✓	✓
Community Parks	✓	x	✓	x	✓	x	✓	✓	✓	Water Treatment and Storage	✓	✓	✓	x	x	✓
Natural Areas	✓	x	✓	x	✓	x	✓	✓	✓	Water Distribution	✓	✓	✓	x	x	✓

## Funding sources for capital costs

Capital costs are those costs associated with the purchase and improvement of assets and for the repayment of debt. The funding sources for capital costs are described in the sections that follow.

### User charges

User charges are not often used for capital costs as individual user contributions would generally be too large to be affordable. Borrowing and charging users annually for financing costs (interest and principal) via rates is often a more affordable method of collecting user contributions for capital costs.

Council charges for capital works that are solely for private benefit (e.g. a network extension to a single dwelling) or where capital works are undertaken outside of Asset Management Plans at the request of individuals (e.g. a rural seal extension for dust suppression).

### Grants, subsidies, and other income

Council relies on significant subsidies for capital works relating to the transport activity. Grants and subsidies may be available for

other activities from time to time. Other income can be from many and varied sources and is unlikely to be predictable enough to budget for in advance. Other income used to fund capital costs could include bequests, insurance claims, and legal settlements.

Grants, subsidies and other income are used wherever they are available.

### Development contributions

Council collects development contributions (DCs) to fund capital costs necessary to service growth, in accordance with the Development Contributions Policy (DC Policy).

DCs are applied on an activity and catchment basis, as identified by the DC Policy. Projects identified in the DC Policy may be either completed projects (with debt yet to be repaid from future development contributions) or future projects planned in the period for which DCs may be collected.

Most contributions receipted are used to repay development contributions debt and interest on that debt. A portion may pay for capital expenditure in the year it is receipted, depending on projects.

It is important to note that, in addition to the requirements of sections 103 and 101(3), the

DC Policy describes funding matters in more detail as required by section 106(2)(c).

### Financial contributions

Council collects financial contributions under the Resource Management Act 1991 to avoid, remedy or mitigate adverse effects on the environment as conditions to resource consents. The requirements for these contributions are outlined in the Operative and Proposed Hamilton District Plan. Council receives most contributions as revenue by the vesting of assets although some may be paid directly to us.

### Proceeds from the sale of assets

From time to time assets are disposed of. Usually these are low value items and the revenue is received by the activity that owns the assets.

Council holds some higher value assets for investment purposes which, although not budgeted for, could be sold. Unrestricted proceeds from the sale of these assets would be used to repay debt, unless otherwise resolved by Council. Restricted revenues would be placed in the appropriate reserve fund and used for the purpose required by the document that imposes the restriction (e.g. Municipal Endowments reserve).

## Reserve funds

We maintain some reserve funds for capital projects and will approve the use of the funds when a project meets the specific criteria for accessing the reserve.

## Borrowing

Council must borrow to fund its asset programme. The amount of borrowing available is restricted by the Financial Strategy debt limits.

Borrowed funds, both the principal and interest components, are generally repaid by future rates.

Borrowing spreads the cost of a project over a longer period of time, smoothing changes in rates and ensuring that future ratepayers who will enjoy the benefit of long-lived assets contribute to their costs.

Council will budget to borrow from the Housing Infrastructure Fund (HIF) in the 2021-31 Long-Term Plan to fund some capital expenditure on growth related infrastructure. This loan is treated the same as other borrowing except that it is interest free.

## Lump sum contributions

When undertaking a major project, Council

has the option to seek lump sum contributions to the capital cost of the project from those who are identified in the "capital project funding plan". Lump sum contributions are provided for in the Local Government (Rating) Act 2002 and have restrictions placed on how they are used. Where a lump sum payment option is proposed ratepayers may choose to pay the lump sum or not. If not, the rating unit will be liable to pay any targeted rate set to recover the loan costs.

Generally, Council does not plan to seek lump sum contributions.

## Rates

Rates are mostly used to fund everyday expenses including depreciation and interest costs related to borrowing.

Each year, Council calculates its operating cash surplus which determines the amount of rates funding available to fund capital projects or debt repayment. The greatest portion of this rates funding is allocated to pay for depreciation (which is a non-cash operating cost). These funds are used to fund capital replacement and/or renewal projects.

A portion of rates funds the capital (principal) repayments of debt.

Council may establish targeted rates to fund specific capital projects. Targeted rates are more likely to be considered where a benefit can be linked to an identifiable individual or group, either arising from the use of the asset or as a consequence of a decision. For clarity, this may include the growth portion of any project or groups of projects that are unable to be funded from a DC Policy.

## Potential future funding sources

### Infrastructure Funding and Financing Act (IFF)

The IFF, which was enacted in August 2020, enables Council to access a new off-balance sheet funding mechanism to support the delivery of infrastructure projects.

Council is exploring many potential opportunities for the application of the IFF tool, including the possibility of converting part of the current Housing Infrastructure Fund loan into an IFF arrangement for the Peacocke growth area; and 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.

Council has not yet negotiated any IFF deals,

as such, the 2021-31 Long-Term Plan does not reflect any potential off-balance sheet funding arrangements.

### Strategic Land Agreements

Hamilton City Council is working with neighbouring Councils on Strategic Land Agreements which may result in boundary reorganisation. An agreement with Waikato District Council has been finalised covering land around Hamilton currently in the Waikato District Council area. Council is also working with Waipa District Council to establish a similar agreement. Strategic Land Agreements are intended to provide a degree of certainty around the future expansion of Hamilton and the transfer of land to the City from the District Councils.

Strategic Land Agreements outline a clear process to initiate a transfer of land and include financial principles for any land transfer. Financial considerations will be reviewed and reported to the relevant Committee if and when parcels of land are considered for transfer.

Once transferred to the City, rates will be set by Hamilton City Council, based on the rating system at that time. Hamilton City Council would also assume responsibility for the direct costs to provide services to the land.

## Summary of sources of funding for capital costs by activity

As described in the Financial Strategy, Council has a challenge to manage growth, affordable rates increases and debt. To achieve the appropriate balance between these variables Council will take the following approach:

- a. Council will set the annual rate increase;
- b. The existing rating base plus an estimate for growth determines the rates income;
- c. Activity operating revenue and expenditure budgets are determined, within the rate income constraint;
- d. An amount is budgeted for development contributions payments, which is set aside to fund growth projects or growth debt and interest, as determined by the DC Policy;
- e. The net cash operating costs is determined (net of cash revenue budgets);
- f. This leaves the funded portion of operating costs. A small amount may be held in a cash funded reserve; otherwise the funds are available for capital costs. This amount largely represents rate funded depreciation but may include operating surpluses from some activities and

accounting provisions not held in reserve funds. This funding is not held by specific activities and is available to fund any capital costs; and

- g. Council will then set the limit on debt, which determines the maximum debt funding available for capital costs.

This process is intended to result in the following funding sources being available to fund capital costs:

- Cash from general rates, for use on all activities;
- Cash from targeted rates, for example for use on the Business Improvement District grant
- Cash from development and financial contributions, for growth projects and related interest costs;
- Cash from grants and subsidies, targeted to capital projects; and
- Cash from borrowing.

Council will use the following guidelines when considering the funding of capital projects:

- All projects are first funded from grants, subsidy or other income, which are budgeted as operating revenues;
- Growth related projects for network

infrastructure to meet increased demand are funded from DCs, as allowed for under the DC Policy;

- Reserve funds for other purposes are considered. We have a small number of cash funded reserves available for capital costs projects;
- Targeted rating options may be considered; and
- Projects that have exhausted previous funding sources are funded from general rates and/or debt.

A single project may have a mix of each of the above funding options.

Whenever Council resolves to fund a separate project, it will consider the sources of funds above, the Revenue and Financing Policy and NZLGA section 101(3) to determine an appropriate funding policy for that project. Generally, Council will resolve the funding in setting the budget for the project at the time it is proposed in an Annual Plan or Long-Term Plan.

## Overall funding consideration

Council is required by NZLGA section 101(3) (b) to consider the overall impact of the

allocation of liability for revenue needs on the community. This allows Council, as a final measure, to modify the overall mix of funding that would otherwise apply after the s101(3)(a) analysis.

The following adjustments have been made:

- a. The Financial Strategy has the guiding financial principle that those who benefit from growth pay a fair share of the cost of that growth. Growth drives both operating and capital costs. Council will use all available funding sources to ensure that those who benefit from or create growth contribute an appropriate share towards the costs of providing infrastructure to meet the demands of that growth. This includes financial contributions, development contributions, user charges and general and targeted rates.
- b. Council has made the following adjustments to targeted rates:
  - i. A compliance targeted rate has been introduced to fund additional costs in Council's water services as well as the cost of changing the District Plan as a result of legislation introduced by central government.
  - ii. Funding for development at Hamilton Gardens has transferred from a

targeted rate to the general rate.

- iii. The Transitional targeted rate has ceased. The Transitional rate was implemented to transition the impact of the change from the Land Value General rate to a Capital Value General rate. This transition has been completed so this rate is no longer required.
- c. Council considers the benefits of services associated with the development of land that are realised from the time the development is started.
- d. Council may waive or discount fees and charges where it is considered appropriate to do so. Some matters considered in deciding whether it is appropriate to waive fees are for social reasons, the promotion of events and facilities, commercial reasons, due to poor service or to minimise risk.
- e. Council may remit rates where it is considered appropriate to do so and as allowed for in the Rates Remissions and Postponements Policy. These policies address social matters as well as adjusting rates for benefits that differ for some rates assessments (e.g. additional or no provision of some services).

- f. Council may use accounting provisions and reserve funds to spread the costs of activities over multiple years to smooth the cost to users and ratepayers.
- g. Council may modify the allocation of liability for growth related network infrastructure projects when considering the matters required by s106 in the DC Policy.

## Rates

Council's final consideration of funding by rates comes:

- a. After considering how other funding sources will be used to fund operating and capital costs;
- b. After that has been applied to activities in the Funding Needs Analysis; and/or
- c. After being adjusted for the overall funding considerations.

The following section outlines the Revenue and Financing Policy requirements that are used to set rates. To have a full understanding of rates they should be read with regard to the analysis above and in conjunction with the Rating Policy, Funding Impact Statement and Rates Resolution.

## General rates

The general rate is allocated to all rateable properties based on the capital value of the property. A Uniform Annual General Charge (UAGC) will be set on each separately used or inhabited part (SUIP) of all rating units.

The Council has determined in its Funding Needs Analysis that all or part of the following activities should be funded from the general rate and the UAGC:

- Community Development
- Libraries
- Theatre
- City Planning
- Planning Guidance
- Building Control
- Growth Programmes
- Claudelands
- FMG Stadium Waikato
- Seddon Park
- I-SITE
- Tourism and Events Funding
- Hamilton Gardens
- Waikato Museum
- Hamilton Zoo
- Animal Education and Control
- Environmental Health
- Alcohol Licensing
- Public Safety
- Civil Defence
- Governance and Public Affairs
- Partnership with Maaori
- Community Parks
- Natural Areas
- Streetscapes
- Sports Parks
- Cemeteries and Crematorium
- Aquatics
- Indoor Recreation
- Landfill Site Management
- Refuse Collection
- Waste Minimisation
- Stormwater Network
- Transportation Network
- Parking Management
- Wastewater Treatment and Disposal
- Wastewater Collection
- Water Treatment and Storage
- Water Distribution

Council differentiates the general rate into four differential rating categories based on the use and location of rating units. The categories are:

- Residential;
- Commercial;
- BID Commercial; and
- Other.

The full definition of these categories is contained in the Funding Impact Statement.

The general rate differential factors will be calculated as shown in the Funding Impact Statement.

In setting the differential categories, and the differential factors, Council considers the requirements of the NZLGA and a number of other considerations, including:

- The activities funded by the general rate and the s101(3) considerations for the activities;
- The impact of any change, or rate of change to the differential;
- The views of those impacted by the differentials;
- Other reasonable options, and the advantages and disadvantages of those options; and
- The overall impact of the differential on ratepayers.

## UAGC

The level of the UAGC will be determined based on the overall impact of rates to individual ratepayers and categories. There is no direct allocation of any activity nor is there a calculation methodology for determining the UAGC amount.

## Targeted rates

### Government compliance rate

A Government compliance targeted rate has been introduced to fund additional costs in the Council's water services activities as well as the cost of changing the District Plan as a result of legislation introduced by central government.

The Government compliance targeted rate has been implemented to clearly identify and explain additional costs associated with water services and changes to the District Plan.

The Government compliance targeted rate is applied to all rateable land on the basis of capital value, and differentiated on the same basis as the general rate.

The differential bases are outlined in the Council Funding Impact Statement.

## Other targeted rates

Council collects other targeted rates either to fund activities as identified in the Funding Needs Analysis or as a result of overall funding considerations.



Name	Activities funded	Basis for rate
<b>Central city</b>	Transportation network activity.	Fixed amount per Separately Used or Inhabited Part of a Rating Unit (SUIP). A SUIP is defined in the Council Funding Impact Statement.
<b>Business Improvement District (BID)</b>	City Planning activity.	Fixed amount per SUIP and a rate per dollar of capital value for all properties in the BID area.
<b>Government compliance rate</b>	Wastewater Treatment and Disposal, Wastewater Collection, Water Treatment and Storage, Water Distribution, Stormwater Network and City Planning activities.	Applied to all rateable land on the basis of capital value, and differentiated on the same basis as the general rate.
<b>Metered water supply</b>	Water Distribution and Water Treatment and Storage activities.	Fixed amount per water connection to rateable land supplied with water for land with a water meter or a restricted flow supply and a charge per unit of water consumed or supplied.
<b>Commercial and other category non-metered water supply</b>	Water Distribution and Water Treatment and Storage activities.	Fixed amount per rating unit with a water connection but without a meter.
<b>Service use water</b>	Water Distribution and Water Treatment and Storage activities.	Fixed amount per SUIP for connected land used for certain purposes as defined in the Funding Impact Statement.
<b>Service use refuse</b>	Refuse Collection Activity.	Fixed amount per SUIP for connected land used for certain purposes as defined in the Funding Impact Statement.
<b>Service use wastewater</b>	Wastewater Collection and Wastewater Treatment and Disposal activity.	A rate per dollar of land value and a rate per dollar of capital value for connected land used for certain purposes as defined in the Funding Impact Statement.

Council may introduce new targeted rates when setting rates in any year as documented in the relevant year's Funding Impact Statement and Rates Resolution.

## References

- Funding Needs Analysis, section 101(3), provides the background and analysis to explain the funding decisions Council has made. It is guided by the funding principles and choices of funding sources documented in the Revenue and Financing Policy.
- The DC Policy provides further analysis, as required by section 106(2)(c). This explains why Council has chosen to use DCs to fund the capital costs needed to meet increased demand for infrastructure.
- The Investment and Liability Management Policy places restrictions on the use of the proceeds from asset sales.
- The Rating Policy further clarifies funding requirements by documenting matters not included in the Funding Impact Statement, rates resolutions or this Revenue and Financing Policy. It includes detailed definitions and maps for rating areas.
- The Funding Impact Statement is included

in each Long-Term Plan and Annual Plan as required by clauses 15 or 20 of schedule 10. This statement shows the results of the detailed rates calculation for the first year of the 2021-31 Long-Term Plan.

- Together the above documents form the necessary components to lawfully charge under the NZLGA for Council's revenue requirements. Council must also comply with other legislation regarding the setting of some fees and charges and the Local Government (Rating) Act 2002 for the setting of rates.

# Summary of our significance and engagement policy

He whakaraapopotanga o te take whakahaere o te tomo me te taapua

## What is a significance and engagement policy?

The Local Government Act 2002 (NZLGA 2002) requires us to have a Significance and Engagement Policy (the policy).

This policy provides clear guidance for the community about:

- how we decide if a decision or proposal is significant
- when, and to what degree, the community can expect to be engaged on a decision or proposal.

## When and how does this policy apply?

Every formal decision we make will take this policy into account. The policy is applied in a two-step process:

1. identify the level of significance
2. decide the level of engagement and approach to be taken (if any).

## How is significance assessed?

The level of significance of a proposal or decision is identified by assessing the impact of the decision against eight key considerations (on the following page).

After assessing the proposal or decision against the key considerations, we decide if the level of significance is low, medium or high as follows:

- If it triggers four or more of the key considerations under the highly significant column, the level of significance will be classified as high.
- If it triggers five or more of the key considerations under the low significance column, the level of significance will be low.
- If the level of significance is not classified high or low as above then the level of significance will be considered moderate.

\* The full policy can be found on our website under Policies, Bylaws and legislation.

Key consideration <i>Does the proposal or decision mean...</i>	Highly significant	Moderately significant	Low significance
A service which is part of the Council's significant activities will...	Start or stop.	Change significantly.	Change in a minor way or not at all.
There will be a transfer of ownership or control of strategic assets to or from the Council?	If so, then the transfer is major.	If so, then the transfer is minor or insignificant.	No transfer.
There will be financial consequences in the financial year of the proposal/decision that are unbudgeted operating cost or capital costs in the 10-Year Plan that are ...	Greater than 10% of total expenses and/or greater than 1% of total assets.	Greater than 5% but less than 10% of total expenses and/or greater than 0.5% but less than 1% of total assets.	Less than 5% of total expenses and/or less than 0.5% of total assets.
The ability to reverse the decision will be ...	Highly difficult.	Moderately difficult.	Easy.
The decision in regard to prior decisions is ...	Significantly inconsistent.	Consistent but with some differences.	Consistent.
The public will have a ...	High level of interest.	Moderate levels of interest.	Low levels of interest.
There will be...	A large proportion of the community impacted.	A subgroup or groups within the community impacted.	An individual household or person impacted.
The degree of impact on the people affected by the decision will be ....	High.	Moderate.	Low.

## How do we decide the level of engagement to be carried out?

The level of engagement on a proposal or decision is guided by the level of significance:

- A high level of significance will mean a high level of engagement and we will develop an appropriate engagement approach to reflect the high significance.
- A medium level of significance will mean a medium level of engagement. In these cases we will decide whether, and to what extent it is appropriate to engage with the community.
- If the level of significance is low we are not required to engage.

At any time, we may choose to engage at a higher level than required by the policy but not at a lower level.

We will apply the Principles of Consultation (s82 of the LGA 2002) and consider the communities preferences when deciding the engagement approach.

## Can we make a decision that is inconsistent with this policy?

If we choose to make a decision significantly inconsistent with the policy we are obligated by section 80 of the Local Government Act 2002 to:

- make the inconsistency clear
- explain the reasons for the inconsistency
- explain how we plan to address the discrepancy.



# Auditors Report

He whakaaro taatari kaute



# Audit Opinion



## To the reader:

### Independent Auditor's report on Hamilton City Council's 2021 31 long-term plan

I am the Auditor General's appointed auditor for Hamilton City Council (the Council). The Local Government Act 2002 (the Act) requires the Council's long-term plan (plan) to include the information in Part 1 of Schedule 10 of the Act. Section 94 of the Act requires an audit report on the Council's plan. Section 259C of the Act requires a report on disclosures made under certain regulations. I have carried out this work using the staff and resources of Audit New Zealand. We completed our report on 24 June 2021.

## Opinion

### In our opinion:

- the plan provides a reasonable basis for:
  - long term, integrated decision making and co ordination of the Council's resources; and
  - accountability of the Council to the community;
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 143 to 145 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn from the plan.

This opinion does not provide assurance that the forecasts in the plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee the accuracy of the information in the plan.



## Emphasis of Matters

Without modifying our opinion, we draw attention to the following disclosures.

### Uncertainty over three waters reforms

Page 90 outlines the Government's intention to make three waters reform decisions during 2021. The effect that the reforms may have on three waters services provided is currently uncertain because no decisions have been made. The plan was prepared as if these services will continue to be provided by the Council, but future decisions may result in significant changes, which would affect the information on which the consultation document has been based.

### Uncertainty over cost savings

Page 95 outlines how the Council expects to achieve cost savings of \$106 million over the next 10 years. If the Council is unable to achieve all the expected cost savings, the Council will need to find alternative funding sources or reduce costs elsewhere. The Council notes that it intends to maintain levels of service.

### Uncertainty over infrastructure asset condition information

Page 99 outlines that, although the Council continues to update its asset information, the asset condition information used to support its planned infrastructure assets renewal programme is not complete. The Council uses information about the age and performance of assets and the types of materials the assets are made of, to determine the renewals required. There is therefore a risk that some assets that may need replacing have not been identified. The Council sets out how it reduces this risk and notes that it proposes to spend more on better understanding its assets.

## Basis of opinion

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. In meeting the requirements of this standard, we took into account particular elements of the Auditor General's Auditing Standards and the International Standard on Assurance Engagements 3400 The Examination of Prospective Financial Information that were consistent with those requirements.

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.



Our procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face during the next 30 years;
- the approach taken by the Council to maintain its assets is reasonable, given the types of asset infrastructure owned by the Council;
- the information in the plan is based on materially complete and reliable information;
- the Council's key plans and policies are reflected consistently and appropriately in the development of the forecast information;
- the assumptions set out in the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted, and complies with generally accepted accounting practice in New Zealand;
- the rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the plan;
- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and
- the relationship between the levels of service, performance measures, and forecast financial information has been adequately explained in the plan.

We did not evaluate the security and controls over the electronic publication of the plan.

### **Responsibilities of the Council and auditor**

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures, and other actions relating to the preparation of the plan;
- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the preparation of a plan that is free from material misstatement.

We are responsible for expressing an independent opinion on the plan and the disclosures required by the Regulations, as required by sections 94 and 259C of the Act. We do not express an opinion on the merits of the plan's policy content.

## **Independence and quality control**

We have complied with the Auditor General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 issued by the New Zealand Auditing and Assurance Standards Board; and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended) issued by the New Zealand Auditing and Assurance Standards Board.

Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council or any of its subsidiaries.


Clarence Susan  
Audit New Zealand  
On behalf of the Auditor General  
Tauranga, New Zealand



Hamilton City Council  
Garden Place, Private Bag 3010, Hamilton

 /HamiltonCityCouncil

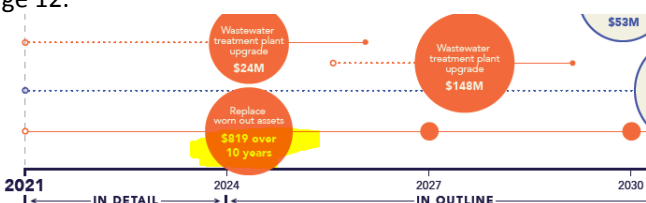
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## Changes identified post agenda release, pre-adoption

Item	Change																		
<p>Contents page:</p> <table border="1"> <tr> <td><b>Financial matters</b></td><td><b>82</b></td></tr> <tr> <td>Financial Strategy</td><td>83</td></tr> <tr> <td>Significant Forecasting Assumptions</td><td>90</td></tr> <tr> <td>Forecast Financial Statements</td><td>105</td></tr> <tr> <td>Prospective notes to the financial statements</td><td>110</td></tr> <tr> <td>Disclosure Statement</td><td>142</td></tr> <tr> <td>Council Funding Impact Statement and Rating Information</td><td>146</td></tr> <tr> <td>Council Controlled Organisations</td><td>158</td></tr> <tr> <td>Revenue and Financing policy</td><td>163</td></tr> </table>	<b>Financial matters</b>	<b>82</b>	Financial Strategy	83	Significant Forecasting Assumptions	90	Forecast Financial Statements	105	Prospective notes to the financial statements	110	Disclosure Statement	142	Council Funding Impact Statement and Rating Information	146	Council Controlled Organisations	158	Revenue and Financing policy	163	Should read 'Notes to the prospective financial statements'
<b>Financial matters</b>	<b>82</b>																		
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<p>Page 9:</p> <p>This Long-Term Plan document outlines our plans, budgets and priorities for the next decade, with a focus on the next three years.</p> <p>The Plan has been developed alongside the people of Hamilton, reflecting the aspirations they have for their city. It ensures we will look after the assets we already have and continue to meet the growth challenges and opportunities we will face. It's a balance of supporting and enhancing the lifestyle which makes Hamilton such an attractive place to live and work, now, and in the future.</p> <p>This 2021-31 Long-Term Plan will see our city investing \$2.5 billion on capital projects, plus a further \$3.7 billion on operating activity. Specific investments include:</p> <ul style="list-style-type: none"> <li>\$55 million over 10 years to provide safe routes for walking, biking, scooting and skating.</li> <li>\$3 million to upgrade the Gordonton Road/Puketaha Road intersection.</li> <li>\$22 million to upgrade the Borman Road</li> </ul> <p>and Horsham Downs intersection as well as the Borman Road East project in 2021/22 (including an \$8 million subsidy, subject to confirmation, from Waka Kotahi NZ Transport Agency).</p> <ul style="list-style-type: none"> <li>\$5 million to expand the Hillcrest library.</li> <li>a creative sector funding trial of \$100,000 for three years.</li> <li>\$11 million for a new walking and cycling bridge across the Waikato River.</li> <li>\$534,000 to complete engagement, feasibility investigations and concept design for river infrastructure.</li> <li>\$6 million to build a seasonal dome over the outdoor pool at Waterworld.</li> <li>\$29 million over 10 years to improve and restore the city's gullies.</li> </ul> <p>Under this plan, Council will balance its books by 2023/24, meaning we will no longer be borrowing to pay for everyday costs. The Plan will also see our debt-to-revenue ratio peak at 276% in 2025/26.</p>	Add full stops																		

Item	Change						
<p><b>Page 10:</b></p> <p>Ko tā tēnei tuhinga Pae Tawhiti, he whakaatu atu i ā mātou mahere, tahua pūtea me ngā mahi nui mō te tekau tau kei mua i te aroaro, heoi ko te aronga nui ia ko ngā tau e toru e haere ake nei.</p> <p>Kua whanakehia tēnei mahere ki te taha o ngā tāngata o Kirikiriroa, e whakaata atu ai ō rātou nei wawata mō tō rātou tāone. Ka whakaū tēnei, i tō tātou takohanga ki te tiaki i ngā rawa o te nāianei, ki te tutuki hoki i ngā wero me ngā āheinga ā-tipu ka ara ake ki mua i a tātou. Ko te taurite ia, kia taunaki, kia whakapai ake anō hoki i te tāera ora e hanga pai ai te āhua o Kirikiriroa hei wāhi noho, hei wāhi mahi hoki ināianei, ā haere ake nei.</p> <p>Ka kite tēnei Mahere Pae Tawhiti 2021-31, i te haumitanga o tō tātou tāone, \$2.5 piriona te rahinga, ki ngā kaupapa hanganga, tae atu ki ngā utu whakahaere, ka \$3.7 piriona te rahinga. Ko ngā haumitanga e whaitake ana:</p> <ul style="list-style-type: none"><li>\$55 miriona puta noa i te tekau tau ki mua, ki te hanga i ngā huarahi haumaruru mō te hikoi, pahikara, kutarere me te retireti .</li><li>\$3 miriona ki te whakapai ake i te whakawhitinga rori ki Gordonton Road/ Puketaha Road .</li><li>\$22 miriona ki te whakapai ake i te whakawhitinga rori ki Borman Road/ Horsham Downs, ā, ki te whakapai i te kaupapa i Borman Road East i te tau . 2021/2022 (Tae atu ki tētahi pūtea āwhina, \$8 miriona te rahinga, nā Waka Kotahi).</li><li>\$5 miriona ki te whakawhānui i te whare pukapuka o Hillcrest .</li><li>He whakamātautau ā-haumi mō te rāngai auaha, \$100,000 te rahinga, mō ngā tau e toru.</li><li>\$11 miriona mō tētahi whakawhitinga hou i te awa o Waikato mō te hikoi me ngā pahikara .</li><li>\$534,000 kia oti ai te wāhanga ki te whakapāpā, ngā tūhuratanga āheinga me te hoahoa aroro mō te hanganga awa.</li><li>\$6 miriona ki te hanga i tētahi whare kōpuku e taea ana te neke hei whakamaru i te puna waho i Waterworld.</li><li>\$29 miriona puta noa i te tekau tau ki mua ki te whakaora i ngā pakohu o te tāone.</li></ul> <p>I raro i tēnei mahere, ka whakataurite te Kaunihera i āna anō puka i mua i te tau 2023/2024, nā runga i tēnei ka mimiti noa</p>	<p>Add full stops (same as page 9)</p>						
<p><b>Page 12:</b></p> 	<p>Change \$819 to \$819M</p>						
<p><b>Page 27:</b></p> <table><tr><th>What you can expect from us</th><th>What we will measure</th><th>Latest (2019)</th></tr><tr><td>We will make decisions that improve the wellbeing of Hamiltonians.</td><td>The percentage of residents who believe we make decisions that are in the best interest of the city.</td><td>42%*</td></tr></table> <p>* This result was not reported in the 2019/20 Annual Report. The latest result presented is based</p>	What you can expect from us	What we will measure	Latest (2019)	We will make decisions that improve the wellbeing of Hamiltonians.	The percentage of residents who believe we make decisions that are in the best interest of the city.	42%*	<p>Add full stop</p>
What you can expect from us	What we will measure	Latest (2019)					
We will make decisions that improve the wellbeing of Hamiltonians.	The percentage of residents who believe we make decisions that are in the best interest of the city.	42%*					
<p><b>Page 44:</b></p> <p>Hamilton Gardens and seek to increase the economic contribution the Gardens make to our city. We plan to leverage growing visitor numbers to the Gardens to support the wider Hamilton tourism industry. We will start by charging a \$10 fee to non-Hamiltonians over the age of 14 for entry to the enclosed gardens from 1 January 2023. This will coincide with the upgrading of the visitor arrival centre. Resulting revenue will contribute to improving and adding new services and facilities that make visiting Hamilton Gardens easier.</p> <p>Some other projects we'll be delivering over the next three years include an Egyptian Garden, and a Palm Court.</p> <p>Connected to the Zoo, Waikwhakareke Natural Heritage Park complements the zoo experience. Developed in partnership with the community, the park aims to reconstruct the natural forest, wetland and lake ecosystems present in pre-European times.</p> <p>The plan includes funding for new overnight stay facilities for visitors who are interested in a new unique zoo experience. The proposed accommodation facilities will be situated to provide visitors a view of the savannah enclosure , where animals such as Giraffe, Zebra and Black Buck can be seen in a natural setting. The accommodation together with the visitor precinct project currently underway will deliver modern facilities and connections to</p>	<p>Change highlighted text to: “We propose to start charging a \$10 fee to non-Hamiltonians...”</p> <p>Delete space before comma (circled)</p>						

Item	Change						
<p>Page 57:</p> <div><p>To deliver a green city we invest in the following:</p><ul style="list-style-type: none"><li>• Water supply<ul style="list-style-type: none"><li>◦ Water treatment and storage</li><li>◦ Water distribution</li></ul></li><li>• Wastewater<ul style="list-style-type: none"><li>◦ Wastewater collection</li><li>◦ Wastewater treatment and disposal</li></ul></li><li>• Stormwater<ul style="list-style-type: none"><li>◦ Stormwater network</li></ul></li><li>• Rubbish and recycling<ul style="list-style-type: none"><li>◦ Refuse collection</li><li>◦ Landfill site management</li><li>◦ Waste minimisation</li></ul></li></ul></div>	<p>Additional text to be added in highlighted space: “We are also investing in our gullies and implementing our Nature in the City strategy. For more information on this see page 53.”</p>						
<p>Page 61:</p> <div><table><tr><td>The median resolution time of non-urgent call-outs from the time that Council receives notification of the fault or unplanned interruption to the time that service personnel confirm resolution of the fault or interruption.*</td><td>4 working days</td><td>No more than 10 work days</td></tr></table><p>+ Measure required by the Department of Internal Affairs. * We use the water New Zealand Loss Guidelines to calculate how much water is lost from the water network.</p></div>	The median resolution time of non-urgent call-outs from the time that Council receives notification of the fault or unplanned interruption to the time that service personnel confirm resolution of the fault or interruption.*	4 working days	No more than 10 work days	<p>Footnote should read ‘...water is lost <b>from</b> the water network’</p>			
The median resolution time of non-urgent call-outs from the time that Council receives notification of the fault or unplanned interruption to the time that service personnel confirm resolution of the fault or interruption.*	4 working days	No more than 10 work days					
<p>Page 67:</p> <div><p>We operate and maintain the wastewater system to minimise the impact on the environment.</p><table><tr><td>The number of abatement notices received in relation to resource consents for discharge from the wastewater system.*</td><td>0 abatement notices</td><td>No more than 1 abatement notice</td></tr><tr><td>The number of infringement notices, enforcement orders and convictions received in relation to resource consents for discharge from the wastewater system.+</td><td>1 conviction</td><td>0 infringement or conviction</td></tr></table></div>	The number of abatement notices received in relation to resource consents for discharge from the wastewater system.*	0 abatement notices	No more than 1 abatement notice	The number of infringement notices, enforcement orders and convictions received in relation to resource consents for discharge from the wastewater system.+	1 conviction	0 infringement or conviction	<p>‘+’ should be superscript like other footnote references on this page</p>
The number of abatement notices received in relation to resource consents for discharge from the wastewater system.*	0 abatement notices	No more than 1 abatement notice					
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Item	Change																																																
<p>Page 77:</p> <p>growth of enable us resource</p> <p>encourage more recycling and reuse through education programmes and promoting waste minimisation. Effective and efficient waste minimisation is a requirement of all councils under a range of legislation.</p> <p>We will continue to implement our Waste Management and Minimisation Plan which includes waste minimisation education, new partnerships and accessing of relevant grants.</p> <p><del>We will continue to implement our Waste management and minimisation plan which includes waste minimisation education, new partnerships and accessing of relevant grants.</del></p> <p>l rubbish ndfill. several</p> <p>to</p>	<p>Delete duplicate text</p>																																																
<p>Page 84:</p> <p><b>Table 1: Debt-to-revenue limit</b></p> <table border="1"><thead><tr><th>Year</th><th>2021 Annual Plan</th><th>2021-31 LTP</th><th>Debt-to-revenue limit</th></tr></thead><tbody><tr><td>2021</td><td>206%</td><td></td><td>300%</td></tr><tr><td>2022</td><td></td><td>193%</td><td>300%</td></tr><tr><td>2023</td><td></td><td>238%</td><td>300%</td></tr><tr><td>2024</td><td></td><td>269%</td><td>300%</td></tr><tr><td>2025</td><td></td><td>273%</td><td>300%</td></tr><tr><td>2026</td><td></td><td>276%</td><td>300%</td></tr><tr><td>2027</td><td></td><td>256%</td><td>300%</td></tr><tr><td>2028</td><td></td><td>242%</td><td>300%</td></tr><tr><td>2029</td><td></td><td>229%</td><td>300%</td></tr><tr><td>2030</td><td></td><td>230%</td><td>300%</td></tr><tr><td>2031</td><td></td><td>223%</td><td>300%</td></tr></tbody></table>	Year	2021 Annual Plan	2021-31 LTP	Debt-to-revenue limit	2021	206%		300%	2022		193%	300%	2023		238%	300%	2024		269%	300%	2025		273%	300%	2026		276%	300%	2027		256%	300%	2028		242%	300%	2029		229%	300%	2030		230%	300%	2031		223%	300%	<p>Axis title should be 'Debt-to-revenue' (hyphens missing)</p>
Year	2021 Annual Plan	2021-31 LTP	Debt-to-revenue limit																																														
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2031		223%	300%																																														
<p>Page 94:</p> <p>of households as forecast by NIDEA low. The relationship between ratepayer growth and the forecast growth metrics is complex. One household does not represent a one-to-one relationship with one rating unit. Ratepayer growth has been calculated based on the historic trends in the relationship between these forecasts and actual rating unit growth over the previous four years.</p> <p>As a result of this complexity there is a high degree of uncertainty around these forecasts. The percentage increases and revenue growth below represent the expected increase from the previous year due to growth in the general rate, UAGC, and compliance rate.</p> <p><b>Development contributions</b></p> <p>Future revenue has been projected using the Development Contributions (DC) Model.</p> <p>Conversely, if growth is new infrastructure may be needed, and over time the of projected revenue.</p> <p>In cases where infrastructure is deferred, infrastructure is need and the costs will be demand (and DCs) is real.</p> <table><tr><th colspan="2">Ratepayer growth:</th></tr><tr><th></th><th>Percentage increase</th></tr><tr><td>2021/22</td><td>2.0</td></tr><tr><td>2022/23</td><td>2.0</td></tr><tr><td>2023/24</td><td>2.0</td></tr></table>	Ratepayer growth:			Percentage increase	2021/22	2.0	2022/23	2.0	2023/24	2.0	<p>The table isn't below, update to say "...on the right..."</p> <p>Compliance rate should read 'Government compliance rate'</p>																																						
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Item	Change																																																
<p>Page 95:</p> <p><b>Savings</b></p> <p>We have budgeted for savings for over the 10 years of the plan, with a total value of \$100 million (see table below). This LTP assumes these savings will be realised.</p> <p>We expect to make these savings through digital-enabled business transformation.</p>	<p>“(see table left)”</p>																																																
<p>Page 97:</p> <div><div><p><b>Availability of resources to deliver service levels</b></p><p>We have assumed additional staffing</p></div><div><p>the greater corporate support activity a bigger city generates.</p><p>It is assumed all staff positions can be filled and maintained so we can deliver the</p></div><div><table><thead><tr><th colspan="2">Operating expenditure and revenue (operating expenditure and revenue) inflation used in financial modelling is:</th><th colspan="2">Capital expenditure and revenue (capital subsidies, capital contributions) inflation used in financial modelling is:</th></tr><tr><th></th><th>Operating inflation</th><th></th><th>Capital inflation</th></tr></thead><tbody><tr><td>2021/22</td><td>3.60%</td><td>2021/22</td><td>3.30%</td></tr><tr><td>2022/23</td><td>2.90%</td><td>2022/23</td><td>3.00%</td></tr><tr><td>2023/24</td><td>2.50%</td><td>2023/24</td><td>3.00%</td></tr><tr><td>2024/25</td><td>2.50%</td><td>2024/25</td><td>3.00%</td></tr><tr><td>2025/26</td><td>2.50%</td><td>2025/26</td><td>3.00%</td></tr><tr><td>2026/27</td><td>2.50%</td><td>2026/27</td><td>2.80%</td></tr><tr><td>2027/28</td><td>2.60%</td><td>2027/28</td><td>3.00%</td></tr><tr><td>2028/29</td><td>2.70%</td><td>2028/29</td><td>3.00%</td></tr><tr><td>2029/30</td><td>2.70%</td><td>2029/30</td><td>3.00%</td></tr><tr><td>2030/31</td><td>2.60%</td><td>2030/31</td><td>2.80%</td></tr></tbody></table></div></div> <div><p>our treasury management. We have policies in place providing direction in the management of risks associated with debt.</p><p>Council's interest rate risk, the risk of adverse interest rate movements, is mitigated by requiring at least 40 per cent (but no more than 95 per cent) of Council's debt to be at fixed rates with greater than 12 months to maturity. Council's Liquidity and Funding Risk, the risk that Council may not be able to access funds at the time that we need or at a cost no greater than the existing terms, is mitigated in two ways firstly, by spreading the due dates of our debt per the policy; and, secondly, by ensuring we have access to additional undrawn funds.</p><p>The policy also outlines the financial institutions from whom Council can borrow and includes borrowing caps for all but New Zealand Local Government Funding Agency (NZLGA) and the New Zealand Government.</p><p>Being credit rated as AA by S&amp;P Global Ratings has provided the opportunity to access cheaper sources of debt. On average, the margin benefit is 20 to 30 basis points.</p></div>	Operating expenditure and revenue (operating expenditure and revenue) inflation used in financial modelling is:		Capital expenditure and revenue (capital subsidies, capital contributions) inflation used in financial modelling is:			Operating inflation		Capital inflation	2021/22	3.60%	2021/22	3.30%	2022/23	2.90%	2022/23	3.00%	2023/24	2.50%	2023/24	3.00%	2024/25	2.50%	2024/25	3.00%	2025/26	2.50%	2025/26	3.00%	2026/27	2.50%	2026/27	2.80%	2027/28	2.60%	2027/28	3.00%	2028/29	2.70%	2028/29	3.00%	2029/30	2.70%	2029/30	3.00%	2030/31	2.60%	2030/31	2.80%	<p>These two tables should follow the ‘Inflation treatment’ section on page 96</p> <p>The ‘C’ appears to be missing at the start of the second paragraph, third column.</p>
Operating expenditure and revenue (operating expenditure and revenue) inflation used in financial modelling is:		Capital expenditure and revenue (capital subsidies, capital contributions) inflation used in financial modelling is:																																															
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<p>Page 99:</p> <div><div><p><b>Investment properties</b></p><p>We revalue investment properties on an annual basis and an annual gain on investment property values of 2.5% has been assumed in each year of this LTP.</p><p><b>Vested assets</b></p><p>The level of vested assets has been determined using growth expectations and then compared to historical trends for reasonableness.</p><p>Some of our asset data is not as complete as we would ideally like. As we use this information to do our planning, there is a risk that we have not correctly identified some assets that may need replacing. Only having one water treatment plant and one wastewater treatment plant means if either was unable to operate, this would have a</p></div><div><p>those of most other large cities. Because of this, we are confident our water network is in good health and unlikely to experience significant disruption. To ensure this, Council is committed to looking after these assets by investing more in this Long-Term Plan. We are also spending more on understanding the state of our assets as this helps us make better planning and budget decisions. We are working to improve what we know about our assets, including their age, how well they're performing, and their condition.</p><p><b>Activity specific assumptions</b></p><p><b>City planning and growth</b></p><p><b>Building control and planning guidance</b></p></div></div>	<p>Add new subheading in highlighted space (same level heading as ‘Vested assets’ and ‘Investment property’)</p> <p>Subheading to read ‘Infrastructure asset condition information’</p>																																																

Item	Change																																																						
<p>Page 101:</p> <p><b>Project Watershed</b></p> <p>We have assumed contributions will be received from Waikato Regional Council for Project Watershed projects over the full term of this LTP as proposed in the Project Watershed 10-Year plan submitted to Waikato Regional Council. These contributions are sourced from a Waikato Regional Council targeted rate for Project Watershed. We will apply these funds to projects meeting the criteria set out in the Project Watershed agreement between us and the Waikato Regional Council</p>	<p>Full stop isn't visible as it's in black not white.</p>																																																						
<p>Page 108:</p> <table><tr><td>Total non-current liabilities</td><td>778,797</td><td>747,511</td><td>897,827</td><td>1,025,169</td><td>1</td></tr><tr><td>Total liabilities</td><td>852,101</td><td>884,425</td><td>1,029,945</td><td>1,147,340</td><td>1</td></tr><tr><td>Net assets</td><td>4,208,728</td><td>4,418,052</td><td>4,598,044</td><td>4,859,789</td><td>5</td></tr><tr><td>Equity</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Accumulated funds</td><td>1,919,292</td><td>2,014,949</td><td>2,146,511</td><td>2,262,727</td><td>2</td></tr><tr><td>Other reserves</td><td>2,247,490</td><td>2,361,192</td><td>2,409,667</td><td>2,555,247</td><td>2</td></tr><tr><td>Restricted reserves</td><td>41,369</td><td>41,410</td><td>41,451</td><td>41,492</td><td></td></tr><tr><td>Council created reserves</td><td>577</td><td>501</td><td>416</td><td>322</td><td></td></tr><tr><td>Total equity</td><td>4,208,728</td><td>4,418,052</td><td>4,598,044</td><td>4,859,789</td><td>5</td></tr></table> <p><small>The accompanying notes form part of these financial statements</small></p>	Total non-current liabilities	778,797	747,511	897,827	1,025,169	1	Total liabilities	852,101	884,425	1,029,945	1,147,340	1	Net assets	4,208,728	4,418,052	4,598,044	4,859,789	5	Equity						Accumulated funds	1,919,292	2,014,949	2,146,511	2,262,727	2	Other reserves	2,247,490	2,361,192	2,409,667	2,555,247	2	Restricted reserves	41,369	41,410	41,451	41,492		Council created reserves	577	501	416	322		Total equity	4,208,728	4,418,052	4,598,044	4,859,789	5	<p>References to note 15 to be added to two rows in highlighted space</p>
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<p>Page 137:</p> <p><b>Note 15: Reserves</b></p> <table><tr><td></td><td>2020/21</td><td>2021/22</td></tr><tr><td></td><td>\$'000</td><td>\$'000</td></tr><tr><td><b>Restricted reserves</b></td><td></td><td></td></tr><tr><td>Cemetery plot maintenance in perpetuity</td><td>1,733</td><td>1,733</td></tr><tr><td>Municipal endowment fund</td><td>31,415</td><td>31,415</td></tr><tr><td>Domain endowment fund</td><td>8,210</td><td>8,251</td></tr><tr><td>Waikato Art Gallery endowment reserve</td><td>11</td><td>11</td></tr><tr><td><b>Total restricted reserves</b></td><td><b>41,533</b></td><td><b>41,410</b></td></tr><tr><td><b>Council created reserves</b></td><td></td><td></td></tr><tr><td>Bus shelter (adshel) reserve</td><td>-</td><td>-</td></tr><tr><td>Project watershed operating reserve</td><td>308</td><td>308</td></tr><tr><td>Waste minimisation reserve</td><td>269</td><td>193</td></tr><tr><td>Hamilton Gardens reserve</td><td>-</td><td>-</td></tr><tr><td><b>Total council created reserves</b></td><td><b>577</b></td><td><b>501</b></td></tr><tr><td><b>Total restricted and council created reserves</b></td><td><b>41,946</b></td><td><b>41,911</b></td></tr></table>		2020/21	2021/22		\$'000	\$'000	<b>Restricted reserves</b>			Cemetery plot maintenance in perpetuity	1,733	1,733	Municipal endowment fund	31,415	31,415	Domain endowment fund	8,210	8,251	Waikato Art Gallery endowment reserve	11	11	<b>Total restricted reserves</b>	<b>41,533</b>	<b>41,410</b>	<b>Council created reserves</b>			Bus shelter (adshel) reserve	-	-	Project watershed operating reserve	308	308	Waste minimisation reserve	269	193	Hamilton Gardens reserve	-	-	<b>Total council created reserves</b>	<b>577</b>	<b>501</b>	<b>Total restricted and council created reserves</b>	<b>41,946</b>	<b>41,911</b>	<p>Highlighted number should be <b>41,369</b> not 41,533</p>									
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<p>Page 178 – 182</p> <p>Finance FIS changes (Various pages as referenced below): 'Increase (decrease) in reserves' and 'Increase (decrease) of investments' lines need to be updated in all FISs + in the whole of Council FIS</p>	<p>Audit opinion added from Audit NZ</p> <p>See highlighted rows and LTP Page references below</p>																																																						

PROSPECTIVE COMMUNITY SERVICES FUNDING IMPACT STATEMENT												Page 20
Increase (decrease) in reserves	(12,994)	3,720	2,769	3,467	4,556	5,659	7,145	8,164	8,589	10,660	12,564	
Increase (decrease) of investments	13	(1,256)	85	75	(11)	(25)	(63)	(47)	(20)	94	37	

PROSPECTIVE TRANSPORT FUNDING IMPACT STATEMENT												Page 26
Increase (decrease) in reserves	(1,552)	14,038	9,052	6,310	6,158	5,907	7,161	7,352	7,989	5,995	2,387	
Increase (decrease) of investments	634	(5,539)	376	333	(47)	(110)	(277)	(206)	(87)	416	164	

PROSPECTIVE GOVERNANCE FUNDING IMPACT STATEMENT												Page 31
Increase (decrease) in reserves	(235)	(237)	(651)	(29)	145	(121)	604	814	510	1,250	1,470	
Increase (decrease) of investments		(246)	17	15	(2)	(5)	(12)	(9)	(4)	18	7	

PROSPECTIVE CITY GROWTH FUNDING IMPACT STATEMENT												Page 35
Increase (decrease) in reserves	6,615	(196)	938	2,375	2,909	3,641	1,568	2,579	3,144	3,530	3,964	
Increase (decrease) of investments	90	(862)	58	52	(7)	(17)	(43)	(32)	(14)	65	26	

PROSPECTIVE SAFETY FUNDING IMPACT STATEMENT												Page 40
Increase (decrease) in reserves	(604)	(799)	(797)	(691)	(690)	(605)	(403)	(279)	(5)	164	349	
Increase (decrease) of investments		(369)	25	22	(3)	(7)	(18)	(14)	(6)	28	11	

PROSPECTIVE VISITOR DESTINATIONS FUNDING IMPACT STATEMENT												Page 47
Increase (decrease) in reserves	(6,420)	2,033	1,023	3,052	4,664	4,118	6,302	7,119	7,356	8,896	10,372	
Increase (decrease) of investments	22	(1,231)	83	74	(11)	(24)	(62)	(46)	(19)	92	36	

PROSPECTIVE VENUES, TOURISM AND MAJOR EVENTS FUNDING IMPACT STATEMENT												Page 51
Increase (decrease) in reserves	2,114	(10,892)	(6,460)	(3,599)	(3,373)	(3,425)	(2,859)	(2,991)	(3,041)	(2,040)	(2,287)	
Increase (decrease) of investments	239	(2,216)	150	133	(19)	(44)	(111)	(82)	(35)	166	66	

PROSPECTIVE PARKS AND RECREATION FUNDING IMPACT STATEMENT												Page 56
Increase (decrease) in reserves	(2,038)	(2,253)	(2,744)	(6,062)	(5,723)	(3,558)	(2,513)	(3,181)	(1,709)	(2,071)	(2,520)	
Increase (decrease) of investments	268	(2,806)	190	169	(24)	(56)	(140)	(104)	(44)	211	83	

PROSPECTIVE WATER SUPPLY FUNDING IMPACT STATEMENT												Page 64
Increase (decrease) in reserves	28,782	(9,274)	(11,539)	(14,857)	(17,586)	(19,642)	(21,294)	(23,631)	(24,189)	(26,950)	(30,322)	
Increase (decrease) of investments	487	(3,570)	242	214	(31)	(71)	(178)	(133)	(56)	268	106	

PROSPECTIVE WASTEWATER FUNDING IMPACT STATEMENT												Page 70
Increase (decrease) in reserves	(8,875)	(1,006)	(4,648)	(6,456)	(8,195)	(9,035)	(10,095)	(11,369)	(12,595)	(15,575)	(19,064)	
Increase (decrease) of investments	549	(4,677)	317	281	(40)	(93)	(234)	(174)	(73)	351	139	

PROSPECTIVE STORMWATER FUNDING IMPACT STATEMENT												Page 75
Increase (decrease) in reserves	(2,796)	11,748	12,916	12,785	12,304	12,134	12,671	13,015	13,515	13,253	17,612	
Increase (decrease) of investments	150	(1,231)	83	74	(11)	(24)	(62)	(46)	(19)	92	36	

PROSPECTIVE RUBBISH AND RECYCLING FUNDING IMPACT STATEMENT												Page 80
Increase (decrease) in reserves	(2,688)	610	(152)	131	436	367	866	843	1,192	1,406	3,491	
Increase (decrease) of investments	12	(615)	42	37	(5)	(12)	(31)	(23)	(10)	46	18	

PROSPECTIVE WHOLE OF COUNCIL FUNDING IMPACT STATEMENT												Page 156
Increase (decrease) in reserves	(690)	7,492	(292)	(3,575)	(4,394)	(4,559)	(847)	(1,564)	757	(1,484)	(1,983)	
Increase (decrease) of investments	2,464	(24,618)	1,669	1,479	(210)	(488)	(1,231)	(914)	(386)	1,850	730	

<b>First adopted:</b>	<b>1 July 2005</b>
<b>Revision dates/version:</b>	Version 15, Adopted tbc.
<b>Date this Policy operative:</b>	
<b>Engagement required:</b>	Sections 82-87 LGA 2002
<b>Document number:</b>	D-3778315
<b>Associated documents:</b>	Refer <a href="http://www.hamilton.govt.nz/dc">www.hamilton.govt.nz/dc</a>
<b>Sponsor/Group:</b>	City Growth

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# DRAFT DEVELOPMENT CONTRIBUTIONS POLICY

## 2021/22

## 1. PURPOSE OF POLICY

- 1.1 The purpose of this Development Contributions Policy ("the Policy") is to:
- Provide predictability and certainty about the role development contributions play in Council's overall funding and financial strategy;
  - Establish a policy framework for the calculation of development contributions and how they are to be applied to Council activities;
  - Enable the development community to understand how and in what proportions it pays for infrastructure which supports growth;
  - Set development contributions at a level which will assist Council in delivering on its role and purpose as defined under the Local Government Act 2002 (LGA).

## 2. QUICK REFERENCE GUIDE

- 2.1 The following table provides quick references to key sections of the Policy:

Section	Section Name	Page
<b>Section 5</b>	What is a development contribution?	4
<b>Section 6</b>	Definitions	5
<b>Section 9</b>	Capped and Phased Charges	14
<b>Section 11</b>	Stages when development contributions are required	23
<b>Section 12</b>	Payment of development contributions	24
<b>Section 13</b>	Limitations and calculation of credits and exemptions	26
<b>Section 14</b>	Request for reconsideration	26
<b>Section 15</b>	Objecting to your charge	27
<b>Section 17</b>	Special Assessments	28
<b>Section 18</b>	Remissions	29
<b>Section 21</b>	How to estimate your development contribution charge	32
<b>Schedule 1</b>	Table of Charges	34
<b>Schedule 7</b>	Catchment maps	54

- 2.2 These are suggested as sections for first reference, but the Policy needs to be considered in its entirety. The full methodology and supporting information behind the Policy is also available from Council upon request.
- 2.3 The following summary information can be viewed by clicking the links below. They are for guidance and information only, and do not supersede anything in this Policy.
- [Development contributions information sheet](#)
  - [How to estimate a development contribution charge](#)
  - [When do I need to pay a development contribution?](#)
- 2.4 For further guidance and information please visit [Council's development contributions website](#)

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11.	Stages at which development contributions may be required (S198, S202(1)(b) LGA)	23
12.	Payment of development contributions (S198, S208 LGA)	24
13.	Limitations and calculation of credits and exemptions (S199, S200(1), S197AB LGA)	26
14.	Requests for reconsideration (S199A, S199B, 202A LGA)	26
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29.	Schedule 6 – Growth Forecasts	51
30.	Schedule 7 – Development Contributions Catchment Maps	53



## **4. POLICY BACKGROUND**

- 4.1 Hamilton has grown rapidly over the past few decades and although the rate of growth slowed down following the global financial crisis, economic activity has been strong for several years and ongoing growth is projected for Hamilton into the foreseeable future.
- 4.2 Council is required to ensure that this growth is efficiently managed and accommodated within the city so that growth benefits the entire community. The primary way that Council performs this function is by delivering infrastructure to support this growth in an efficient and cost-effective manner. That infrastructure includes reserves, community infrastructure, and network infrastructure such as roads, water, wastewater, and stormwater systems.
- 4.3 Council must plan for this future demand for infrastructure that comes from growth and establish a capital expenditure programme which provides for these activities over time. It must also determine how these activities are to be paid using the range of funding sources available to it, including rates, financial contributions under the Resource Management Act 1991, grants, and development contributions.
- 4.4 Council is required to determine how each activity is to be funded, including what activities should be funded wholly, or in part, by development contributions, which are a direct method of targeting the developer community as a funding source. The need for some infrastructure, for example, is brought about solely to meet additional demand created by development, and so it is fair that the developer community contributes significantly to these costs. However, new infrastructure may also benefit the wider community, and so it is appropriate that they also contribute to the costs. An appropriate balance must be struck, depending on the activity.
- 4.5 This Policy establishes a framework for determining what level of funding an activity will receive by way of development contributions, and assists developers in determining the level of development contributions payable by them on a development by development basis.
- 4.6 This Policy takes effect on 1 July 2021 and will apply to applications for consents or service connections submitted on or after that date where accompanied by all required information.
- 4.7 Applications for consents or authorisations submitted to Council prior to 1 July 2021 but not granted until after 1 July 2021 will be considered under the policy that was in force at the time that the application was submitted to Council accompanied by all required information.

## **5. WHAT IS A DEVELOPMENT CONTRIBUTION (\$197AA, AB LGA)**

- 5.1 A development contribution is a contribution made by a developer to Council which is provided for in this Policy and calculated in accordance with the methodology set out in this Policy and established by the LGA; it can comprise money, land or a combination of both.
- 5.2 The purpose of the development contribution provisions as stated in 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.
- 5.3 A development contribution may be required in relation to developments if the effect of the developments is to require new or additional assets or assets of increased capacity, and as a

consequence, Council incurs capital expenditure to provide appropriately for community infrastructure, reserves or network infrastructure. Developments are considered in this context to be cumulative with other developments.

- 5.4 Council can require a development contribution to pay for capital expenditure already incurred by it in anticipation of the development.
- 5.5 Before any development contribution can be levied in respect of development, it must be demonstrated that the development, which can be any subdivision or other development, by itself or in combination with other developments, generates a demand for community infrastructure, reserves or network infrastructure. Network infrastructure means the provisions of roads and other transport, water, wastewater, and stormwater collection and management. Council can require a development contribution to be made to it upon the granting of resource consent under the Resource Management Act 1991, the granting of a building consent or certificate of acceptance under the Building Act (2004), or upon authorisation of service connection being granted.
- 5.6 A development contribution cannot be levied if Council has imposed a financial contribution condition under the Resource Management Act 1991 in respect of the same development for the same purpose, or if the developer will fund or otherwise provide for the same community infrastructure, reserve or network infrastructure, or Council has received or will receive funding from another source.

## 6. DEFINITIONS

- 6.1 **Long-Term Plan** means Council's adopted long term plan in accordance with the LGA.
- 6.2 **activity** means transport, water, wastewater, stormwater, community infrastructure or reserves.
- 6.3 **allotment** means:
  - a) any parcel of land under the Land Transfer Act 1952 that is a continuous area and whose boundaries are shown separately on a survey plan, whether or not:
    - i. the subdivision shown on the survey plan has been allowed, or subdivision approval has been granted by Council.
    - ii. a subdivision consent for the subdivision shown on the survey plan has been granted under the Act.
  - b) any parcel of land or building or part of a building that is shown or identified separately:
    - i. on a survey plan.
    - ii. on a licence within the meaning of Part 7A of the Land Transfer Act 1952.
  - c) any unit on a unit plan.
  - d) any parcel of land not subject to the Land Transfer Act 1952.
- 6.4 **ancillary activity** means any non-residential activity on the same site as another principal non-residential building or activity and whose use is incidental to the principal building or principal activity, and which occupies not more than 25% or 250m<sup>2</sup> of the activity's gross floor area on the site and associated premises (including any associated premises on an immediate adjoining site), whichever is the lesser.

- 6.5 **base charge** means the unmodified development contribution charge generated by the development contributions calculation model.
- 6.6 **bedroom** means an area of a residential unit that is not:
- a) the kitchen, bathroom(s), laundry and toilet(s),
  - b) the dining room or living room (but not both) whether open plan with the kitchen or not,
  - c) entrance halls and passageways,
  - d) garage, and
  - e) any other room smaller than 6m<sup>2</sup>.
- 6.7 **capex** means capital expenditure.
- 6.8 **capped charge** means a development contribution charge manually adjusted to a level lower than the base charge (refer section 9: capped charges).
- 6.9 **catchment** means an area shown in Maps 1-9 (refer Schedule 7) within which a separately calculated and specified set of development contributions charges apply.
- 6.10 **CBD** means the Central Business District. An area defined as the Business Improvement District (BID) in Council's Rating Policy.
- 6.11 **citywide** means the catchment that covers the entire city. The citywide charge forms a component of all other development contribution charges.
- 6.12 **commercial development** means any development involving the use of premises (land and buildings) for administration or professional activities, leisure and recreation activities, community centres, places of worship, mobile accommodation, overnight accommodation, and all other activities not covered by the definitions of residential, retail, and industrial development.
- 6.13 **community infrastructure** means
- a) means land, or development assets on land, owned or controlled by the territorial authority for the purpose of providing public amenities; and
  - b) includes land that the territorial authority will acquire for that purpose
- 6.14 **Council** means the Hamilton City Council and includes any committee, subcommittee or person acting under delegated authority.
- 6.15 **Council's website** means [www.hamilton.govt.nz/dc](http://www.hamilton.govt.nz/dc)
- 6.16 **DC** means development contribution.
- 6.17 **developer** means any individual entity or group undertaking development.
- 6.18 **development** means any subdivision, building (as defined in section 8 of the Building Act 2004), land use, or work that generates a demand for community infrastructure, reserves or network infrastructure; but does not include the pipes or lines of a network utility operator.
- 6.19 **one bedroom dwelling** means a residential unit with not more than one bedroom in total.
- 6.20 **two bedroom dwelling** means a residential unit with not more than two bedrooms in total.
- 6.21 **standard residential dwelling** means a residential unit with not more than three bedrooms in total.

- 6.22 **large residential dwelling** means a residential unit with more than three bedrooms in total.
- 6.23 **granted** means the date that an application for a consent or service connection is approved by Council.
- 6.24 **greenfield** means any catchment other than the citywide and infill catchments.
- 6.25 **gross floor area (GFA)** means the sum of the area of all floors of all buildings on a site measured from the exterior faces of the exterior walls or from the centrelines of walls separating two buildings. Gross floor area shall:
- a) include elevator shafts, stairwells and lobbies at each floor and mezzanine floors and balconies,
  - b) exclude any provided car-parking, incidental or temporary loading and servicing areas and access thereto and building service rooms containing equipment such as lift machinery, tanks, air conditioning and heating plants,
  - c) exclude buildings and structures where defined as temporary in a relevant consent,
  - d) include permanent outdoor covered structures,
  - e) for the purposes of this Policy, include car parking provided on a commercial basis, and
  - f) in cases where there is no constructed floor or in which existing floor area is covered for the first time by a roof or other covered structure, include the area under the roof or the covered structure.
- 6.26 **household unit equivalent (HUE)** means demand for Council services, equivalent to that produced by an average household.
- 6.27 **industrial development** means any development involving the use of premises (land and buildings) for manufacturing, processing, bulk storage, warehousing, servicing and repair activities, or if the use of premises is unknown, any development permitted or authorised by resource consent in an industrial zone.
- 6.28 **infrastructure** means network infrastructure, community infrastructure or reserves.
- 6.29 **Infrastructure Strategy** means the 30-Year Infrastructure Strategy adopted with Council's Long-Term Plan.
- 6.30 **lodgement Date** means in accordance with S 198 (2A) LGA 02 the date at which an application for building consent, resource consent or authorisation of service connection was submitted, accompanied by all required information.
- 6.31 **lot** means allotment.
- 6.32 **LGA** means the Local Government Act 2002.
- 6.33 **network infrastructure** means the provision of roads and other transport, water, wastewater, and stormwater collection and management as defined by the LGA.
- 6.34 **residential activities** mean the use of land and buildings on a site by people for living accommodation either alone, in families or groups.
- 6.35 **residential development** means new buildings or parts of buildings designed to be used as residential units. This includes but is not limited to apartments, semi-detached and detached houses, ancillary residential units, units, town-houses, private units within a retirement

village, show homes, self-contained accommodation, and new allotments on land that is zoned residential.

- 6.36 **residential unit** means a building or group of buildings, or part of a building or group of buildings that are used, or intended to be used, only or mainly for residential activities.
- 6.37 **retail development** means any development involving the use of land or buildings where goods and services are offered or exposed to the general public for sale, hire or utilisation. For the purposes of this Policy, this definition shall include restaurants, licensed premises and food and refreshment facilities.
- 6.38 **Schedule of Assets** means the S201 LGA schedule available on Council's website.
- 6.39 **sector** means residential, industrial, commercial, retail, or wet industries
- 6.40 **self-contained accommodation** means a residential unit which has kitchen, toilet and bathroom facilities.
- 6.41 **site** means an area of land which is:
- a) Comprised in a single certificate of title or in respect of which a single certificate of title could be issued without further consent from the Council.
  - b) Composed of two or more lots held together in one (or more) certificate(s) of title and where no single lot can be dealt with separately without the prior consent of the Council.
  - c) An area of land which has been defined for the purpose of transferring it from one certificate of title to another.
  - d) An area of land which is, or is to be, used or developed as one property whether or not that use, or development covers the whole or a part(s) of one or more lots.
- 6.42 **wet industries** means industrial developments that are assessed to or will utilise more than 15,000 litres of water per day.

## 7. GROWTH-RELATED CAPITAL EXPENDITURE (S101(3), S106(2), S197AB, S199(1), S201(1) LGA)

- 7.1 **Summary and explanation of growth-related capital expenditure (s106(2), (2)(a) s201A LGA)**
- 7.2 Based on demographic and economic data it is projected that Hamilton will continue to grow over the next few decades. Some of this growth can be supported by existing Council infrastructure, but Council has identified that there will also be a need for several new assets and an increase in the capacity of a number of existing assets.
- 7.3 Major growth-related infrastructure projects in Council's 30 Year Infrastructure Strategy include further extensions of the Hamilton Ring Road including a four-lane bridge into Peacocke, capacity increases relating to water and wastewater headworks, completion of existing and the provision of new sports parks, a stormwater floodway in Rotokauri, and extensions to water, wastewater, transport and stormwater infrastructure in Rototuna, Ruakura, Rotokauri, and Peacocke.
- 7.4 Not all growth-related projects can be funded from development contributions. A development contribution can only be levied where it can be demonstrated that the effect

of the development, either alone or in combination with other developments, is to require new or additional assets or assets of increased capacity, and as a consequence, Council incurs capital expenditure to provide that infrastructure.

- 7.5 Where this criterion can be met, Council has chosen to recover some of the costs for these infrastructure projects from development contributions.
- 7.6 The Schedule of Assets sets out in detail information for each new asset or programme of works, including the estimated capital costs and the proportion proposed to be recovered through development contributions and through other funding sources.
- 7.7 **Development contribution components and proportion of growth-related capital expenditure funded by development contributions (s199(1), 106(2)(b) LGA)**
- 7.8 The growth-related capital expenditure that Council has incurred, and will incur over the Long-Term Plan period and for selected projects the 30 Year Infrastructure Strategy period, is allocated across a number of groups of activities that are impacted by increased demand, and will be funded from a mix of development contributions, rates, financial reserves, and NZTA subsidies as set out in the Schedule of Assets.
- 7.9 The development contribution charges for these groups of activities correspond to six development contribution charge accounts maintained by Council. The six development contribution accounts cover the three types of infrastructure for which Council takes development contributions, these being community infrastructure, reserves and network infrastructure. The latter is further divided for charging purposes into transport, water, wastewater and stormwater.
- 7.10 **Rationale for using development contributions as a funding source (s106(2)(c), 101(3) LGA)**
- 7.11 The proportion of costs that will be funded by development contributions has been determined using the following rationale.
- 7.12 Community outcomes
- 7.13 Council's growth-related capital expenditure primarily contributes to the following community outcome identified to guide city strategic planning: *"a city that embraces growth - our city has infrastructure that meets our current demands, supports growth and helps build a strong economy."*
- 7.14 Council considers that this community outcome is best promoted by:
- a) the timely provision of infrastructure to support growth in Hamilton, while protecting ratepayers from unacceptable annual rates increases by taking development contributions to fund an appropriate portion of growth-related capital expenditure;
  - b) using conservative assumptions to forecast growth or project development contribution revenue; and
  - c) allocating costs of growth-related expenditure to reflect the causes and benefits of growth infrastructure provision and hence encouraging sustainable development activity by ensuring that developers meet their fair and equitable share of the costs related to the infrastructure provided.

- 7.15 Additionally, in the process of allocating costs to development contributions, Council's outcomes and goals specific to each major project were identified and taken into consideration.
- 7.16 Causes and benefits
- 7.17 The LGA provides that cost allocations used to establish development contributions should be determined according to, and be proportional to, the persons who will benefit from the growth-related assets to be provided (including the community as a whole) as well as those who create the need for those assets.
- 7.18 It is Council's view that development is a major cause of the costs identified in the Schedule of Assets, and that this growth-related expenditure is necessary to enable the growth of the city to continue without reducing the current levels of service provided.
- 7.19 Developers will also derive benefit from this expenditure on infrastructure by Council, so it is fair and equitable that developers should pay for a reasonable portion of these costs through development contributions.
- 7.20 Extent to which development causes expenditure
- 7.21 In evaluating the extent to which development causes expenditure, some components of the total cost of growth-related capital projects will be excluded from charging, including growth caused from outside the city, growth that is caused and benefits only the general rating community, and level of service improvements. This portion will be funded separately from other sources including central government subsidies and general rates loans – recognising that some of the benefits derived from these assets accrue both to the existing community and to future ratepayers, and those outside the city.
- 7.22 Cost allocations are evaluated on a project-by-project basis or for groups of projects, and include consideration of:
- the project description and relevant information
  - the purpose and key outcomes of project
  - related projects and project dependencies
  - rationale for the choice of catchment
  - multiple Levels of Service considerations
  - growth benefits and growth causation rationale
  - the duration of those benefits
  - the exclusion of non-DC growth.
- 7.23 Projects considered to be of the greatest significance in terms of quantum of cost, complexity, or other matters, including community considerations, have been assessed in substantially more detail. Individual substantive engineering reports have been compiled and referred to for the purposes of allocating costs, including disaggregation of projects into component projects for finer grained analysis, and detailed project and asset metrics under guidance from an external asset management specialist.
- 7.24 These reports and the wider analysis intend to rigorously capture what is meant by level of service deficiencies and its different dimensions and significance, and to assess capital projects on the extent to which they are driven by these level of service deficiencies.



- 7.25 Costs by project have been allocated to development contributions by deriving a percentage figure to reflect both the extent to which the development community causes the need for the expenditure, and the extent to which developers benefit from the expenditure. The average of the two percentages is used as the final percentage of growth-related project costs for development contributions funding.
- 7.26 The percentage figure for developer causation has been derived by considering the extent to which the project would be needed if there was no development, by excluding the portion of each project that contributes to renewals, demand caused by development outside the city, and remedying existing level of service deficiencies (backlog).
- 7.27 Level of service assessments are derived by considering the breadth of level of service improvements addressed by provision of each project, and by the significance of the level of service improvements of each project in the context of the wider project or projects.
- 7.28 For transport projects for which NZTA subsidies are available, the amount of these subsidies is removed from the total cost prior to applying the development contributions allocation.
- 7.29 Significant assumptions in the cost allocation process are described under 10.71 below. Full details of methodology for cost allocations, causation and benefit analysis, and other related aspects for each individual project cost allocation are available on request.
- 7.30 The distribution and timing of benefits
- 7.31 The timing of profits accruing to developers and the need for the capital expenditure both align more closely with the timing of the consents required by developers than they do with the annual rates payments made by residents, so it is appropriate that a portion of the costs be imposed as development contributions through the consenting process.
- 7.32 For each project, consideration has also been given to the period over which the benefits are expected to occur or over which the capacity provided by the project will endure. Recovery of costs from development contributions has been timed to align with this period. The cost allocation percentage figure for growth benefits has been derived on the basis of assessed growth benefits accruing to new residents compared to existing residents, and by considering the rate of expected growth over the recovery period.
- 7.33 Housing Infrastructure Fund (HIF)
- 7.34 HIF is a government initiative to provide alternative funding sources for high growth councils that have financial challenges in providing growth infrastructure necessary to enable adequate housing supply is maintained.
- 7.35 HIF comprises two main funding elements for growth infrastructure being a 10 year interest free loan, and for applicable transport projects, a capital subsidy from NZ Transport Agency.
- 7.36 Council has successfully applied to the Government for HIF funding of growth infrastructure projects that will enable stage two of the Peacocke area to be developed. The Government have approved the HIF subject to final Council acceptance of loan agreement terms and on Council approving its 2018-28 Long-Term Plan (with the Peacocke growth infrastructure included) following the public engagement process.
- 7.37 Interest costs not incurred by Council on account of HIF interest free borrowing terms, which the calculation model would otherwise have included in its development contribution charge calculation, have been offset in the model. The effect of this is to prevent developers paying

development contributions for interest that would never actually be incurred by Council. Likewise, NZTA subsidies have been excluded from recovery through development contributions.

- 7.38 If Council ceased to rely on the HIF facility then the interest free offset would not be used in the development contribution charge calculation.
- 7.39 Transparency and accountability
- 7.40 Growth costs and their funding source are identified separately and on a project-by-project basis which imposes significant administrative costs on Council, but these are outweighed by the benefits in terms of greater equity (user pays), transparency and accountability.
- 7.41 The full methodology and rationale that demonstrates how the calculations for the contributions were made, is available on Council's website.
- 7.42 Overall impact of allocation
- 7.43 In some catchments, and for some types of development, Council has taken the view that the development contribution charge resulting from the above allocations would have an adverse effect on the development community to an extent that it would hinder growth and development, with negative consequences for the community as a whole. In these cases, Council, with consideration to s101(3)b of the LGA, has opted to cap the charge and fund any resulting revenue impacts from rates. This approach is consistent with that described in Council's Revenue and Financing Policy in the section titled Funding Sources for Capital Costs.
- 7.44 Council considers that overall the allocation of growth-related capital costs to development contributions set out in the Schedule of Assets and the resulting development contribution charges as specified in Schedule 1 of this Policy be reasonable and consistent with the statutory framework.
- 7.45 Total amount of development contributions funding sought (s106(2)(d), s201(1), s197AB LGA)
- 7.46 The total amount sought from development contributions funding, including financing costs, is set out in Schedule 2 of this Policy.

## **8. EXPLANATION AND JUSTIFICATION FOR CALCULATION OF CHARGES (S201(1)(A) LGA S197AB)**

- 8.1 **Development contribution catchments**
- 8.2 Different areas of the city ("catchments") have been allocated different amounts of growth-related capital expenditure as set out in the Schedule of Assets and are forecast to have different amounts of growth (see Schedule 6). Financing costs have been allocated to them in proportion to the balance of expenditure and growth within each area over time (see Schedule 2).
- 8.3 It is not practical to define catchments that precisely fit each individual growth project that Council undertakes. Taking this into account, Council considers that it is most equitable to divide the city into catchments as is shown in the maps displayed in Schedule 7.

- 8.4 Within each of these catchments, unless a remission, specific agreement or where credits apply, all developments will pay the same development contribution, regardless of their location within the catchment and regardless of their proximity to any particular projects that Council has undertaken or will undertake in that catchment.
- 8.5 This will ensure that the historical and future costs of growth-related capital works in that catchment are shared amongst all developments that benefit from them to the best practicable extent, whether directly or indirectly.
- 8.6 Some growth-related capital expenditure cannot adequately be confined to individual areas, and where appropriate will be recovered on an equal basis from all developments in the city, regardless of location.
- 8.7 Council's approach is supported by s197AB(1)(g) of the LGA which provides that when calculating and requiring development contributions, territorial authorities may group together certain developments by geographic area or categories of land use, provided that—
- a) the grouping is done in a manner that balances practical and administrative efficiencies with considerations of fairness and equity; and
  - b) grouping by geographic area avoids grouping across an entire district wherever practical.
- 8.8 **Producer Price Index adjustments**
- 8.9 Council will at its sole discretion and in accordance with s106(2B-2C) LGA, will increase the capital component of development contribution charges annually based on the Producers Price Index Outputs for Construction rate provided by Statistics New Zealand.
- 8.10 **Calculation of charges (s203(2), Schedule 13 LGA)**
- 8.11 The formula used in Council's calculation model to calculate project-level charges is derived from the following equilibrium condition. It states that the net present value of money coming in from development contributions must equal the present value of money going out for growth-related project costs.

$$\sum_{t=1}^N \frac{HUE_t \times DC_t}{(1+r)^{t-1}} = Growth \times \left( \sum_{t=1}^k \frac{Cost_t}{(1+r)^{t-1}} + HC \right) - HR$$

- 8.12 It follows that the development contribution charge is as follows:

$$DC_1 = \frac{Growth \times \left( \sum_{t=1}^k \frac{Cost_t}{(1+r)^{t-1}} + HC \right) - HR}{\sum_{t=1}^N HUE_t \times \left( \frac{1}{1+r} \right)^{t-1}}$$

- 8.13 Where:

- $t$  = time indicator
- $Cost_t$  = LTP Project Cost in year  $t$
- $HEU_t$  =  $HUE_t$  = Household equivalent units of demand in year  $t$
- $DC_t$  =  $DC_1$  = Development contribution per HUE in year  $t$

- $r$  = annual interest rate
- $N$  = length of the cost recovery period in years.
- $k$  = time over which future project costs will be recovered in years
- $\Sigma$  = summation operator
- $HC$  = Historic costs incurred prior to the LTP
- $HR$  = Historic development contribution revenues allocated to this project
- Growth = share of project cost to be recovered from growth via development contributions

- 8.14 Capital expenditure and growth (which is proportional to revenue) for the purposes of generating the charge are expressed in present value terms in order to match planned costs with forecast growth for the purpose of determining revenue across the life of the model, consistent with accepted financial modelling practices.
- 8.15 For each development contributions account within each catchment, the charge is the sum of the charges for the individual expenditure items.
- 8.16 A worked example is provided in Schedule 3, illustrating the calculation of a specific charge in accordance with this formula.
- 8.17 More detail on the mathematics in the model is available from Council on request.

## 9. CAPPED AND PHASED CHARGES (S101(3)B, S198(2A) LGA)

- 9.1 Some development contribution charges calculated by the calculation model have been capped at a specific level, or phased in, to take account of considerations outside the scope of the development contribution model parameters.
- 9.2 The calculation model produces mathematically and legally justifiable development contribution charges “base charges” but whether these base charges are to be levied is required to be tested in accordance with s101(3)b of the LGA, which is a critical filter through which all proposed development contributions must pass.
- 9.3 Council has considered the base charges in light of the critical filter set out in s101(3)b and concluded that if the base charges were adopted, in some cases this would represent an allocation of liability for revenue needs which would not deliver the most advantageous impacts on the community. Accordingly, Council has decided to reduce certain base charges as set out below.
- 9.4 Capped and phased development contribution charges in this section represent a manual adjustment to a base charge. Capped and phased charges are a discretion of Council and should not be considered charges in their own right.
- 9.5 For the purposes of disclosure on fees advice letters, capped individual activity charges are generated by scaling the base activity charges by the ratio of the total capped charge and the total base charge. Phased charges are an incremental annual increase to the 2019/20 Policy charges as set out in section 9.11 below.

**9.6 Council's decision to modify charges under S101(3)b**

9.7 Council considers that its decision to cap or phase charges represents a proper exercise of its discretion under s101(3). Council's decision in respect of these capped and phased charges has not impacted on its decision making in respect of the balance of this Policy. To that extent, Council would have adopted the balance of this Policy regardless of whether it capped or phased these charges.

**9.8 Capped non-residential charges**

9.9 Development contribution charges for industrial, commercial, or retail development (or part of a development) will pay no more than \$20,000, \$30,000, or \$40,000 respectively (exclusive of GST) per 100m<sup>2</sup> of gross floor area for the total of water, wastewater and transport activities, and correspondingly for stormwater on a site area basis.

9.10 Where the base charge is less than that amount, the base charge will apply.

**9.11 Phased residential charges**

9.12 Development contribution charges for residential development in the Peacocke 1, Peacocke 2, Rotokauri, Rototuna and Ruakura general catchments will be phased in annually between 1 July 2021 and 30 June 2023.

9.13 The incremental phased increases in development contributions is as follows:

- (i) where the lodgement date is between 1 July 2021 and 30 June 2022, residential developments in the above catchments pay the 2019/20 Policy charges plus 1/3<sup>rd</sup> of the difference between the 2019/20 Policy and the 2021/22 Policy charges.
- (ii) where the lodgement date is between 1 July 2022 and 30 June 2023, residential developments in the above catchments pay the 2019/20 Policy charges plus 2/3<sup>rd</sup> of the difference between the 2019/20 Policy and the 2021/22 Policy charges.
- (iii) Where the lodgement date is between 1 July 2023 and 30 June 2024, residential developments in the above catchments pay the full 2021/22 Policy charges set out in Schedule 1 (base charges).

9.14 Phased charges are calculated using aggregated 2019/20 Policy and base charges, and apportioned using the activity proportions of the base charges.

9.15 See Schedule 1 for a table of these charges.

9.16 Schedule 1 will be updated annually to reflect the next phase of charges as outlined in 9.14 above.

9.17 These phased charges are intended to provide greater certainty of the level of development contributions charges payable by developers, but Council reserves the right to review its policy and corresponding charges at any time.

**9.18 Rationale**

9.19 Base non-residential charges in some catchments are significantly higher than comparable areas in other parts of the city, largely due to higher investment by Council in its strategic growth capital programme in those areas.

9.20 Due to increasing costs of providing growth infrastructure and the scale of infrastructure required, development contribution charges are materially higher in this policy than in

previous policies, which creates financial planning difficulties for developers and those purchasing property. To address this, residential development in the Peacocke 1, Peacocke 2, Rotokauri, Rototuna and Ruakura general catchments are phased in by one third each year over three years.

- 9.21 Council has made substantial infrastructure investments based on long-term city growth planning and land use strategies, which, if materially compromised due to low uptake, could reduce the realisation of expected benefits from Council's investment in infrastructure, and lead to lower levels of development and loss of jobs and industry to other regions.
- 9.22 Under those circumstances, allocation of liability for revenue needs according to the base charges may have an adverse impact on the community and to avoid this impact, the base charges for some non-residential charges has been capped and some residential charges have been phased in, as described above.

## **10. SIGNIFICANT ASSUMPTIONS AND POTENTIAL EFFECTS OF UNCERTAINTY (S201(1)(B), S197AB LGA)**

- 10.1 The Development Contributions Policy incorporates a number of assumptions underlying the calculation of development contributions, principally around city growth, the demands placed on infrastructure by different types of developments, the allocation of costs and ultimately how these costs will be recovered from different types of development.
- 10.2 These assumptions, and an assessment or estimate of the effects of the uncertainty surrounding them, are detailed in this section.
- 10.3 **Growth projections**
- 10.4 Residential growth projections are based upon the National Institute of Demographic and Economic Analysis (NIDEA) population projection methodologies and data from Council's databases.
- 10.5 Non-residential floor area projections are based on economic projections for Hamilton and the Waikato Region by Market Economics Ltd.
- 10.6 Summary growth projection tables for the Long-Term Plan period are presented in Schedule 6.
- 10.7 Effects of uncertainty
- 10.8 Projecting or forecasting growth over the long term across the city and for individual areas and types of development within the city naturally involves a significant amount of uncertainty, and this will become more pronounced as time progresses. Growth inputs are a core component of the charge calculations, and there is a real likelihood that even a robust growth model would generate outputs that vary significantly from realised growth.
- 10.9 Projections that are lower than 'actual' growth would retrospectively have returned charges set at a level that is too high, and vice versa.
- 10.10 The divergence may also vary according to catchment and industry sector, resulting in charges that are weighted too heavily to some areas or some types of development. The effect of citywide growth variations would be expected to be less because projecting across

a city has a lower error margin than by individual catchment, and historical data will inform projections better across a city compared with catchments or growth cells.

- 10.11 In order to minimise the effects of uncertainty, growth demand projections and assumptions will be monitored and regularly reviewed in light of new information.
- 10.12 **Conservative revenue assumptions**
- 10.13 The theoretical revenue generated by the development contribution model assumes that all HUEs return full revenue in accordance with the applicable charges.
- 10.14 Forecasts for development contribution revenue for the purposes of the Long-Term Plan are conservative estimates including allowances made for future remissions, and historical consents issued at lower charge rates as per the applicable policy at the time a consent is granted.
- 10.15 Effects of uncertainty
- 10.16 Revenue forecasting has a high margin of error due to substantial underlying assumptions including economic outlook and projections, growth projections, undeterminable developer and market behaviour, the property market volatility and unpredictability, and other wider considerations including government policy changes.
- 10.17 This uncertainty impacts Council's debt to revenue calculations and consequent capacity for borrowing to finance growth. Council has attempted to strike a balance in its forecasts, based on historical levels of revenue and the best information that it has available about likely future revenues, but with a view to conservatism.
- 10.18 If Council had included an allowance for reduced development due to high charges, it would have reduced revenue in the model and increased charges to an extent.
- 10.19 **Methodology for relating costs of community facilities to units of demand.**
- 10.20 The purpose of Council's methodology is to enable it 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.
- 10.21 It achieves this outcome by first identifying the total cost of the capital expenditure that it expects to incur in respect of these community assets to meet increased demand resulting from growth.
- 10.22 Next it identifies the share of that expenditure attributable to each unit of demand. It does this by using the units of demand by which the impact of growth has been assessed. To identify those units of demand Council takes account of a wide data set of information which informs it on the estimated rates of development in the City.
- 10.23 **Supply of land**
- 10.24 The supply and capacity of development land is assumed to be constrained by the current and future availability of infrastructure – whether planned to be provided by Council or likely to be able to be provided by developers.
- 10.25 The land supply assumptions are well informed from the perspective that Council is providing much of the growth infrastructure and has good information on yield and land availability. Private land owners however will bring sections to market using rationale that is



not entirely predictable from Council's perspective, and as a result there will inevitably be variance between projected and actual future land supply.

**10.26 Effects of uncertainty**

10.27 If the actual supply of land for development is higher than was projected, then more development could potentially go ahead, spreading capex costs over more growth which would have retrospectively reduced the development contribution charge.

10.28 The supply assumptions that have been made are based on information provided by Market Economics Limited and the best knowledge of Council's Growth Funding & Analytics Team at the current time.

**10.29 Types of development (sectors)**

10.30 Developments are assumed to be of five basic types (sectors):

1. Residential, which includes:
  - one bedroom dwelling
  - two bedroom dwelling
  - standard residential dwelling
  - large residential dwelling
2. Retail
3. Commercial
4. Industrial, and
5. Wet industries.

10.31 Within these sectors, there will be a range in the amount of benefit derived from Council's growth-related capital expenditure.

10.32 With the exception of wet industries, where demand will be assessed on a case by case basis, all developments within a sector will be charged development contributions at the rate applicable to that sector as a whole.

**10.33 Effects of uncertainty**

10.34 Using a wider range of sectors would theoretically allow a closer fit between the assumed demand generated and the actual demand produced by different types of development. However, although it might seem to be more equitable, this is not necessarily practical, as growth would need to be projected separately for each sector and insufficient data is available for this task. The range of sectors will, however, be reviewed periodically and will be expanded when appropriate and feasible as more sophisticated ways of modelling development emerge.

**10.35 Residential dwellings**

10.36 Council charges development contributions on a per bedroom basis using four categories, being large residential, standard residential, two bedroom, and one bedroom dwelling. Census 2013 data through statistical analysis shows that the greater the number of bedrooms in a dwelling the more people are likely living in it (distributed normally). The more people in a dwelling the greater level of Council services that dwelling demands. Accordingly, development contributions for larger dwellings are higher compared to smaller dwellings, noting that all dwellings with four or more bedrooms pay the large residential rate.

- 10.37 Council made this decision in order to better reflect true infrastructure demands and improve the equitable spread of the development contributions burden across the residential sector. This approach better achieves the purpose of development contributions as set out in section 197AA of the LGA.
- 10.38 The total recovered over the long term is no greater or less than if Council had retained the approach taken in the prior policy.
- 10.39 Effects of uncertainty
- 10.40 A direct correlation is assumed between demand for Council services and the number of people in a dwelling. If the correlation was inaccurately estimated development contributions would be distributed differently within the four residential categories, although a house with more bedrooms would always pay a higher development contribution than a dwelling with fewer bedrooms.
- 10.41 Council could have chosen more or less than four categories but elected to use four. It was deemed that choosing more than four categories would introduce undue complexity for both developers and the Council in its administration of the Policy. In any case, data shows that the more bedrooms a dwelling has, the slower the marginal increase in demand for services becomes for each of those additional bedrooms.
- 10.42 Council used its rating database to correlate the number of bedrooms per new dwelling with the Census 2013 data, to calculate demand factors for each of the bedroom categories. Census 2013 data shows that there were 2.7 people per household. This figure is used as the basis for determining the final demand factors for each dwelling size which is the basis of Council's household unit equivalent (HUE).
- 10.43 The stated assumptions are broad and general in construction and hence from one residential unit to another the assumptions may not correlate exactly with the actual demand placed on Council infrastructure, however these types of development constitute only a small proportion of total demand and revenue, and this mitigates the effects of uncertainty.
- 10.44 **Non-residential demand conversion factors**
- 10.45 To provide a common denominator calculating development contribution charges using the equations given in section 8, conversion factors have been used to equate non-residential demand to the residential demand. Conversion factors estimate the number of HUEs of demand that non-residential sectors produce per 100m<sup>2</sup> of gross floor area (GFA). Data from various sources (e.g. Census, water-metering, traffic studies) has been used to estimate the average demand placed on Council infrastructure (site area for stormwater) or per non-standard residential dwelling. Details of these are set out and described in Schedule 4.
- 10.46 Effects of uncertainty
- 10.47 A higher conversion factor for an activity will result in a higher development contribution charge, and vice versa.
- 10.48 The effect on the development contribution charges of variances due to the choice of conversion factors can be significant, but the current figures reflect the best information that Council has available at this time. Using a wider range of sectors would allow charges to be

more closely tailored to individual types of development but would also require individual forecasting of each of these types, with a resulting increase in forecasting error.

- 10.49 An assumption is that HUEs can be used as a proxy for non-residential demand based on floor area (or site area for stormwater) by way of a set of metric based conversion factors. This is a typical approach for council development contribution policies to take, and no ready alternative is available.
- 10.50 **Catchments**
- 10.51 The Peacocke, Rototuna, Ruakura, and Rotokauri greenfield catchments (refer Schedule 7) are based on Council's District Plan structure plan areas. The Temple View and Te Rapa North greenfield catchments are areas that have been added to the city through recent boundary changes.
- 10.52 The infill catchment is defined as all areas in the city that are not greenfield areas, typically referred to as the built-up area or brownfields.
- 10.53 The stormwater catchments are based on monitored and modelled stormwater flows in hydrological catchments, and the wastewater catchments reflect the gravity-fed network, the natural boundary of the Waikato River, and the relative network impact of the eastern and western wastewater interceptors.
- 10.54 An all-of-city or "citywide" catchment is used where it is impractical or inequitable to use only the catchments described above. Any allocation of costs to the citywide catchment has been made in accordance with the following principles:
- a) Causation:
    - There is a causal link between the demand generated by development in the city, regardless of location, and the need to undertake the project or expand the capacity of a network via a group of related projects.
  - b) Open access:
    - There are no significant barriers to the use of the infrastructure by all the community.
    - The infrastructure is available and accessible to the community at large.
    - The costs of using the infrastructure are fair and equitable, and no particular locality of the wider community is disadvantaged by higher user cost.
  - c) Integrated network:
    - The project contributes to an interconnected infrastructure network within the city.
    - The project benefits are closely aligned with the benefits of the related wider infrastructure network.
- 10.55 A number of the larger projects set out in the Schedule of Assets have been split into citywide and catchment components and allocated separately, to reflect causes and benefits of expenditure more equitably and accurately.
- 10.56 It is assumed that all developments within a catchment contribute to the need for and benefit equally from Council's growth-related expenditure having the effect that similar developments in the same catchment attract the same charge.

**10.57 Effects of uncertainty**

10.58 Where there are developments in close proximity but in different catchments, significantly different charges may be payable when the demand they place on infrastructure may be very similar. Conversely, not all developments within the same catchment will benefit equally from the infrastructure provided in that catchment.

10.59 Using a greater number of catchments would lessen the effect of the first of these issues, and strengthen the causal link between developments and the infrastructure that they require, but would heighten the effect of the second consideration and also entail higher error margins due to the requirement to project growth for smaller areas.

10.60 Council has tried to strike a balance between these two factors in its choice of development contribution catchments.

**10.61 Cost recovery periods**

10.62 The LGA sets out that development contributions should be determined in a manner that is generally consistent with the capacity life of the assets for which they are intended.

10.63 A 30-year maximum cost recovery period has been used. For capital expenditure providing capacity that will be exhausted prior to 30 years, the estimated length of remaining capacity has been used as the recovery period. For each project, the recovery period has been set to start either in 2006 or eight years prior to the commencement of expenditure on the project. This aligns with the typical duration of a subdivision consent, or for greenfield catchments the earliest year of the calculation model, being 2006.

**10.64 Effects of uncertainty**

10.65 The option of using a shorter maximum period (e.g. 20 years) was modelled and significantly increased the development contribution charges. Specialist advice is that it would be unusual for assets being recovered through this Policy to have a capacity life (not useful life) of more than 30 years, and in any case using a period longer than 30 years did not significantly reduce the charges, as interest costs and the capital expenditure allocated to development contributions funding were also greater.

10.66 The effect of starting the recovery period closer to the commencement of expenditure would be to increase the charge for individual projects because costs will be recovered over a shorter period.

**10.67 Allocation of capital costs to growth**

10.68 Capital costs have been allocated to development contributions funding only for projects that provide new assets or assets of increased capacity and that are necessitated by growth or will provide benefit to growth.

10.69 These project costs have been allocated under the assumptions set out in the Covec Limited methodology paper titled "Cost Allocation Guidelines for Development Contributions", which is published on Council's website.

10.70 The underlying rationale for these allocations is set out in the LGA and addressed in this section.

10.71 Substantive and comprehensive project-by-project analysis has been undertaken by independent engineers Stantec Limited and Gray Matter Limited for the purpose of

allocating project costs to growth in accordance with the LGA and the Covec Limited methodology.

- 10.72 Programmes of work have been split into their component projects to allow for a finer-grained analysis. Costs have been allocated spatially and by activity while considering several factors and circumstances, principally based on growth causation, benefits, renewals, and levels of service.
- 10.73 Standardised bands are used for generating the causation and benefit assessments. These bands are conservatively constructed to preclude very high allocation of costs (over 88%) to development contributions. A high level of rigour has been applied to all project cost allocations.
- 10.74 It is assumed that the two key allocation aspects (being causation and benefits of growth) that are required to be considered under this rationale, should be weighted equally in generating an allocation after excluding growth caused by developments or other factors that should not attract development contributions ("non-DC growth").
- 10.75 Effects of uncertainty
- 10.76 Weighting allocations more heavily towards causation versus benefits would increase the charges. Weighting them more towards benefits would decrease them.
- 10.77 The assumption relating to the amount of non-DC growth has the effect that the development community is not paying for capital expenditure required to meet this demand. Capital expenditure relating to demand caused by development occurring outside the city, asset renewals, certain types of levels of service change, and operations and maintenance costs are netted from allocations, which are funded by ratepayers or third-party funding.
- 10.78 Uncertainty around this assumption lies in projecting the extent of such non-DC growth, and may be significant, but is based on the best information available through specialist assessment and modelling. To the extent that the amount of non-DC growth is overestimated, the ratepayer is most affected.
- 10.79 Allocating growth costs in any different manner than that described in and sections 7.20 and 10.67 would have an impact on the development contribution charges. Council has used best practice methods, internal specialist analysis and external consultants, and is satisfied that the allocations as described are reasonable.
- 10.80 Full details of the methodology for cost allocations, causation and benefit analysis, and other related aspects for each individual project are available on Council's website, and in the Schedule of Assets.
- 10.81 **Limits of Modelling**
- 10.82 The calculation model that generates development contribution charges is a pure mathematical model that produces theoretical charges based on a large number of inputs that in isolation contain significant assumptions as detailed in section 10 above.
- 10.83 Although the model produces numerically precise charges, the nature of cumulative uncertainty means that the greater the number and significance of input assumptions, the greater the potential variation of outputs to changes in these assumptions.

- 10.84 The calculation model used to generate the charges in Schedule 1 and includes the best numerical assumptions available to Council, and is the most appropriate tool to guide Council in setting development contribution charges.
- 10.85 Effects of uncertainty
- 10.86 The calculation of development contributions is therefore limited to an extent by the sensitivity of the model to inputs, and the degree of certainty and reliability of those inputs. As a result, modelled demand is likely to be different to actual or realised demand.

## **11. STAGES AT WHICH DEVELOPMENT CONTRIBUTIONS MAY BE REQUIRED (S198, S202(1)(B) LGA)**

- 11.1 In most cases requirement for and the payment of development contributions happen at two separate points in time. This section and section 12 describe in detail how this works.
- 11.2 Council may require a development contribution to be made when any of the following milestones arise:
- a) a resource consent is granted under the Resource Management Act 1991 for a development within its district; or
  - b) a building consent is granted under the Building Act 2004 for building work situated in its district; or
  - c) an authorisation for a service connection is granted.
- 11.3 Council may also require that a development contribution be made when granting a Certificate of Acceptance under section 98 of the Building Act 2004 if a development contribution would have been required had a building consent been granted for the building work in respect of which the certificate is granted.
- 11.4 Council, at its sole discretion, will determine at which of the milestones set out in clauses 11.2 and 11.3 it will require development contributions.
- 11.5 If Council elects to not require a development contribution at the earliest of the milestones set out in clauses 11.2 and 11.3, it reserves the right to require a development contribution at any subsequent milestone, regardless of whether the assessed development contribution charge at that subsequent milestone is higher or lower.
- 11.6 It is the granting of the resource consent, building consent, authorisation of service connection or issuing of the certificate of acceptance that gives rise to the requirement for a development contribution payment to be made.
- 11.7 In accordance with Section 198(2A) LGA, and depending on which of the milestones set out in clauses 11.2 and 11.3 are exercised by Council, the development contributions will be calculated under the policy that was in force at the time the corresponding application for that resource consent, building consent, certificate of acceptance, or service connection was submitted, accompanied by all required information.
- 11.8 Please contact Council's Development Contributions Officer (DCO) at any time if you need guidance or clarification.

## **12. PAYMENT OF DEVELOPMENT CONTRIBUTIONS (S198, S208 LGA)**

- 12.1 In accordance with section 0, for contributions required on subdivision consents, payment will be required prior to uplifting RMA section 224(c) certificates, and these will not be released until payment is received.
- 12.2 For staged developments where all other Council planning requirements have been met payment will be required only for the RMA section 224(c) certificates issued at each stage.
- 12.3 For contributions required on land use consents where a building consent is not required, payment will be required prior to commencement of the land use consent, and that consent shall not be put into effect until payment is received.
- 12.4 For contributions required on building consents, payment will be required prior to the issuing of Code Compliance Certificate, and this certificate will not be released until payment is received.
- 12.5 For contributions required on application for service connection, payment will be required prior to the service connection being authorised.
- 12.6 Where sufficient information is not available to determine the residential demand type at the milestone at which a development contribution is required, each residential unit will be assessed at the standard residential rate, being one residential HUE. If, prior to the date when payment is required, Council establishes to its satisfaction that the number of bedrooms differs from the standard residential unit rate, then those residential units will be reassessed at the applicable residential unit rate.
- 12.7 Where a building consent is granted on an existing residential dwelling and is assessed to generate additional demand as a result of those building works, the additional demand will be assessed for development contributions at the applicable residential demand unit rate, except that no further residential development contributions will be required where the original assessment was made under a prior policy that did not calculate development contributions on a per bedroom basis.
- 12.8 No refund will be given if the actual number of bedrooms is less than the standard residential unit rate assumes, but Council may consider a remission if the development meets its criteria in its remissions policy set out at section 18. Irrespective, a credit will be retained for the development contributions paid.
- 12.9 For non-residential developments where development contributions are assessed on resource consents and the scale of the development is unknown, the assessment will be based on the type of development that most closely matches the zoning of the land.
- 12.10 The gross-floor area of a non-residential development will be assumed to be a fixed percentage of the site area being 50% for retail developments, 30% for commercial, and 30% for industrial. These figures are conservative estimates of the floor-area to site-area ratio used in Council's growth projections and historical development information.
- 12.11 Such developments will be reassessed at building consent stage, and any additional floor area over and above that assumed and paid for at resource consent stage will be required at building consent stage.



**12.12 Invoicing**

- 12.13 Invoices relating to subdivision applications will be issued no later than at the time of request for an RMA section 224(c) certificate, unless an earlier milestone occurs which Council, at its discretion, may elect to invoice against.
- 12.14 Invoices relating to land use resource consents that are not linked to building consents will be raised at the time of granting the consent.
- 12.15 Invoices relating to building consents will be raised no later than the time of application for Code Compliance Certificate. Invoices relating to building consents granted by a building consent authority other than Hamilton City Council will be raised no later than 30 days following the issue of a DC notice of requirement.
- 12.16 Invoices relating to a service connection application will be raised no later than application for authorisation of that service connection.
- 12.17 Development contributions for resource consents that are linked to building consents will be assessed at the resource consent stage, and reassessed based on the final plans provided at building consent stage.
- 12.18 Notwithstanding 12.1 to 12.17, Council reserves the right to invoice and require payment of development contribution at any point after the occurrence of any of the milestones described in 11.2 and 11.3.
- 12.19 If a developer wishes to pay an assessed development contribution prior to the stages set out above, an invoice may be raised at the time of actual payment by the developer.
- 12.20 In accordance with Section 198(2A) LGA, all invoices for required development contributions will be raised at the rates applicable at the time that the application for a resource consent, building consent, or service connection was submitted, accompanied by all required information.
- 12.21 Consideration will not be given to development contribution charges assessed under prior policies in cases where the charges in this Policy (as presented in Schedule 1) are lower.
- 12.22 When development contributions are paid, the HUEs of demand that they provide for will be recorded and will be credited, by activity, against any subsequent consent or service connection application as it relates to the original consent. Accordingly, whilst subsequent applications will enable a reassessment and recalculation to be made, additional contributions will be required only where it is assessed that there will be an increase in HUEs of demand arising from the development.
- 12.23 For reasons of administrative efficiency, where the total amount payable is assessed as being less than \$50, no payment will be required, and no invoice will be raised.

### **13. LIMITATIONS AND CALCULATION OF CREDITS AND EXEMPTIONS (S199, S200(1), S197AB LGA)**

- 13.1 A development contribution will only be required if the effects or cumulative effects of developments will create or have created a requirement for Council to provide or to have provided new or additional assets or assets of increased capacity.
- 13.2 Development contributions are calculated on an activity by activity basis based on increased units of demand (HUEs). Council will provide a credit against a development contribution where it can be demonstrated to Council's satisfaction on an activity by activity basis that:
  - a) pre-existing legitimately established units of demand existed on the site and placed actual demand on Council's infrastructure prior to the application for resource consent, building consent, or service connection; or
  - b) development contributions or financial contributions have previously been paid for those increased units of demand generated by the development.
- 13.3 Demand net of credits will be used to calculate a development contribution payable for the development on an activity by activity basis.
- 13.4 Credits for existing HUEs attach to the parent lot and are not transferable, unless all lots within the site are in common ownership, or if authorised by Council at its sole discretion.
- 13.5 Credits for HUEs will not be provided for commercial, retail, or industrial activities undertaken in an area of a site that is not included within the definition of gross floor area.
- 13.6 Any project undertaken by Council will itself not be liable to pay development contributions.
- 13.7 For the avoidance of doubt, development contributions required under this Policy for reserves are not for the specified reserves purposes referred to in Section 201 LGA.

### **14. REQUESTS FOR RECONSIDERATION (S199A, S199B, 202A LGA)**

- 14.1 A person required by Council to make a development contribution may request Council to reconsider the requirement in accordance with Section 199A of the LGA.
- 14.2 A request for reconsideration of a requirement to pay a development contribution ("request") must:
  - a) be made within 10 working days after the date of receipt of notice of the development contribution required by Council;
  - b) be made to Council in writing using the [Application for reconsideration of development contributions](#) which can be found on Council's website
  - c) set out the grounds and reasons for the request;
  - d) specify the outcome that is sought; and
  - e) include an email address for delivery of Council's decision.
- 14.3 A request can be withdrawn at any time before delivery of Council's decision on the request.
- 14.4 A person making a request may provide further information at any time before delivery of Council's decision. Further information will re-start the 15 working day period for delivery of Council's decision (S199B LGA).

- 14.5 Council also may require further information in relation to the request. The 15 working-day period for delivery of Council's decision does not begin until Council has received all required relevant information relating to the request (S199B LGA).
- 14.6 Council will consider:
- a) the grounds and reasons set out in the written request;
  - b) the purposes and principles in sections 197AA – 197A LGA; and
  - c) the application of this Policy in determining the proposed development contribution.
- 14.7 Council will make decisions on requests without holding a hearing. However, Council may, at its discretion, invite the requester to a meeting to discuss the request.
- 14.8 Council's decisions on requests will:
- a) be in writing;
  - b) be provided within 15 working days after the date on which Council received all required relevant information relating to the request; and
  - c) state whether the development contribution will be amended and, if so, the new amount.
- 14.9 Council's decision on requests will be delivered by email to the address nominated by the requester. If Council is unable to contact a requester by email, it will deliver the decision by making it available at the Municipal Building reception in Hamilton, to the requester and will attempt to notify the requester by telephone.

## **15. OBJECTING TO AN ASSESSED CHARGE (S199(C-P) LGA)**

- 15.1 This section is intended only to be a summary for guidance. Any development contribution objection should be made with full consideration of all relevant information including Section 199C-P and Schedule 13A of the LGA.
- 15.2 Any person that has been provided a notice by Council (or other formal advice) of a requirement to pay a development contribution may object to the amount in accordance with Section 199C of the LGA.
- 15.3 An objection under Section 199C may be made only on the grounds, as set out under Section 199D, that a territorial authority has:
- a) failed to properly take into account features of the objector's development that, on their own or cumulatively with those of other developments, would substantially reduce the impact of the development on requirements for community facilities in the territorial authority's district or parts of that district; or
  - b) required a development contribution for community facilities not required by, or related to, the objector's development, whether on its own or cumulatively with other developments; or
  - c) required a development contribution in breach of Section 200; or
  - d) incorrectly applied its development contributions policy to the objector's development.

- 15.4 Any person lodging an objection must do so in accordance with the timeframes set out in Schedule 13A of the LGA.
- 15.5 For further information relating to lodging a development contributions objection please refer to the LGA and/or the office of the Department of Internal Affairs. It is also recommended that independent legal advice be sought.

## **16. DEVELOPMENT AGREEMENTS (S207(A-F) LGA)**

- 16.1 Council may elect to enter into a development agreement with a developer in accordance with Section 207A of the LGA.
- 16.2 For guidance on requesting to enter into a developer agreement with Council, where applicable please refer to:
- Sections 207(A-F) of the LGA which contains specific “Developer agreements” provisions
  - Section 18.19 of this Policy “Private Developer Agreement (PDA) Remission”
  - Council’s Growth Funding Policy
  - the guidance documents relating to Private Developer Agreement structure which can be found on Council’s website; or
  - contact Council’s City Development Unit for further information.

## **17. SPECIAL ASSESSMENT**

- 17.1 A special assessment of development contributions may be undertaken at the discretion of Council, on an activity by activity basis to determine the amount of development contributions payable.
- 17.2 An application for special assessment must be made to Council in writing using the [Application for special assessment of development contributions](#) which can be found on Council’s website.
- 17.3 A special assessment will be undertaken only where, as a threshold for consideration, the development is of a size greater than 20 HUEs (residential) or 2,000m<sup>2</sup> GFA (non-residential).
- 17.4 All special assessments will be evaluated consistent with the actual demand remission criteria set out in Section 18.8 of this Policy.
- 17.5 All actual and reasonable costs incurred by Council in determining the special assessment application, including staff time as set out in Council’s schedule of ‘Fees and Charges - Economic Growth and Planning’ published on Council’s website, its consultant and legal costs, and administration costs, shall be paid by the applicant whether or not a remission is ultimately granted in respect of the special assessment. If external costs are to be incurred by Council in its assessment of a special assessment Council may at its discretion require those costs to be met by the applicant in advance.
- 17.6 In support of an application a special assessment the applicant must supply, for each activity, all relevant evidence of reduced demand on Council’s infrastructure. This information is to be in the form of metrics provided by an appropriately qualified professional, referencing relevant policy provisions.

- 17.7 Special assessment applications are to be lodged with Council's Development Contributions Officers at the earliest opportunity, and prior to the earliest development contribution milestone as set out in Section 0 of the Policy. Where it is determined by Council that all relevant information has not been provided prior to the applicable development contribution milestone set out in Section 0 of this Policy, development contributions will be required in accordance with Schedule 1 of this Policy.
- 17.8 The amount of any special assessment will be assessed on a case-by-case basis having regard to the extent to which the special assessment criteria is met.
- 17.9 An application for special assessment, regardless of the outcome, will not affect the applicant's right to apply for a remission under Section 18 of this Policy.
- 17.10 Decisions on individual requests will not alter the basis of the Policy itself.
- 17.11 For further details relating to lodging a special assessment please refer to Council's website or contact Council's Development Contributions Officer.

## **18. REMISSIONS (S201(1)C, S200(2) LGA)**

- 18.1 Upon application made by a developer, Council may at its sole discretion remit part or all of a development contribution levied on that developer.
- 18.2 Any application for a remission must be made to Council in writing using the [Application for remission of development contributions](#) which can be found on Council's website, and shall be lodged with Council within 30 working days of the development contribution charge being advised in writing to the developer. This applies to all remissions outlined in Section 18 of this policy.
- 18.3 Remission applications will be considered on an activity by activity basis, with those activities being water, wastewater, stormwater, transport, community infrastructure and reserves.
- 18.4 The amount of any remission will be assessed on a case by case basis having regard to the extent to which the remission criteria is met.
- 18.5 In calculating any remission on a capped or phased charge, the calculation shall be based, as its starting point, on the base charge without modification. A remission will then only be provided if the calculated charge including remission is less than the capped or phased charge, otherwise the capped or phased charge will apply.
- 18.6 Decisions on individual requests will not alter the basis of the Policy itself.
- 18.7 There are four categories of remission, as described in the following paragraphs.
- 18.8 **Actual demand remission**
- 18.9 Development contributions are calculated based on modelled demand, measured in Household Unit Equivalents (HUEs). Council will consider a remission where actual demand is significantly lower than modelled demand.
- 18.10 To be eligible for a remission the applicant must supply, for each activity, all relevant evidence of actual demand reductions on Council's infrastructure in support of the remission application. This information is to be in the form of metrics provided by an appropriately qualified professional, referencing relevant Policy provisions.

**18.11 Actual Demand Remission Criteria**

18.12 In applying for a remission based on actual demand, the applicant must demonstrate to Council's satisfaction on an activity by activity basis that:

- a) the actual HUEs of demand generated by the development are materially lower than the HUEs of demand assessed under the methodology set out in this Policy and in any event lower than modelled demand by five or more HUEs of demand, and;
- b) for an activity, the reduced HUEs create capacity in Council's infrastructure network which Council is satisfied is material having regard to the nature of the development, its location, and implications for Council's infrastructure programme.

18.13 All actual and reasonable costs incurred by Council in determining an Actual Demand Remission application, including staff time as set out in Council's schedule of 'Fees and Charges - Economic Growth and Planning' published on Council's website, its consultant and legal costs, and administration costs, shall be paid by the applicant whether or not a remission is ultimately granted. If external costs are to be incurred by Council in its assessment of a remission Council may at its discretion require those costs to be met by the applicant in advance.

**18.14 CBD remission**

18.15 At Council's sole discretion, applications with a lodgement date between 1 July 2021 and 30 June 2024, for developments in the CBD may be eligible for a 50% remission (being a 50% remission of the standard applicable Infill West charge, as set out in Schedule 1) subject to: .

- a) Engagement with the Urban Design Advisory Panel, and
- b) Final Lifemark 4-star certification for the residential components of the development.

18.16 Engagement with the Urban Design Advisory Panel, for the purposes of this provision, means that an application in relation to the development has been submitted to and considered by the Urban Design Advisory Panel or its Council representative.

18.17 Any residential components of a development which do not achieve Lifemark 4-star certification will be excluded from the remission.

**18.18 High rise building remission**

18.19 Subject to the criteria in 18.15 above, developments in the CBD with 6 or more storeys will pay no development contributions (being a 100% remission of the standard applicable infill charge, as set out in Schedule 1)

18.20 For the purpose of calculating eligibility for the remission, the following do not count as storeys:

- a) below grade basement levels
- b) mezzanine floors, rooftop terraces or any other structure with gross floor area less than 60% of the gross floor area of the first floor of the building.
- c) areas not included in the definition of gross floor area as set out in provision 6.25 of this policy.

**18.21 Social Housing remission**

18.22 Council may, at its sole discretion, grant a remission of up to 100% to social housing developments.

18.23 In the exercise of its discretion, Council will consider the following factors:

- a) the development must deliver not-for-profit housing;
- b) The applicant on the building consent or resource consent must be registered as a community housing provider with the Community Housing Regulatory Authority;
- c) The development will provide social and/or affordable rental housing;
- d) An application for remission must be lodged with Council prior to any development contributions being paid. Development contributions paid prior to an application being lodged will not be eligible for a refund;
- e) The crown and crown agents including Kāinga Ora are not eligible for this remission;
- f) Any other feature of the development or the developer which Council considers relevant;
- g) The total value of social housing remissions provided by Council under this policy.

**18.24 Private Developer Agreement (PDA) remission**

18.25 Council may provide for a remission in respect of development contributions levied against development in unfunded areas or associated with unfunded growth projects as set out in Council's Growth Funding Policy where Council and the developer have entered into a binding Private Developer Agreement in accordance with Section 207 LGA and the criteria and principals set out in the Growth Funding Policy.

18.26 Council will set the total remission, if any, in a manner consistent with the Growth Funding Policy and the total remission shall be recorded as a term and condition of the Private Developer Agreement.

**19. REFUNDS (S209) LGA)**

19.1 At its sole discretion, Council may provide a refund of development contribution site credits where it can be demonstrated to Council's satisfaction that:

- a) the development contributions were required and paid on subdivision consent ("original payment") and gave rise to the site credits;
- b) the site credits have never been exercised; and
- c) Code Compliance Certificate has been issued for the development on the site;
- d) the gross floor area of the development exceeds 20% of the site area
- e) the refund applicant is the current land owner.

19.2 Any refund will be paid to the person who made the original payment.

19.3 Refunds will be calculated by apportioning the original payment, using the remaining site credits in HUEs compared with the total HUEs paid. Refunds will account for any remissions or capped development contribution charges which related to the original payment.



- 19.4 No refund will be paid where site credits arose due to pre-existing legitimately established units of demand as set out in Section 13.2 (a) of this policy.

## 20. VALUATION OF LAND FOR DEVELOPMENT CONTRIBUTIONS PURPOSES (S201(1)D, 203(1) LGA)

- 20.1 The development contribution charge for reserves will be capped at the greater of 7.5% of the value of the additional allotments created by a subdivision or the value equivalent of 20 square metres of land for each additional household unit created by the development.
- 20.2 On the basis of the charges expressed in this Policy, such a cap would apply to residential allotments or sections of land value (per unit) less than the values described in Schedule 5.

## 21. ESTIMATING A DEVELOPMENT CONTRIBUTION CHARGE

- 21.1 This section provides a guide to estimating a development contributions charge.
- 21.2 Please contact the Development Contributions Officer if you have any questions or require assistance to calculate your estimated charge.
- 21.3 **Using the online GIS development contribution estimator tool**
- 21.4 For a quick estimate of a development contribution charge use the "[DC estimator](#)" on Council's website.
- 21.5 Type the address into the search bar and click on the site to generate the catchments and per unit charges for the development.
- 21.6 **Using the Policy**
- 21.7 To estimate a development contribution charge using Schedule 1 follow the steps below:
1. **Identify the development type** using the definitions in section 6. Refer to Table 1 for residential or Table 2 for non-residential development.
  2. **Identify the geographic catchment** in which the development is situated by using the maps in the schedule 7.
  3. **Add up the charges** for each activity (community infrastructure, reserves, stormwater, wastewater, transport, and water) by reading across the row relating to your geographical catchment, or just use the total on the right-hand side. Do not add the citywide charges; they are already included in the charge for each catchment.
  4. **Add the stormwater and wastewater catchment charges** to the above charge by identifying the stormwater catchment, and the wastewater catchments using the maps in schedule 7 below.
  5. **Your total charge** is the sum of the above charges.
- 21.8 The method outlined above is the standard means for estimating development contribution charges.
- 21.9 There may be aspects of a development that require a more complex calculation. Please refer to the notes at the bottom of schedule 1 and schedule 4 and the "How to estimate a

development contribution charge" information sheet on Council's website to assist with more complex calculations.

## **22. REFERENCES**

- Local Government Act 2002
- Council's 2021-31 Long Term Plan
- Council's Growth Funding Policy
- Council's 30 Year Infrastructure Strategy

**23. SCHEDULE 1A – DEVELOPMENT CONTRIBUTION CHARGES 2021/22****Table 1 – 2021/22 Phased residential development contributions payable in each catchment (excl. GST)**

Catchment	SW Catchment	WW Catchment	CI	Reserves	Storm-water	Transport	Waste-water	Water	Total
Large Residential			Charge per lot, dwelling or unit title						
Infill East	SW - Chartwell	WW - East	91	429	1,326	5,384	9,465	6,555	23,250
Infill East	SW - City Centre	WW - East	91	429	1,123	5,384	9,465	6,555	23,048
Infill East	SW - Hamilton East	WW - East	91	429	1,331	5,384	9,465	6,555	23,256
Infill East	SW - Kirikiriroa	WW - East	91	429	4,196	5,384	9,465	6,555	26,121
Infill East	SW - Mangaonua	WW - East	91	429	3,471	5,384	9,465	6,555	25,396
Infill East	SW - Waitawhiriwhiri	WW - East	91	429	1,609	5,384	9,465	6,555	23,534
Infill West	SW - City Centre	WW - West	91	429	1,123	5,272	13,974	6,555	27,445
Infill West	SW - Mangakotukutuku	WW - West	91	429	10,776	5,272	13,974	6,555	37,098
Infill West	SW - St Andrews	WW - West	91	429	216	5,272	13,974	6,555	26,538
Infill West	SW - Te Rapa Stream	WW - West	91	429	1,781	5,272	13,974	6,555	28,103
Infill West	SW - Waitawhiriwhiri	WW - West	91	429	1,609	5,272	13,974	6,555	27,931
Infill West	SW - Western Heights	WW - West	91	429	772	5,272	13,974	6,555	27,094
Infill West	SW - Lake Rotokauri	WW - West	91	429	76,660	5,272	13,974	6,555	102,982
Peacocke 1	SW - Mangakotukutuku	WW - West	69	7,139	8,173	14,631	15,963	5,120	51,094
Peacocke 2	SW - Peacocke	WW - East	71	6,098	2,564	18,495	20,376	5,587	53,193
Peacocke 2	SW - Mangakotukutuku	WW - East	70	5,980	8,295	18,138	19,982	5,479	57,944
Rotokauri	SW - Lake Rotokauri	WW - West	73	1,896	61,619	14,493	10,411	8,173	96,665
Rotokauri	SW - Mangaheka	WW - West	79	2,062	7,893	15,766	11,326	8,890	46,016
Rotokauri	SW - Ohote	WW - West	73	1,882	944	14,390	10,337	8,114	35,740
Rotokauri	SW - Rotokauri West	WW - West	76	1,982	18	15,152	10,885	8,544	36,657
Rototuna	SW - Kirikiriroa	WW - East	129	398	3,697	17,059	9,948	7,492	38,723
Rototuna	SW - River North	WW - East	129	399	1,163	17,116	9,981	7,517	36,306
Rototuna	SW - Te Awa o Katapaki	WW - East	128	397	12,594	17,001	9,914	7,466	47,501
Rototuna	SW - Otama-ngenge	WW - East	131	404	606	17,335	10,108	7,613	36,197
Ruakura	SW - Hamilton East	WW - East	73	324	1,076	10,631	10,668	5,268	28,040
Ruakura	SW - Kirikiriroa	WW - East	73	322	3,374	10,577	10,613	5,241	30,200
Ruakura	SW - Mangaonua	WW - East	73	323	2,802	10,617	10,654	5,261	29,731
Te Rapa North	SW - Mangaheka	WW - West	91	401	9,027	11,907	11,563	5,747	38,735
Te Rapa North	SW - Te Rapa Stream	WW - West	91	401	1,781	11,907	11,563	5,747	31,489
Te Rapa North	SW - St Andrews	WW - West	91	401	216	11,907	11,563	5,747	29,924
Temple View	SW - Temple View	WW - West	91	401	1,578	5,053	18,017	11,761	36,899
Temple View	SW - Waitawhiriwhiri	WW - West	91	401	1,609	5,053	18,017	11,761	36,930
Standard Residential			Charge per lot, dwelling or unit title						
Infill East	SW - Chartwell	WW - East	70	333	1,028	4,174	7,337	5,082	18,023
Infill East	SW - City Centre	WW - East	70	333	871	4,174	7,337	5,082	17,867
Infill East	SW - Hamilton East	WW - East	70	333	1,032	4,174	7,337	5,082	18,028
Infill East	SW - Kirikiriroa	WW - East	70	333	3,253	4,174	7,337	5,082	20,249
Infill East	SW - Mangaonua	WW - East	70	333	2,691	4,174	7,337	5,082	19,686
Infill East	SW - Waitawhiriwhiri	WW - East	70	333	1,247	4,174	7,337	5,082	18,243
Infill West	SW - City Centre	WW - West	70	333	871	4,087	10,833	5,082	21,275
Infill West	SW - Mangakotukutuku	WW - West	70	333	8,354	4,087	10,833	5,082	28,758
Infill West	SW - St Andrews	WW - West	70	333	167	4,087	10,833	5,082	20,572
Infill West	SW - Te Rapa Stream	WW - West	70	333	1,381	4,087	10,833	5,082	21,785
Infill West	SW - Waitawhiriwhiri	WW - West	70	333	1,247	4,087	10,833	5,082	21,652
Infill West	SW - Western Heights	WW - West	70	333	599	4,087	10,833	5,082	21,003
Infill West	SW - Lake Rotokauri	WW - West	70	333	59,427	4,087	10,833	5,082	79,831
Peacocke 1	SW - Mangakotukutuku	WW - West	53	5,534	6,336	11,342	12,374	3,969	39,608
Peacocke 2	SW - Peacocke	WW - East	55	4,727	1,988	14,338	15,796	4,331	41,235
Peacocke 2	SW - Mangakotukutuku	WW - East	54	4,636	6,430	14,060	15,490	4,248	44,918
Rotokauri	SW - Lake Rotokauri	WW - West	57	1,470	47,766	11,235	8,071	6,335	74,933
Rotokauri	SW - Mangaheka	WW - West	62	1,599	6,118	12,221	8,779	6,892	35,670
Rotokauri	SW - Ohote	WW - West	56	1,459	732	11,154	8,013	6,290	27,705
Rotokauri	SW - Rotokauri West	WW - West	59	1,536	14	11,745	8,437	6,623	28,415
Rototuna	SW - Kirikiriroa	WW - East	100	309	2,866	13,224	7,711	5,808	30,017
Rototuna	SW - River North	WW - East	100	310	901	13,269	7,737	5,827	28,144
Rototuna	SW - Te Awa o Katapaki	WW - East	100	307	9,763	13,179	7,685	5,788	36,821
Rototuna	SW - Otama-ngenge	WW - East	101	313	470	13,437	7,836	5,901	28,059
Ruakura	SW - Hamilton East	WW - East	57	251	834	8,241	8,270	4,084	21,737
Ruakura	SW - Kirikiriroa	WW - East	57	250	2,616	8,199	8,227	4,063	23,411
Ruakura	SW - Mangaonua	WW - East	57	251	2,172	8,230	8,259	4,078	23,047
Te Rapa North	SW - Mangaheka	WW - West	70	310	6,997	9,231	8,963	4,455	30,027
Te Rapa North	SW - Te Rapa Stream	WW - West	70	310	1,381	9,231	8,963	4,455	24,410
Te Rapa North	SW - St Andrews	WW - West	70	310	167	9,231	8,963	4,455	23,197
Temple View	SW - Temple View	WW - West	70	310	1,223	3,917	13,967	9,117	28,604
Temple View	SW - Waitawhiriwhiri	WW - West	70	310	1,247	3,917	13,967	9,117	28,628

Table 1– Continued

Catchment	SW Catchment	WW Catchment	CI	Reserves	Storm-water	Transport	Waste-water	Water	Total
<b>Two Bed</b>			<b>Charge per lot, dwelling or unit title</b>						
Infill East	SW - Chartwell	WW - East	49	230	708	2,878	5,059	3,504	12,427
Infill East	SW - City Centre	WW - East	49	230	600	2,878	5,059	3,504	12,319
Infill East	SW - Hamilton East	WW - East	49	230	712	2,878	5,059	3,504	12,431
Infill East	SW - Kirikiriroa	WW - East	49	230	2,243	2,878	5,059	3,504	13,962
Infill East	SW - Mangaonua	WW - East	49	230	1,855	2,878	5,059	3,504	13,574
Infill East	SW - Waitawhiriwhiri	WW - East	49	230	860	2,878	5,059	3,504	12,579
Infill West	SW - City Centre	WW - West	49	230	600	2,818	7,469	3,504	14,670
Infill West	SW - Mangakotukutuku	WW - West	49	230	5,760	2,818	7,469	3,504	19,829
Infill West	SW - St Andrews	WW - West	49	230	115	2,818	7,469	3,504	14,185
Infill West	SW - Te Rapa Stream	WW - West	49	230	952	2,818	7,469	3,504	15,021
Infill West	SW - Waitawhiriwhiri	WW - West	49	230	860	2,818	7,469	3,504	14,929
Infill West	SW - Western Heights	WW - West	49	230	413	2,818	7,469	3,504	14,482
Infill West	SW - Lake Rotokauri	WW - West	49	230	40,976	2,818	7,469	3,504	55,045
Peacocke 1	SW - Mangakotukutuku	WW - West	37	3,816	4,369	7,820	8,532	2,737	27,311
Peacocke 2	SW - Peacocke	WW - East	38	3,260	1,370	9,886	10,891	2,987	28,432
Peacocke 2	SW - Mangakotukutuku	WW - East	37	3,197	4,434	9,695	10,681	2,929	30,972
Rotokauri	SW - Lake Rotokauri	WW - West	39	1,013	32,936	7,747	5,565	4,368	51,668
Rotokauri	SW - Mangaheka	WW - West	42	1,102	4,219	8,427	6,054	4,752	24,596
Rotokauri	SW - Ohote	WW - West	39	1,006	505	7,691	5,525	4,337	19,103
Rotokauri	SW - Rotokauri West	WW - West	41	1,059	10	8,099	5,818	4,567	19,593
Rototuna	SW - Kirikiriroa	WW - East	69	213	1,976	9,118	5,317	4,005	20,698
Rototuna	SW - River North	WW - East	69	213	622	9,149	5,335	4,018	19,406
Rototuna	SW - Te Awa o Katapaki	WW - East	69	212	6,732	9,087	5,299	3,991	25,390
Rototuna	SW - Otama-ngenge	WW - East	70	216	324	9,265	5,403	4,069	19,347
Ruakura	SW - Hamilton East	WW - East	39	173	575	5,682	5,702	2,816	14,988
Ruakura	SW - Kirikiriroa	WW - East	39	172	1,804	5,653	5,673	2,801	16,142
Ruakura	SW - Mangaonua	WW - East	39	173	1,498	5,675	5,695	2,812	15,891
Te Rapa North	SW - Mangaheka	WW - West	49	214	4,825	6,365	6,180	3,072	20,704
Te Rapa North	SW - Te Rapa Stream	WW - West	49	214	952	6,365	6,180	3,072	16,831
Te Rapa North	SW - St Andrews	WW - West	49	214	115	6,365	6,180	3,072	15,995
Temple View	SW - Temple View	WW - West	49	214	843	2,701	9,630	6,286	19,723
Temple View	SW - Waitawhiriwhiri	WW - West	49	214	860	2,701	9,630	6,286	19,740
<b>One Bed</b>			<b>Charge per lot, dwelling or unit title</b>						
Infill East	SW - Chartwell	WW - East	34	159	490	1,992	3,501	2,425	8,601
Infill East	SW - City Centre	WW - East	34	159	416	1,992	3,501	2,425	8,527
Infill East	SW - Hamilton East	WW - East	34	159	493	1,992	3,501	2,425	8,604
Infill East	SW - Kirikiriroa	WW - East	34	159	1,552	1,992	3,501	2,425	9,663
Infill East	SW - Mangaonua	WW - East	34	159	1,284	1,992	3,501	2,425	9,395
Infill East	SW - Waitawhiriwhiri	WW - East	34	159	595	1,992	3,501	2,425	8,706
Infill West	SW - City Centre	WW - West	34	159	416	1,950	5,170	2,425	10,153
Infill West	SW - Mangakotukutuku	WW - West	34	159	3,987	1,950	5,170	2,425	13,725
Infill West	SW - St Andrews	WW - West	34	159	80	1,950	5,170	2,425	9,818
Infill West	SW - Te Rapa Stream	WW - West	34	159	659	1,950	5,170	2,425	10,397
Infill West	SW - Waitawhiriwhiri	WW - West	34	159	595	1,950	5,170	2,425	10,333
Infill West	SW - Western Heights	WW - West	34	159	286	1,950	5,170	2,425	10,023
Infill West	SW - Lake Rotokauri	WW - West	34	159	28,361	1,950	5,170	2,425	38,098
Peacocke 1	SW - Mangakotukutuku	WW - West	26	2,641	3,024	5,413	5,905	1,894	18,903
Peacocke 2	SW - Peacocke	WW - East	26	2,256	949	6,842	7,538	2,067	19,679
Peacocke 2	SW - Mangakotukutuku	WW - East	26	2,212	3,069	6,710	7,393	2,027	21,437
Rotokauri	SW - Lake Rotokauri	WW - West	27	701	22,796	5,362	3,852	3,024	35,762
Rotokauri	SW - Mangaheka	WW - West	29	763	2,920	5,833	4,190	3,289	17,024
Rotokauri	SW - Ohote	WW - West	27	696	349	5,324	3,824	3,002	13,223
Rotokauri	SW - Rotokauri West	WW - West	28	733	7	5,605	4,027	3,161	13,561
Rototuna	SW - Kirikiriroa	WW - East	48	147	1,368	6,311	3,680	2,772	14,325
Rototuna	SW - River North	WW - East	48	148	430	6,332	3,693	2,781	13,431
Rototuna	SW - Te Awa o Katapaki	WW - East	48	147	4,659	6,290	3,668	2,762	17,573
Rototuna	SW - Otama-ngenge	WW - East	48	150	224	6,413	3,739	2,816	13,391
Ruakura	SW - Hamilton East	WW - East	27	120	398	3,933	3,946	1,949	10,373
Ruakura	SW - Kirikiriroa	WW - East	27	119	1,248	3,913	3,926	1,939	11,172
Ruakura	SW - Mangaonua	WW - East	27	120	1,037	3,928	3,941	1,946	10,999
Te Rapa North	SW - Mangaheka	WW - West	34	148	3,339	4,405	4,278	2,126	14,330
Te Rapa North	SW - Te Rapa Stream	WW - West	34	148	659	4,405	4,278	2,126	11,650
Te Rapa North	SW - St Andrews	WW - West	34	148	80	4,405	4,278	2,126	11,070
Temple View	SW - Temple View	WW - West	34	148	584	1,869	6,665	4,351	13,651
Temple View	SW - Waitawhiriwhiri	WW - West	34	148	595	1,869	6,665	4,351	13,662

Table 2 – 2021/22 Non-residential development contribution payable in each catchment (excl. GST)

Catchment	SW Catchment	WW Catchment	CI	Reserves	Storm-water	Transport	Waste-water	Water	Total
<b>Industrial</b>			<b>Charge per 100m2 floor area (site area for Stormwater)</b>						
Infill East	SW - Chartwell	WW - East			289	2,588	2,193	1,063	6,133
Infill East	SW - City Centre	WW - East			245	2,588	2,193	1,063	6,088
Infill East	SW - Hamilton East	WW - East			290	2,588	2,193	1,063	6,134
Infill East	SW - Kirikiriroa	WW - East			914	2,588	2,193	1,063	6,758
Infill East	SW - Mangaonua	WW - East			756	2,588	2,193	1,063	6,600
Infill East	SW - Waitawhiriwhiri	WW - East			351	2,588	2,193	1,063	6,194
Infill West	SW - City Centre	WW - West			245	2,534	3,238	1,063	7,079
Infill West	SW - Mangakotukutuku	WW - West			2,348	2,534	3,238	1,063	9,183
Infill West	SW - St Andrews	WW - West			47	2,534	3,238	1,063	6,882
Infill West	SW - Te Rapa Stream	WW - West			388	2,534	3,238	1,063	7,223
Infill West	SW - Waitawhiriwhiri	WW - West			351	2,534	3,238	1,063	7,185
Infill West	SW - Western Heights	WW - West			168	2,534	3,238	1,063	7,003
Infill West	SW - Lake Rotokauri	WW - West			14,193	2,153	2,751	903	20,000
Peacocke 1	SW - Mangakotukutuku	WW - West			2,348	9,271	4,876	1,095	17,590
Peacocke 2	SW - Peacocke	WW - East			712	11,325	6,014	1,154	19,205
Peacocke 2	SW - Mangakotukutuku	WW - East			2,253	10,867	5,771	1,108	20,000
Rotokauri	SW - Lake Rotokauri	WW - West			11,129	5,773	1,999	1,099	20,000
Rotokauri	SW - Mangaheka	WW - West			1,967	8,666	3,001	1,649	15,283
Rotokauri	SW - Ohote	WW - West			258	8,666	3,001	1,649	13,574
Rotokauri	SW - Rotokauri West	WW - West			5	8,666	3,001	1,649	13,321
Rototuna	SW - Kirikiriroa	WW - East			914	9,306	2,616	1,379	14,216
Rototuna	SW - River North	WW - East			287	9,306	2,616	1,379	13,588
Rototuna	SW - Te Awa o Katapaki	WW - East			3,126	9,306	2,616	1,379	16,427
Rototuna	SW - Otama-ngenge	WW - East			147	9,306	2,616	1,379	13,449
Ruakura	SW - Hamilton East	WW - East			290	6,321	3,058	1,057	10,726
Ruakura	SW - Kirikiriroa	WW - East			914	6,321	3,058	1,057	11,350
Ruakura	SW - Mangaonua	WW - East			756	6,321	3,058	1,057	11,192
Te Rapa North	SW - Mangaheka	WW - West			1,967	5,723	2,679	932	11,301
Te Rapa North	SW - Te Rapa Stream	WW - West			388	5,723	2,679	932	9,722
Te Rapa North	SW - St Andrews	WW - West			47	5,723	2,679	932	9,381
Temple View	SW - Temple View	WW - West			344	2,428	4,174	1,907	8,854
Temple View	SW - Waitawhiriwhiri	WW - West			351	2,428	4,174	1,907	8,860
<b>Commercial</b>			<b>Charge per 100m2 floor area (site area for Stormwater)</b>						
Infill East	SW - Chartwell	WW - East			395	7,263	3,720	2,004	13,381
Infill East	SW - City Centre	WW - East			335	7,263	3,720	2,004	13,321
Infill East	SW - Hamilton East	WW - East			397	7,263	3,720	2,004	13,383
Infill East	SW - Kirikiriroa	WW - East			1,251	7,263	3,720	2,004	14,237
Infill East	SW - Mangaonua	WW - East			1,035	7,263	3,720	2,004	14,021
Infill East	SW - Waitawhiriwhiri	WW - East			480	7,263	3,720	2,004	13,466
Infill West	SW - City Centre	WW - West			335	7,111	5,492	2,004	14,942
Infill West	SW - Mangakotukutuku	WW - West			3,213	7,111	5,492	2,004	17,820
Infill West	SW - St Andrews	WW - West			64	7,111	5,492	2,004	14,672
Infill West	SW - Te Rapa Stream	WW - West			531	7,111	5,492	2,004	15,138
Infill West	SW - Waitawhiriwhiri	WW - West			480	7,111	5,492	2,004	15,087
Infill West	SW - Western Heights	WW - West			230	7,111	5,492	2,004	14,837
Infill West	SW - Lake Rotokauri	WW - West			18,303	5,694	4,398	1,605	30,000
Peacocke 1	SW - Mangakotukutuku	WW - West			2,436	19,728	6,272	1,565	30,000
Peacocke 2	SW - Peacocke	WW - East			647	21,125	6,781	1,446	30,000
Peacocke 2	SW - Mangakotukutuku	WW - East			2,035	20,127	6,461	1,378	30,000
Rotokauri	SW - Lake Rotokauri	WW - West			12,382	13,176	2,758	1,684	30,000
Rotokauri	SW - Mangaheka	WW - West			2,293	20,722	4,337	2,648	30,000
Rotokauri	SW - Ohote	WW - West			322	22,196	4,646	2,837	30,000
Rotokauri	SW - Rotokauri West	WW - West			6	22,432	4,695	2,867	30,000
Rototuna	SW - Kirikiriroa	WW - East			1,091	22,773	3,869	2,267	30,000
Rototuna	SW - River North	WW - East			351	23,356	3,968	2,325	30,000
Rototuna	SW - Te Awa o Katapaki	WW - East			3,428	20,932	3,557	2,083	30,000
Rototuna	SW - Otama-ngenge	WW - East			181	23,490	3,991	2,338	30,000
Ruakura	SW - Hamilton East	WW - East			397	17,740	5,187	1,992	25,317
Ruakura	SW - Kirikiriroa	WW - East			1,251	17,740	5,187	1,992	26,171
Ruakura	SW - Mangaonua	WW - East			1,035	17,740	5,187	1,992	25,954
Te Rapa North	SW - Mangaheka	WW - West			2,691	16,061	4,544	1,757	25,054
Te Rapa North	SW - Te Rapa Stream	WW - West			531	16,061	4,544	1,757	22,893
Te Rapa North	SW - St Andrews	WW - West			64	16,061	4,544	1,757	22,427
Temple View	SW - Temple View	WW - West			470	6,815	7,081	3,595	17,962
Temple View	SW - Waitawhiriwhiri	WW - West			480	6,815	7,081	3,595	17,971

Table 2 – Continued

Catchment	SW Catchment	WW Catchment	CI	Reserves	Storm-water	Transport	Waste-water	Water	Total
Retail			Charge per 100m2 floor area (site area for Stormwater)						
Infill East	SW - Chartwell	WW - East			395	10,435	3,054	1,645	15,529
Infill East	SW - City Centre	WW - East			335	10,435	3,054	1,645	15,468
Infill East	SW - Hamilton East	WW - East			397	10,435	3,054	1,645	15,531
Infill East	SW - Kirikiriroa	WW - East			1,251	10,435	3,054	1,645	16,385
Infill East	SW - Mangaonua	WW - East			1,035	10,435	3,054	1,645	16,168
Infill East	SW - Waitawhiriwhiri	WW - East			480	10,435	3,054	1,645	15,613
Infill West	SW - City Centre	WW - West			335	10,217	4,509	1,645	16,706
Infill West	SW - Mangakotukutuku	WW - West			3,213	10,217	4,509	1,645	19,584
Infill West	SW - St Andrews	WW - West			64	10,217	4,509	1,645	16,435
Infill West	SW - Te Rapa Stream	WW - West			531	10,217	4,509	1,645	16,902
Infill West	SW - Waitawhiriwhiri	WW - West			480	10,217	4,509	1,645	16,851
Infill West	SW - Western Heights	WW - West			230	10,217	4,509	1,645	16,601
Infill West	SW - Lake Rotokauri	WW - West			22,856	10,217	4,509	1,645	39,227
Peacocke 1	SW - Mangakotukutuku	WW - West			2,618	30,467	5,534	1,381	40,000
Peacocke 2	SW - Peacocke	WW - East			686	32,158	5,898	1,258	40,000
Peacocke 2	SW - Mangakotukutuku	WW - East			2,177	30,938	5,675	1,210	40,000
Rotokauri	SW - Lake Rotokauri	WW - West			14,168	21,660	2,591	1,582	40,000
Rotokauri	SW - Mangaheka	WW - West			2,426	31,505	3,768	2,301	40,000
Rotokauri	SW - Ohote	WW - West			336	33,258	3,978	2,429	40,000
Rotokauri	SW - Rotokauri West	WW - West			6	33,535	4,011	2,449	40,000
Rototuna	SW - Kirikiriroa	WW - East			1,123	33,690	3,271	1,916	40,000
Rototuna	SW - River North	WW - East			359	34,352	3,335	1,954	40,000
Rototuna	SW - Te Awa o Katapaki	WW - East			3,595	31,548	3,063	1,794	40,000
Rototuna	SW - Otama-ngenge	WW - East			185	34,503	3,350	1,962	40,000
Ruakura	SW - Hamilton East	WW - East			397	25,489	4,258	1,636	31,780
Ruakura	SW - Kirikiriroa	WW - East			1,251	25,489	4,258	1,636	32,634
Ruakura	SW - Mangaonua	WW - East			1,035	25,489	4,258	1,636	32,418
Te Rapa North	SW - Mangaheka	WW - West			2,691	23,076	3,731	1,442	30,940
Te Rapa North	SW - Te Rapa Stream	WW - West			531	23,076	3,731	1,442	28,780
Te Rapa North	SW - St Andrews	WW - West			64	23,076	3,731	1,442	28,313
Temple View	SW - Temple View	WW - West			470	9,792	5,813	2,951	19,027
Temple View	SW - Waitawhiriwhiri	WW - West			480	9,792	5,813	2,951	19,036

Schedule 1A applies to development where the lodgement date is between 1 July 2021 and 30 June 2022

Please refer to the Schedule 1A and 1B notes under Schedule 1B below.

## 24. SCHEDULE 1B – DEVELOPMENT CONTRIBUTION BASE CHARGES

Table 3 – Residential base development contribution charges in each catchment (excl. GST)

Catchment	SW Catchment	WW Catchment	CI	Reserves	Storm-water	Transport	Waste-water	Water	Total
<b>Large Residential</b>			<b>Charge per lot, dwelling or unit title</b>						
Infill East	SW - Chartwell	WW - East	91	429	1,326	5,384	9,465	6,555	23,250
Infill East	SW - City Centre	WW - East	91	429	1,123	5,384	9,465	6,555	23,048
Infill East	SW - Hamilton East	WW - East	91	429	1,331	5,384	9,465	6,555	23,256
Infill East	SW - Kirikiriroa	WW - East	91	429	4,196	5,384	9,465	6,555	26,121
Infill East	SW - Mangaonua	WW - East	91	429	3,471	5,384	9,465	6,555	25,396
Infill East	SW - Waitawhiriwhiri	WW - East	91	429	1,609	5,384	9,465	6,555	23,534
Infill West	SW - City Centre	WW - West	91	429	1,123	5,272	13,974	6,555	27,445
Infill West	SW - Mangakotukutuku	WW - West	91	429	10,776	5,272	13,974	6,555	37,098
Infill West	SW - St Andrews	WW - West	91	429	216	5,272	13,974	6,555	26,538
Infill West	SW - Te Rapa Stream	WW - West	91	429	1,781	5,272	13,974	6,555	28,103
Infill West	SW - Waitawhiriwhiri	WW - West	91	429	1,609	5,272	13,974	6,555	27,931
Infill West	SW - Western Heights	WW - West	91	429	772	5,272	13,974	6,555	27,094
Infill West	SW - Lake Rotokauri	WW - West	91	429	76,660	5,272	13,974	6,555	102,982
Peacocke 1	SW - Mangakotukutuku	WW - West	91	9,412	10,776	19,290	21,046	6,751	67,367
Peacocke 2	SW - Peacocke	WW - East	91	7,769	3,266	23,563	25,959	7,118	67,767
Peacocke 2	SW - Mangakotukutuku	WW - East	91	7,769	10,776	23,563	25,959	7,118	75,277
Rotokauri	SW - Lake Rotokauri	WW - West	91	2,358	76,660	18,031	12,953	10,168	120,262
Rotokauri	SW - Mangaheka	WW - West	91	2,358	9,027	18,031	12,953	10,168	52,628
Rotokauri	SW - Ohote	WW - West	91	2,358	1,183	18,031	12,953	10,168	44,784
Rotokauri	SW - Rotokauri West	WW - West	91	2,358	21	18,031	12,953	10,168	43,622
Rototuna	SW - Kirikiriroa	WW - East	146	452	4,196	19,363	11,291	8,504	43,952
Rototuna	SW - River North	WW - East	146	452	1,315	19,363	11,291	8,504	41,072
Rototuna	SW - Te Awa o Katapaki	WW - East	146	452	14,344	19,363	11,291	8,504	54,100
Rototuna	SW - Otama-ngenge	WW - East	146	452	677	19,363	11,291	8,504	40,433
Ruakura	SW - Hamilton East	WW - East	91	401	1,331	13,152	13,198	6,517	34,690
Ruakura	SW - Kirikiriroa	WW - East	91	401	4,196	13,152	13,198	6,517	37,555
Ruakura	SW - Mangaonua	WW - East	91	401	3,471	13,152	13,198	6,517	36,830
Te Rapa North	SW - Mangaheka	WW - West	91	401	9,027	11,907	11,563	5,747	38,735
Te Rapa North	SW - Te Rapa Stream	WW - West	91	401	1,781	11,907	11,563	5,747	31,489
Te Rapa North	SW - St Andrews	WW - West	91	401	216	11,907	11,563	5,747	29,924
Temple View	SW - Temple View	WW - West	91	401	1,578	5,053	18,017	11,761	36,899
Temple View	SW - Waitawhiriwhiri	WW - West	91	401	1,609	5,053	18,017	11,761	36,930
Charge per lot, dwelling or unit title are inclusive of below Citywide and WW Catchment components									
Citywide			91	401	21	5,053	5,478	5,747	16,790
		WW - West					6,085		6,085
		WW - East					2,890		2,890
<b>Standard Residential</b>			<b>Charge per lot, dwelling or unit title</b>						
Infill East	SW - Chartwell	WW - East	70	333	1,028	4,174	7,337	5,082	18,023
Infill East	SW - City Centre	WW - East	70	333	871	4,174	7,337	5,082	17,867
Infill East	SW - Hamilton East	WW - East	70	333	1,032	4,174	7,337	5,082	18,028
Infill East	SW - Kirikiriroa	WW - East	70	333	3,253	4,174	7,337	5,082	20,249
Infill East	SW - Mangaonua	WW - East	70	333	2,691	4,174	7,337	5,082	19,686
Infill East	SW - Waitawhiriwhiri	WW - East	70	333	1,247	4,174	7,337	5,082	18,243
Infill West	SW - City Centre	WW - West	70	333	871	4,087	10,833	5,082	21,275
Infill West	SW - Mangakotukutuku	WW - West	70	333	8,354	4,087	10,833	5,082	28,758
Infill West	SW - St Andrews	WW - West	70	333	167	4,087	10,833	5,082	20,572
Infill West	SW - Te Rapa Stream	WW - West	70	333	1,381	4,087	10,833	5,082	21,785
Infill West	SW - Waitawhiriwhiri	WW - West	70	333	1,247	4,087	10,833	5,082	21,652
Infill West	SW - Western Heights	WW - West	70	333	599	4,087	10,833	5,082	21,003
Infill West	SW - Lake Rotokauri	WW - West	70	333	59,427	4,087	10,833	5,082	79,831
Peacocke 1	SW - Mangakotukutuku	WW - West	70	7,296	8,354	14,954	16,315	5,233	52,222
Peacocke 2	SW - Peacocke	WW - East	70	6,023	2,532	18,266	20,123	5,518	52,532
Peacocke 2	SW - Mangakotukutuku	WW - East	70	6,023	8,354	18,266	20,123	5,518	58,354
Rotokauri	SW - Lake Rotokauri	WW - West	70	1,828	59,427	13,978	10,041	7,882	93,226
Rotokauri	SW - Mangaheka	WW - West	70	1,828	6,997	13,978	10,041	7,882	40,797
Rotokauri	SW - Ohote	WW - West	70	1,828	917	13,978	10,041	7,882	34,717
Rotokauri	SW - Rotokauri West	WW - West	70	1,828	17	13,978	10,041	7,882	33,816
Rototuna	SW - Kirikiriroa	WW - East	113	350	3,253	15,010	8,753	6,592	34,072
Rototuna	SW - River North	WW - East	113	350	1,020	15,010	8,753	6,592	31,839
Rototuna	SW - Te Awa o Katapaki	WW - East	113	350	11,119	15,010	8,753	6,592	41,938
Rototuna	SW - Otama-ngenge	WW - East	113	350	524	15,010	8,753	6,592	31,343
Ruakura	SW - Hamilton East	WW - East	70	310	1,032	10,196	10,231	5,052	26,892
Ruakura	SW - Kirikiriroa	WW - East	70	310	3,253	10,196	10,231	5,052	29,112
Ruakura	SW - Mangaonua	WW - East	70	310	2,691	10,196	10,231	5,052	28,550



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Catchment	SW Catchment	WW Catchment	CI	Reserves	Storm-water	Transport	Waste-water	Water	Total
Te Rapa North	SW - Mangaheka	WW - West	70	310	6,997	9,231	8,963	4,455	30,027
Te Rapa North	SW - Te Rapa Stream	WW - West	70	310	1,381	9,231	8,963	4,455	24,410
Te Rapa North	SW - St Andrews	WW - West	70	310	167	9,231	8,963	4,455	23,197
Temple View	SW - Temple View	WW - West	70	310	1,223	3,917	13,967	9,117	28,604
Temple View	SW - Waitawhiriwhiri	WW - West	70	310	1,247	3,917	13,967	9,117	28,628
Charge per lot, dwelling or unit title are inclusive of below Citywide and WW Catchment components									
Citywide			70	310	17	3,917	4,247	4,455	13,016
		WW - West					4,717		4,717
		WW - East					2,241		2,241
<b>Two Bed</b>			<b>Charge per lot, dwelling or unit title</b>						
Infill East	SW - Chartwell	WW - East	49	230	708	2,878	5,059	3,504	12,427
Infill East	SW - City Centre	WW - East	49	230	600	2,878	5,059	3,504	12,319
Infill East	SW - Hamilton East	WW - East	49	230	712	2,878	5,059	3,504	12,431
Infill East	SW - Kirikiriroa	WW - East	49	230	2,243	2,878	5,059	3,504	13,962
Infill East	SW - Mangaonua	WW - East	49	230	1,855	2,878	5,059	3,504	13,574
Infill East	SW - Waitawhiriwhiri	WW - East	49	230	860	2,878	5,059	3,504	12,579
Infill West	SW - City Centre	WW - West	49	230	600	2,818	7,469	3,504	14,670
Infill West	SW - Mangakotukutuku	WW - West	49	230	5,760	2,818	7,469	3,504	19,829
Infill West	SW - St Andrews	WW - West	49	230	115	2,818	7,469	3,504	14,185
Infill West	SW - Te Rapa Stream	WW - West	49	230	952	2,818	7,469	3,504	15,021
Infill West	SW - Waitawhiriwhiri	WW - West	49	230	860	2,818	7,469	3,504	14,929
Infill West	SW - Western Heights	WW - West	49	230	413	2,818	7,469	3,504	14,482
Infill West	SW - Lake Rotokauri	WW - West	49	230	40,976	2,818	7,469	3,504	55,045
Peacocke 1	SW - Mangakotukutuku	WW - West	49	5,031	5,760	10,311	11,249	3,608	36,008
Peacocke 2	SW - Peacocke	WW - East	49	4,153	1,746	12,595	13,875	3,805	36,222
Peacocke 2	SW - Mangakotukutuku	WW - East	49	4,153	5,760	12,595	13,875	3,805	40,236
Rotokauri	SW - Lake Rotokauri	WW - West	49	1,261	40,976	9,638	6,923	5,435	64,281
Rotokauri	SW - Mangaheka	WW - West	49	1,261	4,825	9,638	6,923	5,435	28,130
Rotokauri	SW - Ohote	WW - West	49	1,261	633	9,638	6,923	5,435	23,938
Rotokauri	SW - Rotokauri West	WW - West	49	1,261	11	9,638	6,923	5,435	23,317
Rototuna	SW - Kirikiriroa	WW - East	78	241	2,243	10,350	6,035	4,545	23,493
Rototuna	SW - River North	WW - East	78	241	703	10,350	6,035	4,545	21,953
Rototuna	SW - Te Awa o Katapaki	WW - East	78	241	7,667	10,350	6,035	4,545	28,917
Rototuna	SW - Otama-ngenge	WW - East	78	241	362	10,350	6,035	4,545	21,612
Ruakura	SW - Hamilton East	WW - East	49	214	712	7,030	7,054	3,484	18,542
Ruakura	SW - Kirikiriroa	WW - East	49	214	2,243	7,030	7,054	3,484	20,073
Ruakura	SW - Mangaonua	WW - East	49	214	1,855	7,030	7,054	3,484	19,686
Te Rapa North	SW - Mangaheka	WW - West	49	214	4,825	6,365	6,180	3,072	20,704
Te Rapa North	SW - Te Rapa Stream	WW - West	49	214	952	6,365	6,180	3,072	16,831
Te Rapa North	SW - St Andrews	WW - West	49	214	115	6,365	6,180	3,072	15,995
Temple View	SW - Temple View	WW - West	49	214	843	2,701	9,630	6,286	19,723
Temple View	SW - Waitawhiriwhiri	WW - West	49	214	860	2,701	9,630	6,286	19,740
Charge per lot, dwelling or unit title are inclusive of below Citywide and WW Catchment components									
Citywide			49	214	11	2,701	2,928	3,072	8,975
		WW - West					3,252		3,252
		WW - East					1,545		1,545
<b>One Bed</b>			<b>Charge per lot, dwelling or unit title</b>						
Infill East	SW - Chartwell	WW - East	34	159	490	1,992	3,501	2,425	8,601
Infill East	SW - City Centre	WW - East	34	159	416	1,992	3,501	2,425	8,527
Infill East	SW - Hamilton East	WW - East	34	159	493	1,992	3,501	2,425	8,604
Infill East	SW - Kirikiriroa	WW - East	34	159	1,552	1,992	3,501	2,425	9,663
Infill East	SW - Mangaonua	WW - East	34	159	1,284	1,992	3,501	2,425	9,395
Infill East	SW - Waitawhiriwhiri	WW - East	34	159	595	1,992	3,501	2,425	8,706
Infill West	SW - City Centre	WW - West	34	159	416	1,950	5,170	2,425	10,153
Infill West	SW - Mangakotukutuku	WW - West	34	159	3,987	1,950	5,170	2,425	13,725
Infill West	SW - St Andrews	WW - West	34	159	80	1,950	5,170	2,425	9,818
Infill West	SW - Te Rapa Stream	WW - West	34	159	659	1,950	5,170	2,425	10,397
Infill West	SW - Waitawhiriwhiri	WW - West	34	159	595	1,950	5,170	2,425	10,333
Infill West	SW - Western Heights	WW - West	34	159	286	1,950	5,170	2,425	10,023
Infill West	SW - Lake Rotokauri	WW - West	34	159	28,361	1,950	5,170	2,425	38,098
Peacocke 1	SW - Mangakotukutuku	WW - West	34	3,482	3,987	7,136	7,786	2,497	24,922
Peacocke 2	SW - Peacocke	WW - East	34	2,874	1,208	8,717	9,604	2,633	25,070
Peacocke 2	SW - Mangakotukutuku	WW - East	34	2,874	3,987	8,717	9,604	2,633	27,849
Rotokauri	SW - Lake Rotokauri	WW - West	34	872	28,361	6,671	4,792	3,762	44,491
Rotokauri	SW - Mangaheka	WW - West	34	872	3,339	6,671	4,792	3,762	19,470
Rotokauri	SW - Ohote	WW - West	34	872	438	6,671	4,792	3,762	16,568
Rotokauri	SW - Rotokauri West	WW - West	34	872	8	6,671	4,792	3,762	16,138
Rototuna	SW - Kirikiriroa	WW - East	54	167	1,552	7,163	4,177	3,146	16,260
Rototuna	SW - River North	WW - East	54	167	487	7,163	4,177	3,146	15,194

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Catchment	SW Catchment	WW Catchment	CI	Reserves	Storm-water	Transport	Waste-water	Water	Total
Rototuna	SW - Te Awa o Katapaki	WW - East	54	167	5,307	7,163	4,177	3,146	20,014
Rototuna	SW - Otama-ngenge	WW - East	54	167	250	7,163	4,177	3,146	14,958
Ruakura	SW - Hamilton East	WW - East	34	148	493	4,866	4,883	2,411	12,834
Ruakura	SW - Kirikiriroa	WW - East	34	148	1,552	4,866	4,883	2,411	13,893
Ruakura	SW - Mangaonua	WW - East	34	148	1,284	4,866	4,883	2,411	13,625
Te Rapa North	SW - Mangaheka	WW - West	34	148	3,339	4,405	4,278	2,126	14,330
Te Rapa North	SW - Te Rapa Stream	WW - West	34	148	659	4,405	4,278	2,126	11,650
Te Rapa North	SW - St Andrews	WW - West	34	148	80	4,405	4,278	2,126	11,070
Temple View	SW - Temple View	WW - West	34	148	584	1,869	6,665	4,351	13,651
Temple View	SW - Waitawhiriwhiri	WW - West	34	148	595	1,869	6,665	4,351	13,662
Charge per lot, dwelling or unit title are inclusive of below Citywide and WW Catchment components									
Citywide			34	148	8	1,869	2,027	2,126	6,212
		WW - West					2,251		2,251
		WW - East					1,069		1,069

Table 4 – Non-residential development contribution payable in each catchment (excl. GST)

Catchment	SW Catchment	WW Catchment	CI	Reserves	Storm-water	Transport	Waste-water	Water	Total
<b>Industrial</b>									
Charge per 100m2 floor area (site area for Stormwater)									
Infill East	SW - Chartwell	WW - East			289	2,588	2,193	1,063	6,133
Infill East	SW - City Centre	WW - East			245	2,588	2,193	1,063	6,088
Infill East	SW - Hamilton East	WW - East			290	2,588	2,193	1,063	6,134
Infill East	SW - Kirikiriroa	WW - East			914	2,588	2,193	1,063	6,758
Infill East	SW - Mangaonua	WW - East			756	2,588	2,193	1,063	6,600
Infill East	SW - Waitawhiriwhiri	WW - East			351	2,588	2,193	1,063	6,194
Infill West	SW - City Centre	WW - West			245	2,534	3,238	1,063	7,079
Infill West	SW - Mangakotukutuku	WW - West			2,348	2,534	3,238	1,063	9,183
Infill West	SW - St Andrews	WW - West			47	2,534	3,238	1,063	6,882
Infill West	SW - Te Rapa Stream	WW - West			388	2,534	3,238	1,063	7,223
Infill West	SW - Waitawhiriwhiri	WW - West			351	2,534	3,238	1,063	7,185
Infill West	SW - Western Heights	WW - West			168	2,534	3,238	1,063	7,003
Infill West	SW - Lake Rotokauri	WW - West			16,705	2,534	3,238	1,063	23,540
Peacocke 1	SW - Mangakotukutuku	WW - West			2,348	9,271	4,876	1,095	17,590
Peacocke 2	SW - Peacocke	WW - East			712	11,325	6,014	1,154	19,205
Peacocke 2	SW - Mangakotukutuku	WW - East			2,348	11,325	6,014	1,154	20,842
Rotokauri	SW - Lake Rotokauri	WW - West			16,705	8,666	3,001	1,649	30,021
Rotokauri	SW - Mangaheka	WW - West			1,967	8,666	3,001	1,649	15,283
Rotokauri	SW - Ohote	WW - West			258	8,666	3,001	1,649	13,574
Rotokauri	SW - Rotokauri West	WW - West			5	8,666	3,001	1,649	13,321
Rototuna	SW - Kirikiriroa	WW - East			914	9,306	2,616	1,379	14,216
Rototuna	SW - River North	WW - East			287	9,306	2,616	1,379	13,588
Rototuna	SW - Te Awa o Katapaki	WW - East			3,126	9,306	2,616	1,379	16,427
Rototuna	SW - Otama-ngenge	WW - East			147	9,306	2,616	1,379	13,449
Ruakura	SW - Hamilton East	WW - East			290	6,321	3,058	1,057	10,726
Ruakura	SW - Kirikiriroa	WW - East			914	6,321	3,058	1,057	11,350
Ruakura	SW - Mangaonua	WW - East			756	6,321	3,058	1,057	11,192
Te Rapa North	SW - Mangaheka	WW - West			1,967	5,723	2,679	932	11,301
Te Rapa North	SW - Te Rapa Stream	WW - West			388	5,723	2,679	932	9,722
Te Rapa North	SW - St Andrews	WW - West			47	5,723	2,679	932	9,381
Temple View	SW - Temple View	WW - West			344	2,428	4,174	1,907	8,854
Temple View	SW - Waitawhiriwhiri	WW - West			351	2,428	4,174	1,907	8,860
Charge per lot, dwelling or unit title are inclusive of below Citywide and WW Catchment components									
Citywide					5	2,428	1,269	932	4,634
		WW - West					1,410		1,410
		WW - East					670		670
<b>Commercial</b>									
Charge per 100m2 floor area (site area for Stormwater)									
Infill East	SW - Chartwell	WW - East			395	7,263	3,720	2,004	13,381
Infill East	SW - City Centre	WW - East			335	7,263	3,720	2,004	13,321
Infill East	SW - Hamilton East	WW - East			397	7,263	3,720	2,004	13,383
Infill East	SW - Kirikiriroa	WW - East			1,251	7,263	3,720	2,004	14,237
Infill East	SW - Mangaonua	WW - East			1,035	7,263	3,720	2,004	14,021
Infill East	SW - Waitawhiriwhiri	WW - East			480	7,263	3,720	2,004	13,466
Infill West	SW - City Centre	WW - West			335	7,111	5,492	2,004	14,942
Infill West	SW - Mangakotukutuku	WW - West			3,213	7,111	5,492	2,004	17,820
Infill West	SW - St Andrews	WW - West			64	7,111	5,492	2,004	14,672
Infill West	SW - Te Rapa Stream	WW - West			531	7,111	5,492	2,004	15,138

## Development Contributions Policy 2021/22

## Hamilton City Council

Catchment	SW Catchment	WW Catchment	CI	Reserves	Storm-water	Transport	Waste-water	Water	Total
Infill West	SW - Waitawhiriwhiri	WW - West			480	7,111	5,492	2,004	15,087
Infill West	SW - Western Heights	WW - West			230	7,111	5,492	2,004	14,837
Infill West	SW - Lake Rotokauri	WW - West			22,856	7,111	5,492	2,004	37,464
Peacocke 1	SW - Mangakotukutuku	WW - West			3,213	26,019	8,272	2,064	39,568
Peacocke 2	SW - Peacocke	WW - East			974	31,783	10,203	2,176	45,135
Peacocke 2	SW - Mangakotukutuku	WW - East			3,213	31,783	10,203	2,176	47,374
Rotokauri	SW - Lake Rotokauri	WW - West			22,856	24,321	5,091	3,108	55,376
Rotokauri	SW - Mangaheka	WW - West			2,691	24,321	5,091	3,108	35,211
Rotokauri	SW - Ohote	WW - West			353	24,321	5,091	3,108	32,873
Rotokauri	SW - Rotokauri West	WW - West			6	24,321	5,091	3,108	32,526
Rototuna	SW - Kirikiriroa	WW - East			1,251	26,118	4,438	2,599	34,406
Rototuna	SW - River North	WW - East			392	26,118	4,438	2,599	33,547
Rototuna	SW - Te Awa o Katapaki	WW - East			4,277	26,118	4,438	2,599	37,432
Rototuna	SW - Otama-ngenge	WW - East			202	26,118	4,438	2,599	33,357
Ruakura	SW - Hamilton East	WW - East			397	17,740	5,187	1,992	25,317
Ruakura	SW - Kirikiriroa	WW - East			1,251	17,740	5,187	1,992	26,171
Ruakura	SW - Mangaonua	WW - East			1,035	17,740	5,187	1,992	25,954
Te Rapa North	SW - Mangaheka	WW - West			2,691	16,061	4,544	1,757	25,054
Te Rapa North	SW - Te Rapa Stream	WW - West			531	16,061	4,544	1,757	22,893
Te Rapa North	SW - St Andrews	WW - West			64	16,061	4,544	1,757	22,427
Temple View	SW - Temple View	WW - West			470	6,815	7,081	3,595	17,962
Temple View	SW - Waitawhiriwhiri	WW - West			480	6,815	7,081	3,595	17,971
Charge per lot, dwelling or unit title are inclusive of below Citywide and WW Catchment components									
Citywide					6	6,815	2,153	1,757	10,731
		WW - West					2,391		2,391
		WW - East					1,136		1,136
Retail Charge per 100m2 floor area (site area for Stormwater)									
Infill East	SW - Chartwell	WW - East			395	10,435	3,054	1,645	15,529
Infill East	SW - City Centre	WW - East			335	10,435	3,054	1,645	15,468
Infill East	SW - Hamilton East	WW - East			397	10,435	3,054	1,645	15,531
Infill East	SW - Kirikiriroa	WW - East			1,251	10,435	3,054	1,645	16,385
Infill East	SW - Mangaonua	WW - East			1,035	10,435	3,054	1,645	16,168
Infill East	SW - Waitawhiriwhiri	WW - East			480	10,435	3,054	1,645	15,613
Infill West	SW - City Centre	WW - West			335	10,217	4,509	1,645	16,706
Infill West	SW - Mangakotukutuku	WW - West			3,213	10,217	4,509	1,645	19,584
Infill West	SW - St Andrews	WW - West			64	10,217	4,509	1,645	16,435
Infill West	SW - Te Rapa Stream	WW - West			531	10,217	4,509	1,645	16,902
Infill West	SW - Waitawhiriwhiri	WW - West			480	10,217	4,509	1,645	16,851
Infill West	SW - Western Heights	WW - West			230	10,217	4,509	1,645	16,601
Infill West	SW - Lake Rotokauri	WW - West			22,856	10,217	4,509	1,645	39,227
Peacocke 1	SW - Mangakotukutuku	WW - West			3,213	37,384	6,791	1,694	49,082
Peacocke 2	SW - Peacocke	WW - East			974	45,665	8,376	1,786	56,800
Peacocke 2	SW - Mangakotukutuku	WW - East			3,213	45,665	8,376	1,786	59,040
Rotokauri	SW - Lake Rotokauri	WW - West			22,856	34,944	4,179	2,552	64,531
Rotokauri	SW - Mangaheka	WW - West			2,691	34,944	4,179	2,552	44,366
Rotokauri	SW - Ohote	WW - West			353	34,944	4,179	2,552	42,028
Rotokauri	SW - Rotokauri West	WW - West			6	34,944	4,179	2,552	41,681
Rototuna	SW - Kirikiriroa	WW - East			1,251	37,526	3,643	2,134	44,554
Rototuna	SW - River North	WW - East			392	37,526	3,643	2,134	43,695
Rototuna	SW - Te Awa o Katapaki	WW - East			4,277	37,526	3,643	2,134	47,580
Rototuna	SW - Otama-ngenge	WW - East			202	37,526	3,643	2,134	43,505
Ruakura	SW - Hamilton East	WW - East			397	25,489	4,258	1,636	31,780
Ruakura	SW - Kirikiriroa	WW - East			1,251	25,489	4,258	1,636	32,634
Ruakura	SW - Mangaonua	WW - East			1,035	25,489	4,258	1,636	32,418
Te Rapa North	SW - Mangaheka	WW - West			2,691	23,076	3,731	1,442	30,940
Te Rapa North	SW - Te Rapa Stream	WW - West			531	23,076	3,731	1,442	28,780
Te Rapa North	SW - St Andrews	WW - West			64	23,076	3,731	1,442	28,313
Temple View	SW - Temple View	WW - West			470	9,792	5,813	2,951	19,027
Temple View	SW - Waitawhiriwhiri	WW - West			480	9,792	5,813	2,951	19,036
Charge per lot, dwelling or unit title are inclusive of below Citywide and WW Catchment components									
Citywide					6	9,792	1,768	1,442	13,008
		WW - West					1,963		1,963
		WW - East					933		933

**Notes for schedules 1A and 1B*****Note 1 – Charges for non-residential developments***

Non-residential charges are average charges for a typical development per 100m<sup>2</sup> GFA (Site area for stormwater).

Non-residential developments will be charged in accordance with the average number of household unit equivalents of demand generated by the category into which they fall. These will be calculated by using the factors given in Schedule 4 below.

A retail transport factor is used in determining retail charges, which varies depending on the floor area of the development as set out in Schedule 4. For the purpose of presentation, charges in the schedule above use an average of these factors, so charges for a particular retail development will differ from the charges shown above.

A more precise estimate of the development contributions payable for any development can be provided by Council on request.

In assessing HUEs for mixed-use developments such as a retirement village or a combined industrial and commercial development, a separate assessment will be made for all residential, retail, commercial and industrial components of the development.

***Note 2 – Assessment of Reserves component through resource consent applications***

At its sole discretion and on a case by case basis Council may take land of dollar value equivalent to the required reserves development contribution rather than money, as a condition of resource consent in accordance with and subject to Council's District Plan.

There is no charge for reserves on non-residential developments.

***Note 3 – GST***

Development contributions are calculated exclusive of Goods and Services Tax (GST). GST will be added at the rate prevailing at the time of payment after the calculation of any contributions required under this Policy.

***Note 4 – Full methodology (s106(3) LGA)***

The full methodology demonstrating how the calculations have been made for the contributions in this schedule is available from Council upon request.

**Note 5** – The stages at which development contributions are required (s198, 202(1)(b) LGA) are set out in section 11

***Note 6 – Producer Price Index adjustments***

Council will at its sole discretion and in accordance with s106(2B-2C) LGA, increase development contribution charges annually based at the Producers Price Index Outputs for Construction rate provided by Statistics New Zealand.

***Note 7 – Capped non-residential charges***

Development contribution charges have been capped for commercial, industrial, and retail developments per section 9.8 above.

***Note 8 – Phased residential charges***

Development contribution charges for residential development in the Peacocke 1, Peacocke 2, Rotokauri, Rototuna and Ruakura general catchments will be phased in between 1 July 2021 and 30 June 2023 per section 9.11 above.

***Note 9 – CBD remission***

Council may provide a part or full remission of development contributions for development in the CBD. Refer to clause 18.14 to 18.20, Schedule 7 and Map 7.

***Note 10 – High rise remission***

Subject to the criteria for the CBD remission (see Note 9 above and 18.15 to 18.17), developments in the CBD with 6 or more storeys may pay no development contributions. Refer to 18.18.

***Note 11 – Rounding***

The final charge may vary slightly from the charges in Schedule 1 of the Policy due to rounding.

## 25. SCHEDULE 2 – GROWTH-RELATED CAPITAL EXPENDITURE

Table 5 – Growth related capital expenditure by Council Activity Group (\$000s)

(\$000s)Growth Related Capital Expenditure (\$000s)	Total Capex Including Subsidies	Total Subsidies & Operating Revenue	Total Capex Net Subsidies	DC Capex	DC Interest	Total Cost DC Funded Capex	% DC Funded	% Rates Funded	% Other Sources
<b>Total CI</b>	<b>58,744</b>		<b>58,744</b>	<b>9,386</b>	<b>(302)</b>	<b>9,084</b>	<b>16%</b>	<b>84%</b>	<b>0%</b>
<b>Citywide</b>	<b>49,569</b>		<b>49,569</b>	<b>7,551</b>	<b>494</b>	<b>8,046</b>	<b>15%</b>	<b>85%</b>	<b>0%</b>
Historical	43,299		43,299	4,875	189	5,063	11%	89%	0%
10-Year Plan	6,270		6,270	2,677	(28)	2,648	43%	57%	0%
30-Year Strategy					334	334	0%	0%	0%
<b>Rototuna</b>	<b>9,175</b>		<b>9,175</b>	<b>1,835</b>	<b>(797)</b>	<b>1,038</b>	<b>20%</b>	<b>80%</b>	<b>0%</b>
Historical					(808)	(808)	0%	0%	0%
10-Year Plan	9,175		9,175	1,835	(0)	1,835	20%	80%	0%
30-Year Strategy					11	11	0%	0%	0%
<b>Total Reserves</b>	<b>127,541</b>	<b>1,331</b>	<b>126,210</b>	<b>81,511</b>	<b>13,542</b>	<b>95,053</b>	<b>64%</b>	<b>35%</b>	<b>1%</b>
<b>Citywide</b>	<b>45,102</b>	<b>600</b>	<b>44,502</b>	<b>19,245</b>	<b>2,249</b>	<b>21,494</b>	<b>43%</b>	<b>56%</b>	<b>1%</b>
Historical	38,515	100	38,415	17,510	451	17,961	45%	54%	0%
10-Year Plan	6,587	500	6,087	1,735	1,124	2,859	26%	66%	8%
30-Year Strategy					674	674	0%	0%	0%
<b>Infill</b>	<b>5,086</b>	<b>731</b>	<b>4,355</b>	<b>1,493</b>	<b>(293)</b>	<b>1,200</b>	<b>29%</b>	<b>56%</b>	<b>14%</b>
Historical	5,086	731	4,355	1,493	(342)	1,152	29%	56%	14%
10-Year Plan					35	35	0%	0%	0%
30-Year Strategy					13	13	0%	0%	0%
<b>Peacocke</b>	<b>709</b>		<b>709</b>	<b>571</b>	<b>595</b>	<b>1,165</b>	<b>80%</b>	<b>20%</b>	<b>0%</b>
Historical	709		709	571	411	982	80%	20%	0%
10-Year Plan					152		0%	0%	0%
30-Year Strategy					31	31	0%	0%	0%
<b>Peacocke 1</b>	<b>4,598</b>		<b>4,598</b>	<b>3,586</b>	<b>(127)</b>	<b>3,460</b>	<b>78%</b>	<b>22%</b>	<b>0%</b>
Historical	2,830		2,830	2,275	(288)	1,988	80%	20%	0%
10-Year Plan	1,767		1,767	1,311	122	1,433	74%	26%	0%
30-Year Strategy					38	38	0%	0%	0%
<b>Peacocke 2</b>	<b>47,610</b>		<b>47,610</b>	<b>36,100</b>	<b>8,401</b>	<b>44,502</b>	<b>76%</b>	<b>24%</b>	<b>0%</b>
Historical	4,034		4,034	3,440	79	3,520	85%	15%	0%
10-Year Plan	43,576		43,576	32,660	4,216	36,876	75%	25%	0%
30-Year Strategy					4,107	4,107	0%	0%	0%
<b>Rotokauri</b>	<b>2,125</b>		<b>2,125</b>	<b>1,780</b>	<b>1,790</b>	<b>3,570</b>	<b>84%</b>	<b>16%</b>	<b>0%</b>
Historical	2,125		2,125	1,780	1,211	2,991	84%	16%	0%
10-Year Plan					470	470	0%	0%	0%
30-Year Strategy					109	109	0%	0%	0%
<b>Rototuna</b>	<b>22,312</b>		<b>22,312</b>	<b>18,735</b>	<b>927</b>	<b>19,662</b>	<b>84%</b>	<b>16%</b>	<b>0%</b>
Historical	19,497		19,497	16,307	981	17,287	84%	16%	0%
10-Year Plan	2,816		2,816	2,429	(62)	2,366	86%	14%	0%
30-Year Strategy					9	9	0%	0%	0%
<b>Total Stormwater</b>	<b>327,694</b>	<b>4,990</b>	<b>322,705</b>	<b>265,788</b>	<b>61,411</b>	<b>327,199</b>	<b>81%</b>	<b>17%</b>	<b>2%</b>
<b>SW - Chartwell</b>	<b>4,571</b>	<b>9</b>	<b>4,562</b>	<b>2,500</b>	<b>242</b>	<b>2,742</b>	<b>55%</b>	<b>45%</b>	<b>0%</b>
Historical	195	9	185	162	(75)	87	83%	12%	5%
10-Year Plan	4,376		4,376	2,338	43	2,382	53%	47%	0%
30-Year Strategy					273	273	0%	0%	0%
<b>SW - City Centre</b>	<b>1,749</b>	<b>7</b>	<b>1,742</b>	<b>1,355</b>	<b>440</b>	<b>1,795</b>	<b>77%</b>	<b>22%</b>	<b>0%</b>
Historical	656	7	649	571	300	871	87%	12%	1%
10-Year Plan	1,093		1,093	784	92	876	72%	28%	0%
30-Year Strategy					47	47	0%	0%	0%
<b>SW - Citywide</b>	<b>696</b>		<b>696</b>	<b>543</b>	<b>200</b>	<b>743</b>	<b>78%</b>	<b>22%</b>	<b>0%</b>
Historical	696		696	543	76	619	78%	22%	0%
10-Year Plan					86	86	0%	0%	0%
30-Year Strategy					37	37	0%	0%	0%
<b>SW - Hamilton East</b>	<b>4,108</b>	<b>6</b>	<b>4,101</b>	<b>2,145</b>	<b>(101)</b>	<b>2,044</b>	<b>52%</b>	<b>48%</b>	<b>0%</b>
Historical	174	6	168	147	(184)	(38)	84%	12%	4%
10-Year Plan	3,934		3,934	1,998	(82)	1,917	51%	49%	0%
30-Year Strategy					164	164	0%	0%	0%
<b>SW - Kirikiriroa</b>	<b>18,548</b>	<b>88</b>	<b>18,460</b>	<b>11,356</b>	<b>2,797</b>	<b>14,153</b>	<b>61%</b>	<b>38%</b>	<b>0%</b>
Historical	2,745	88	2,657	2,210	1,320	3,530	81%	16%	3%
10-Year Plan	15,803		15,803	9,146	546	9,692	58%	42%	0%
30-Year Strategy					931	931	0%	0%	0%
<b>SW - Lake Rotokauri</b>	<b>184,801</b>	<b>1,684</b>	<b>183,117</b>	<b>162,065</b>	<b>42,775</b>	<b>204,840</b>	<b>88%</b>	<b>11%</b>	<b>1%</b>
Historical	10,848	1,684	9,164	8,080	1,345	9,425	74%	10%	16%
10-Year Plan	57,948		57,948	51,030	3,359	54,389	88%	12%	0%
30-Year Strategy	116,005		116,005	102,955	38,071	141,026	89%	11%	0%
<b>SW - Mangaheka</b>	<b>10,043</b>	<b>7</b>	<b>10,036</b>	<b>8,769</b>	<b>896</b>	<b>9,664</b>	<b>87%</b>	<b>13%</b>	<b>0%</b>
Historical	897	7	891	776	91	867	86%	13%	1%
10-Year Plan	9,145		9,145	7,993	(50)	7,943	87%	13%	0%
30-Year Strategy					854	854	0%	0%	0%
<b>SW - Mangakotukutuku</b>	<b>42,289</b>	<b>28</b>	<b>42,261</b>	<b>34,290</b>	<b>7,899</b>	<b>42,190</b>	<b>81%</b>	<b>19%</b>	<b>0%</b>
Historical	12,418	28	12,390	10,431	150	10,581	84%	16%	0%

(\$000s)Growth Related Capital Expenditure (\$000s)	Total Capex Including Subsidies	Total Subsidies & Operating Revenue	Total Capex Net Subsidies	DC Capex	DC Interest	Total Cost DC Funded Capex	% DC Funded	% Rates Funded	% Other Sources
10-Year Plan	29,871		29,871	23,859	4,509	28,368	80%	20%	0%
30-Year Strategy					3,240	3,240	0%	0%	0%
<b>SW - Mangaonua</b>	<b>6,337</b>	<b>3,002</b>	<b>3,335</b>	<b>1,596</b>	<b>110</b>	<b>1,706</b>	<b>25%</b>	<b>27%</b>	<b>47%</b>
Historical	282	2	280	180	(15)	165	64%	35%	1%
10-Year Plan	6,055	3,000	3,055	1,415	19	1,435	23%	27%	50%
30-Year Strategy					106	106	0%	0%	0%
<b>SW - Ohote</b>	<b>1,404</b>	<b>8</b>	<b>1,396</b>	<b>1,097</b>	<b>519</b>	<b>1,616</b>	<b>78%</b>	<b>21%</b>	<b>1%</b>
Historical	177	8	169	148	15	163	83%	12%	5%
10-Year Plan	1,227		1,227	949	146	1,095	77%	23%	0%
30-Year Strategy					358	358	0%	0%	0%
<b>SW - Otama-ngenge</b>	<b>995</b>	<b>2</b>	<b>993</b>	<b>631</b>	<b>(34)</b>	<b>597</b>	<b>63%</b>	<b>36%</b>	<b>0%</b>
Historical	232	2	230	178	(6)	172	77%	22%	1%
10-Year Plan	763		763	453	(45)	408	59%	41%	0%
30-Year Strategy					17	17	0%	0%	0%
<b>SW - Peacocke</b>	<b>4,963</b>	<b>9</b>	<b>4,954</b>	<b>4,242</b>	<b>1,682</b>	<b>5,924</b>	<b>85%</b>	<b>14%</b>	<b>0%</b>
Historical	3,596	9	3,587	3,181	158	3,339	88%	11%	0%
10-Year Plan	1,367		1,367	1,061	890	1,951	78%	22%	0%
30-Year Strategy					633	633	0%	0%	0%
<b>SW - River North</b>	<b>131</b>	<b>0</b>	<b>131</b>	<b>113</b>	<b>19</b>	<b>133</b>	<b>87%</b>	<b>13%</b>	<b>0%</b>
Historical	120	0	120	105	19	124	87%	13%	0%
10-Year Plan	11		11	8	0	8	77%	23%	0%
30-Year Strategy					0	0	0%	0%	0%
<b>SW - St Andrews</b>	<b>2,013</b>	<b>11</b>	<b>2,003</b>	<b>1,474</b>	<b>(504)</b>	<b>970</b>	<b>73%</b>	<b>26%</b>	<b>1%</b>
Historical	217	11	206	181	(436)	(255)	83%	12%	5%
10-Year Plan	1,796		1,796	1,293	(107)	1,186	72%	28%	0%
30-Year Strategy					39	39	0%	0%	0%
<b>SW - Te Awa o Katapaki</b>	<b>31,778</b>	<b>102</b>	<b>31,677</b>	<b>25,651</b>	<b>2,889</b>	<b>28,541</b>	<b>81%</b>	<b>19%</b>	<b>0%</b>
Historical	16,486	102	16,385	14,152	1,891	16,043	86%	14%	1%
10-Year Plan	15,292		15,292	11,499	368	11,867	75%	25%	0%
30-Year Strategy					631	631	0%	0%	0%
<b>SW - Te Rapa Stream</b>	<b>2,226</b>	<b>8</b>	<b>2,218</b>	<b>1,835</b>	<b>977</b>	<b>2,812</b>	<b>82%</b>	<b>17%</b>	<b>0%</b>
Historical	1,093	8	1,085	959	616	1,575	88%	12%	1%
10-Year Plan	1,133		1,133	876	275	1,151	77%	23%	0%
30-Year Strategy					85	85	0%	0%	0%
<b>SW - Temple View</b>	<b>111</b>	<b>0</b>	<b>110</b>	<b>90</b>	<b>3</b>	<b>93</b>	<b>82%</b>	<b>18%</b>	<b>0%</b>
Historical	56	0	56	48	(3)	45	86%	14%	1%
10-Year Plan	54		54	42	1	43	77%	23%	0%
30-Year Strategy					6	6	0%	0%	0%
<b>SW - Waitawhiriwhiri</b>	<b>10,754</b>	<b>18</b>	<b>10,736</b>	<b>5,905</b>	<b>581</b>	<b>6,486</b>	<b>55%</b>	<b>45%</b>	<b>0%</b>
Historical	1,215	18	1,197	963	(118)	845	79%	19%	1%
10-Year Plan	9,539		9,539	4,941	183	5,124	52%	48%	0%
30-Year Strategy					516	516	0%	0%	0%
<b>SW - Western Heights</b>	<b>179</b>	<b>1</b>	<b>178</b>	<b>131</b>	<b>20</b>	<b>151</b>	<b>73%</b>	<b>26%</b>	<b>1%</b>
Historical	15	1	14	13	(3)	9	82%	11%	7%
10-Year Plan	164		164	118	7	125	72%	28%	0%
30-Year Strategy					17	17	0%	0%	0%
<b>Total Stormwater</b>	<b>327,694</b>	<b>4,990</b>	<b>322,705</b>	<b>265,788</b>	<b>61,411</b>	<b>327,199</b>	<b>81%</b>	<b>17%</b>	<b>2%</b>
<b>SW - Chartwell</b>	<b>4,571</b>	<b>9</b>	<b>4,562</b>	<b>2,500</b>	<b>242</b>	<b>2,742</b>	<b>55%</b>	<b>45%</b>	<b>0%</b>
Historical	195	9	185	162	(75)	87	83%	12%	5%
10-Year Plan	4,376		4,376	2,338	43	2,382	53%	47%	0%
<b>Total Transport</b>	<b>1,207,623</b>	<b>410,160</b>	<b>797,463</b>	<b>463,869</b>	<b>86,633</b>	<b>550,502</b>	<b>38%</b>	<b>28%</b>	<b>34%</b>
<b>Citywide</b>	<b>707,316</b>	<b>276,362</b>	<b>430,954</b>	<b>208,465</b>	<b>41,842</b>	<b>250,307</b>	<b>29%</b>	<b>31%</b>	<b>39%</b>
Historical	231,626	78,659	152,967	62,152	12,981	75,133	27%	39%	34%
10-Year Plan	410,092	193,321	216,772	99,062	8,138	107,200	24%	29%	47%
30-Year Strategy	65,598	4,382	61,216	47,251	20,723	67,974	72%	21%	7%
<b>Infill</b>	<b>14,601</b>	<b>4,530</b>	<b>10,071</b>	<b>3,711</b>	<b>1,612</b>	<b>5,323</b>	<b>25%</b>	<b>44%</b>	<b>31%</b>
Historical	14,601	4,530	10,071	3,711	1,279	4,989	25%	44%	31%
10-Year Plan					284	284	0%	0%	0%
30-Year Strategy					49	49	0%	0%	0%
<b>Infill East</b>	<b>14,422</b>	<b>6,986</b>	<b>7,436</b>	<b>1,407</b>	<b>(113)</b>	<b>1,294</b>	<b>10%</b>	<b>42%</b>	<b>48%</b>
Historical	2,046	885	1,161	113	(230)	(117)	6%	51%	43%
10-Year Plan	12,376	6,101	6,275	1,295	32	1,327	10%	40%	49%
30-Year Strategy					84	84	0%	0%	0%
<b>Infill West</b>	<b>2,582</b>	<b>854</b>	<b>1,728</b>	<b>533</b>	<b>(114)</b>	<b>419</b>	<b>21%</b>	<b>46%</b>	<b>33%</b>
Historical					(159)	(159)	0%	0%	0%
10-Year Plan	2,582	854	1,728	533	21	553	21%	46%	33%
30-Year Strategy					25	25	0%	0%	0%
<b>Peacocke</b>	<b>1,349</b>	<b>127</b>	<b>1,222</b>	<b>565</b>	<b>348</b>	<b>913</b>	<b>42%</b>	<b>49%</b>	<b>9%</b>
Historical	1,349	127	1,222	565	147	712	42%	49%	9%
10-Year Plan					154	154	0%	0%	0%
30-Year Strategy					47	47	0%	0%	0%
<b>Peacocke 1</b>	<b>10,224</b>	<b>3,714</b>	<b>6,510</b>	<b>4,969</b>	<b>(84)</b>	<b>4,886</b>	<b>49%</b>	<b>15%</b>	<b>36%</b>
Historical	7,109	3,079	4,030	3,213	(21)	3,192	45%	11%	43%
10-Year Plan	3,115	635	2,480	1,756	(114)	1,642	56%	23%	20%



## Development Contributions Policy 2021/22

## Hamilton City Council

(\$000s)Growth Related Capital Expenditure (\$000s)	Total Capex Including Subsidies	Total Subsidies & Operating Revenue	Total Capex Net Subsidies	DC Capex	DC Interest	Total Cost DC Funded Capex	% DC Funded	% Rates Funded	% Other Sources
30-Year Strategy					51	51	0%	0%	0%
<b>Peacocke 2</b>	<b>197,433</b>	<b>56,307</b>	<b>141,126</b>	<b>108,046</b>	<b>11,623</b>	<b>119,669</b>	<b>55%</b>	<b>17%</b>	<b>29%</b>
Historical	30,470	14,981	15,489	11,895	126	12,020	39%	12%	49%
10-Year Plan	124,997	41,326	83,672	63,037	2,283	65,320	50%	17%	33%
30-Year Strategy	41,966		41,966	33,114	9,214	42,329	79%	21%	0%
<b>Rotokauri</b>	<b>99,534</b>	<b>15,234</b>	<b>84,300</b>	<b>59,687</b>	<b>18,725</b>	<b>78,412</b>	<b>60%</b>	<b>25%</b>	<b>15%</b>
Historical	35,533	8,382	27,151	19,734	4,390	24,124	56%	21%	24%
10-Year Plan	39,859	280	39,579	25,278	3,463	28,741	63%	36%	1%
30-Year Strategy	24,142	6,573	17,570	14,675	10,872	25,547	61%	12%	27%
<b>Rototuna</b>	<b>87,331</b>	<b>12,758</b>	<b>74,573</b>	<b>47,122</b>	<b>9,658</b>	<b>56,780</b>	<b>54%</b>	<b>31%</b>	<b>15%</b>
Historical	38,944	6,626	32,318	22,306	7,358	29,664	57%	26%	17%
10-Year Plan	48,388	6,133	42,255	24,816	531	25,347	51%	36%	13%
30-Year Strategy					1,769	1,769	0%	0%	0%
<b>Ruakura</b>	<b>59,018</b>	<b>33,286</b>	<b>25,731</b>	<b>19,909</b>	<b>2,033</b>	<b>21,942</b>	<b>34%</b>	<b>10%</b>	<b>56%</b>
Historical	2,026		2,026	1,615	(57)	1,558	80%	20%	0%
10-Year Plan	56,992	33,286	23,706	18,294	(399)	17,895	32%	9%	58%
30-Year Strategy					2,489	2,489	0%	0%	0%
<b>Te Rapa North</b>	<b>13,812</b>		<b>13,812</b>	<b>9,455</b>	<b>1,102</b>	<b>10,558</b>	<b>68%</b>	<b>32%</b>	<b>0%</b>
Historical					(23)	(23)	0%	0%	0%
10-Year Plan	13,812		13,812	9,455	4	9,459	68%	32%	0%
30-Year Strategy					1,121	1,121	0%	0%	0%
<b>Total Wastewater</b>	<b>538,337</b>	<b>1,030</b>	<b>537,307</b>	<b>384,632</b>	<b>91,286</b>	<b>475,917</b>	<b>71%</b>	<b>28%</b>	<b>0%</b>
<b>Citywide</b>	<b>216,396</b>		<b>216,396</b>	<b>145,204</b>	<b>45,180</b>	<b>190,384</b>	<b>67%</b>	<b>33%</b>	<b>0%</b>
Historical	85,188		85,188	55,822	16,640	72,463	66%	34%	0%
10-Year Plan	131,208		131,208	89,381	12,425	101,806	68%	32%	0%
30-Year Strategy					16,115	16,115	0%	0%	0%
<b>Infill</b>	<b>827</b>		<b>827</b>	<b>714</b>	<b>522</b>	<b>1,236</b>	<b>86%</b>	<b>14%</b>	<b>0%</b>
Historical	827		827	714	342	1,056	86%	14%	0%
10-Year Plan					138	138	0%	0%	0%
30-Year Strategy					42	42	0%	0%	0%
<b>Infill East</b>	<b>11,583</b>	<b>491</b>	<b>11,092</b>	<b>5,972</b>	<b>258</b>	<b>6,230</b>	<b>52%</b>	<b>44%</b>	<b>4%</b>
Historical	3,143	116	3,026	1,464	(384)	1,080	47%	50%	4%
10-Year Plan	8,440	375	8,065	4,508	192	4,700	53%	42%	4%
30-Year Strategy					450	450	0%	0%	0%
<b>Infill West</b>	<b>27,602</b>	<b>491</b>	<b>27,111</b>	<b>15,416</b>	<b>2,426</b>	<b>17,842</b>	<b>56%</b>	<b>42%</b>	<b>2%</b>
Historical	24,486	116	24,370	13,210	(610)	12,600	54%	46%	0%
10-Year Plan	3,116	375	2,741	2,205	1,879	4,085	71%	17%	12%
30-Year Strategy					1,156	1,156	0%	0%	0%
<b>Peacocke</b>	<b>10,446</b>		<b>10,446</b>	<b>9,230</b>	<b>2,385</b>	<b>11,615</b>	<b>88%</b>	<b>12%</b>	<b>0%</b>
Historical	2,247		2,247	1,954	1,121	3,074	87%	13%	0%
10-Year Plan	8,199		8,199	7,277	596	7,872	89%	11%	0%
30-Year Strategy					669	669	0%	0%	0%
<b>Peacocke 1</b>	<b>4,083</b>		<b>4,083</b>	<b>3,615</b>	<b>(240)</b>	<b>3,375</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
Historical	2,212		2,212	1,955	(107)	1,848	88%	12%	0%
10-Year Plan	1,870		1,870	1,660	(155)	1,505	89%	11%	0%
30-Year Strategy					21	21	0%	0%	0%
<b>Peacocke 2</b>	<b>93,279</b>		<b>93,279</b>	<b>82,785</b>	<b>12,398</b>	<b>95,183</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
Historical	29,659		29,659	26,322	211	26,534	89%	11%	0%
10-Year Plan	63,620		63,620	56,463	4,085	60,548	89%	11%	0%
30-Year Strategy					8,101	8,101	0%	0%	0%
<b>Rotokauri</b>	<b>5,202</b>		<b>5,202</b>	<b>4,604</b>	<b>2,171</b>	<b>6,776</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
Historical	2,618		2,618	2,311	291	2,602	88%	12%	0%
10-Year Plan	2,584		2,584	2,293	758	3,051	89%	11%	0%
30-Year Strategy					1,123	1,123	0%	0%	0%
<b>Rototuna</b>	<b>11,001</b>	<b>47</b>	<b>10,954</b>	<b>8,181</b>	<b>3,947</b>	<b>12,127</b>	<b>74%</b>	<b>25%</b>	<b>0%</b>
Historical	7,340	47	7,293	6,213	3,571	9,785	85%	15%	1%
10-Year Plan	3,661		3,661	1,967	211	2,178	54%	46%	0%
30-Year Strategy					164	164	0%	0%	0%
<b>Ruakura</b>	<b>9,030</b>		<b>9,030</b>	<b>8,013</b>	<b>1,417</b>	<b>9,430</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
Historical	5,530		5,530	4,907	151	5,058	89%	11%	0%
10-Year Plan	3,500		3,500	3,106	880	3,987	89%	11%	0%
30-Year Strategy					386	386	0%	0%	0%
<b>Temple View</b>	<b>2,679</b>		<b>2,679</b>	<b>1,082</b>	<b>3,239</b>	<b>4,321</b>	<b>40%</b>	<b>60%</b>	<b>0%</b>
Historical	2,679		2,679	1,082	805	1,887	40%	60%	0%
10-Year Plan					487	487	0%	0%	0%
30-Year Strategy					1,946	1,946	0%	0%	0%
<b>WW - East</b>	<b>67,593</b>		<b>67,593</b>	<b>48,648</b>	<b>5,536</b>	<b>54,184</b>	<b>72%</b>	<b>28%</b>	<b>0%</b>
Historical	7,952		7,952	6,838	1,922	8,760	86%	14%	0%
10-Year Plan	59,641		59,641	41,810	(182)	41,628	70%	30%	0%
30-Year Strategy					3,797	3,797	0%	0%	0%
<b>WW - West</b>	<b>78,617</b>		<b>78,617</b>	<b>51,168</b>	<b>12,047</b>	<b>63,214</b>	<b>65%</b>	<b>35%</b>	<b>0%</b>
Historical	16,181		16,181	14,164	5,276	19,440	88%	12%	0%
10-Year Plan	62,436		62,436	37,003	2,620	39,624	59%	41%	0%
30-Year Strategy					4,150	4,150	0%	0%	0%



## Development Contributions Policy 2021/22

## Hamilton City Council

(\$000s)Growth Related Capital Expenditure (\$000s)	Total Capex Including Subsidies	Total Subsidies & Operating Revenue	Total Capex Net Subsidies	DC Capex	DC Interest	Total Cost DC Funded Capex	% DC Funded	% Rates Funded	% Other Sources
<b>Total Water Supply</b>	<b>236,289</b>	<b>718</b>	<b>235,571</b>	<b>164,299</b>	<b>57,360</b>	<b>221,659</b>	<b>70%</b>	<b>30%</b>	<b>0%</b>
<b>Citywide</b>	<b>181,725</b>		<b>181,725</b>	<b>120,139</b>	<b>46,147</b>	<b>166,287</b>	<b>66%</b>	<b>34%</b>	<b>0%</b>
Historical	111,657		111,657	67,711	22,041	89,752	61%	39%	0%
10-Year Plan	70,068		70,068	52,428	14,851	67,279	75%	25%	0%
30-Year Strategy					9,256	9,256	0%	0%	0%
<b>Infill</b>	<b>13,560</b>	<b>299</b>	<b>13,261</b>	<b>9,075</b>	<b>1,738</b>	<b>10,812</b>	<b>67%</b>	<b>31%</b>	<b>2%</b>
Historical	5,193	299	4,894	2,569	736	3,305	49%	45%	6%
10-Year Plan	8,367		8,367	6,506	416	6,921	78%	22%	0%
30-Year Strategy					586	586	0%	0%	0%
<b>Peacocke</b>	<b>46</b>		<b>46</b>	<b>41</b>	<b>35</b>	<b>76</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
Historical	46		46	41	20	60	89%	11%	0%
10-Year Plan					12	12	0%	0%	0%
30-Year Strategy					4	4	0%	0%	0%
<b>Peacocke 1</b>	<b>1,008</b>		<b>1,008</b>	<b>894</b>	<b>(229)</b>	<b>665</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
Historical	882		882	783	(120)	663	89%	11%	0%
10-Year Plan	125		125	111	(109)	3	89%	11%	0%
<b>Peacocke 2</b>	<b>9,214</b>	<b>384</b>	<b>8,829</b>	<b>7,836</b>	<b>823</b>	<b>8,659</b>	<b>85%</b>	<b>11%</b>	<b>4%</b>
Historical	1,402		1,402	1,244	(6)	1,238	89%	11%	0%
10-Year Plan	7,812	384	7,427	6,592	103	6,695	84%	11%	5%
30-Year Strategy					726	726	0%	0%	0%
<b>Rotokauri</b>	<b>13,783</b>	<b>13</b>	<b>13,770</b>	<b>12,101</b>	<b>6,161</b>	<b>18,261</b>	<b>88%</b>	<b>12%</b>	<b>0%</b>
Historical	8,027	13	8,014	6,993	1,462	8,454	87%	13%	0%
10-Year Plan	5,755		5,755	5,108	1,851	6,959	89%	11%	0%
30-Year Strategy					2,848	2,848	0%	0%	0%
<b>Rototuna</b>	<b>14,303</b>	<b>21</b>	<b>14,282</b>	<b>11,861</b>	<b>77</b>	<b>11,938</b>	<b>83%</b>	<b>17%</b>	<b>0%</b>
Historical	7,393	21	7,371	5,728	38	5,765	77%	22%	0%
10-Year Plan	6,911		6,911	6,133	(246)	5,887	89%	11%	0%
30-Year Strategy					285	285	0%	0%	0%
<b>Ruakura</b>	<b>1,664</b>		<b>1,664</b>	<b>1,477</b>	<b>31</b>	<b>1,508</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
Historical	535		535	476	(32)	444	89%	11%	0%
10-Year Plan	1,128		1,128	1,002	16	1,018	89%	11%	0%
30-Year Strategy					47	47	0%	0%	0%
<b>Temple View</b>	<b>987</b>		<b>987</b>	<b>876</b>	<b>2,576</b>	<b>3,452</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
Historical	987		987	876	696	1,572	89%	11%	0%
10-Year Plan					391	391	0%	0%	0%
30-Year Strategy					1,489	1,489	0%	0%	0%
<b>Grand Total</b>	<b>2,496,228</b>	<b>418,228</b>	<b>2,078,000</b>	<b>1,369,486</b>	<b>309,929</b>	<b>1,679,414</b>	<b>55%</b>	<b>28%</b>	<b>17%</b>

**Note 1 – Capital expenditure groupings**

In the above table, **Historical** means any capex or subsidies spent or received before 30 June 2022; **Long-Term Plan** means any capex or subsidies spent or received between 30 June 2022 and 30 June 2031; and **30-Year Strategy** means any capex or subsidies spent or received after 1 July 2031

## 26. SCHEDULE 3 – CHARGE CALCULATION WORKED EXAMPLE

- 26.1 The calculation of each charge in Schedule 1 is the aggregation of individual project charges in each catchment for each activity in accordance with the formula in section 8 above. Due to the number of projects, showing the calculations for every project is not practicable.
- 26.2 The following exercise illustrates how the charges are calculated at a project level, prior to being aggregated to a catchment and activity level, with the catchment and activity being Rototuna Transport in this example.
- 26.3 Table 6 below shows the method of calculation for the specified project, where NPV is the net present value of the capital expenditure and growth at the assumed interest rate. NPV calculations are used solely to account for interest incurred on development contributions funded projects. No discount is applied for risk or uncertainty.

Table 6 –Development charge calculation worked example

Project: Road 1328.4 Horsham Downs Road Rototuna						Interest Rate (r)	DC Charge for Future Years
Year	(000's)	(000's)	(000's)	(000's)		2.69%	
t	HR	HC	Cost <sub>t</sub>	$(NPV(Cost_t) + HC) - HR$	HUE <sub>t</sub>	NPV(HUE <sub>t</sub> )	DC <sub>t</sub>
NPV:				804		3,090	
2022	505		0		556	556	\$260
2023					417	406	\$260
2024					450	427	\$260
2025					252	233	\$260
2026					180	161	\$260
2027					117	102	\$260
2028					115	98	\$260
2029			582	483	83	69	\$260
2030			336	272	77	62	\$260
2031			703	554	61	48	\$260
2032					72	55	\$260
2033					69	51	\$260
2034					47	34	\$260
2035					50	35	\$260
2036					92	63	\$260
2037					88	59	\$260
2038					88	58	\$260
2039					93	59	\$260
2040					111	69	\$260
2041					83	50	\$260
2042					73	43	\$260
2043					76	44	\$260
2044					65	36	\$260
2045					12	7	\$260
2046					31	16	\$260
2047					44	23	\$260
2048					29	15	\$260
2049					46	22	\$260
2050					85	40	\$260
2051					169	78	\$260
2052					31	14	\$260
2053					22	9	\$260
2054					18	8	\$260
2055					32	13	\$260
2056					16	7	\$260
2057					20	8	\$260
2058					24	9	\$260

## 27. SCHEDULE 4 –DEMAND CONVERSION FACTORS

Table 7– Types of development and household unit equivalents (HUEs per 100m<sup>2</sup> GFA)

Non-Residential Conversion Factors		
DC Account	Sector	Factor
Transport	Commercial	1.740
Water	Commercial	0.394
Wastewater	Commercial	0.507
Stormwater*	Commercial	0.385
Transport	Industrial	0.620
Water	Industrial	0.209
Wastewater	Industrial	0.299
Stormwater*	Industrial	0.281
Transport**	Retail	2.500
Water	Retail	0.324
Wastewater	Retail	0.416
Stormwater*	Retail	0.385

\* Stormwater is calculated per 100m<sup>2</sup> of site area.

\*\* Retail Transport operates on a sliding scale ranging from 1.1 to 2.5. Both this table and the schedule of charges uses 2000m<sup>2</sup> gross floor area. Retail developments are assumed to generate different numbers of trips depending on their size (refer Table 9).

Table 8 – Types of residential development and household unit equivalents

Residential Conversion Factors		
DC Account	Type	Factor
Transport	Large Residential	1.290
Water	Large Residential	1.290
Wastewater	Large Residential	1.290
Stormwater	Large Residential	1.290
Reserves	Large Residential	1.290
Community infrastructure	Large Residential	1.290
Transport	Standard Residential	1
Water	Standard Residential	1
Wastewater	Standard Residential	1
Stormwater	Standard Residential	1
Reserves	Standard Residential	1
Community infrastructure	Standard Residential	1
Transport	Two Bedroom	0.689
Water	Two Bedroom	0.689
Wastewater	Two Bedroom	0.689
Stormwater	Two Bedroom	0.689
Reserves	Two Bedroom	0.689
Community infrastructure	Two Bedroom	0.689
Transport	One Bedroom	0.477
Water	One Bedroom	0.477
Wastewater	One Bedroom	0.477
Stormwater	One Bedroom	0.477
Reserves	One Bedroom	0.477
Community infrastructure	One Bedroom	0.477

*Table 9 – Transport HUEs (per 100m<sup>2</sup> of non-residential GFA)*

Type of development	Vehicle trips	Number of HUEs
Residential (per household unit)	10	1
Commercial (non-retail)	17.4	1.74
Commercial (retail) ≤ 4,000m <sup>2</sup> GFA	25	2.5
Commercial (retail) 4,001 to 10,000m <sup>2</sup> GFA	25 to 11	2.5 to 1.1
Commercial (retail) > 10,000m <sup>2</sup> GFA	11	1.1
Industrial (per 100m <sup>2</sup> of GFA)	6.2	0.62

**Note 1 – Developments for which floor area cannot be used as a proxy for demand**

Developments for which, in the opinion of Council floor area cannot adequately be used as a proxy for demand, development contributions will be charged based upon the ratio of the increased demand that they produce to the demand assumed to be produced by an average household.

**Note 2 – Wet industries**

At the discretion of Council, the charges for water and wastewater for wet industries may be assessed on a case by case basis in relation to the level of demand produced by the development and the cost of servicing it, and set by agreement with the developer in accordance with section 207(A-F) of the LGA. The factors used for calculating the charges for developments that do not fall into this category are averages that have been calculated by excluding usage by wet industries, but wet industry usage has been included in the overall demand growth projections.

**Note 3 – Stormwater HUEs**

Stormwater HUEs are derived on the basis of the expected runoff from impermeable surfaces. A typical residential greenfield development on a 650m<sup>2</sup> section is assumed to have a runoff coefficient of 60% and represents one HUE for a 2-year storm. For non-residential developments, development contributions are assessed on site area, and the HUEs for commercial and industrial developments are calculated on the expected run-off from an average site, relative to the run-off from a residential site in accordance with Council's Infrastructure Technical Specifications.

**Note 4 - Water HUEs**

HUEs for water are calculated on the basis of the expected usage. A typical household is assumed to use 594 litres of water a day (in accordance with the Infrastructure Technical Specifications). The HUEs for commercial and industrial developments are calculated on the expected water usage per 100m<sup>2</sup> of gross floor area, relative to the usage of an average household. This figure is derived from an average over several years of Council's water meter readings.

**Note 5 - Wastewater HUEs**

HUEs for wastewater are based on the HUEs for water with assumed throughput of 70% for residential, 90% for commercial and retail and 100% for industrial developments.

**Note 6 - Transport HUEs**

HUEs for commercial and industrial transport are calculated on the average daily number of vehicle trips in relation to the ten trips per day assumed to be produced a typical household. These numbers are based on Institute of Transport Engineers (ITE) Trip Generation Handbook, 3rd Edition, NZTA Research Report 453 and Trips Database Bureau (TDB).

## **28. SCHEDULE 5 – CAPPING OF RESERVES DEVELOPMENT CONTRIBUTIONS (S203 LGA)**

- 28.1 Residential allotments may be eligible to have the Reserves component of their development contribution charge capped at the greater of 7.5% or 20m<sup>2</sup> of their section value.
- 28.2 To determine if a cap will apply, multiply the section value by 7.5%. Secondly divide 20m<sup>2</sup> by the area of the section and multiply this by the section value. If the reserves charge is higher than either or both of these, then the higher of these two values is the capped reserves charge that will apply.
- 28.3 It will be the responsibility of the developer to demonstrate to the satisfaction of staff that this cap should be applied by providing evidence of the value of the land from an approved registered valuation.

## 29. SCHEDULE 6 – GROWTH FORECASTS

Table 10– Forecast annual supply growth (household unit equivalents or “HUE’s”)

Growth Rates (HUEs)	Activity	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>Citywide</b>	CI	1,226	1,267	1,334	1,328	1,281	1,272	1,351	1,355	1,298	1,300
	Reserves	1,226	1,267	1,334	1,328	1,281	1,272	1,351	1,355	1,298	1,300
	Transport	1,846	1,874	1,894	1,886	1,812	1,798	1,852	1,860	1,789	1,785
	Wastewater	1,415	1,454	1,515	1,507	1,453	1,442	1,515	1,521	1,461	1,461
	Water	1,367	1,406	1,469	1,461	1,409	1,398	1,473	1,478	1,419	1,420
<b>Infill</b>	CI	514	531	559	557	530	523	566	565	542	539
	Reserves	514	531	559	557	530	523	566	565	542	539
	Transport	831	862	883	900	861	856	889	882	858	854
	Wastewater	611	632	663	663	632	625	667	664	642	639
	Water	586	606	637	636	606	600	641	639	616	614
<b>Infill East</b>	CI	242	251	327	194	283	336	309	272	254	275
	Reserves	242	251	327	194	283	336	309	272	254	275
	Transport	368	362	404	271	315	460	405	351	369	411
	Wastewater	274	276	347	216	293	372	338	296	291	316
	Water	266	271	343	211	290	364	331	290	282	306
<b>Infill West</b>	CI	271	280	232	362	247	187	257	293	288	264
	Reserves	271	280	232	362	247	187	257	293	288	264
	Transport	462	500	478	629	546	396	483	531	488	443
	Wastewater	337	355	316	448	339	253	329	367	351	323
	Water	320	336	294	426	316	236	310	349	335	307
<b>Peacocke</b>	CI	108	190	312	290	424	438	484	353	370	355
	Reserves	108	190	312	290	424	438	484	353	370	355
	Transport	108	192	312	292	427	440	490	375	398	387
	Wastewater	108	191	312	290	425	438	485	359	378	364
	Water	108	191	312	290	425	438	485	358	376	362
<b>Peacocke 1</b>	CI	79	62	72	19	13	11	5	2	7	1
	Reserves	79	62	72	19	13	11	5	2	7	1
	Transport	79	62	72	19	13	11	5	2	7	1
	Wastewater	79	62	72	19	13	11	5	2	7	1
	Water	79	62	72	19	13	11	5	2	7	1
<b>Peacocke 2</b>	CI	29	129	240	270	411	427	479	350	363	354
	Reserves	29	129	240	270	411	427	479	350	363	354
	Transport	29	130	240	273	414	429	485	372	391	386
	Wastewater	29	129	240	271	412	427	480	356	371	363
	Water	29	129	240	271	411	427	480	355	369	361
<b>Rotokauri</b>	CI	12	96	40	52	52	63	52	74	102	217
	Reserves	12	96	40	52	52	63	52	74	102	217
	Transport	146	207	117	106	94	102	95	128	156	267
	Wastewater	61	135	67	71	67	77	68	95	121	235
	Water	47	125	60	66	63	73	64	89	116	230
<b>Rototuna</b>	CI	423	308	372	192	131	70	75	45	48	33
	Reserves	423	308	372	192	131	70	75	45	48	33
	Transport	556	417	450	252	180	117	115	83	77	61
	Wastewater	452	333	392	208	145	84	87	55	56	41
	Water	446	327	387	204	142	81	84	53	55	39
<b>Ruakura</b>	CI	169	142	51	171	57	138	96	205	109	44
	Reserves	169	142	51	171	57	138	96	205	109	44
	Transport	189	177	103	234	124	205	153	253	150	79
	Wastewater	176	154	70	193	81	162	118	224	127	60
	Water	174	151	64	187	74	156	111	219	122	55
<b>Te Rapa North</b>	CI	0	0	0	67	87	40	78	113	127	112
	Reserves	0	0	0	67	87	40	78	113	127	112
	Transport	14	15	27	100	123	77	108	136	149	133
	Wastewater	7	7	11	80	102	55	90	123	137	121
	Water	5	5	8	77	98	51	87	120	134	118
<b>Temple View</b>	CI	0	0	0	0	0	0	0	0	0	0
	Reserves	0	0	0	0	0	0	0	0	0	0
	Transport	2	3	2	2	3	2	2	3	2	3
	Wastewater	1	1	1	1	1	1	1	1	1	1
	Water	0	1	0	0	1	0	0	1	0	1

Growth Rates (HUEs)	Activity	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
SW - Chartwell	Stormwater	70	117	123	66	149	73	175	93	99	134
SW - City Centre	Stormwater	108	124	139	70	51	60	84	120	177	117
SW - Citywide	Stormwater	1,592	1,626	1,685	1,671	1,616	1,599	1,670	1,665	1,600	1,593
SW - Hamilton East	Stormwater	93	70	57	30	62	181	74	68	20	64
SW - Kirikiriroa	Stormwater	275	188	140	281	146	241	102	289	210	132
SW - Lake Rotokauri	Stormwater	12	41	41	43	41	44	39	39	42	150
SW - Mangaheka	Stormwater	96	77	58	44	35	33	41	50	61	59
SW - Mangakotukutuku	Stormwater	112	214	269	292	360	432	470	355	321	311
SW - Mangaonua	Stormwater	19	15	14	31	39	57	92	33	9	11
SW - Ohote	Stormwater	0	56	0	10	12	19	8	29	38	42
SW - Otama-ngenge	Stormwater	87	44	34	27	25	22	19	16	13	12
SW - Peacocke	Stormwater	0	41	89	126	121	68	68	53	70	101
SW - River North	Stormwater	10	0	0	0	0	0	0	0	0	0
SW - Rotokauri West	Stormwater	0	0	0	0	0	0	0	0	0	0
SW - St Andrews	Stormwater	80	108	80	216	103	142	171	130	103	104
SW - Te Awa o Katapaki	Stormwater	315	304	370	192	128	61	75	45	48	31
SW - Te Rapa Stream	Stormwater	24	21	67	91	138	69	82	148	177	143
SW - Temple View	Stormwater	1	2	1	1	2	1	1	2	1	2
SW - Waitawhiriwhiri	Stormwater	290	198	198	99	191	95	163	196	211	171
SW - Western Heights	Stormwater	0	5	5	53	13	0	5	0	0	10
WW - East	Wastewater	931	893	1,049	888	931	1,046	1,023	932	845	780
WW - West	Wastewater	484	561	466	619	522	396	492	588	616	681

**Note 1** - The above forecasts form part of a more complex growth model used in the calculation of charges, and which is available for inspection by request to Council.

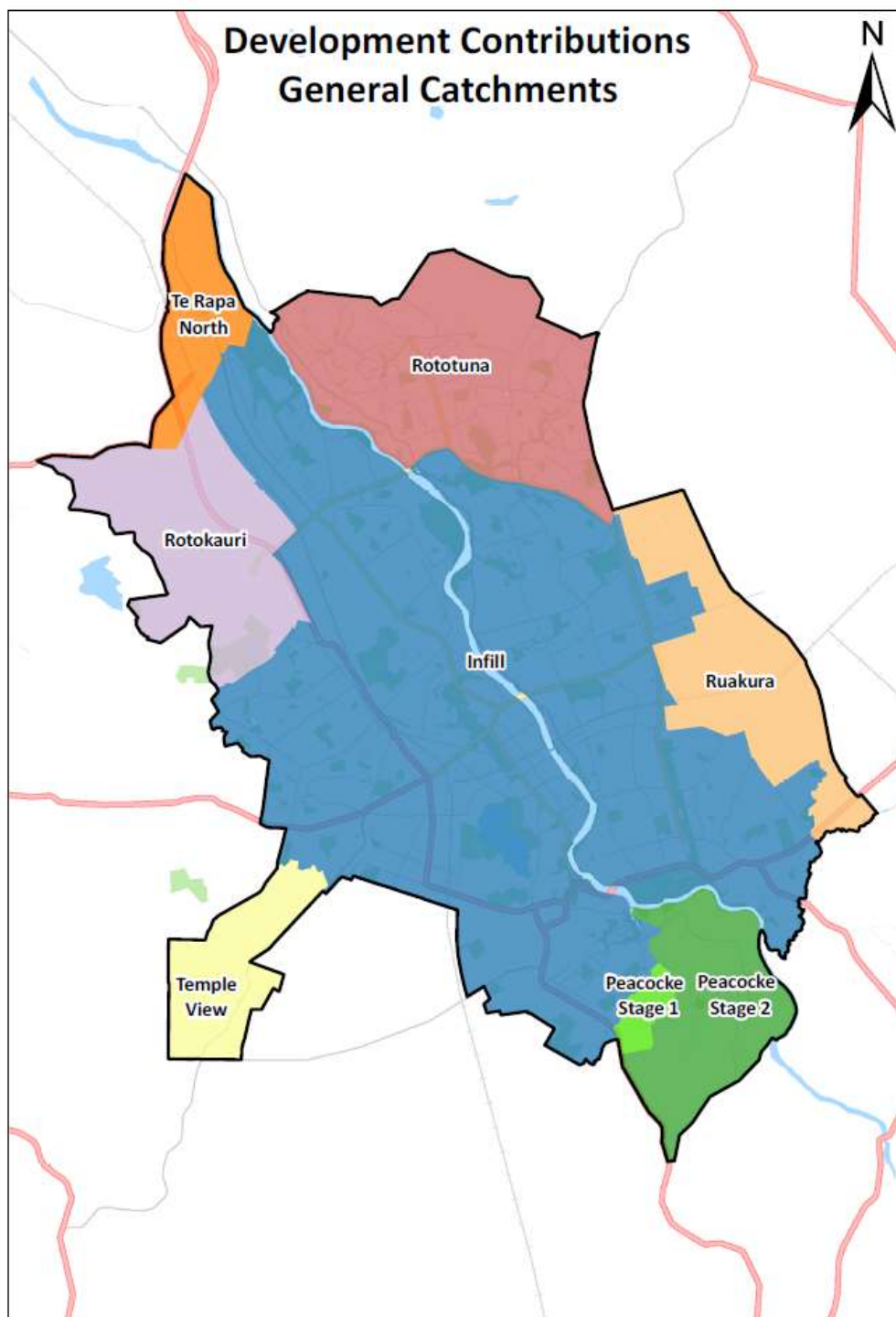


### 30. SCHEDULE 7 – DEVELOPMENT CONTRIBUTIONS CATCHMENT MAPS

#### Map 1 – General Catchments

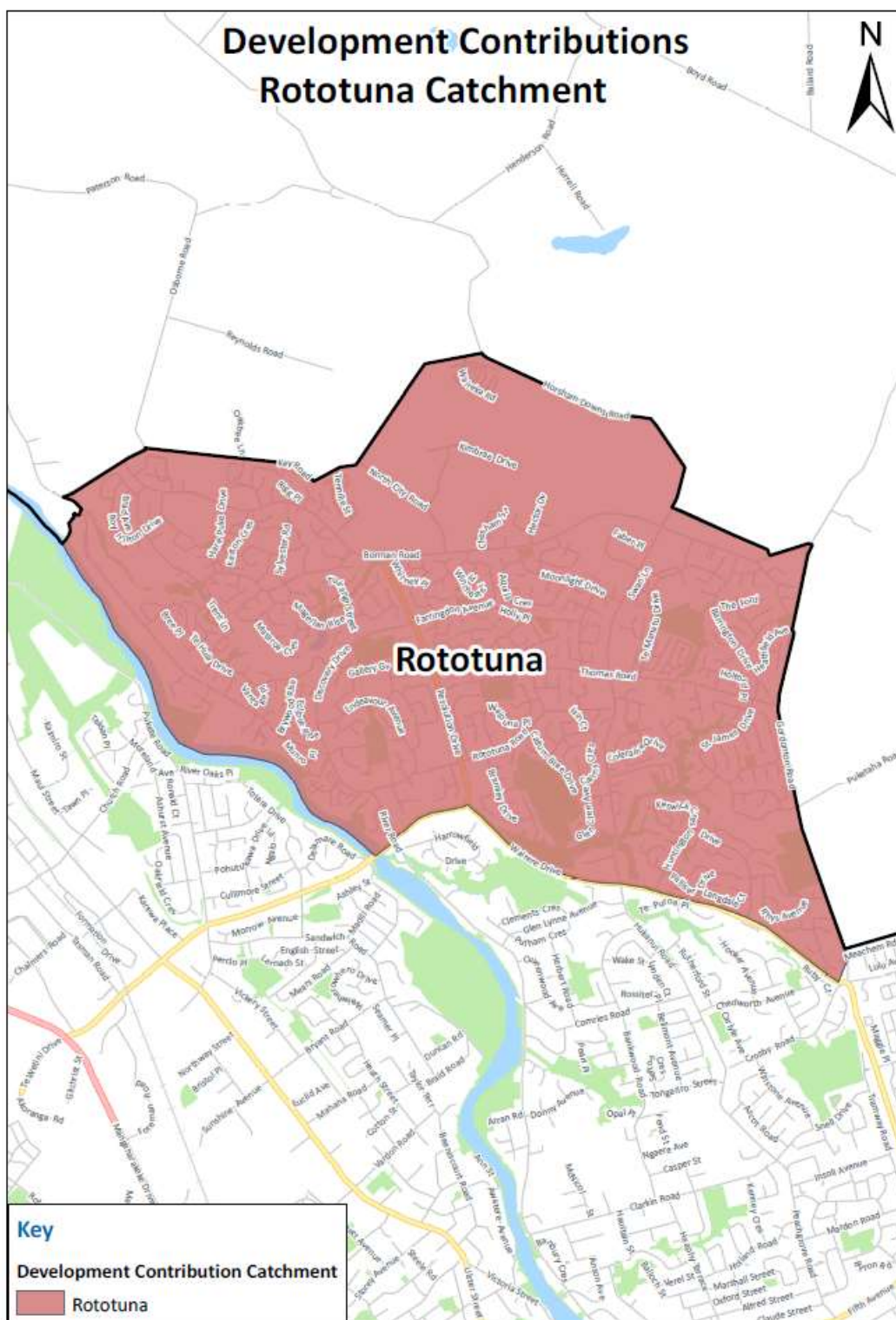
For more detail regarding areas please refer to Council's [development contributions GIS viewer](#).

(shows all activities except stormwater & bulk wastewater (refer to maps 9 & 10 below). An additional “citywide” catchment includes all other catchments).



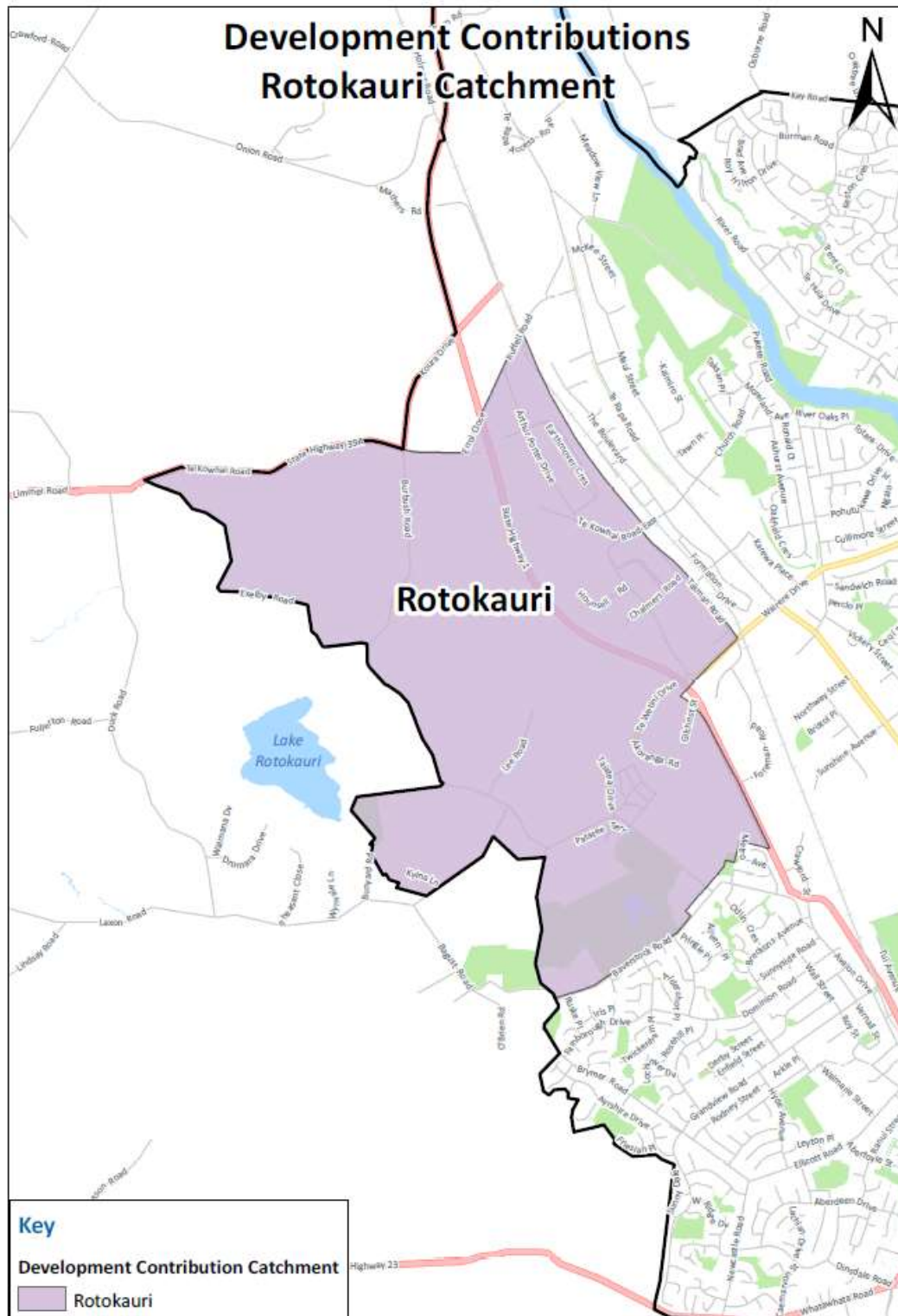
## Map 2 – Rototuna catchment

For more detail regarding areas please refer to Council's [development contributions GIS viewer](#).



Map 3 – Rotokauri catchment

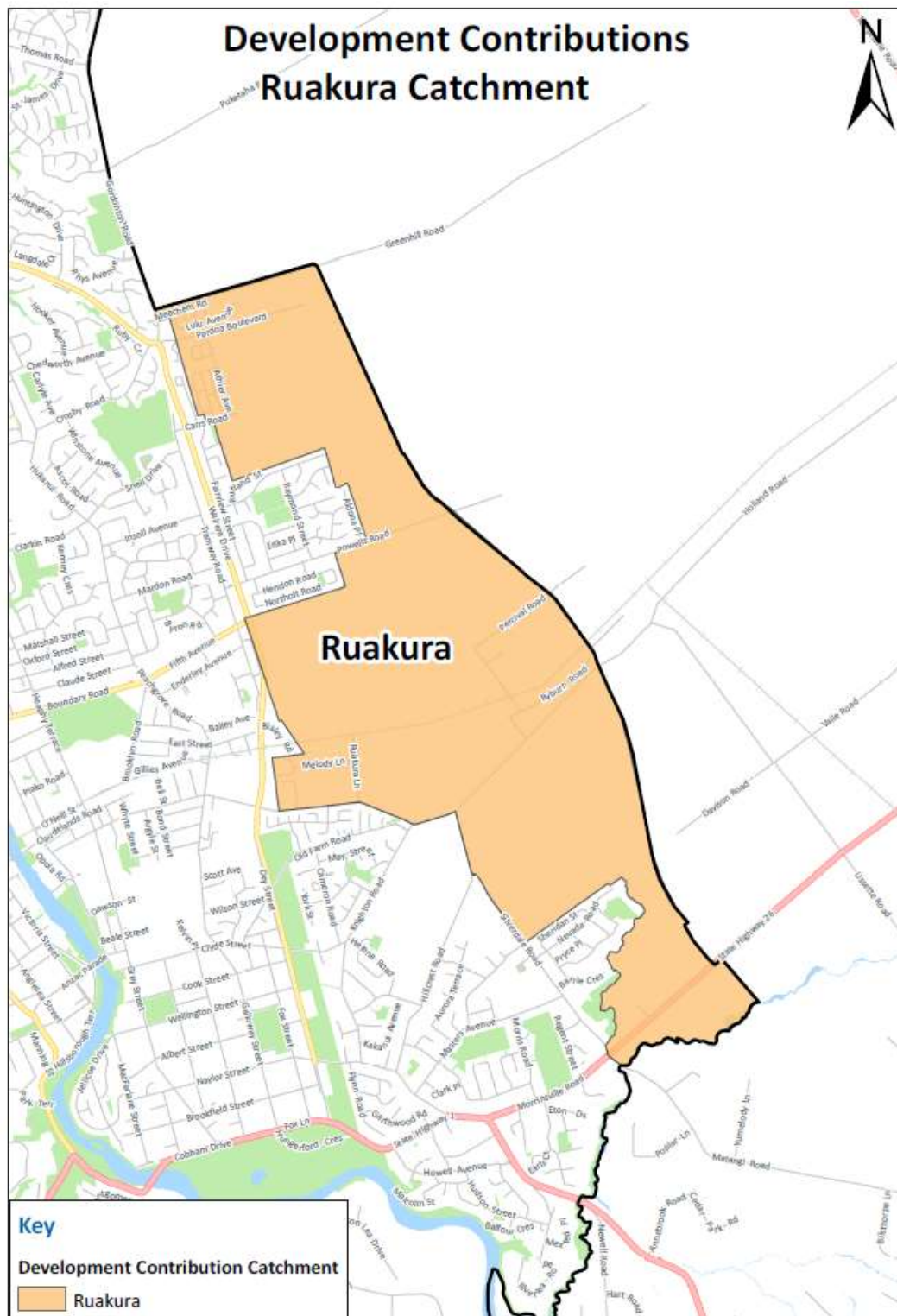
For more detail regarding areas please refer to Council's [development contributions GIS viewer](#).





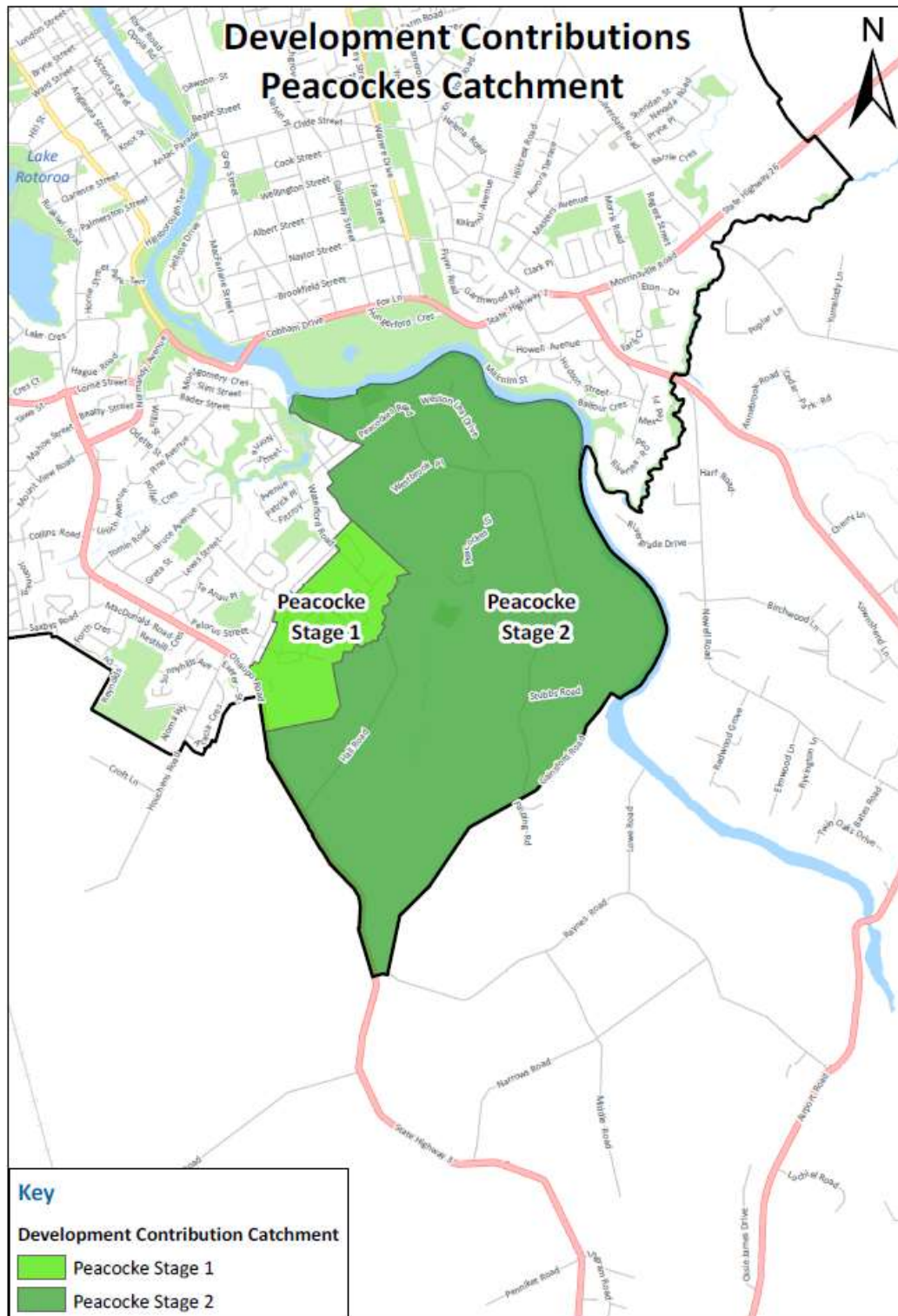
**Map 4 – Ruakura Catchment**

For more detail regarding areas please refer to Council's [development contributions GIS viewer](#).



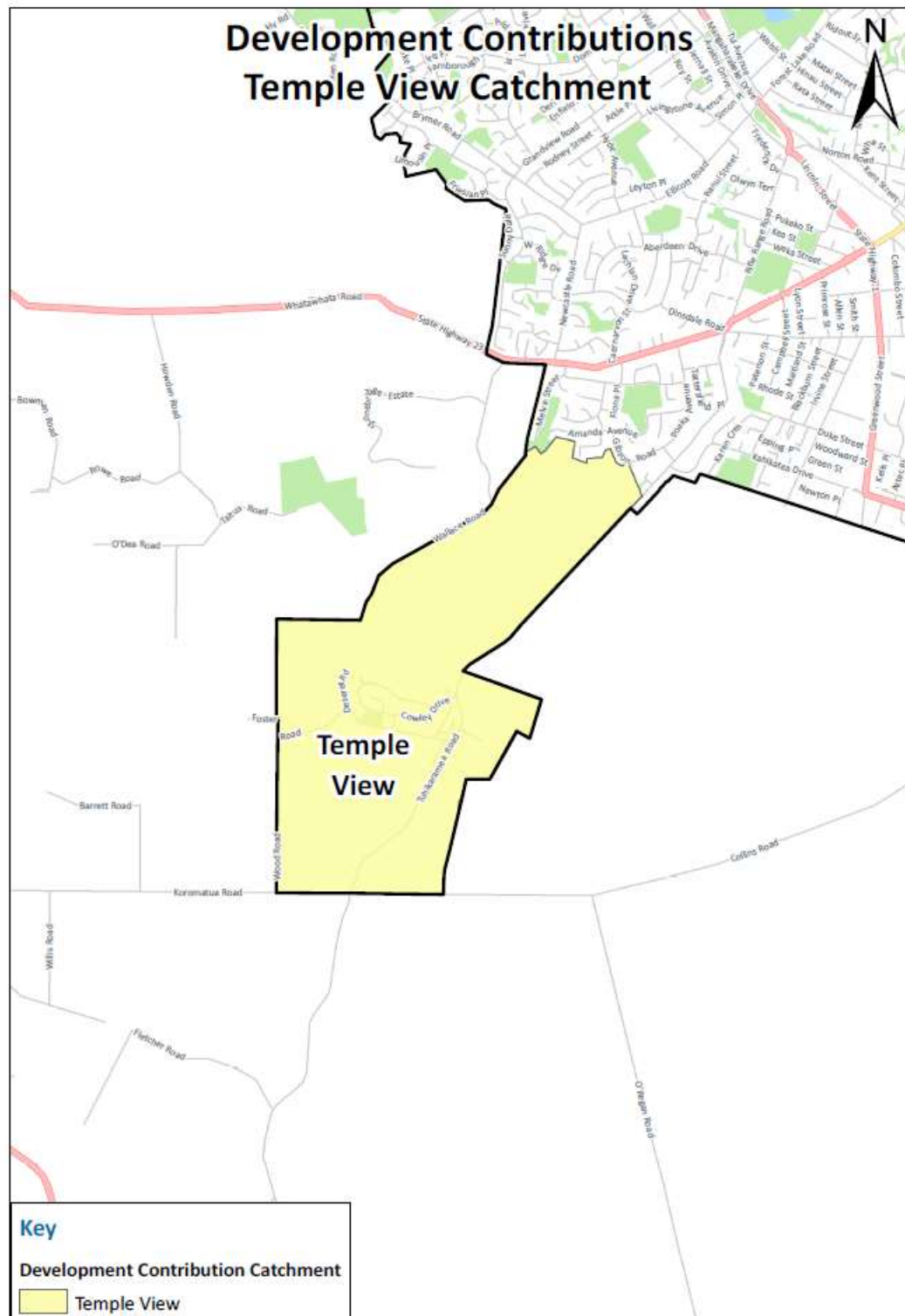
## Map 5 – Peacocke Catchments

For more detail regarding areas please refer to Council's [development contributions GIS viewer](#).



## Map 6 – Temple View Catchment

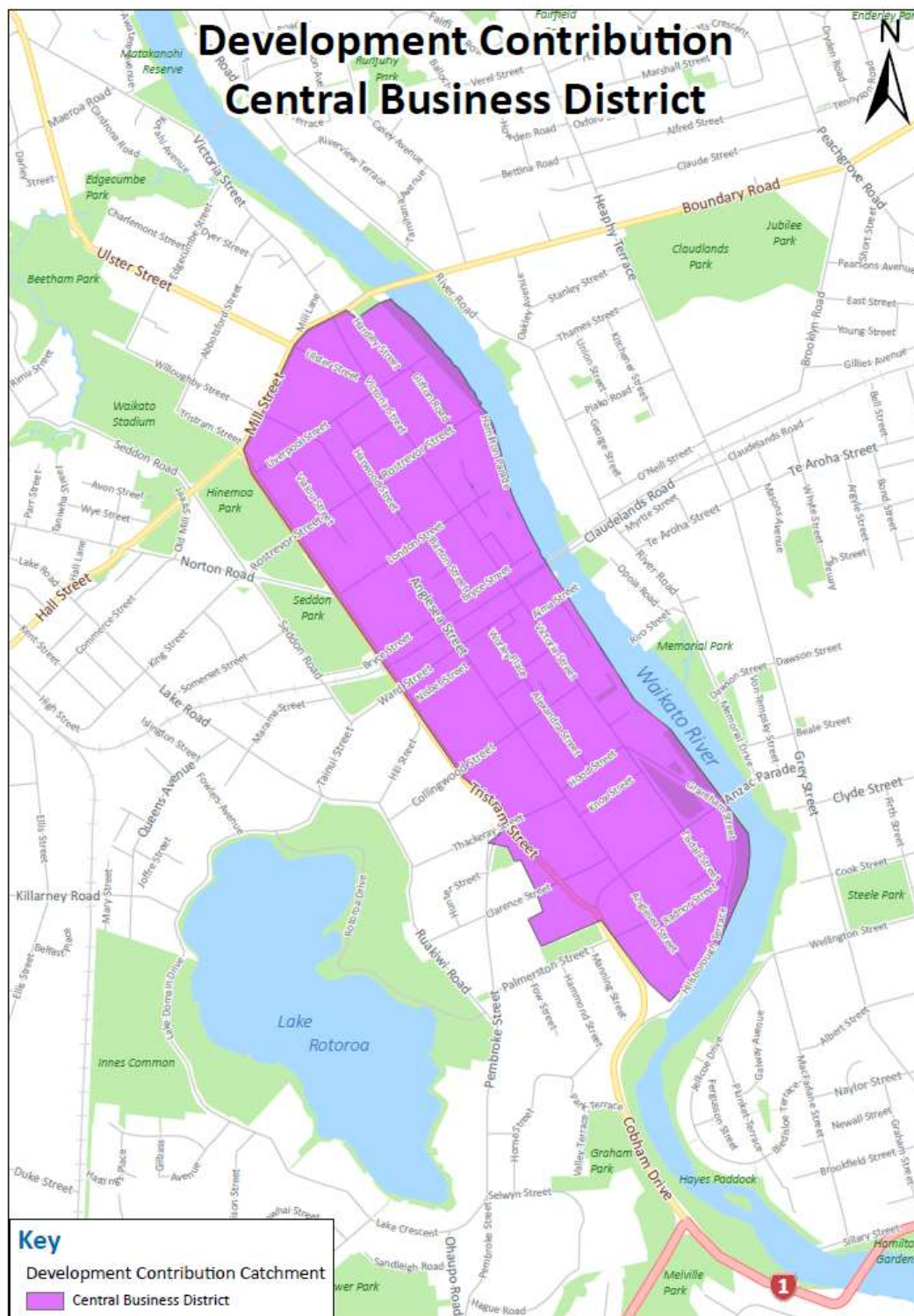
For more detail regarding areas please refer to Council's [development contributions GIS viewer](#).





Map 7 – CBD Catchment

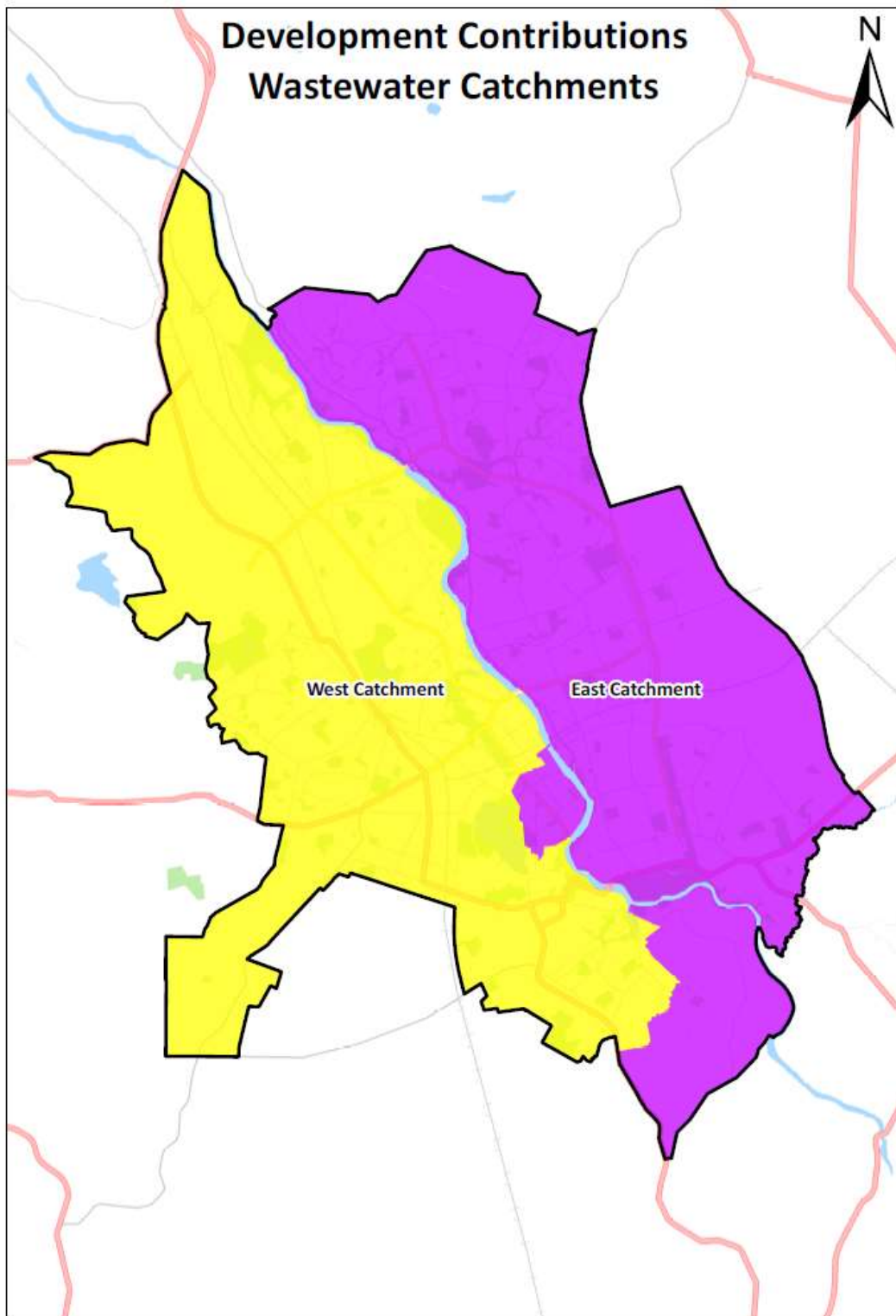
For more detail regarding areas please refer to Council's [development contributions GIS viewer](#).





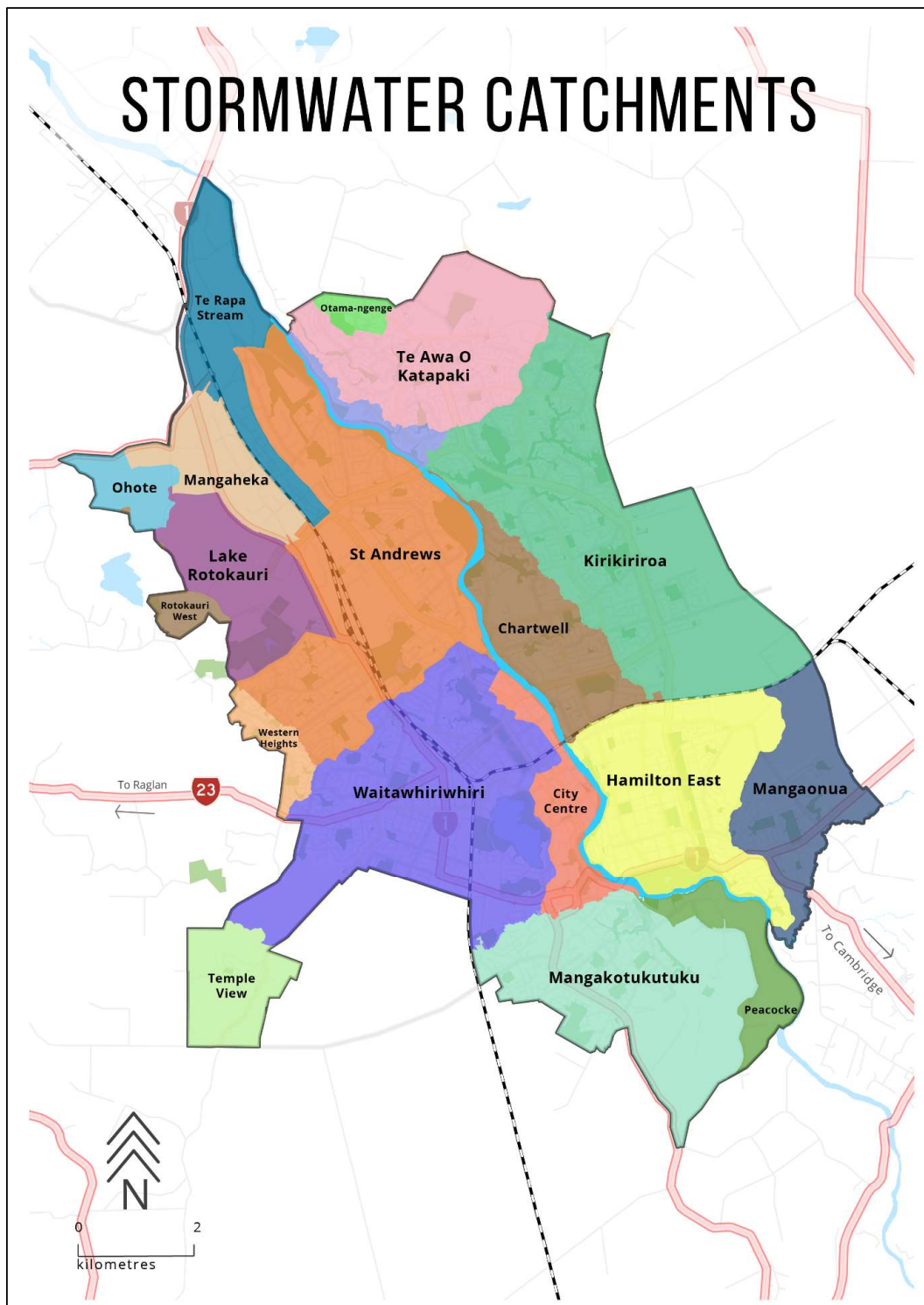
*Map 8 – Catchments for Bulk Wastewater Infrastructure*

*For more detail regarding areas please refer to Council's [development contributions GIS viewer](#).*



*Map 9 – Catchments for Stormwater Infrastructure*

For more detail regarding areas please refer to Council's [development contributions GIS viewer](#).



**END**

First adopted:	1 July 2005
Revision dates/version:	Version <del>1415</del> , Adopted <del>20 June 2019</del> <del>tbc</del> .
Date this Policy operative:	<del>1 July 2019</del>
Engagement required:	Sections 82-87 LGA 2002
Document number:	D- <del>29243873595877</del>
Associated documents:	Refer <a href="http://www.hamilton.govt.nz/dc">www.hamilton.govt.nz/dc</a>
Sponsor/Group:	City Growth

## **DRAFT DEVELOPMENT CONTRIBUTIONS POLICY**

**~~2019/20~~**

**2021/22**



## 1. PURPOSE OF POLICY

- 1.1 The purpose of this Development Contributions Policy ("the Policy") is to:
- Provide predictability and certainty about the role development contributions play in Council's overall funding and financial strategy;
  - Establish a policy framework for the calculation of development contributions and how they are to be applied to Council activities;
  - Enable the development community to understand how and in what proportions it pays for infrastructure which supports growth;
  - Set development contributions at a level which will assist Council in delivering on its role and purpose as defined under the Local Government Act 2002 (LGA).

## 2. QUICK REFERENCE GUIDE

- 2.1 The following table provides quick references to key sections of the Policy:

Section	Section Name	Page
<b>Section 5</b>	What is a development contribution?	<del>55</del> 4
<b>Section 6</b>	Definitions	<del>66</del> 5
<b>Section 9</b>	Capped <del>and Phased</del> Charges	14
<b>Section 11</b>	Stages when development contributions are required	<del>22</del> 233
<b>Section 12</b>	Payment of development contributions	<del>23</del> 2424
<b>Section 13</b>	Limitations and calculation of credits and exemptions	<del>25</del> 266
<b>Section 14</b>	Request for reconsideration	<del>25</del> 266
<b>Section 15</b>	Objecting to your charge	<del>26</del> 277
<b>Section 17</b>	Special Assessments	<del>27</del> 288
<b>Section 18</b>	Remissions	<del>28</del> 2929
<b>Section <del>20</del>21</b>	How to estimate your development contribution charge	<del>30</del> 312
<b>Schedule 1</b>	Table of Charges	<del>31</del> 334
<b>Schedule <del>8</del>7</b>	Catchment maps	<del>45</del> 4954

- 2.2 These are suggested as sections for first reference, but the Policy needs to be considered in its entirety. The full methodology and supporting information behind the Policy is also available from Council upon request.
- 2.3 The following summary information can be viewed by clicking the links below. They are for guidance and information only, and do not supersede anything in this Policy.
- [Development contributions information sheet](#)
  - [How to estimate a development contribution charge](#)
  - [When do I need to pay a development contribution?](#)
- 2.4 For further guidance and information please visit [Council's development contributions website](#)

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## 4. POLICY BACKGROUND

- 4.1 Hamilton has grown rapidly over the past few decades and although the rate of growth slowed down following the global financial crisis, economic activity has been strong for several years and ongoing growth is projected for Hamilton into the foreseeable future.
- 4.2 Council is required to ensure that this growth is efficiently managed and accommodated within the city so that growth benefits the entire community. The primary way that Council performs this function is by delivering infrastructure to support this growth in an efficient and cost-effective manner. That infrastructure includes reserves, community infrastructure, and network infrastructure such as roads, water, wastewater, and stormwater systems.
- 4.3 Council must plan for this future demand for infrastructure that comes from growth, and establish a capital expenditure programme which provides for these activities over time. It must also determine how these activities are to be paid using the range of funding sources available to it, including rates, financial contributions under the Resource Management Act 1991, grants, and development contributions.
- 4.4 Council is required to determine how each activity is to be funded, including what activities should be funded wholly, or in part, by development contributions, which are a direct method of targeting the developer community as a funding source. The need for some infrastructure, for example, is brought about solely to meet additional demand created by development, and so it is fair that the developer community contributes significantly to these costs. However, new infrastructure may also benefit the wider community, and so it is appropriate that they also contribute to the costs. An appropriate balance must be struck, depending on the activity.
- 4.5 This Policy establishes a framework for determining what level of funding an activity will receive by way of development contributions, and assists developers in determining the level of development contributions payable by them on a development by development basis.
- 4.6 This Policy takes effect on 1 July ~~2019~~2021 and will apply to applications for consents or service connections submitted on or after that date where accompanied by all required information.
- 4.7 Applications for consents or authorisations submitted to Council prior to 1 July ~~2019~~2021 but not granted until after 1 July ~~2019~~2021 will be considered under the policy that was in force at the time that the application was submitted to Council accompanied by all required information.

## 5. WHAT IS A DEVELOPMENT CONTRIBUTION (\$197AA, AB LGA)

- 5.1 A development contribution is a contribution made by a developer to Council which is provided for in this Policy and calculated in accordance with the methodology set out in this Policy and established by the LGA; it can comprise money, land or a combination of both.
- 5.2 The purpose of the development contribution provisions as stated in 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.



- 5.3 A development contribution may be required in relation to developments if the effect of the developments is to require new or additional assets or assets of increased capacity, and as a consequence, Council incurs capital expenditure to provide appropriately for community infrastructure, reserves or network infrastructure. Developments are considered in this context to be cumulative with other developments.
- 5.4 Council can require a development contribution ~~in order~~ to pay for capital expenditure already incurred by it in anticipation of the development.
- 5.5 Before any development contribution can be levied in respect of development, it must be demonstrated that the development, which can be any subdivision or other development, by itself or in combination with other developments, generates a demand for community infrastructure, reserves or network infrastructure. Network infrastructure means the provisions of roads and other transport, water, wastewater, and stormwater collection and management. Council can require a development contribution to be made to it upon the granting of resource consent under the Resource Management Act 1991, the granting of a building consent or certificate of acceptance under the Building Act (2004), or upon authorisation of service connection being granted.
- 5.6 A development contribution cannot be levied if Council has imposed a financial contribution condition under the Resource Management Act 1991 in respect of the same development for the same purpose, or if the developer will fund or otherwise provide for the same community infrastructure, reserve or network infrastructure, or Council has received or will receive funding from another source.

## 6. DEFINITIONS

- 6.1 ~~10-Year~~**Long-Term Plan** means Council's adopted long term plan in accordance with the LGA.
- 6.2 **activity** means transport, water, wastewater, stormwater, community infrastructure or reserves.
- 6.3 **allotment** means:
- a) any parcel of land under the Land Transfer Act 1952 that is a continuous area and whose boundaries are shown separately on a survey plan, whether or not:
    - i. the subdivision shown on the survey plan has been allowed, or subdivision approval has been granted by Council.
    - ii. a subdivision consent for the subdivision shown on the survey plan has been granted under the Act.
  - b) any parcel of land or building or part of a building that is shown or identified separately:
    - i. on a survey plan.
    - ii. on a licence within the meaning of Part 7A of the Land Transfer Act 1952.
  - c) any unit on a unit plan.
  - d) any parcel of land not subject to the Land Transfer Act 1952.
- 6.4 **ancillary activity** means any non-residential activity on the same site as another principal non-residential building or activity and whose use is incidental to the principal building or

principal activity, and which occupies not more than 25% or 250m<sup>2</sup> of the activity's gross floor area on the site and associated premises (including any associated premises on an immediate adjoining site), whichever is the lesser.

- 6.5 **base charge** means the unmodified development contribution charge generated by the development contributions calculation model.
- 6.6 **bedroom** means an area of a residential unit that is not:
- the kitchen, bathroom(s), laundry and toilet(s),
  - the dining room or living room (but not both) whether open plan with the kitchen or not,
  - entrance halls and passageways,
  - garage, and
  - any other room smaller than 6m<sup>2</sup>.
- 6.7 **capex** means capital expenditure.
- 6.8 **capped charge** means a development contribution charge manually adjusted to a level lower than the base charge (refer section 9: capped charges).
- 6.9 **catchment** means an area shown in Maps 1-9 (refer Schedule ~~87~~) within which a separately calculated and specified set of development contributions charges apply.
- 6.10 **CBD** means the Central Business District. An area defined as the Business Improvement District (BID) in Council's Rating Policy.
- 6.11 **citywide** means the catchment that covers the entire city. The citywide charge forms a component of all other development contribution charges.
- 6.12 **commercial development** means any development involving the use of premises (land and buildings) for administration or professional activities, leisure and recreation activities, community centres, places of worship, mobile accommodation, ~~motel~~overnight accommodation, and all other activities not covered by the definitions of residential, retail, and industrial development.
- ~~6.13~~ **community infrastructure means**
- means land, or development assets on land, owned or controlled by the territorial authority for the purpose of providing public amenities; and
  - includes land that the territorial authority will acquire for that purpose
- ~~6.136.14~~ **Council** means the Hamilton City Council and includes any committee, subcommittee or person acting under delegated authority.
- ~~6.146.15~~ **Council's website** means [www.hamilton.govt.nz/dc](http://www.hamilton.govt.nz/dc)
- ~~6.156.16~~ **DC** means development contribution.
- ~~6.166.17~~ **developer** means any individual entity or group undertaking development.
- ~~6.176.18~~ **development** means any subdivision, building (as defined in section 8 of the Building Act 2004), land use, or work that generates a demand for community infrastructure, reserves or network infrastructure; but does not include the pipes or lines of a network utility operator.

~~6.186.19~~ **one bedroom dwelling** means a residential unit with not more than one bedroom in total.

~~6.196.20~~ **two bedroom dwelling** means a residential unit with not more than two bedrooms in total.

~~6.206.21~~ **standard residential dwelling** means a residential unit with not more than three bedrooms in total.

~~6.216.22~~ **large residential dwelling** means a residential unit with more than three bedrooms in total.

~~6.226.23~~ **granted** means the date that an application for a consent or service connection is approved by Council.

~~6.236.24~~ **greenfield** means any catchment other than the citywide and infill catchments.

~~6.246.25~~ **gross floor area (GFA)** means the sum of the ~~gross floor~~ area of all floors of all buildings on a site measured from the exterior faces of the exterior walls or from the centrelines of walls separating two buildings. Gross floor area shall:

- a) include elevator shafts, stairwells and lobbies at each floor and mezzanine floors and balconies,
- b) exclude any provided car-parking, incidental or temporary loading and servicing areas and access thereto and building service rooms containing equipment such as lift machinery, tanks, air conditioning and heating plants,
- c) exclude buildings and structures where defined as temporary in a relevant consent,
- d) include permanent outdoor covered structures,
- e) for the purposes of this Policy, include car parking provided on a commercial basis, and
- f) in cases where there is no constructed floor or in which existing floor area is covered for the first time by a roof or other covered structure, include the area under the roof or the covered structure.

~~6.256.26~~ **household unit equivalent (HUE)** means demand for Council services, equivalent to that produced by an average household.

~~6.266.27~~ **industrial development** means any development involving the use of premises (land and buildings) for manufacturing, processing, bulk storage, warehousing, servicing and repair activities, or if the use of premises is unknown, any development permitted or authorised by resource consent in an industrial zone.

~~6.276.28~~ **infrastructure** means network infrastructure, community infrastructure or reserves.

~~6.29~~ **Infrastructure Strategy** means the 30-Year Infrastructure Strategy adopted with Council's ~~10-Year~~Long-Term Plan.

~~6.286.30~~ **lodgement Date** means in accordance with S 198 (2A) LGA 02 the date at which an application for building consent, resource consent or authorisation of service connection was submitted, accompanied by all required information.

~~6.296.31~~ **lot** means allotment.

~~6.306.32~~ **LGA** means the Local Government Act 2002.

~~6.316.33~~ **network infrastructure** means the provision of roads and other transport, water, wastewater, and stormwater collection and management as defined by the LGA.

~~6.326.34~~ **residential activities** mean the use of land and buildings on a site by people for living accommodation either alone, in families or groups.

~~6.336.35~~ **residential development** means new buildings or parts of buildings designed to be used as residential units. This includes but is not limited to apartments, semi-detached and detached houses, ancillary residential units, units, town-houses, private units within a retirement village, show homes, self-contained accommodation, and new allotments on land that is zoned residential.

~~6.346.36~~ **residential unit** means a building or group of buildings, or part of a building or group of buildings that are used, or intended to be used, only or mainly for residential activities.

~~6.356.37~~ **retail development** means any development involving the use of land or buildings where goods and services are offered or exposed to the general public for sale, hire or utilisation. For the purposes of this Policy, this definition shall include restaurants, licensed premises and food and refreshment facilities.

~~6.366.38~~ **Schedule of Assets** means the S201 LGA schedule available on Council's website.

~~6.376.39~~ **sector** means residential, industrial, commercial, retail, or wet industries

~~6.386.40~~ **self-contained accommodation** means a residential unit which has kitchen, toilet and bathroom facilities.

~~6.396.41~~ **site** means an area of land which is:

- a) Comprised in a single certificate of title or in respect of which a single certificate of title could be issued without further consent from the Council.
- b) Composed of two or more lots held together in one (or more) certificate(s) of title and where no single lot can be dealt with separately without the prior consent of the Council.
- c) An area of land which has been defined for the purpose of transferring it from one certificate of title to another.
- d) An area of land which is, or is to be, used or developed as one property whether or not that use, or development covers the whole or a part(s) of one or more lots.

~~6.406.42~~ **wet industries** means industrial developments that are assessed to or will utilise more than 15,000 litres of water per day.

## 7. GROWTH-RELATED CAPITAL EXPENDITURE (S101(3), S106(2), S197AB, S199(1), S201(1) LGA)

### 7.1 Summary and explanation of growth-related capital expenditure (s106(2), (2)(a) s201A LGA)

7.2 Based on demographic and economic data it is projected that Hamilton will continue to grow over the next few decades. Some of this growth can be supported by existing Council infrastructure, but Council has identified that there will also be a need for ~~a number~~ of several new assets and an increase in the capacity of a number of existing assets.

- 7.3 Major growth-related infrastructure projects in Council's 30 Year Infrastructure Strategy include further extensions of the Hamilton Ring Road including a four-lane bridge into ~~Peacockes~~Peacocke, capacity increases relating to water and wastewater headworks, completion of existing and the provision of new sports parks, a stormwater floodway in Rotokauri, and extensions to water, wastewater, transport and stormwater infrastructure in Rototuna, Ruakura, Rotokauri, and ~~Peacockes~~Peacocke.
- 7.4 Not all growth-related projects can be funded from development contributions. A development contribution can only be levied where it can be demonstrated that the effect of the development, either alone or in combination with other developments, is to require new or additional assets or assets of increased capacity, and as a consequence, Council incurs capital expenditure to provide that infrastructure.
- 7.5 Where this criterion can be met, Council has chosen to recover some of the costs for these infrastructure projects from development contributions.
- 7.6 The Schedule of Assets sets out in detail information for each new asset or programme of works, including the estimated capital costs and the proportion proposed to be recovered through development contributions and through other funding sources.
- 7.7 **Development contribution components and proportion of growth-related capital expenditure funded by development contributions (s199(1), 106(2)(b) LGA)**
- 7.8 The growth-related capital expenditure that Council has incurred, and will incur over the ~~10-Year~~Long-Term Plan period and for selected projects the 30 Year Infrastructure Strategy period, is allocated across a number of groups of activities that are impacted by increased demand, and will be funded from a mix of development contributions, rates, financial reserves, and NZTA subsidies as set out in the Schedule of Assets.
- 7.9 The development contribution charges for these groups of activities correspond to ~~five~~six development contribution charge accounts maintained by Council. The ~~five~~six development contribution accounts cover the ~~two~~three types of infrastructure for which Council takes development contributions, these being community infrastructure, reserves and network infrastructure. The latter is further divided for charging purposes into transport, water, wastewater and stormwater.
- 7.10 **Rationale for using development contributions as a funding source (s106(2)(c), 101(3) LGA)**
- 7.11 The proportion of costs that will be funded by development contributions has been determined using the following rationale.
- 7.12 Community outcomes
- 7.13 Council's growth-related capital expenditure primarily contributes to the following community outcome identified to guide city strategic planning: *"a city that embraces growth - our city has infrastructure that meets our current demands, supports growth and helps build a strong economy."*
- 7.14 Council considers that this community outcome is best promoted by:
- the timely provision of infrastructure to support growth in Hamilton, while protecting ratepayers from unacceptable annual rates increases by taking development contributions to fund an appropriate portion of growth-related capital expenditure;

- b) using conservative assumptions to forecast growth or project development contribution revenue; and
  - c) allocating costs of growth-related expenditure to reflect the causes and benefits of growth infrastructure provision and hence encouraging sustainable development activity by ensuring that developers meet their fair and equitable share of the costs related to the infrastructure provided.
- 7.15 Additionally, in the process of allocating costs to development contributions, Council's outcomes and goals specific to each major project were identified and taken into consideration.
- 7.16 Causes and benefits
- 7.17 The LGA provides that cost allocations used to establish development contributions should be determined according to, and be proportional to, the persons who will benefit from the growth-related assets to be provided (including the community as a whole) as well as those who create the need for those assets.
- 7.18 It is Council's view that development is a major cause of the costs identified in the Schedule of Assets, and that this growth-related expenditure is necessary to enable the growth of the city to continue without reducing the current levels of service provided.
- 7.19 Developers will also derive benefit from this expenditure on infrastructure by Council, so it is fair and equitable that developers should pay for a reasonable portion of these costs through development contributions.
- 7.20 Extent to which development causes expenditure
- 7.21 In evaluating the extent to which development causes expenditure, some components of the total cost of growth-related capital projects will be excluded from charging, including growth caused from outside the city, growth that is caused and benefits only the general rating community, and level of service improvements. This portion will be funded separately from other sources including central government subsidies and general rates loans – recognising that some of the benefits derived from these assets accrue both to the existing community and to future ratepayers, and those outside the city.
- 7.22 Cost allocations are evaluated on a project-by-project basis or for groups of projects, and include consideration of:
  - the project description and relevant information
  - the purpose and key outcomes of project
  - related projects and project dependencies
  - rationale for the choice of catchment
  - multiple Levels of Service considerations
  - growth benefits and growth causation rationale
  - the duration of those benefits
  - the exclusion of non-DC growth.
- 7.23 Projects considered to be of the greatest significance in terms of quantum of cost, complexity, or other matters, including community considerations, have been assessed in substantially more detail. Individual substantive engineering reports have been compiled and referred to for the purposes of allocating costs, including disaggregation of projects into

component projects for finer grained analysis, and detailed project and asset metrics under guidance from an external asset management specialist.

- 7.24 These reports and the wider analysis intend to rigorously capture what is meant by level of service deficiencies and its different dimensions and significance, and to assess capital projects on the extent to which they are driven by these level of service deficiencies.
- 7.25 Costs by project have been allocated to development contributions by deriving a percentage figure to reflect both the extent to which the development community causes the need for the expenditure, and the extent to which developers benefit from the expenditure. The average of the two percentages is used as the final percentage of growth-related project costs for development contributions funding.
- 7.26 The percentage figure for developer causation has been derived by considering the extent to which the project would be needed if there was no development, by excluding the portion of each project that contributes to renewals, demand caused by development outside the city, and remedying existing level of service deficiencies (backlog).
- 7.27 Level of service assessments are derived by considering the breadth of level of service improvements addressed by provision of each project, and by the significance of the level of service improvements of each project in the context of the wider project or projects.
- 7.28 For transport projects for which NZTA subsidies are available, the amount of these subsidies is removed from the total cost prior to applying the development contributions allocation.
- 7.29 Significant assumptions in the cost allocation process are described under 10.71 below. Full details of methodology for cost allocations, causation and benefit analysis, and other related aspects for each individual project cost allocation are available on request.
- 7.30 The distribution and timing of benefits
- 7.31 The timing of profits accruing to developers and the need for the capital expenditure both align more closely with the timing of the consents required by developers than they do with the annual rates payments made by residents, so it is appropriate that a portion of the costs be imposed as development contributions through the consenting process.
- 7.32 For each project, consideration has also been given to the period over which the benefits are expected to occur or over which the capacity provided by the project will endure. Recovery of costs from development contributions has been timed to align with this period. The cost allocation percentage figure for growth benefits has been derived on the basis of assessed growth benefits accruing to new residents compared to existing residents, and by considering the rate of expected growth over the recovery period.
- 7.33 Housing Infrastructure Fund (HIF)
- 7.34 HIF is a government initiative to provide alternative funding sources for high growth councils that have financial challenges in providing growth infrastructure necessary to enable adequate housing supply is maintained.
- 7.35 HIF comprises two main funding elements for growth infrastructure being a 10 year interest free loan, and for applicable transport projects, a capital subsidy from NZ Transport Agency.
- 7.36 Council has successfully applied to the Government for HIF funding of growth infrastructure projects that will enable stage two of the Peacocke area to be developed. The Government



have approved the HIF subject to final Council acceptance of loan agreement terms and on Council approving its 2018-28 ~~10-Year~~Long-Term Plan (with the Peacocke growth infrastructure included) following the public engagement process.

- 7.37 Interest costs not incurred by Council on account of HIF interest free borrowing terms, which the calculation model would otherwise have included in its development contribution charge calculation, have been offset in the model. The effect of this is to prevent developers paying development contributions for interest that would never actually be incurred by Council. Likewise, NZTA subsidies have been excluded from recovery through development contributions.
- 7.38 If Council ~~does not progress its~~ceased to rely on the HIF ~~application~~facility then the interest free offset would not be used in the development contribution charge calculation.
- 7.39 Transparency and accountability
- 7.40 Growth costs and their funding source are identified separately and on a project-by-project basis which imposes significant administrative costs on Council, but these are outweighed by the benefits in terms of greater equity (user pays), transparency and accountability.
- 7.41 The full methodology and rationale that demonstrates how the calculations for the contributions were made, is available on Council's website.
- 7.42 Overall impact of allocation
- 7.43 In some catchments, and for some types of development, Council has taken the view that the development contribution charge resulting from the above allocations would have an adverse effect on the development community to an extent that it would hinder growth and development, with negative consequences for the community as a whole. In these cases, Council, with consideration to s101(3)b of the LGA, has opted to cap the charge and fund any resulting revenue impacts from rates. This approach is consistent with that described in Council's Revenue and Financing Policy in the section titled Funding Sources for Capital Costs.
- 7.44 Council considers that overall the allocation of growth-related capital costs to development contributions set out in the Schedule of Assets and the resulting development contribution charges as specified in Schedule 1 of this Policy be reasonable and consistent with the statutory framework.
- 7.45 Total amount of development contributions funding sought (s106(2)(d), s201(1), s197AB LGA)
- 7.46 The total amount sought from development contributions funding, including financing costs, is set out in Schedule ~~232~~ of this Policy.

## **8. EXPLANATION AND JUSTIFICATION FOR CALCULATION OF CHARGES (S201(1)(A) LGA S197AB)**

### **8.1 Development contribution catchments**

- 8.2 Different areas of the city ("catchments") have been allocated different amounts of growth-related capital expenditure as set out in the Schedule of Assets and are forecast to have

different amounts of growth (see Schedule ~~7~~6). Financing costs have been allocated to them in proportion to the balance of expenditure and growth within each area over time (see Schedule ~~23~~2).

- 8.3 It is not practical to define catchments that precisely fit each individual growth project that Council undertakes. Taking this into account, Council considers that it is most equitable to divide the city into catchments as is shown in the maps displayed in Schedule ~~8~~7.
- 8.4 Within each of these catchments, unless a remission, specific agreement or where credits apply, all developments will pay the same development contribution, regardless of their location within the catchment and regardless of their proximity to any particular projects that Council has undertaken or will undertake in that catchment.
- 8.5 This will ensure that the historical and future costs of growth-related capital works in that catchment are shared amongst all developments that benefit from them to the best practicable extent, whether directly or indirectly.
- 8.6 Some growth-related capital expenditure cannot adequately be confined to individual areas, and where appropriate will be recovered on an equal basis from all developments in the city, regardless of location.
- 8.7 Council's approach is supported by ~~s199AB~~(s197AB(1)(g) of the LGA which provides that when calculating and requiring development contributions, territorial authorities may group together certain developments by geographic area or categories of land use, provided that—
  - a) the grouping is done in a manner that balances practical and administrative efficiencies with considerations of fairness and equity; and
  - b) grouping by geographic area avoids grouping across an entire district wherever practical.

~~8.8~~ — Refer to for further discussion on catchments.

#### ~~8.98.8~~ **Producer Price Index adjustments**

~~8.108.9~~ Council will at its sole discretion and in accordance with s106(2B-2C) LGA, will increase the capital component of development contribution charges annually based on the Producers Price Index Outputs for Construction rate provided by Statistics New Zealand.

#### ~~8.118.10~~ **Calculation of charges (s203(2), Schedule 13 LGA)**

~~8.128.11~~ The formula used in Council's calculation model to calculate project-level charges is derived from the following equilibrium condition. It states that the net present value of money coming in from development contributions must equal the present value of money going out for growth-related project costs.

$$\sum_{t=1}^N \frac{HUE_t \times DC_t}{(1+r)^{t-1}} = Growth \times \left( \sum_{t=1}^k \frac{Cost_t}{(1+r)^{t-1}} + HC \right) - HR$$

~~8.138.12~~ It follows that the development contribution charge is as follows:

$$DC_1 = \frac{Growth \times \left( \sum_{t=1}^k \frac{Cost_t}{(1+r)^{t-1}} + HC \right) - HR}{\sum_{t=1}^N HEU_t \times \left( \frac{1}{1+r} \right)^{t-1}}$$

**8.148.13** Where:

- t = time indicator
- Cost<sub>t</sub> = LTP Project Cost in year t
- HEU<sub>t</sub> = HUE<sub>t</sub> = Household equivalent units of demand in year t
- DC<sub>t</sub> = DC<sub>1</sub> = Development contribution per HUE<sub>t</sub> in year t
- r = annual interest rate
- N = length of the cost recovery period in years.
- k = time over which future project costs will be recovered in years
- Σ = summation operator
- HC = Historic costs incurred prior to the LTP
- HR = Historic development contribution revenues allocated to this project
- Growth = share of project cost to be recovered from growth via development contributions

**8.158.14** Capital expenditure and growth (which is proportional to revenue) for the purposes of generating the charge are expressed in present value terms in order to match planned costs with forecast growth for the purpose of determining revenue across the life of the model, consistent with accepted financial modelling practices.

**8.168.15** For each development contributions account within each catchment, the charge is the sum of the charges for the individual expenditure items.

**8.178.16** A worked example is provided in Schedule 343, illustrating the calculation of a specific charge in accordance with this formula.

**8.188.17** More detail on the mathematics in the model is available from Council on request.

## 9. **CAPPED AND PHASED CHARGES (S101(3)B, S198(2A) LGA)**

- 9.1 Some development contribution charges calculated by the calculation model have been capped at a specific level, or phased in, to take account of considerations outside the scope of the development contribution model parameters.
- 9.2 The calculation model produces mathematically and legally justifiable development contribution charges “base charges” but whether these base charges are to be levied is required to be tested in accordance with s101(3)b of the LGA, which is a critical filter through which all proposed development contributions must pass.
- 9.3 Council has considered the base charges in light of the critical filter set out in s101(3)b and concluded that if the base charges were adopted, in some cases this would represent an allocation of liability for revenue needs which would not deliver the most advantageous impacts on the community. Accordingly, Council has decided to reduce certain base charges as set out below.

~~9.4 A capped~~Capped and phased development contribution ~~charge~~charges in this section ~~represents~~represent a manual adjustment to a base charge. Capped and phased charges are a discretion of Council and should not be considered charges in their own right.

~~9.5~~ For the purposes of disclosure on fees advice letters, capped individual activity charges are generated by scaling the base activity charges by the ratio of the total capped charge and the total base charge. ~~Total capped~~Phased charges are an incremental annual increase to the 2019/20 Policy charges as set out in section 9.11 below. ~~Capped and capped activity~~phased ~~charges should not be considered charges in their own right.~~

#### ~~9.49.6~~ Council's decision to modify ~~cap~~ charges under S101(3)b

~~9.59.7~~ Council considers that its decision to cap ~~these~~or phase charges represents a proper exercise of its discretion under s101(3). Council's decision in respect of these capped and phased charges has not impacted on its decision making in respect of the balance of this Policy. To that extent, Council would have adopted the balance of this Policy regardless of whether ~~the caps to it~~ capped or phased these charges ~~were made.~~

#### ~~9.69.8~~ Capped non-residential charges ~~in Rotokauri~~

~~9.79.9~~ Development contribution charges for ~~a~~industrial, commercial, ~~industrial~~, or retail development (or part of a development) ~~in the Rotokauri General Catchment~~ will pay no more than ~~\$31,935, \$15,841~~20,000, \$30,000, or \$39,73140,000 respectively (exclusive of GST) per 100m<sup>2</sup> of gross floor area for the total of water, wastewater and transport activities, and correspondingly for stormwater on a site area basis.

~~9.89.10~~ Where the base charge is less than that amount, the base charge will apply.

#### ~~9.11~~ Phased residential charges

~~9.12~~ Development contribution charges for residential development in the Peacocke 1, Peacocke 2, Rotokauri, Rototuna and Ruakura general catchments will be phased in annually between 1 July 2021 and 30 June 2023.

~~9.13~~ The incremental phased increases in development contributions is as follows:

- ~~(i)~~ where the lodgement date is between 1 July 2021 and 30 June 2022, residential developments in the above catchments pay the 2019/20 Policy charges plus 1/3<sup>rd</sup> of the difference between the 2019/20 Policy and the 2021/22 Policy charges.
- ~~(ii)~~ where the lodgement date is between 1 July 2022 and 30 June 2023, residential developments in the above catchments pay the 2019/20 Policy charges plus 2/3<sup>rd</sup> of the difference between the 2019/20 Policy and the 2021/22 Policy charges.
- ~~(iii)~~ Where the lodgement date is between 1 July 2023 and 30 June 2024, residential developments in the above catchments pay the full 2021/22 Policy charges set out in Schedule 21 (base charges).

~~9.14~~ Phased charges are calculated using aggregated 2019/20 Policy and base charges, and apportioned using the activity proportions of the base charges.

~~9.15~~ See Schedule 1 for a table of these charges. ~~for 2021/22 with the phasing described in 9.13(i) above. See Schedule 2 for the base charges.~~

~~9.16~~ Schedule 1 will be updated annually to reflect the next phase of charges as outlined in 9.14 above.

~~9.17~~ These phased charges are intended to provide greater certainty of the level of development contributions charges payable by developers, but Council reserves the right to review its policy and corresponding charges at any time.

#### ~~9.99.18~~ Rationale

~~9.19~~ Base non-residential charges in ~~the Rotokauri catchments~~ some catchments are significantly higher than comparable areas in other parts of the city, largely due to higher investment by Council in ~~the~~ its strategic growth capital programme, ~~in those areas.~~

~~9.109.20~~ Due to increasing costs of providing growth infrastructure and ~~projected yield.~~ Charges set at the higher base level are likely to negatively impact the scale of infrastructure required, development contribution charges are materially higher in this policy than in previous policies, which creates financial planning difficulties for developers and those purchasing property. To address this, residential development in the Peacocke 1, Peacocke 2, Rotokauri, Rototuna and Ruakura general catchments are phased in by one third each year over three years.

~~9.119.21~~ Council has made substantial infrastructure investments based on long-term city growth planning and land use strategies, which, if materially compromised due to low uptake, could reduce the realisation of expected benefits from Council's investment in infrastructure, and lead to lower levels of development, ~~and loss of jobs and industry to other regions.~~

~~9.12~~ ~~In this respect~~ Under those circumstances, allocation of liability for revenue needs according to the base charges ~~will~~ may have ~~a potentially~~ an adverse impact on the community and to avoid this impact, the base ~~charge~~ charges for some non-residential charges has been capped and some residential charges have been phased in, as set out described above.

## 10. SIGNIFICANT ASSUMPTIONS AND POTENTIAL EFFECTS OF UNCERTAINTY (S201(1)(B), S197AB LGA)

- 10.1 The Development Contributions Policy incorporates a number of assumptions underlying the calculation of development contributions, principally around city growth, the demands placed on infrastructure by different types of developments, the allocation of costs and ultimately how these costs will be recovered from different types of development.
- 10.2 These assumptions, and an assessment or estimate of the effects of the uncertainty surrounding them, are detailed in this section.
- 10.3 **Growth projections**
- 10.4 Residential growth projections are based upon the National Institute of Demographic and Economic Analysis (NIDEA) population projection methodologies and data, ~~augmented with Statistics New Zealand and 2013 Census information from Council's databases.~~
- 10.5 Non-residential floor area projections are based on economic projections for Hamilton and the Waikato Region ~~made in 2017~~ by Market Economics Ltd.
- 10.6 Summary growth projection tables for the ~~10-Year Long-Term~~ Plan period are presented in Schedule ~~76~~.
- 10.7 Effects of uncertainty
- 10.8 Projecting or forecasting growth over the long term across the city and for individual areas and types of development within the city naturally involves a significant amount of uncertainty, and this will become more pronounced as time progresses. Growth inputs are a core component of the charge calculations, and there is a real likelihood that even a robust growth model would generate outputs that vary significantly from realised growth.
- 10.9 Projections that are lower than 'actual' growth would retrospectively have returned charges set at a level that is too high, and vice versa.
- 10.10 The divergence may also vary according to catchment and industry sector, resulting in charges that are weighted too heavily to some areas or some types of development. The effect of citywide growth variations would be expected to be less because projecting across a city has a lower error margin than by individual catchment, and historical data will inform projections better across a city compared with catchments or growth cells.
- 10.11 In order to minimise the effects of uncertainty, growth demand projections and assumptions will be monitored and regularly reviewed in light of new information.
- 10.12 **Conservative revenue assumptions**
- 10.13 The theoretical revenue generated by the development contribution model assumes that all HUEs return full revenue in accordance with the applicable charges.
- 10.14 Forecasts for development contribution revenue for the purposes of the ~~10-Year Long-Term~~ Plan are conservative estimates including allowances made for future remissions, and historical consents issued at lower charge rates as per the applicable policy at the time a consent is granted.

~~10.15 High development contribution charges have the potential to reduce development below levels anticipated through Council's growth modelling, for reasons such as development becomes less feasible, or developers choose to relocate or land bank.~~

~~This effect is estimated to have some impact on future development, and therefore for the purposes of projecting revenue for the 10-Year Plan, Council has made an adjustment to this effect into its modelling.~~

#### ~~10.16~~10.15 Effects of uncertainty

~~10.17~~10.16 Revenue forecasting has a high margin of error due to substantial underlying assumptions including economic outlook and projections, growth projections, undeterminable developer and market behaviour, the property market volatility and unpredictability, and other wider considerations including government policy changes.

~~10.18~~10.17 This uncertainty impacts Council's debt to revenue calculations and consequent capacity for borrowing to finance growth. Council has attempted to strike a balance in its forecasts, based on historical levels of revenue and the best information that it has available about likely future revenues, but with a view to conservatism.

~~10.19~~10.18 If Council had included an allowance for reduced development due to high charges, it would have reduced revenue in the model and increased charges to an extent.

#### ~~10.20~~10.19 **Methodology for relating costs of community facilities to units of demand.**

~~10.21~~10.20 The purpose of Council's methodology is to enable it 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.

~~10.22~~10.21 It achieves this outcome by first identifying the total cost of the capital expenditure that it expects to incur in respect of these community assets to meet increased demand resulting from growth.

~~10.23~~10.22 Next it identifies the share of that expenditure attributable to each unit of demand. It does this by using the units of demand by which the impact of growth has been assessed. To identify those units of demand Council takes account of a wide data set of information which informs it on the estimated rates of development in the City.

#### ~~10.24~~10.23 **Supply of land**

~~10.25~~10.24 The supply and capacity of development land is assumed to be constrained by the current and future availability of infrastructure – whether planned to be provided by Council or likely to be able to be provided by developers.

~~10.26~~10.25 The land supply assumptions are well informed from the perspective that Council is providing much of the growth infrastructure and has good information on yield and land availability. Private land owners however will bring sections to market using rationale that is not entirely predictable from Council's perspective, and as a result there will inevitably be variance between projected and actual future land supply.

#### ~~10.27~~10.26 Effects of uncertainty

~~10.28~~10.27 If the actual supply of land for development is higher than was projected, then more development could potentially go ahead, spreading capex costs over more growth which would have retrospectively reduced the development contribution charge.



**10.28** The supply assumptions that have been made are based on information provided by Market Economics Limited and the best knowledge of Council's Growth Funding & Analytics Team at the current time.

**10.29 Types of development (sectors)**

**10.30** Developments are assumed to be of five basic types (sectors):

1. Residential, which includes:
  - one bedroom dwelling
  - two bedroom dwelling
  - standard residential dwelling
  - large residential dwelling
2. Retail
3. Commercial
4. Industrial, and
5. Wet industries.

**10.31** Within these sectors, there will be a range in the amount of benefit derived from Council's growth-related capital expenditure.

**10.32** With the exception of wet industries, where demand will be assessed on a case by case basis, all developments within a sector will be charged development contributions at the rate applicable to that sector as a whole.

**10.33 Effects of uncertainty**

**10.34** Using a wider range of sectors would theoretically allow a closer fit between the assumed demand generated and the actual demand produced by different types of development. However, although it might seem to be more equitable, this is not necessarily practical, as growth would need to be projected separately for each sector and insufficient data is available for this task. The range of sectors will, however, be reviewed periodically and will be expanded when appropriate and feasible as more sophisticated ways of modelling development emerge.

**10.35 Residential dwellings**

**10.36** Council charges development contributions on a per bedroom basis using four categories, being large residential, standard residential, two bedroom, and one bedroom dwelling. Census 2013 data through statistical analysis shows that the greater the number of bedrooms in a dwelling the more people are likely living in it (distributed normally). The more people in a dwelling the greater level of Council services that dwelling demands. Accordingly, development contributions for larger dwellings are higher compared to smaller dwellings, noting that all dwellings with four or more bedrooms pay the large residential rate.

**10.37** Council made this decision in order to better reflect true infrastructure demands and improve the equitable spread of the development contributions burden across the residential sector. This approach better achieves the purpose of development contributions as set out in section 197AA of the LGA.

- 10.38 The total recovered over the long term is no greater or less than if Council had retained the approach taken in the prior policy.
- 10.39 Effects of uncertainty
- 10.40 A direct correlation is assumed between demand for Council services and the number of people in a dwelling. If the correlation was inaccurately estimated development contributions would be distributed differently within the four residential categories, although a house with more bedrooms would always pay a higher development contribution than a dwelling with fewer bedrooms.
- 10.41 Council could have chosen more or less than four categories, but elected to use four. It was deemed that choosing more than four categories would introduce undue complexity for both developers and the Council in its administration of the Policy. In any case, data shows that the more bedrooms a dwelling has, the slower the marginal increase in demand for services becomes for each of those additional bedrooms.
- 10.42 Council used its rating database to correlate the number of bedrooms per new dwelling with the Census 2013 data, to calculate demand factors for each of the bedroom categories. Census 2013 data shows that there were 2.7 people per household. This figure is used as the basis for determining the final demand factors for each dwelling size which is the basis of Council's household unit equivalent (HUE).
- 10.43 The stated assumptions are broad and general in construction and hence from one residential unit to another the assumptions may not correlate exactly with the actual demand placed on Council infrastructure, however these types of development constitute only a small proportion of total demand and revenue, and this mitigates the effects of uncertainty.
- 10.44 **Non-residential demand conversion factors**
- 10.45 To provide a common denominator calculating development contribution charges using the equations given in section 8, conversion factors have been used to equate non-residential demand to the residential demand. Conversion factors estimate the number of HUEs of demand that non-residential sectors produce per 100m<sup>2</sup> of gross floor area (GFA). Data from various sources (e.g. Census, water-metering, traffic studies) has been used to estimate the average demand placed on Council infrastructure (site area for stormwater) or per non-standard residential dwelling. Details of these are set out and described in Schedule ~~45~~4.
- 10.46 Effects of uncertainty
- 10.47 A higher conversion factor for an activity will result in a higher development contribution ~~charges~~charge, and vice versa.
- 10.48 The effect on the development contribution charges of variances due to the choice of conversion factors can be significant, but the current figures reflect the best information that Council has available at this time. Using a wider range of sectors would allow charges to be more closely tailored to individual types of development, but would also require individual forecasting of each of these types, with a resulting increase in forecasting error.
- 10.49 An assumption is that HUEs can be used as a proxy for non-residential demand based on floor area (or site area for stormwater) by way of a set of metric based conversion factors.

This is a typical approach for council development contribution policies to take, and no ready alternative is available.

#### 10.50 Catchments

10.51 The ~~Peacocks~~Peacocke, Rototuna, Ruakura, and Rotokauri greenfield catchments (refer Schedule ~~8~~7) are based on Council's District Plan structure plan areas. The Temple View and Te Rapa North greenfield catchments are areas that have been added to the city through recent boundary changes.

10.52 The infill catchment is defined as all areas in the city that are not greenfield areas, typically referred to as the built-up area or brownfields.

10.53 The stormwater catchments are based on monitored and modelled stormwater flows in hydrological catchments, and the wastewater catchments reflect the gravity-fed network, the natural boundary of the Waikato River, and the relative network impact of the eastern and western wastewater interceptors.

10.54 An all-of-city or "citywide" catchment is used where it is impractical or inequitable to use only the catchments described above. Any allocation of costs to the citywide catchment has been made in accordance with the following principles:

##### a) Causation:

- There is a causal link between the demand generated by development in the city, regardless of location, and the need to undertake the project or expand the capacity of a network via a group of related projects.

##### b) Open access:

- There are no significant barriers to the use of the infrastructure by all ~~of~~ the community.
- The infrastructure is available and accessible to the community at large.
- The costs of using the infrastructure are fair and equitable, and no particular locality of the wider community is disadvantaged by higher user cost.

##### c) Integrated network:

- The project contributes to an interconnected infrastructure network within the city.
- The project benefits are closely aligned with the benefits of the related wider infrastructure network.

10.55 A number of the larger projects set out in the Schedule of Assets have been split into citywide and catchment components and allocated separately, to ~~more equitably and accurately~~ reflect causes and benefits of expenditure more equitably and accurately.

10.56 It is assumed that all developments within a catchment contribute to the need for and benefit equally from Council's growth-related expenditure having the effect that similar developments in the same catchment attract the same charge.

#### ~~10.56~~10.57 Effects of uncertainty

~~10.57~~10.58 Where there are developments in close proximity but in different catchments, significantly different charges may be payable when the demand they place on infrastructure

may be very similar. Conversely, not all developments within the same catchment will benefit equally from the infrastructure provided in that catchment.

~~10.58~~10.59 Using a greater number of catchments would lessen the effect of the first of these issues, and strengthen the causal link between developments and the infrastructure that they require, but would heighten the effect of the second consideration and also entail higher error margins due to the requirement to project growth for smaller areas.

~~10.59~~10.60 Council has tried to strike a balance between these two factors in its choice of development contribution catchments.

#### ~~10.60~~10.61 **Cost recovery periods**

~~10.61~~10.62 The LGA sets out that development contributions should be determined in a manner that is generally consistent with the capacity life of the assets for which they are intended.

~~10.62~~10.63 A 30-year maximum cost recovery period has been used. For capital expenditure providing capacity that will be exhausted prior to 30 years, the estimated length of remaining capacity has been used as the recovery period. For each project, the recovery period has been set to start either in 2006 or eight years prior to the commencement of expenditure on the project. This aligns with the typical duration of a subdivision consent, or for greenfield catchments the earliest year of the calculation model, being 2006.

#### ~~10.63~~10.64 **Effects of uncertainty**

~~10.64~~10.65 The option of using a shorter maximum period (e.g. 20 years) was modelled and significantly increased the development contribution charges. Specialist advice is that it would be unusual for assets being recovered through this Policy ~~had to have~~ a capacity life (not useful life) of more than 30 years, and in any case using a period longer than 30 years did not significantly reduce the charges, as interest costs and the capital expenditure allocated to development contributions funding were also greater.

~~10.65~~10.66 The effect of starting the recovery period closer to the commencement of expenditure would be to increase the charge for individual projects because costs will be recovered over a shorter period.

#### ~~10.66~~10.67 **Allocation of capital costs to growth**

~~10.67~~10.68 Capital costs have been allocated to development contributions funding only for projects that provide new assets or assets of increased capacity and that are necessitated by growth or will provide benefit to growth.

~~10.68~~10.69 These project costs have been allocated under the assumptions set out in the Covec Limited methodology paper titled "Cost Allocation Guidelines for Development Contributions", which is published on Council's website.

~~10.69~~10.70 The underlying rationale for these allocations is set out in the LGA and addressed in this section.

~~10.70~~10.71 Substantive and comprehensive project-by-project analysis has been undertaken by independent engineers Stantec Limited and Gray Matter Limited for the purpose of allocating project costs to growth in accordance with the LGA and the Covec Limited methodology.

~~10.71~~10.72 Programmes of work have been split into their component projects to allow for a finer-grained analysis. Costs have been allocated spatially and by activity while considering a ~~number of several~~ factors and circumstances, principally based on growth causation, benefits, renewals, and levels of service.

~~10.72~~10.73 Standardised bands are used for generating the causation and benefit assessments. These bands are conservatively constructed to preclude very high allocation of costs (over 88%) to development contributions. A high level of rigour has been applied to all project cost allocations.

~~10.73~~10.74 It is assumed that the two key allocation aspects (being causation and benefits of growth) that are required to be considered under this rationale, should be weighted equally in generating an allocation after excluding growth caused by developments or other factors that should not attract development contributions ("non-DC growth").

~~10.74~~10.75 **Effects of uncertainty**

~~10.75~~10.76 Weighting allocations more heavily towards causation versus benefits would increase the charges. Weighting them more towards benefits would decrease them.

~~10.76~~10.77 The assumption relating to the amount of non-DC growth has the effect that the development community is not paying for capital expenditure required to meet this demand. Capital expenditure relating to demand caused by development occurring outside the city, asset renewals, certain types of levels of service change, and operations and maintenance costs are netted from allocations, which are funded by ratepayers or third-party funding.

~~10.77~~10.78 Uncertainty around this assumption lies in projecting the extent of such non-DC growth, and may be significant, but is based on the best information available through specialist assessment and modelling. To the extent that the amount of non-DC growth is overestimated, the ratepayer is most affected.

~~10.78~~10.79 Allocating growth costs in any different manner than that described in and sections 7.20 and ~~10.67~~~~10.67~~~~10.68~~~~67~~ would have an impact on the development contribution charges. Council has used best practice methods, internal specialist analysis and external consultants, and is satisfied that the allocations as described are reasonable.

~~10.79~~10.80 Full details of the methodology for cost allocations, causation and benefit analysis, and other related aspects for each individual project are available on Council's website, and in the Schedule of Assets.

~~10.80~~10.81 **Limits of Modelling**

~~10.81~~10.82 The calculation model that generates development contribution charges is a pure mathematical model that produces theoretical charges based on a large number of inputs that in isolation contain significant assumptions as detailed in section 10 above.

~~10.82~~10.83 Although the model produces numerically precise charges, the nature of cumulative uncertainty means that the greater the number and significance of input assumptions, the greater the potential variation of outputs to changes in these assumptions.

~~10.83~~10.84 The calculation model used to generate the charges in Schedule 1 ~~and~~ ~~and 2~~ includes the best numerical assumptions available to Council, and is the most appropriate tool to guide Council in setting development contribution charges.

~~10.84~~10.85 Effects of uncertainty

~~10.85~~10.86 The calculation of development contributions is therefore limited to an extent by the sensitivity of the model to inputs, and the degree of certainty and reliability of those inputs. As a result, modelled demand is likely to be different to actual or realised demand.

## 11. STAGES AT WHICH DEVELOPMENT CONTRIBUTIONS MAY BE REQUIRED (S198, S202(1)(B) LGA)

- 11.1 In most cases requirement for and the payment of development contributions happen at two separate points in time. This section and section 12 describe in detail how this works.
- 11.2 Council may require a development contribution to be made when any of the following milestones arise:
- a) a resource consent is granted under the Resource Management Act 1991 for a development within its district; or
  - b) a building consent is granted under the Building Act 2004 for building work situated in its district; or
  - c) an authorisation for a service connection is granted.
- 11.3 Council may also require that a development contribution be made when granting a Certificate of Acceptance under section 98 of the Building Act 2004 if a development contribution would have been required had a building consent been granted for the building work in respect of which the certificate is granted.
- 11.4 Council, at its sole discretion, will determine at which of the milestones set out in clauses 11.2 and 11.3 it will require development contributions. ~~Unless in Council's view there is good reason, Council will require a development contribution to be paid at the earliest milestone.~~
- 11.5 If Council elects to not require a development contribution at the earliest of the milestones set out in clauses 11.2 and 11.3, it reserves the right to require a development contribution at any subsequent milestone, regardless of whether the assessed development contribution charge at that subsequent milestone is higher or lower.
- 11.6 It is the granting of the resource consent, building consent, authorisation of service connection or issuing of the certificate of acceptance that gives rise to the requirement for a development contribution payment to be made.
- 11.7 In accordance with Section 198(2A) LGA, and depending on which of the milestones set out in clauses 11.2 and 11.3 are exercised by Council, the development contributions will be calculated under the policy that was in force at the time the corresponding application for that resource consent, building consent, certificate of acceptance, or service connection was submitted, accompanied by all required information.
- ~~11.8~~ Please contact Council's Development Contributions Officer (DCO) at any time if you need guidance or clarification.

## 12. PAYMENT OF DEVELOPMENT CONTRIBUTIONS (S198, S208 LGA)

- 12.1 In accordance with section ~~0011~~, for contributions required on subdivision consents, payment will be required prior to uplifting RMA section 224(c) certificates, and these will not be released until payment is received.
- 12.2 For staged developments where all other Council planning requirements have been met payment will be required only for the RMA section 224(c) certificates issued at each stage.
- 12.3 For contributions required on land use consents where a building consent is not required, payment will be required prior to commencement of the land use consent, and that consent shall not be put into effect until payment is received.
- 12.4 For contributions required on building consents, payment will be required prior to the issuing of Code Compliance Certificate, and this certificate will not be released until payment is received.
- 12.5 For contributions required on application for service connection, payment will be required prior to the service connection being authorised.
- 12.6 Where sufficient information is not available to determine the residential demand type at the milestone at which a development contribution is required, each residential unit will be assessed at the standard residential rate, being one residential HUE. If, prior to the date when payment is required, Council establishes to its satisfaction that the number of bedrooms differs from the standard residential unit rate, then those residential units will be reassessed at the applicable residential unit rate.
- 12.7 Where a building consent is granted on an existing residential dwelling and is assessed to generate additional demand as a result of those building works, the additional demand will be assessed for development contributions at the applicable residential demand unit rate, except that no further residential development contributions will be required where the original assessment was made under a prior policy that did not calculate development contributions on a per bedroom basis.
- 12.8 No refund will be given if the actual number of bedrooms is less than the standard residential unit rate assumes, but Council may consider a remission if the development meets its criteria in its remissions policy set out at section 18. Irrespective, a credit will be retained for the development contributions paid.
- 12.9 For non-residential developments where development contributions are assessed on resource consents and the scale of the development is unknown, the assessment will be based on the type of development that most closely matches the zoning of the land.
- 12.10 The gross-floor area of a non-residential development will be assumed to be a fixed percentage of the site area being 50% for retail developments, 30% for commercial, and 30% for industrial. These figures are conservative estimates of the floor-area to site-area ratio used in Council's growth projections and historical development information.
- 12.11 Such developments will be reassessed at building consent stage, and any additional floor area over and above that assumed and paid for at resource consent stage will be required at building consent stage.



~~12.12 No refund will be given if a non-residential building results in a lesser amount of floor area than was assumed, but Council may consider a remission if the development meets its criteria set out in its remissions policy set out at section 18. Irrespective, a credit will be retained for the full amount of floor area that was paid for.~~

#### ~~12.13~~12.12 **Invoicing**

~~12.14~~12.13 Invoices relating to subdivision applications will be issued no later than at the time of request for an RMA section 224(c) certificate, unless an earlier milestone occurs which Council, at its discretion, may elect to invoice against.

~~12.15~~12.14 Invoices relating to land use resource consents that are not linked to building consents will be raised at the time of granting the consent.

~~12.16~~12.15 Invoices relating to building consents will be raised no later than the time of application for Code Compliance Certificate. Invoices relating to building consents granted by a building consent authority other than Hamilton City Council will be raised no later than 30 days following the issue of a DC notice of requirement.

~~12.17~~12.16 Invoices relating to a service connection application will be raised no later than application for authorisation of that service connection.

~~12.18~~12.17 Development contributions for resource consents that are linked to building consents will be assessed at the resource consent stage, and reassessed based on the final plans provided at building consent stage.

~~12.19~~12.18 Notwithstanding 12.1 to ~~12.17~~~~12.17~~~~12.18~~~~17~~, Council reserves the right to invoice and require payment of development contribution at any point after the occurrence of any of the milestones described in 11.2 and 11.3.

~~12.20~~12.19 If a developer wishes to pay an assessed development contribution prior to the stages set out above, an invoice may be raised at the time of actual payment by the developer.

~~12.21~~12.20 In accordance with Section 198(2A) LGA, all invoices for required development contributions will be raised at the rates applicable at the time that the application for a resource consent, building consent, or service connection was submitted, accompanied by all required information.

~~12.22~~12.21 Consideration will not be given to development contribution charges assessed under prior policies in cases where the charges in this Policy (as presented in Schedule 1 ~~and 2~~) are lower.

~~12.23~~12.22 When development contributions are paid, the HUEs of demand that they provide for will be recorded and will be credited, by activity, against any subsequent consent or service connection application as it relates to the original consent. Accordingly, whilst subsequent applications will enable a reassessment and recalculation to be made, additional contributions will be required only where it is assessed that there will be an increase in HUEs of demand arising from the development.

~~12.24~~12.23 For reasons of administrative efficiency, where the total amount payable is assessed as being less than \$50, no payment will be required, and no invoice will be raised.

### **13. LIMITATIONS AND CALCULATION OF CREDITS AND EXEMPTIONS (S199, S200(1), S197AB LGA)**

- 13.1 A development contribution will only be required if the effects or cumulative effects of developments will create or have created a requirement for Council to provide or to have provided new or additional assets or assets of increased capacity.
- 13.2 Development contributions are calculated on an activity by activity basis based on increased units of demand (HUEs). Council will provide a credit against a development contribution where it can be demonstrated to Council's satisfaction on an activity by activity basis that:
  - a) pre-existing legitimately established units of demand existed on the site and placed actual demand on Council's infrastructure prior to the application for resource consent, building consent, or service connection; or
  - b) development contributions or financial contributions have previously been paid for those increased units of demand generated by the development.
- 13.3 Demand net of credits will be used to calculate a development contribution payable for the development on an activity by activity basis.
- 13.4 Credits for existing HUEs attach to the parent lot and are not transferable, unless all lots within the site are in common ownership, or if authorised by Council at its sole discretion.
- 13.5 Credits for HUEs will not be provided for commercial, retail, or industrial activities undertaken in an area of a site that is not included within the definition of gross floor area.
- 13.6 Any project undertaken by Council will itself not be liable to pay development contributions.
- 13.7 For the avoidance of doubt, development contributions required under this Policy for reserves are not for the specified reserves purposes referred to in Section 201 LGA.

### **14. REQUESTS FOR RECONSIDERATION (S199A, S199B, 202A LGA)**

- 14.1 A person required by Council to make a development contribution may request Council to reconsider the requirement in accordance with Section 199A of the LGA.
- 14.2 A request for reconsideration of a requirement to pay a development contribution ("request") must:
  - a) be made within 10 working days after the date of receipt of notice of the development contribution required by Council;
  - b) be made to Council in writing using the [Application for reconsideration of development contributions](#) which can be found on Council's website
  - c) set out the grounds and reasons for the request;
  - d) specify the outcome that is sought; and
  - e) include an email address for delivery of Council's decision.
- 14.3 A request can be withdrawn at any time before delivery of Council's decision on the request.
- 14.4 A person making a request may provide further information at any time before delivery of Council's decision. Further information will re-start the 15 working day period for delivery of Council's decision (S199B LGA).

- 14.5 Council also may require further information in relation to the request. The 15 working-day period for delivery of Council's decision does not begin until Council has received all required relevant information relating to the request (S199B LGA).
- 14.6 Council will consider:
- a) the grounds and reasons set out in the written request;
  - b) the purposes and principles in sections 197AA – 197A LGA; and
  - c) the application of this Policy in determining the proposed development contribution.
- 14.7 Council will make decisions on requests without holding a hearing. However, Council may, at its discretion, invite the requester to a meeting to discuss the request.
- 14.8 Council's decisions on requests will:
- a) be in writing;
  - b) be provided within 15 working days after the date on which Council received all required relevant information relating to the request; and
  - c) state whether the development contribution will be amended and, if so, the new amount.
- 14.9 Council's decision on requests will be delivered by email to the address nominated by the requester. If Council is unable to contact a requester by email, it will deliver the decision by making it available at the Municipal Building reception in Hamilton, to the requester and will attempt to notify the requester by telephone.

## 15. OBJECTING TO AN ASSESSED CHARGE (S199(C-P) LGA)

- 15.1 This section is intended only to be a summary for guidance. Any development contribution objection should be made with full consideration of all relevant information including Section 199C-P and Schedule 13A of the LGA.
- 15.2 Any person that has been provided a notice by Council (or other formal advice) of a requirement to pay a development contribution may object to the amount in accordance with Section 199C of the LGA.
- 15.3 An objection under Section 199C may be made only on the grounds, as set out under Section 199D, that a territorial authority has:
- a) failed to properly take into account features of the objector's development that, on their own or cumulatively with those of other developments, would substantially reduce the impact of the development on requirements for community facilities in the territorial authority's district or parts of that district; or
  - b) required a development contribution for community facilities not required by, or related to, the objector's development, whether on its own or cumulatively with other developments; or
  - c) required a development contribution in breach of ~~section~~Section 200; or
  - d) incorrectly applied its development contributions policy to the objector's development.

- 15.4 Any person lodging an objection must do so in accordance with the timeframes set out in Schedule 13A of the LGA.
- 15.5 For further information relating to lodging a development contributions objection please refer to the LGA and/or the office of the Department of Internal Affairs. It is also recommended that independent legal advice be sought.

## 16. DEVELOPMENT AGREEMENTS (S207(A-F) LGA)

- 16.1 Council may elect to enter into a development agreement with a developer in accordance with Section 207A of the LGA.
- 16.2 For guidance on requesting to enter into a developer agreement with Council, where applicable please refer to:
- Sections 207(A-F) of the LGA which contains specific "Developer agreements" provisions
  - ~~Section 18.16~~ Sections 18.19 to 18.25 of this Policy "Private Developer Agreement (PDA) Remission"
  - Council's Growth Funding Policy
  - the guidance documents relating to Private Developer Agreement structure which can be found on Council's website; or
  - contact Council's City Development Unit for further information.

## 17. SPECIAL ASSESSMENT

- 17.1 A special assessment of development contributions may be undertaken at the discretion of Council, on an activity by activity basis to determine the amount of development contributions payable.
- 17.2 An application for special assessment must be made to Council in writing using the [Application for special assessment of development contributions](#) which can be found on Council's website.
- 17.3 A special assessment will be undertaken only where, as a threshold for consideration, the development is of a size greater than 20 HUEs (residential) or 2,000m<sup>2</sup> GFA (non-residential).
- 17.4 All special assessments will be evaluated consistent with the actual demand remission criteria set out in Section ~~18.8~~ 18.10 of this Policy.
- 17.5 All actual and reasonable costs incurred by Council in determining the special assessment application, including staff time as set out in Council's schedule of 'Fees and Charges - Economic Growth and Planning' published on Council's website, its consultant and legal costs, and administration costs, shall be paid by the applicant whether or not a remission is ultimately granted in respect of the special assessment. If external costs are to be incurred by Council in its assessment of a special assessment Council may at its discretion require those costs to be met by the applicant in advance. ~~If a remission is granted in respect of the special assessment, Council will deduct all outstanding costs from the total remission due prior to payment.~~
- 17.6 In support of an application a special assessment the applicant must supply, for each activity, all relevant evidence of reduced demand on Council's infrastructure. This information is to

be in the form of metrics provided by an appropriately qualified professional, referencing relevant policy provisions.

- 17.7 Special assessment applications are to be lodged with Council's Development Contributions Officers at the earliest opportunity, and prior to the earliest development contribution milestone as set out in Section ~~0011~~ of the Policy. Where it is determined by Council that all relevant information has not been provided prior to the applicable development contribution milestone set out in Section ~~0011~~ of this Policy, development contributions will be required in accordance with Schedule 1 of this Policy.
- 17.8 The amount of any special assessment~~7~~ will be assessed on a case-by-case basis having regard to the extent to which the special assessment criteria is met.
- 17.9 An application for special assessment, regardless of the outcome, will not affect the applicant's right to apply for a remission under Section 18 of this Policy.
- 17.10 Decisions on individual requests will not alter the basis of the Policy itself.
- 17.11 For further details relating to lodging a special assessment please refer to Council's website or contact Council's Development Contributions Officer.

## 18. REMISSIONS (S201(1)C, S200(2) LGA)

- 18.1 Upon application made by a developer, Council may at its sole discretion remit part or all of a development contribution levied on that developer.
- 18.2 Any application for a remission must be made to Council in writing using the [Application for remission of development contributions](#) which can be found on Council's website, and shall be lodged with Council within 30 working days of the development contribution charge being advised in writing to the developer. This applies to all remissions outlined in Section 18 of this policy.
- ~~18.31.1 In order to be eligible for a remission the applicant must supply, for each activity, all relevant evidence of actual demand reductions on Council's infrastructure in support of the remission application. This information is to be in the form of metrics provided by an appropriately qualified professional, referencing relevant Policy provisions.~~
- ~~18.4 All actual and reasonable costs incurred by Council in determining the remission application, including staff time as set out in Council's schedule of 'Fees and Charges – Economic Growth and Planning' published on Council's website, its consultant and legal costs, and administration costs, shall be paid by the applicant whether or not a remission is ultimately granted. If external costs are to be incurred by Council in its assessment of a remission Council may at its discretion require those costs to be met by the applicant in advance. If a remission is granted, Council will deduct all outstanding costs from the total remission due prior to payment.~~
- ~~18.5~~18.3 Remission applications will be considered on an activity by activity basis, with those activities being water, wastewater, stormwater, transport, community infrastructure and reserves.
- ~~18.6~~18.4 The amount of any remission will be assessed on a case by case basis having regard to the extent to which the remission criteria is met.

~~18.7~~18.5 In calculating any remission on a capped or phased charge, the calculation shall be based, as its starting point, on the base charge without modification. A remission will then only be provided if the calculated charge including remission is less than the capped or phased charge, otherwise the capped or phased charge will apply.

~~18.8~~18.6 Decisions on individual requests will not alter the basis of the Policy itself.

~~18.9~~18.7 There are ~~two~~four categories of remission, as described in the following paragraphs.

~~18.10~~18.8 **Actual demand remission**

~~18.11~~18.9 Development contributions are calculated based on modelled demand, measured in Household Unit Equivalents (HUEs). Council will consider a remission where actual demand is significantly lower than modelled demand.

To be eligible for a remission the applicant must supply, for each activity, all relevant evidence of actual demand reductions on Council's infrastructure in support of the remission application. This information is to be in the form of metrics provided by an appropriately qualified professional, referencing relevant Policy provisions.

~~18.12~~18.10

~~18.13~~18.11 **Actual Demand Remission Criteria**

~~18.14~~18.12 In applying for a remission based on actual demand, the applicant must demonstrate to Council's satisfaction on an activity by activity basis that:

- a) the actual HUEs of demand generated by the development are materially lower than the HUEs of demand assessed under the methodology set out in this Policy and in any event lower than modelled demand by five or more HUEs of demand, and;
- b) for an activity, the reduced HUEs create capacity in Council's infrastructure network which Council is satisfied is material having regard to the nature of the development, its location, and implications for Council's infrastructure programme.

~~18.15~~18.13 All actual and reasonable costs incurred by Council in determining an Actual Demand Remission application, including staff time as set out in Council's schedule of 'Fees and Charges - Economic Growth and Planning' published on Council's website, its consultant and legal costs, and administration costs, shall be paid by the applicant whether or not a remission is ultimately granted. If external costs are to be incurred by Council in its assessment of a remission Council may at its discretion require those costs to be met by the applicant in advance.

~~18.16~~18.14 **CBD remissions-remission**

~~18.15~~ BetweenAt Council's sole discretion, applications with a lodgement date between 1 July ~~2019~~2021 and 30 June ~~2021~~2024, for developments in the CBD ~~will pay only 34.0%~~may be eligible for a 50% remission (being a 66% remission)50% remission of the standard applicable Infill West charge, as set out in Schedule 1) subject to: .

- a) Engagement with the Urban Design Advisory Panel, and
- b) Final Lifemark 4-star certification for the residential components of the development.

18.16 Engagement with the Urban Design Advisory Panel, for the purposes of this provision, means that an application in relation to the development has been submitted to and considered by the Urban Design Advisory Panel or its Council representative.

18.17 Any residential components of a development which do not achieve Lifemark 4-star certification will be excluded from the remission.

**18.18 High rise building remission**

~~18.17~~18.19 Subject to the criteria in 18.15 above, developments in the CBD with 6 or more storeys will pay no development contributions (being a 100% remission of the standard applicable infill charge, as set out in Schedule 1-)

18.20 For the purpose of calculating eligibility for the remission, the following do not count as storeys:

- a) below grade basement levels
- b) mezzanine floors, rooftop terraces or any other structure with gross floor area less than 60% of the gross floor area of the first floor of the building.
- c) areas not included in the definition of gross floor area as set out in provision 6.25 of this policy.

**18.21 Social Housing remission**

18.22 Council may, at its sole discretion, grant a remission of up to 100% to social housing developments.

18.23 In the exercise of its discretion, Council will consider the following factors:

- a) the development must deliver not-for-profit housing;
- b) The applicant on the building consent or resource consent must be registered as a community housing provider with the Community Housing Regulatory Authority;
- c) The development will provide social and/or affordable rental housing;
- d) An application for remission must be lodged with Council prior to any development contributions being paid. Development contributions paid prior to an application being lodged will not be eligible for a refund;
- e) The crown and crown agents including Kāinga Ora are not eligible for this remission;
- f) Any other feature of the development or the developer which Council considers relevant;
- g) The total value of social housing remissions provided by Council under this policy.

~~18.18~~18.24 Private Developer Agreement (PDA) remission

~~18.19~~18.25 Council may provide for a remission in respect of development contributions levied against development in unfunded areas or associated with unfunded growth projects as set out in Council's Growth Funding Policy where Council and the developer have entered into a binding Private Developer Agreement in accordance with Section 207 LGA and the criteria and principals set out in the Growth Funding Policy.



~~18.2018.26~~ Council will set the total remission, if any, in a manner consistent with the Growth Funding Policy and the total remission shall be recorded as a term and condition of the Private Developer Agreement.

## **19. REFUNDS (S209) LGA)**

~~19.1~~ At its sole discretion, Council may provide a refund of development contribution site credits where it can be demonstrated to Council's satisfaction that:

- ~~a) the development contributions were required and paid on subdivision consent ("original payment") and gave rise to the site credits;~~
- ~~b) the site credits have never been exercised; and~~
- ~~c) Code Compliance Certificate has been issued for the development on the site;~~
- ~~d) the gross floor area of the development exceeds 20% of the site area~~
- ~~e) the refund applicant is the current land owner.~~

~~19.2~~ Any refund will be paid to the person who made the original payment.

~~19.3~~ Refunds will be calculated by apportioning the original payment, using the remaining site credits in HUEs compared with the total HUEs paid. Refunds will account for any remissions or capped development contribution charges which related to the original payment.

~~19.4~~ No refund will be paid where site credits arose due to pre-existing legitimately established units of demand as set out in Section 13.2 (a) of this policy.

## **19.20. VALUATION OF LAND FOR DEVELOPMENT CONTRIBUTIONS PURPOSES (S201(1)D, 203(1) LGA)**

~~19.120.1~~ The development contribution charge for reserves will be capped at the greater of 7.5% of the value of the additional allotments created by a subdivision or the value equivalent of 20 square metres of land for each additional household unit created by the development.

~~19.220.2~~ On the basis of the charges expressed in this Policy, such a cap would apply to residential allotments or sections of land value (per unit) less than the values described in Schedule ~~65~~.

## **20.21. ESTIMATING A DEVELOPMENT CONTRIBUTION CHARGE**

~~20.121.1~~ This section provides a guide to estimating a development contributions charge.

~~20.221.2~~ Please contact the Development Contributions Officer if you have any questions or require assistance to calculate your estimated charge.

~~20.321.3~~ **Using the online GIS development contribution estimator tool**

~~20.421.4~~ For a quick estimate of a development contribution charge use the "[DC estimator](#)" on Council's website.

~~20.5~~21.5 Type the address into the search bar and click on the site to generate the catchments and per unit charges for the development.

#### ~~20.6~~21.6 Using the Policy

~~20.7~~21.7 To estimate a development contribution charge using Schedule 1 follow the steps below:

1. **Identify the development type** using the definitions in section 6. Refer to Table 1 for residential or Table 2 for non-residential development.
2. **Identify the geographic catchment** in which the development is situated by using the maps in the schedule ~~8~~7.
3. **Add up the charges** for each activity (~~community infrastructure~~, reserves, stormwater, wastewater, transport, and water) by reading across the row relating to your geographical catchment, or just use the total on the right-hand side. Do not add the citywide charges; they are already included in the charge for each catchment.
4. **Add the stormwater and wastewater catchment charges** to the above charge by identifying the stormwater catchment, and the wastewater catchments using the maps in schedule ~~8-7~~ below.
5. **Your total charge** is the sum of the above charges.

~~20.8~~21.8 The method outlined above is the standard means for estimating development contribution charges.

~~20.9~~21.9 There may be aspects of a development that require a more complex calculation. Please refer to the notes at the bottom of schedule 1 and schedule ~~5-4~~ and the “How to estimate a development contribution charge” information sheet on Council’s website to assist with more complex calculations.

## ~~21,22~~22. REFERENCES

- Local Government Act 2002
- Council’s ~~2018-28 10-Year~~2021-31 Long Term Plan
- Council’s Growth Funding Policy
- Council’s 30 Year Infrastructure Strategy

## 23. SCHEDULE 1A – DEVELOPMENT CONTRIBUTION CHARGES 2021/22

Table 1 – 2021/22 Phased Residential development contributions development contribution payable in each catchment (excl. GST)

Catchment	SW Catchment	WW Catchment	CI	Reserves	Storm-water	Transport	Waste-water	Water	Total
Large Residential			Charge per lot, dwelling or unit title						
Infill East	SW - Chartwell	WW - East	91	429	1,326	5,384	9,465	6,555	23,250
Infill East	SW - City Centre	WW - East	91	429	1,123	5,384	9,465	6,555	23,048
Infill East	SW - Hamilton East	WW - East	91	429	1,331	5,384	9,465	6,555	23,256
Infill East	SW - Kirikiriroa	WW - East	91	429	4,196	5,384	9,465	6,555	26,121
Infill East	SW - Mangaonua	WW - East	91	429	3,471	5,384	9,465	6,555	25,396
Infill East	SW - Waitawhiriwhiri	WW - East	91	429	1,609	5,384	9,465	6,555	23,534
Infill West	SW - City Centre	WW - West	91	429	1,123	5,272	13,974	6,555	27,445
Infill West	SW - Mangakotukutuku	WW - West	91	429	10,776	5,272	13,974	6,555	37,098
Infill West	SW - St Andrews	WW - West	91	429	216	5,272	13,974	6,555	26,538
Infill West	SW - Te Rapa Stream	WW - West	91	429	1,781	5,272	13,974	6,555	28,103
Infill West	SW - Waitawhiriwhiri	WW - West	91	429	1,609	5,272	13,974	6,555	27,931
Infill West	SW - Western Heights	WW - West	91	429	772	5,272	13,974	6,555	27,094
Infill West	SW - Lake Rotokauri	WW - West	91	429	76,660	5,272	13,974	6,555	102,982
Peacocke 1	SW - Mangakotukutuku	WW - West	69	7,139	8,173	14,631	15,963	5,120	51,094
Peacocke 2	SW - Peacocke	WW - East	71	6,098	2,564	18,495	20,376	5,587	53,193
Peacocke 2	SW - Mangakotukutuku	WW - East	70	5,980	8,295	18,138	19,982	5,479	57,944
Rotokauri	SW - Lake Rotokauri	WW - West	73	1,896	61,619	14,493	10,411	8,173	96,665
Rotokauri	SW - Mangaheka	WW - West	79	2,062	7,893	15,766	11,326	8,890	46,016
Rotokauri	SW - Ohote	WW - West	73	1,882	944	14,390	10,337	8,114	35,740
Rotokauri	SW - Rotokauri West	WW - West	76	1,982	18	15,152	10,885	8,544	36,657
Rototuna	SW - Kirikiriroa	WW - East	129	398	3,697	17,059	9,948	7,492	38,723
Rototuna	SW - River North	WW - East	129	399	1,163	17,116	9,981	7,517	36,306
Rototuna	SW - Te Awa o Katapaki	WW - East	128	397	12,594	17,001	9,914	7,466	47,501
Rototuna	SW - Otama-ngenge	WW - East	131	404	606	17,335	10,108	7,613	36,197
Ruakura	SW - Hamilton East	WW - East	73	324	1,076	10,631	10,668	5,268	28,040
Ruakura	SW - Kirikiriroa	WW - East	73	322	3,374	10,577	10,613	5,241	30,200
Ruakura	SW - Mangaonua	WW - East	73	323	2,802	10,617	10,654	5,261	29,731
Te Rapa North	SW - Mangaheka	WW - West	91	401	9,027	11,907	11,563	5,747	38,735
Te Rapa North	SW - Te Rapa Stream	WW - West	91	401	1,781	11,907	11,563	5,747	31,489
Te Rapa North	SW - St Andrews	WW - West	91	401	216	11,907	11,563	5,747	29,924
Temple View	SW - Temple View	WW - West	91	401	1,578	5,053	18,017	11,761	36,899
Temple View	SW - Waitawhiriwhiri	WW - West	91	401	1,609	5,053	18,017	11,761	36,930
Standard Residential			Charge per lot, dwelling or unit title						
Infill East	SW - Chartwell	WW - East	70	333	1,028	4,174	7,337	5,082	18,023
Infill East	SW - City Centre	WW - East	70	333	871	4,174	7,337	5,082	17,867
Infill East	SW - Hamilton East	WW - East	70	333	1,032	4,174	7,337	5,082	18,028
Infill East	SW - Kirikiriroa	WW - East	70	333	3,253	4,174	7,337	5,082	20,249
Infill East	SW - Mangaonua	WW - East	70	333	2,691	4,174	7,337	5,082	19,686
Infill East	SW - Waitawhiriwhiri	WW - East	70	333	1,247	4,174	7,337	5,082	18,243
Infill West	SW - City Centre	WW - West	70	333	871	4,087	10,833	5,082	21,275
Infill West	SW - Mangakotukutuku	WW - West	70	333	8,354	4,087	10,833	5,082	28,758
Infill West	SW - St Andrews	WW - West	70	333	167	4,087	10,833	5,082	20,572
Infill West	SW - Te Rapa Stream	WW - West	70	333	1,381	4,087	10,833	5,082	21,785
Infill West	SW - Waitawhiriwhiri	WW - West	70	333	1,247	4,087	10,833	5,082	21,652
Infill West	SW - Western Heights	WW - West	70	333	599	4,087	10,833	5,082	21,003
Infill West	SW - Lake Rotokauri	WW - West	70	333	59,427	4,087	10,833	5,082	79,831
Peacocke 1	SW - Mangakotukutuku	WW - West	53	5,534	6,336	11,342	12,374	3,969	39,608
Peacocke 2	SW - Peacocke	WW - East	55	4,727	1,988	14,338	15,796	4,331	41,235
Peacocke 2	SW - Mangakotukutuku	WW - East	54	4,636	6,430	14,060	15,490	4,248	44,918
Rotokauri	SW - Lake Rotokauri	WW - West	57	1,470	47,766	11,235	8,071	6,335	74,933
Rotokauri	SW - Mangaheka	WW - West	62	1,599	6,118	12,221	8,779	6,892	35,670
Rotokauri	SW - Ohote	WW - West	56	1,459	732	11,154	8,013	6,290	27,705
Rotokauri	SW - Rotokauri West	WW - West	59	1,536	14	11,745	8,437	6,623	28,415
Rototuna	SW - Kirikiriroa	WW - East	100	309	2,866	13,224	7,711	5,808	30,017
Rototuna	SW - River North	WW - East	100	310	901	13,269	7,737	5,827	28,144
Rototuna	SW - Te Awa o Katapaki	WW - East	100	307	9,763	13,179	7,685	5,788	36,821
Rototuna	SW - Otama-ngenge	WW - East	101	313	470	13,437	7,836	5,901	28,059
Ruakura	SW - Hamilton East	WW - East	57	251	834	8,241	8,270	4,084	21,737
Ruakura	SW - Kirikiriroa	WW - East	57	250	2,616	8,199	8,227	4,063	23,411
Ruakura	SW - Mangaonua	WW - East	57	251	2,172	8,230	8,259	4,078	23,047
Te Rapa North	SW - Mangaheka	WW - West	70	310	6,997	9,231	8,963	4,455	30,027
Te Rapa North	SW - Te Rapa Stream	WW - West	70	310	1,381	9,231	8,963	4,455	24,410
Te Rapa North	SW - St Andrews	WW - West	70	310	167	9,231	8,963	4,455	23,197

Temple View	SW - Temple View	WW - West	70	310	1,223	3,917	13,967	9,117	28,604
Temple View	SW - Waitawhiriwhiri	WW - West	70	310	1,247	3,917	13,967	9,117	28,628

Table 1– Continued

Catchment	SW Catchment	WW Catchment	CI	Reserves	Storm-water	Transport	Waste-water	Water	Total
Two Bed			Charge per lot, dwelling or unit title						
Infill East	SW - Chartwell	WW - East	49	230	708	2,878	5,059	3,504	12,427
Infill East	SW - City Centre	WW - East	49	230	600	2,878	5,059	3,504	12,319
Infill East	SW - Hamilton East	WW - East	49	230	712	2,878	5,059	3,504	12,431
Infill East	SW - Kirikiriroa	WW - East	49	230	2,243	2,878	5,059	3,504	13,962
Infill East	SW - Mangaonua	WW - East	49	230	1,855	2,878	5,059	3,504	13,574
Infill East	SW - Waitawhiriwhiri	WW - East	49	230	860	2,878	5,059	3,504	12,579
Infill West	SW - City Centre	WW - West	49	230	600	2,818	7,469	3,504	14,670
Infill West	SW - Mangakotukutuku	WW - West	49	230	5,760	2,818	7,469	3,504	19,829
Infill West	SW - St Andrews	WW - West	49	230	115	2,818	7,469	3,504	14,185
Infill West	SW - Te Rapa Stream	WW - West	49	230	952	2,818	7,469	3,504	15,021
Infill West	SW - Waitawhiriwhiri	WW - West	49	230	860	2,818	7,469	3,504	14,929
Infill West	SW - Western Heights	WW - West	49	230	413	2,818	7,469	3,504	14,482
Infill West	SW - Lake Rotokauri	WW - West	49	230	40,976	2,818	7,469	3,504	55,045
Peacocke 1	SW - Mangakotukutuku	WW - West	37	3,816	4,369	7,820	8,532	2,737	27,311
Peacocke 2	SW - Peacocke	WW - East	38	3,260	1,370	9,886	10,891	2,987	28,432
Peacocke 2	SW - Mangakotukutuku	WW - East	37	3,197	4,434	9,695	10,681	2,929	30,972
Rotokauri	SW - Lake Rotokauri	WW - West	39	1,013	32,936	7,747	5,565	4,368	51,668
Rotokauri	SW - Mangaheka	WW - West	42	1,102	4,219	8,427	6,054	4,752	24,596
Rotokauri	SW - Ohote	WW - West	39	1,006	505	7,691	5,525	4,337	19,103
Rotokauri	SW - Rotokauri West	WW - West	41	1,059	10	8,099	5,818	4,567	19,593
Rototuna	SW - Kirikiriroa	WW - East	69	213	1,976	9,118	5,317	4,005	20,698
Rototuna	SW - River North	WW - East	69	213	622	9,149	5,335	4,018	19,406
Rototuna	SW - Te Awa o Katapaki	WW - East	69	212	6,732	9,087	5,299	3,991	25,390
Rototuna	SW - Otama-ngenge	WW - East	70	216	324	9,265	5,403	4,069	19,347
Ruakura	SW - Hamilton East	WW - East	39	173	575	5,682	5,702	2,816	14,988
Ruakura	SW - Kirikiriroa	WW - East	39	172	1,804	5,653	5,673	2,801	16,142
Ruakura	SW - Mangaonua	WW - East	39	173	1,498	5,675	5,695	2,812	15,891
Te Rapa North	SW - Mangaheka	WW - West	49	214	4,825	6,365	6,180	3,072	20,704
Te Rapa North	SW - Te Rapa Stream	WW - West	49	214	952	6,365	6,180	3,072	16,831
Te Rapa North	SW - St Andrews	WW - West	49	214	115	6,365	6,180	3,072	15,995
Temple View	SW - Temple View	WW - West	49	214	843	2,701	9,630	6,286	19,723
Temple View	SW - Waitawhiriwhiri	WW - West	49	214	860	2,701	9,630	6,286	19,740
One Bed			Charge per lot, dwelling or unit title						
Infill East	SW - Chartwell	WW - East	34	159	490	1,992	3,501	2,425	8,601
Infill East	SW - City Centre	WW - East	34	159	416	1,992	3,501	2,425	8,527
Infill East	SW - Hamilton East	WW - East	34	159	493	1,992	3,501	2,425	8,604
Infill East	SW - Kirikiriroa	WW - East	34	159	1,552	1,992	3,501	2,425	9,663
Infill East	SW - Mangaonua	WW - East	34	159	1,284	1,992	3,501	2,425	9,395
Infill East	SW - Waitawhiriwhiri	WW - East	34	159	595	1,992	3,501	2,425	8,706
Infill West	SW - City Centre	WW - West	34	159	416	1,950	5,170	2,425	10,153
Infill West	SW - Mangakotukutuku	WW - West	34	159	3,987	1,950	5,170	2,425	13,725
Infill West	SW - St Andrews	WW - West	34	159	80	1,950	5,170	2,425	9,818
Infill West	SW - Te Rapa Stream	WW - West	34	159	659	1,950	5,170	2,425	10,397
Infill West	SW - Waitawhiriwhiri	WW - West	34	159	595	1,950	5,170	2,425	10,333
Infill West	SW - Western Heights	WW - West	34	159	286	1,950	5,170	2,425	10,023
Infill West	SW - Lake Rotokauri	WW - West	34	159	28,361	1,950	5,170	2,425	38,098
Peacocke 1	SW - Mangakotukutuku	WW - West	26	2,641	3,024	5,413	5,905	1,894	18,903
Peacocke 2	SW - Peacocke	WW - East	26	2,256	949	6,842	7,538	2,067	19,679
Peacocke 2	SW - Mangakotukutuku	WW - East	26	2,212	3,069	6,710	7,393	2,027	21,437
Rotokauri	SW - Lake Rotokauri	WW - West	27	701	22,796	5,362	3,852	3,024	35,762
Rotokauri	SW - Mangaheka	WW - West	29	763	2,920	5,833	4,190	3,289	17,024
Rotokauri	SW - Ohote	WW - West	27	696	349	5,324	3,824	3,002	13,223
Rotokauri	SW - Rotokauri West	WW - West	28	733	7	5,605	4,027	3,161	13,561
Rototuna	SW - Kirikiriroa	WW - East	48	147	1,368	6,311	3,680	2,772	14,325
Rototuna	SW - River North	WW - East	48	148	430	6,332	3,693	2,781	13,431
Rototuna	SW - Te Awa o Katapaki	WW - East	48	147	4,659	6,290	3,668	2,762	17,573
Rototuna	SW - Otama-ngenge	WW - East	48	150	224	6,413	3,739	2,816	13,391
Ruakura	SW - Hamilton East	WW - East	27	120	398	3,933	3,946	1,949	10,373
Ruakura	SW - Kirikiriroa	WW - East	27	119	1,248	3,913	3,926	1,939	11,172
Ruakura	SW - Mangaonua	WW - East	27	120	1,037	3,928	3,941	1,946	10,999
Te Rapa North	SW - Mangaheka	WW - West	34	148	3,339	4,405	4,278	2,126	14,330
Te Rapa North	SW - Te Rapa Stream	WW - West	34	148	659	4,405	4,278	2,126	11,650
Te Rapa North	SW - St Andrews	WW - West	34	148	80	4,405	4,278	2,126	11,070
Temple View	SW - Temple View	WW - West	34	148	584	1,869	6,665	4,351	13,651

Temple View	SW - Waitawhiriwhiri	WW - West	34	148	595	1,869	6,665	4,351	13,662
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Table 2 – 2021/22 Non-residential development contribution payable in each catchment (excl. GST)

Catchment	SW Catchment	WW Catchment	CI	Reserves	Storm-water	Transport	Waste-water	Water	Total
<b>Industrial</b>			<b>Charge per 100m2 floor area (site area for Stormwater)</b>						
Infill East	SW - Chartwell	WW - East			289	2,588	2,193	1,063	6,133
Infill East	SW - City Centre	WW - East			245	2,588	2,193	1,063	6,088
Infill East	SW - Hamilton East	WW - East			290	2,588	2,193	1,063	6,134
Infill East	SW - Kirikiriroa	WW - East			914	2,588	2,193	1,063	6,758
Infill East	SW - Mangaonua	WW - East			756	2,588	2,193	1,063	6,600
Infill East	SW - Waitawhiriwhiri	WW - East			351	2,588	2,193	1,063	6,194
Infill West	SW - City Centre	WW - West			245	2,534	3,238	1,063	7,079
Infill West	SW - Mangakotukutuku	WW - West			2,348	2,534	3,238	1,063	9,183
Infill West	SW - St Andrews	WW - West			47	2,534	3,238	1,063	6,882
Infill West	SW - Te Rapa Stream	WW - West			388	2,534	3,238	1,063	7,223
Infill West	SW - Waitawhiriwhiri	WW - West			351	2,534	3,238	1,063	7,185
Infill West	SW - Western Heights	WW - West			168	2,534	3,238	1,063	7,003
Infill West	SW - Lake Rotokauri	WW - West			14,193	2,153	2,751	903	20,000
Peacocke 1	SW - Mangakotukutuku	WW - West			2,348	9,271	4,876	1,095	17,590
Peacocke 2	SW - Peacocke	WW - East			712	11,325	6,014	1,154	19,205
Peacocke 2	SW - Mangakotukutuku	WW - East			2,253	10,867	5,771	1,108	20,000
Rotokauri	SW - Lake Rotokauri	WW - West			11,129	5,773	1,999	1,099	20,000
Rotokauri	SW - Mangaheka	WW - West			1,967	8,666	3,001	1,649	15,283
Rotokauri	SW - Ohote	WW - West			258	8,666	3,001	1,649	13,574
Rotokauri	SW - Rotokauri West	WW - West			5	8,666	3,001	1,649	13,321
Rototuna	SW - Kirikiriroa	WW - East			914	9,306	2,616	1,379	14,216
Rototuna	SW - River North	WW - East			287	9,306	2,616	1,379	13,588
Rototuna	SW - Te Awa o Katapaki	WW - East			3,126	9,306	2,616	1,379	16,427
Rototuna	SW - Otama-ngenge	WW - East			147	9,306	2,616	1,379	13,449
Ruakura	SW - Hamilton East	WW - East			290	6,321	3,058	1,057	10,726
Ruakura	SW - Kirikiriroa	WW - East			914	6,321	3,058	1,057	11,350
Ruakura	SW - Mangaonua	WW - East			756	6,321	3,058	1,057	11,192
Te Rapa North	SW - Mangaheka	WW - West			1,967	5,723	2,679	932	11,301
Te Rapa North	SW - Te Rapa Stream	WW - West			388	5,723	2,679	932	9,722
Te Rapa North	SW - St Andrews	WW - West			47	5,723	2,679	932	9,381
Temple View	SW - Temple View	WW - West			344	2,428	4,174	1,907	8,854
Temple View	SW - Waitawhiriwhiri	WW - West			351	2,428	4,174	1,907	8,860
<b>Commercial</b>			<b>Charge per 100m2 floor area (site area for Stormwater)</b>						
Infill East	SW - Chartwell	WW - East			395	7,263	3,720	2,004	13,381
Infill East	SW - City Centre	WW - East			335	7,263	3,720	2,004	13,321
Infill East	SW - Hamilton East	WW - East			397	7,263	3,720	2,004	13,383
Infill East	SW - Kirikiriroa	WW - East			1,251	7,263	3,720	2,004	14,237
Infill East	SW - Mangaonua	WW - East			1,035	7,263	3,720	2,004	14,021
Infill East	SW - Waitawhiriwhiri	WW - East			480	7,263	3,720	2,004	13,466
Infill West	SW - City Centre	WW - West			335	7,111	5,492	2,004	14,942
Infill West	SW - Mangakotukutuku	WW - West			3,213	7,111	5,492	2,004	17,820
Infill West	SW - St Andrews	WW - West			64	7,111	5,492	2,004	14,672
Infill West	SW - Te Rapa Stream	WW - West			531	7,111	5,492	2,004	15,138
Infill West	SW - Waitawhiriwhiri	WW - West			480	7,111	5,492	2,004	15,087
Infill West	SW - Western Heights	WW - West			230	7,111	5,492	2,004	14,837
Infill West	SW - Lake Rotokauri	WW - West			18,303	5,694	4,398	1,605	30,000
Peacocke 1	SW - Mangakotukutuku	WW - West			2,436	19,728	6,272	1,565	30,000
Peacocke 2	SW - Peacocke	WW - East			647	21,125	6,781	1,446	30,000
Peacocke 2	SW - Mangakotukutuku	WW - East			2,035	20,127	6,461	1,378	30,000
Rotokauri	SW - Lake Rotokauri	WW - West			12,382	13,176	2,758	1,684	30,000
Rotokauri	SW - Mangaheka	WW - West			2,293	20,722	4,337	2,648	30,000
Rotokauri	SW - Ohote	WW - West			322	22,196	4,646	2,837	30,000
Rotokauri	SW - Rotokauri West	WW - West			6	22,432	4,695	2,867	30,000
Rototuna	SW - Kirikiriroa	WW - East			1,091	22,773	3,869	2,267	30,000
Rototuna	SW - River North	WW - East			351	23,356	3,968	2,325	30,000
Rototuna	SW - Te Awa o Katapaki	WW - East			3,428	20,932	3,557	2,083	30,000
Rototuna	SW - Otama-ngenge	WW - East			181	23,490	3,991	2,338	30,000
Ruakura	SW - Hamilton East	WW - East			397	17,740	5,187	1,992	25,317
Ruakura	SW - Kirikiriroa	WW - East			1,251	17,740	5,187	1,992	26,171
Ruakura	SW - Mangaonua	WW - East			1,035	17,740	5,187	1,992	25,954
Te Rapa North	SW - Mangaheka	WW - West			2,691	16,061	4,544	1,757	25,054
Te Rapa North	SW - Te Rapa Stream	WW - West			531	16,061	4,544	1,757	22,893
Te Rapa North	SW - St Andrews	WW - West			64	16,061	4,544	1,757	22,427

Temple View	SW - Temple View	WW - West			470	6,815	7,081	3,595	17,962
Temple View	SW - Waitawhiriwhiri	WW - West			480	6,815	7,081	3,595	17,971

Table 2 – Continued

Catchment	SW Catchment	WW Catchment	CI	Reserves	Storm-water	Transport	Waste-water	Water	Total
Retail			Charge per 100m2 floor area (site area for Stormwater)						
Infill East	SW - Chartwell	WW - East			395	10,435	3,054	1,645	15,529
Infill East	SW - City Centre	WW - East			335	10,435	3,054	1,645	15,468
Infill East	SW - Hamilton East	WW - East			397	10,435	3,054	1,645	15,531
Infill East	SW - Kirikiriroa	WW - East			1,251	10,435	3,054	1,645	16,385
Infill East	SW - Mangaonua	WW - East			1,035	10,435	3,054	1,645	16,168
Infill East	SW - Waitawhiriwhiri	WW - East			480	10,435	3,054	1,645	15,613
Infill West	SW - City Centre	WW - West			335	10,217	4,509	1,645	16,706
Infill West	SW - Mangakotukutuku	WW - West			3,213	10,217	4,509	1,645	19,584
Infill West	SW - St Andrews	WW - West			64	10,217	4,509	1,645	16,435
Infill West	SW - Te Rapa Stream	WW - West			531	10,217	4,509	1,645	16,902
Infill West	SW - Waitawhiriwhiri	WW - West			480	10,217	4,509	1,645	16,851
Infill West	SW - Western Heights	WW - West			230	10,217	4,509	1,645	16,601
Infill West	SW - Lake Rotokauri	WW - West			22,856	10,217	4,509	1,645	39,227
Peacocke 1	SW - Mangakotukutuku	WW - West			2,618	30,467	5,534	1,381	40,000
Peacocke 2	SW - Peacocke	WW - East			686	32,158	5,898	1,258	40,000
Peacocke 2	SW - Mangakotukutuku	WW - East			2,177	30,938	5,675	1,210	40,000
Rotokauri	SW - Lake Rotokauri	WW - West			14,168	21,660	2,591	1,582	40,000
Rotokauri	SW - Mangaheka	WW - West			2,426	31,505	3,768	2,301	40,000
Rotokauri	SW - Ohote	WW - West			336	33,258	3,978	2,429	40,000
Rotokauri	SW - Rotokauri West	WW - West			6	33,535	4,011	2,449	40,000
Rototuna	SW - Kirikiriroa	WW - East			1,123	33,690	3,271	1,916	40,000
Rototuna	SW - River North	WW - East			359	34,352	3,335	1,954	40,000
Rototuna	SW - Te Awa o Katapaki	WW - East			3,595	31,548	3,063	1,794	40,000
Rototuna	SW - Otama-nge	WW - East			185	34,503	3,350	1,962	40,000
Ruakura	SW - Hamilton East	WW - East			397	25,489	4,258	1,636	31,780
Ruakura	SW - Kirikiriroa	WW - East			1,251	25,489	4,258	1,636	32,634
Ruakura	SW - Mangaonua	WW - East			1,035	25,489	4,258	1,636	32,418
Te Rapa North	SW - Mangaheka	WW - West			2,691	23,076	3,731	1,442	30,940
Te Rapa North	SW - Te Rapa Stream	WW - West			531	23,076	3,731	1,442	28,780
Te Rapa North	SW - St Andrews	WW - West			64	23,076	3,731	1,442	28,313
Temple View	SW - Temple View	WW - West			470	9,792	5,813	2,951	19,027
Temple View	SW - Waitawhiriwhiri	WW - West			480	9,792	5,813	2,951	19,036

Schedule 1A applies to development where the lodgement date is between 1 July 2021 and 30 June 2022

Please refer to the Schedule 1A and 1B notes under Schedule 1B below.

## 22.24. SCHEDULE 1B – DEVELOPMENT CONTRIBUTION BASE CHARGES

For further guidelines on how to use the charge schedules below to estimate a development contribution, please refer to the Council's website "[Estimating your development contribution](#)".

Table 1.3 – Residential *base* development contribution *charges payable* in each catchment (excl. GST)

Catchment	SW Catchment	WW Catchment	CI	Reserves	Storm-water	Transport	Waste-water	Water	Total
Large Residential			Charge per lot, dwelling or unit title						
Infill East	SW - Chartwell	WW - East	91	429	1,326	5,384	9,465	6,555	23,250
Infill East	SW - City Centre	WW - East	91	429	1,123	5,384	9,465	6,555	23,048
Infill East	SW - Hamilton East	WW - East	91	429	1,331	5,384	9,465	6,555	23,256
Infill East	SW - Kirikiriroa	WW - East	91	429	4,196	5,384	9,465	6,555	26,121
Infill East	SW - Mangaonua	WW - East	91	429	3,471	5,384	9,465	6,555	25,396
Infill East	SW - Waitawhiriwhiri	WW - East	91	429	1,609	5,384	9,465	6,555	23,534
Infill West	SW - City Centre	WW - West	91	429	1,123	5,272	13,974	6,555	27,445
Infill West	SW - Mangakotukutuku	WW - West	91	429	10,776	5,272	13,974	6,555	37,098
Infill West	SW - St Andrews	WW - West	91	429	216	5,272	13,974	6,555	26,538
Infill West	SW - Te Rapa Stream	WW - West	91	429	1,781	5,272	13,974	6,555	28,103
Infill West	SW - Waitawhiriwhiri	WW - West	91	429	1,609	5,272	13,974	6,555	27,931
Infill West	SW - Western Heights	WW - West	91	429	772	5,272	13,974	6,555	27,094
Infill West	SW - Lake Rotokauri	WW - West	91	429	76,660	5,272	13,974	6,555	102,982
Peacocke 1	SW - Mangakotukutuku	WW - West	91	9,412	10,776	19,290	21,046	6,751	67,367
Peacocke 2	SW - Peacocke	WW - East	91	7,769	3,266	23,563	25,959	7,118	67,767
Peacocke 2	SW - Mangakotukutuku	WW - East	91	7,769	10,776	23,563	25,959	7,118	75,277
Rotokauri	SW - Lake Rotokauri	WW - West	91	2,358	76,660	18,031	12,953	10,168	120,262
Rotokauri	SW - Mangaheka	WW - West	91	2,358	9,027	18,031	12,953	10,168	52,628
Rotokauri	SW - Ohote	WW - West	91	2,358	1,183	18,031	12,953	10,168	44,784
Rotokauri	SW - Rotokauri West	WW - West	91	2,358	21	18,031	12,953	10,168	43,622
Rototuna	SW - Kirikiriroa	WW - East	146	452	4,196	19,363	11,291	8,504	43,952
Rototuna	SW - River North	WW - East	146	452	1,315	19,363	11,291	8,504	41,072
Rototuna	SW - Te Awa o Katapaki	WW - East	146	452	14,344	19,363	11,291	8,504	54,100
Rototuna	SW - Otama-ngenge	WW - East	146	452	677	19,363	11,291	8,504	40,433
Ruakura	SW - Hamilton East	WW - East	91	401	1,331	13,152	13,198	6,517	34,690
Ruakura	SW - Kirikiriroa	WW - East	91	401	4,196	13,152	13,198	6,517	37,555
Ruakura	SW - Mangaonua	WW - East	91	401	3,471	13,152	13,198	6,517	36,830
Te Rapa North	SW - Mangaheka	WW - West	91	401	9,027	11,907	11,563	5,747	38,735
Te Rapa North	SW - Te Rapa Stream	WW - West	91	401	1,781	11,907	11,563	5,747	31,489
Te Rapa North	SW - St Andrews	WW - West	91	401	216	11,907	11,563	5,747	29,924
Temple View	SW - Temple View	WW - West	91	401	1,578	5,053	18,017	11,761	36,899
Temple View	SW - Waitawhiriwhiri	WW - West	91	401	1,609	5,053	18,017	11,761	36,930
Charge per lot, dwelling or unit title are inclusive of below Citywide and WW Catchment components									
Citywide	SW - Citywide		91	401	21	5,053	5,478	5,747	16,790
		WW - West					6,085		6,085
		WW - East					2,890		2,890
Standard Residential			Charge per lot, dwelling or unit title						
Infill East	SW - Chartwell	WW - East	70	333	1,028	4,174	7,337	5,082	18,023
Infill East	SW - City Centre	WW - East	70	333	871	4,174	7,337	5,082	17,867
Infill East	SW - Hamilton East	WW - East	70	333	1,032	4,174	7,337	5,082	18,028
Infill East	SW - Kirikiriroa	WW - East	70	333	3,253	4,174	7,337	5,082	20,249
Infill East	SW - Mangaonua	WW - East	70	333	2,691	4,174	7,337	5,082	19,686
Infill East	SW - Waitawhiriwhiri	WW - East	70	333	1,247	4,174	7,337	5,082	18,243
Infill West	SW - City Centre	WW - West	70	333	871	4,087	10,833	5,082	21,275
Infill West	SW - Mangakotukutuku	WW - West	70	333	8,354	4,087	10,833	5,082	28,758
Infill West	SW - St Andrews	WW - West	70	333	167	4,087	10,833	5,082	20,572
Infill West	SW - Te Rapa Stream	WW - West	70	333	1,381	4,087	10,833	5,082	21,785
Infill West	SW - Waitawhiriwhiri	WW - West	70	333	1,247	4,087	10,833	5,082	21,652
Infill West	SW - Western Heights	WW - West	70	333	599	4,087	10,833	5,082	21,003
Infill West	SW - Lake Rotokauri	WW - West	70	333	59,427	4,087	10,833	5,082	79,831
Peacocke 1	SW - Mangakotukutuku	WW - West	53	5,534	6,336	11,342	12,374	3,969	39,608
Peacocke 2	SW - Peacocke	WW - East	55	4,727	1,988	14,338	15,796	4,331	41,235
Peacocke 2	SW - Mangakotukutuku	WW - East	54	4,636	6,430	14,060	15,490	4,248	44,918
Rotokauri	SW - Lake Rotokauri	WW - West	57	1,470	47,766	11,235	8,071	6,335	74,933
Rotokauri	SW - Mangaheka	WW - West	62	1,599	6,118	12,221	8,779	6,892	35,670
Rotokauri	SW - Ohote	WW - West	56	1,459	732	11,154	8,013	6,290	27,705
Rotokauri	SW - Rotokauri West	WW - West	59	1,536	14	11,745	8,437	6,623	28,415
Rototuna	SW - Kirikiriroa	WW - East	100	309	2,866	13,224	7,711	5,808	30,017
Rototuna	SW - River North	WW - East	100	310	901	13,269	7,737	5,827	28,144
Rototuna	SW - Te Awa o Katapaki	WW - East	100	307	9,763	13,179	7,685	5,788	36,821
Rototuna	SW - Otama-ngenge	WW - East	101	313	470	13,437	7,836	5,901	28,059



Ruakura	SW - Hamilton East	WW - East	57	251	834	8,241	8,270	4,084	21,737
Ruakura	SW - Kirikiriroa	WW - East	57	250	2,616	8,199	8,227	4,063	23,411
Ruakura	SW - Mangaonua	WW - East	57	251	2,172	8,230	8,259	4,078	23,047
<b>Catchment</b>	<b>SW Catchment</b>	<b>WW Catchment</b>	<b>CI</b>	<b>Reserves</b>	<b>Storm-water</b>	<b>Transport</b>	<b>Waste-water</b>	<b>Water</b>	<b>Total</b>
Te Rapa North	SW - Mangaheka	WW - West	70	310	6,997	9,231	8,963	4,455	30,027
Te Rapa North	SW - Te Rapa Stream	WW - West	70	310	1,381	9,231	8,963	4,455	24,410
Te Rapa North	SW - St Andrews	WW - West	70	310	167	9,231	8,963	4,455	23,197
Temple View	SW - Temple View	WW - West	70	310	1,223	3,917	13,967	9,117	28,604
Temple View	SW - Waitawhiriwhiri	WW - West	70	310	1,247	3,917	13,967	9,117	28,628
Charge per lot, dwelling or unit title are inclusive of below Citywide and WW Catchment components									
Citywide	SW - Citywide		70	310	17	3,917	4,247	4,455	13,016
		WW - West					4,717		4,717
		WW - East					2,241		2,241
<b>Two Bed</b>			<b>Charge per lot, dwelling or unit title</b>						
Infill East	SW - Chartwell	WW - East	49	230	708	2,878	5,059	3,504	12,427
Infill East	SW - City Centre	WW - East	49	230	600	2,878	5,059	3,504	12,319
Infill East	SW - Hamilton East	WW - East	49	230	712	2,878	5,059	3,504	12,431
Infill East	SW - Kirikiriroa	WW - East	49	230	2,243	2,878	5,059	3,504	13,962
Infill East	SW - Mangaonua	WW - East	49	230	1,855	2,878	5,059	3,504	13,574
Infill East	SW - Waitawhiriwhiri	WW - East	49	230	860	2,878	5,059	3,504	12,579
Infill West	SW - City Centre	WW - West	49	230	600	2,818	7,469	3,504	14,670
Infill West	SW - Mangakotukutuku	WW - West	49	230	5,760	2,818	7,469	3,504	19,829
Infill West	SW - St Andrews	WW - West	49	230	115	2,818	7,469	3,504	14,185
Infill West	SW - Te Rapa Stream	WW - West	49	230	952	2,818	7,469	3,504	15,021
Infill West	SW - Waitawhiriwhiri	WW - West	49	230	860	2,818	7,469	3,504	14,929
Infill West	SW - Western Heights	WW - West	49	230	413	2,818	7,469	3,504	14,482
Infill West	SW - Lake Rotokauri	WW - West	49	230	40,976	2,818	7,469	3,504	55,045
Peacocke 1	SW - Mangakotukutuku	WW - West	49	5,031	5,760	10,311	11,249	3,608	36,008
Peacocke 2	SW - Peacocke	WW - East	49	4,153	1,746	12,595	13,875	3,805	36,222
Peacocke 2	SW - Mangakotukutuku	WW - East	49	4,153	5,760	12,595	13,875	3,805	40,236
Rotokauri	SW - Lake Rotokauri	WW - West	49	1,261	40,976	9,638	6,923	5,435	64,281
Rotokauri	SW - Mangaheka	WW - West	49	1,261	4,825	9,638	6,923	5,435	28,130
Rotokauri	SW - Ohote	WW - West	49	1,261	633	9,638	6,923	5,435	23,938
Rotokauri	SW - Rotokauri West	WW - West	49	1,261	11	9,638	6,923	5,435	23,317
Rototuna	SW - Kirikiriroa	WW - East	78	241	2,243	10,350	6,035	4,545	23,493
Rototuna	SW - River North	WW - East	78	241	703	10,350	6,035	4,545	21,953
Rototuna	SW - Te Awa o Katapaki	WW - East	78	241	7,667	10,350	6,035	4,545	28,917
Rototuna	SW - Otama-ngenge	WW - East	78	241	362	10,350	6,035	4,545	21,612
Ruakura	SW - Hamilton East	WW - East	49	214	712	7,030	7,054	3,484	18,542
Ruakura	SW - Kirikiriroa	WW - East	49	214	2,243	7,030	7,054	3,484	20,073
Ruakura	SW - Mangaonua	WW - East	49	214	1,855	7,030	7,054	3,484	19,686
Te Rapa North	SW - Mangaheka	WW - West	49	214	4,825	6,365	6,180	3,072	20,704
Te Rapa North	SW - Te Rapa Stream	WW - West	49	214	952	6,365	6,180	3,072	16,831
Te Rapa North	SW - St Andrews	WW - West	49	214	115	6,365	6,180	3,072	15,995
Temple View	SW - Temple View	WW - West	49	214	843	2,701	9,630	6,286	19,723
Temple View	SW - Waitawhiriwhiri	WW - West	49	214	860	2,701	9,630	6,286	19,740
Charge per lot, dwelling or unit title are inclusive of below Citywide and WW Catchment components									
Citywide	SW - Citywide		49	214	11	2,701	2,928	3,072	8,975
		WW - West					3,252		3,252
		WW - East					1,545		1,545
<b>One Bed</b>			<b>Charge per lot, dwelling or unit title</b>						
Infill East	SW - Chartwell	WW - East	34	159	490	1,992	3,501	2,425	8,601
Infill East	SW - City Centre	WW - East	34	159	416	1,992	3,501	2,425	8,527
Infill East	SW - Hamilton East	WW - East	34	159	493	1,992	3,501	2,425	8,604
Infill East	SW - Kirikiriroa	WW - East	34	159	1,552	1,992	3,501	2,425	9,663
Infill East	SW - Mangaonua	WW - East	34	159	1,284	1,992	3,501	2,425	9,395
Infill East	SW - Waitawhiriwhiri	WW - East	34	159	595	1,992	3,501	2,425	8,706
Infill West	SW - City Centre	WW - West	34	159	416	1,950	5,170	2,425	10,153
Infill West	SW - Mangakotukutuku	WW - West	34	159	3,987	1,950	5,170	2,425	13,725
Infill West	SW - St Andrews	WW - West	34	159	80	1,950	5,170	2,425	9,818
Infill West	SW - Te Rapa Stream	WW - West	34	159	659	1,950	5,170	2,425	10,397
Infill West	SW - Waitawhiriwhiri	WW - West	34	159	595	1,950	5,170	2,425	10,333
Infill West	SW - Western Heights	WW - West	34	159	286	1,950	5,170	2,425	10,023
Infill West	SW - Lake Rotokauri	WW - West	34	159	28,361	1,950	5,170	2,425	38,098
Peacocke 1	SW - Mangakotukutuku	WW - West	34	3,482	3,987	7,136	7,786	2,497	24,922
Peacocke 2	SW - Peacocke	WW - East	34	2,874	1,208	8,717	9,604	2,633	25,070
Peacocke 2	SW - Mangakotukutuku	WW - East	34	2,874	3,987	8,717	9,604	2,633	27,849
Rotokauri	SW - Lake Rotokauri	WW - West	34	872	28,361	6,671	4,792	3,762	44,491
Rotokauri	SW - Mangaheka	WW - West	34	872	3,339	6,671	4,792	3,762	19,470
Rotokauri	SW - Ohote	WW - West	34	872	438	6,671	4,792	3,762	16,568

Rotokauri	SW - Rotokauri West	WW - West	34	872	8	6,671	4,792	3,762	16,138
Rototuna	SW - Kirikiriroa	WW - East	54	167	1,552	7,163	4,177	3,146	16,260
Rototuna	SW - River North	WW - East	54	167	487	7,163	4,177	3,146	15,194
Catchment	SW Catchment	WW Catchment	CI	Reserves	Storm-water	Transport	Waste-water	Water	Total
Rototuna	SW - Te Awa o Katapaki	WW - East	54	167	5,307	7,163	4,177	3,146	20,014
Rototuna	SW - Otama-ngenge	WW - East	54	167	250	7,163	4,177	3,146	14,958
Ruakura	SW - Hamilton East	WW - East	34	148	493	4,866	4,883	2,411	12,834
Ruakura	SW - Kirikiriroa	WW - East	34	148	1,552	4,866	4,883	2,411	13,893
Ruakura	SW - Mangaonua	WW - East	34	148	1,284	4,866	4,883	2,411	13,625
Te Rapa North	SW - Mangaheka	WW - West	34	148	3,339	4,405	4,278	2,126	14,330
Te Rapa North	SW - Te Rapa Stream	WW - West	34	148	659	4,405	4,278	2,126	11,650
Te Rapa North	SW - St Andrews	WW - West	34	148	80	4,405	4,278	2,126	11,070
Temple View	SW - Temple View	WW - West	34	148	584	1,869	6,665	4,351	13,651
Temple View	SW - Waitawhiriwhiri	WW - West	34	148	595	1,869	6,665	4,351	13,662
Charge per lot, dwelling or unit title are inclusive of below Citywide and WW Catchment components									
Citywide	<del>SW - Citywide</del>		34	148	8	1,869	2,027	2,126	6,212
		WW - West					2,251		2,251
		WW - East					1,069		1,069

Table 1 – Continued

Table 2-4 – Non-residential development contribution payable in each catchment (excl. GST)

Catchment	SW Catchment	WW Catchment	CI	Reserves	Storm-water	Transport	Waste-water	Water	Total
<b>Industrial</b>		<b>Charge per 100m2 floor area (site area for Stormwater)</b>							
Infill East	SW - Chartwell	WW - East			289	2,588	2,193	1,063	6,133
Infill East	SW - City Centre	WW - East			245	2,588	2,193	1,063	6,088
Infill East	SW - Hamilton East	WW - East			290	2,588	2,193	1,063	6,134
Infill East	SW - Kirikiriroa	WW - East			914	2,588	2,193	1,063	6,758
Infill East	SW - Mangaonua	WW - East			756	2,588	2,193	1,063	6,600
Infill East	SW - Waitawhiriwhiri	WW - East			351	2,588	2,193	1,063	6,194
Infill West	SW - City Centre	WW - West			245	2,534	3,238	1,063	7,079
Infill West	SW - Mangakotukutuku	WW - West			2,348	2,534	3,238	1,063	9,183
Infill West	SW - St Andrews	WW - West			47	2,534	3,238	1,063	6,882
Infill West	SW - Te Rapa Stream	WW - West			388	2,534	3,238	1,063	7,223
Infill West	SW - Waitawhiriwhiri	WW - West			351	2,534	3,238	1,063	7,185
Infill West	SW - Western Heights	WW - West			168	2,534	3,238	1,063	7,003
Infill West	SW - Lake Rotokauri	WW - West			16,705	2,534	3,238	1,063	23,540
Peacocke 1	SW - Mangakotukutuku	WW - West			2,348	9,271	4,876	1,095	17,590
Peacocke 2	SW - Peacocke	WW - East			712	11,325	6,014	1,154	19,205
Peacocke 2	SW - Mangakotukutuku	WW - East			2,348	11,325	6,014	1,154	20,842
Rotokauri	SW - Lake Rotokauri	WW - West			16,705	8,666	3,001	1,649	30,021
Rotokauri	SW - Mangaheka	WW - West			1,967	8,666	3,001	1,649	15,283
Rotokauri	SW - Ohote	WW - West			258	8,666	3,001	1,649	13,574
Rotokauri	SW - Rotokauri West	WW - West			5	8,666	3,001	1,649	13,321
Rototuna	SW - Kirikiriroa	WW - East			914	9,306	2,616	1,379	14,216
Rototuna	SW - River North	WW - East			287	9,306	2,616	1,379	13,588
Rototuna	SW - Te Awa o Katapaki	WW - East			3,126	9,306	2,616	1,379	16,427
Rototuna	SW - Otama-ngenge	WW - East			147	9,306	2,616	1,379	13,449
Ruakura	SW - Hamilton East	WW - East			290	6,321	3,058	1,057	10,726
Ruakura	SW - Kirikiriroa	WW - East			914	6,321	3,058	1,057	11,350
Ruakura	SW - Mangaonua	WW - East			756	6,321	3,058	1,057	11,192
Te Rapa North	SW - Mangaheka	WW - West			1,967	5,723	2,679	932	11,301
Te Rapa North	SW - Te Rapa Stream	WW - West			388	5,723	2,679	932	9,722
Te Rapa North	SW - St Andrews	WW - West			47	5,723	2,679	932	9,381
Temple View	SW - Temple View	WW - West			344	2,428	4,174	1,907	8,854
Temple View	SW - Waitawhiriwhiri	WW - West			351	2,428	4,174	1,907	8,860
Charge per lot, dwelling or unit title are inclusive of below Citywide and WW Catchment components									
Citywide	SW - Citywide				5	2,428	1,269	932	4,634
		WW - West					1,410		1,410
		WW - East					670		670
<b>Commercial</b>		<b>Charge per 100m2 floor area (site area for Stormwater)</b>							
Infill East	SW - Chartwell	WW - East			395	7,263	3,720	2,004	13,381
Infill East	SW - City Centre	WW - East			335	7,263	3,720	2,004	13,321
Infill East	SW - Hamilton East	WW - East			397	7,263	3,720	2,004	13,383
Infill East	SW - Kirikiriroa	WW - East			1,251	7,263	3,720	2,004	14,237
Infill East	SW - Mangaonua	WW - East			1,035	7,263	3,720	2,004	14,021
Infill East	SW - Waitawhiriwhiri	WW - East			480	7,263	3,720	2,004	13,466
Infill West	SW - City Centre	WW - West			335	7,111	5,492	2,004	14,942
Infill West	SW - Mangakotukutuku	WW - West			3,213	7,111	5,492	2,004	17,820
Infill West	SW - St Andrews	WW - West			64	7,111	5,492	2,004	14,672
Infill West	SW - Te Rapa Stream	WW - West			531	7,111	5,492	2,004	15,138
<b>Catchment</b>	<b>SW Catchment</b>	<b>WW Catchment</b>	<b>CI</b>	<b>Reserves</b>	<b>Storm-water</b>	<b>Transport</b>	<b>Waste-water</b>	<b>Water</b>	<b>Total</b>
Infill West	SW - Waitawhiriwhiri	WW - West			480	7,111	5,492	2,004	15,087
Infill West	SW - Western Heights	WW - West			230	7,111	5,492	2,004	14,837
Infill West	SW - Lake Rotokauri	WW - West			22,856	7,111	5,492	2,004	37,464
Peacocke 1	SW - Mangakotukutuku	WW - West			3,213	26,019	8,272	2,064	39,568
Peacocke 2	SW - Peacocke	WW - East			974	31,783	10,203	2,176	45,135
Peacocke 2	SW - Mangakotukutuku	WW - East			3,213	31,783	10,203	2,176	47,374
Rotokauri	SW - Lake Rotokauri	WW - West			22,856	24,321	5,091	3,108	55,376
Rotokauri	SW - Mangaheka	WW - West			2,691	24,321	5,091	3,108	35,211
Rotokauri	SW - Ohote	WW - West			353	24,321	5,091	3,108	32,873
Rotokauri	SW - Rotokauri West	WW - West			6	24,321	5,091	3,108	32,526
Rototuna	SW - Kirikiriroa	WW - East			1,251	26,118	4,438	2,599	34,406
Rototuna	SW - River North	WW - East			392	26,118	4,438	2,599	33,547
Rototuna	SW - Te Awa o Katapaki	WW - East			4,277	26,118	4,438	2,599	37,432
Rototuna	SW - Otama-ngenge	WW - East			202	26,118	4,438	2,599	33,357
Ruakura	SW - Hamilton East	WW - East			397	17,740	5,187	1,992	25,317
Ruakura	SW - Kirikiriroa	WW - East			1,251	17,740	5,187	1,992	26,171
Ruakura	SW - Mangaonua	WW - East			1,035	17,740	5,187	1,992	25,954
Te Rapa North	SW - Mangaheka	WW - West			2,691	16,061	4,544	1,757	25,054

Te Rapa North	SW - Te Rapa Stream	WW - West		531	16,061	4,544	1,757	22,893
Te Rapa North	SW - St Andrews	WW - West		64	16,061	4,544	1,757	22,427
Temple View	SW - Temple View	WW - West		470	6,815	7,081	3,595	17,962
Temple View	SW - Waitawhiriwhiri	WW - West		480	6,815	7,081	3,595	17,971
Charge per lot, dwelling or unit title are inclusive of below Citywide and WW Catchment components								
Citywide	SW - Citywide			6	6,815	2,153	1,757	10,731
		WW - West				2,391		2,391
		WW - East				1,136		1,136
Retail		Charge per 100m2 floor area (site area for Stormwater)						
Infill East	SW - Chartwell	WW - East		395	10,435	3,054	1,645	15,529
Infill East	SW - City Centre	WW - East		335	10,435	3,054	1,645	15,468
Infill East	SW - Hamilton East	WW - East		397	10,435	3,054	1,645	15,531
Infill East	SW - Kirikiriroa	WW - East		1,251	10,435	3,054	1,645	16,385
Infill East	SW - Mangaonua	WW - East		1,035	10,435	3,054	1,645	16,168
Infill East	SW - Waitawhiriwhiri	WW - East		480	10,435	3,054	1,645	15,613
Infill West	SW - City Centre	WW - West		335	10,217	4,509	1,645	16,706
Infill West	SW - Mangakotukutuku	WW - West		3,213	10,217	4,509	1,645	19,584
Infill West	SW - St Andrews	WW - West		64	10,217	4,509	1,645	16,435
Infill West	SW - Te Rapa Stream	WW - West		531	10,217	4,509	1,645	16,902
Infill West	SW - Waitawhiriwhiri	WW - West		480	10,217	4,509	1,645	16,851
Infill West	SW - Western Heights	WW - West		230	10,217	4,509	1,645	16,601
Infill West	SW - Lake Rotokauri	WW - West		22,856	10,217	4,509	1,645	39,227
Peacocke 1	SW - Mangakotukutuku	WW - West		3,213	37,384	6,791	1,694	49,082
Peacocke 2	SW - Peacocke	WW - East		974	45,665	8,376	1,786	56,800
Peacocke 2	SW - Mangakotukutuku	WW - East		3,213	45,665	8,376	1,786	59,040
Rotokauri	SW - Lake Rotokauri	WW - West		22,856	34,944	4,179	2,552	64,531
Rotokauri	SW - Mangaheka	WW - West		2,691	34,944	4,179	2,552	44,366
Rotokauri	SW - Ohote	WW - West		353	34,944	4,179	2,552	42,028
Rotokauri	SW - Rotokauri West	WW - West		6	34,944	4,179	2,552	41,681
Rototuna	SW - Kirikiriroa	WW - East		1,251	37,526	3,643	2,134	44,554
Rototuna	SW - River North	WW - East		392	37,526	3,643	2,134	43,695
Rototuna	SW - Te Awa o Katapaki	WW - East		4,277	37,526	3,643	2,134	47,580
Rototuna	SW - Otama-ngenge	WW - East		202	37,526	3,643	2,134	43,505
Ruakura	SW - Hamilton East	WW - East		397	25,489	4,258	1,636	31,780
Ruakura	SW - Kirikiriroa	WW - East		1,251	25,489	4,258	1,636	32,634
Ruakura	SW - Mangaonua	WW - East		1,035	25,489	4,258	1,636	32,418
Te Rapa North	SW - Mangaheka	WW - West		2,691	23,076	3,731	1,442	30,940
Te Rapa North	SW - Te Rapa Stream	WW - West		531	23,076	3,731	1,442	28,780
Te Rapa North	SW - St Andrews	WW - West		64	23,076	3,731	1,442	28,313
Temple View	SW - Temple View	WW - West		470	9,792	5,813	2,951	19,027
Temple View	SW - Waitawhiriwhiri	WW - West		480	9,792	5,813	2,951	19,036
Charge per lot, dwelling or unit title are inclusive of below Citywide and WW Catchment components								
Citywide	SW - Citywide			6	9,792	1,768	1,442	13,008
		WW - West				1,963		1,963
		WW - East				933		933

## **Notes for schedules 1A and 1Bb**

### **Note 1 – Charges for non-residential developments**

Non-residential charges are average charges for a typical development per 100m<sup>2</sup> GFA (Site area for stormwater).

Non-residential developments will be charged in accordance with the average number of household unit equivalents of demand generated by the category into which they fall. These will be calculated by using the factors given in Schedule 454 below.

The retail transport factor ~~operates~~ is used in determining retail charges, which varies depending on sliding scales the floor area of the development as set out in Schedule 54. For the purpose of presentation, charges in the schedule above use an average of these factors, so the applicable charges for a particular retail development will differ from the charges shown here above.

A more precise estimate of the development contributions payable for any particular development can be provided by Council on request.

In assessing HUEs for mixed-use developments such as a retirement village or a combined industrial and commercial development, a separate assessment will be made for all residential, retail, commercial and industrial components of the development.

### **Note 2 – Assessment of Reserves component through resource consent applications**

At its sole discretion and on a case by case basis Council may take land of dollar value equivalent to the required reserves development contribution rather than money, as a condition of resource consent in accordance with and subject to Council's District Plan.

There is no charge for reserves on non-residential developments.

### **Note 3 – GST**

Development contributions are calculated exclusive of Goods and Services Tax (GST). GST will be added at the rate prevailing at the time of payment after the calculation of any contributions required under this Policy.

### **Note 4 – Full methodology (s106(3) LGA)**

The full methodology demonstrating how the calculations have been made for the contributions in this schedule is available from Council upon request.

### **Note 5 – The stages at which development contributions are required (s198, 202(1)(b) LGA) are set out in section 1011**

### **Note 6 – Producer Price Index adjustments**

Council will at its sole discretion and in accordance with s106(2B-2C) LGA, increase development contribution charges annually based at the Producers Price Index Outputs for Construction rate provided by Statistics New Zealand.

### **Note 7 – Capped Rotorua non-residential charges**

Development contribution charges in the Rotorua general catchment (refer Schedule Map 3) have been capped for commercial, industrial, and retail developments per section 9.8 above.

### **Note 8 – CBD remission Phased residential charges**

Development contribution base charges in the CBD catchment (refer Schedule Map 7) charges for residential development in the Peacocke 1, Peacocke 2, Rotorua, Rototuna and Ruakura general catchments will be remitted by 66% phased in between 1 July 2021 and 30 June 2023 per section 18.14-18.11 above.

### **Note 9 – CBD remission**

Council may provide a part or full remission of development contributions for development in the CBD. Refer to clause 18.14 to 18.20, Schedule 87 and Map 7.

### **Note 10 – High rise remission**

Subject to the criteria for the CBD remission (see Note 9 above and 18.15 to 18.17), developments in the CBD with 6 or more storeys may pay no development contributions. Refer to 18.20-.

**Note 11 – Calculation of phased residential charges Rounding**

The final charge may vary slightly from the charges in Schedule 1 of the Policy due to rounding.

The phased residential charges are calculated by summing all elements of the development contributions, working out the difference and adding 1/3



~~Schedule 2~~

## 25. SCHEDULE 2 – GROWTH-RELATED CAPITAL EXPENDITURE

Table 5 – Growth related capital expenditure by Council Activity Group (\$000s)

Table 3—Growth related capital expenditure by Council Activity Group (\$000s)	Total Capex Including Subsidies	Total Subsidies & Operating Revenue	Total Capex Net Subsidies	DC Capex	DC Interest	Total Cost DC Funded Capex	% DC Funded	% Rates Funded	% Other Sources
<b>Total C/</b>	<b>58,744</b>		<b>58,744</b>	<b>9,386</b>	<b>(302)</b>	<b>9,084</b>	<b>16%</b>	<b>84%</b>	<b>0%</b>
<b>Citywide</b>	<b>49,569</b>		<b>49,569</b>	<b>7,551</b>	<b>494</b>	<b>8,046</b>	<b>15%</b>	<b>85%</b>	<b>0%</b>
Historical	43,299		43,299	4,875	189	5,063	11%	89%	0%
10-Year Plan	6,270		6,270	2,677	(28)	2,648	43%	57%	0%
30-Year Strategy	-		-	-	334	334	0%	0%	0%
<b>Rototuna</b>	<b>9,175</b>		<b>9,175</b>	<b>1,835</b>	<b>(797)</b>	<b>1,038</b>	<b>20%</b>	<b>80%</b>	<b>0%</b>
Historical	-		-	-	(808)	(808)	0%	0%	0%
10-Year Plan	9,175		9,175	1,835	(0)	1,835	20%	80%	0%
30-Year Strategy	-		-	-	11	11	0%	0%	0%
<b>Total Reserves</b>	<b>127,541</b>	<b>1,331</b>	<b>126,210</b>	<b>81,511</b>	<b>13,542</b>	<b>95,053</b>	<b>64%</b>	<b>35%</b>	<b>1%</b>
<b>Citywide</b>	<b>45,102</b>	<b>600</b>	<b>44,502</b>	<b>19,245</b>	<b>2,249</b>	<b>21,494</b>	<b>43%</b>	<b>56%</b>	<b>1%</b>
Historical	38,515	100	38,415	17,510	451	17,961	45%	54%	0%
10-Year Plan	6,587	500	6,087	1,735	1,124	2,859	26%	66%	8%
30-Year Strategy	-		-	-	674	674	0%	0%	0%
<b>Infill</b>	<b>5,086</b>	<b>731</b>	<b>4,355</b>	<b>1,493</b>	<b>(293)</b>	<b>1,200</b>	<b>29%</b>	<b>56%</b>	<b>14%</b>
Historical	5,086	731	4,355	1,493	(342)	1,152	29%	56%	14%
10-Year Plan	-		-	-	35	35	0%	0%	0%
30-Year Strategy	-		-	-	13	13	0%	0%	0%
<b>Peacocke</b>	<b>709</b>		<b>709</b>	<b>571</b>	<b>595</b>	<b>1,165</b>	<b>80%</b>	<b>20%</b>	<b>0%</b>
Historical	709		709	571	411	982	80%	20%	0%
10-Year Plan	-		-	-	152	-	0%	0%	0%
30-Year Strategy	-		-	-	31	31	0%	0%	0%
<b>Peacocke 1</b>	<b>4,598</b>		<b>4,598</b>	<b>3,586</b>	<b>(127)</b>	<b>3,460</b>	<b>78%</b>	<b>22%</b>	<b>0%</b>
Historical	2,830		2,830	2,275	(288)	1,988	80%	20%	0%
10-Year Plan	1,767		1,767	1,311	122	1,433	74%	26%	0%
30-Year Strategy	-		-	-	38	38	0%	0%	0%
<b>Peacocke 2</b>	<b>47,610</b>		<b>47,610</b>	<b>36,100</b>	<b>8,401</b>	<b>44,502</b>	<b>76%</b>	<b>24%</b>	<b>0%</b>
Historical	4,034		4,034	3,440	79	3,520	85%	15%	0%
10-Year Plan	43,576		43,576	32,660	4,216	36,876	75%	25%	0%
30-Year Strategy	-		-	-	4,107	4,107	0%	0%	0%
<b>Rotokauri</b>	<b>2,125</b>		<b>2,125</b>	<b>1,780</b>	<b>1,790</b>	<b>3,570</b>	<b>84%</b>	<b>16%</b>	<b>0%</b>
Historical	2,125		2,125	1,780	1,211	2,991	84%	16%	0%
10-Year Plan	-		-	-	470	470	0%	0%	0%
30-Year Strategy	-		-	-	109	109	0%	0%	0%
<b>Rototuna</b>	<b>22,312</b>		<b>22,312</b>	<b>18,735</b>	<b>927</b>	<b>19,662</b>	<b>84%</b>	<b>16%</b>	<b>0%</b>
Historical	19,497		19,497	16,307	981	17,287	84%	16%	0%
10-Year Plan	2,816		2,816	2,429	(62)	2,366	86%	14%	0%
30-Year Strategy	-		-	-	9	9	0%	0%	0%
<b>Total Stormwater</b>	<b>327,694</b>	<b>4,990</b>	<b>322,705</b>	<b>265,788</b>	<b>61,411</b>	<b>327,199</b>	<b>81%</b>	<b>17%</b>	<b>2%</b>
<b>SW - Chartwell</b>	<b>4,571</b>	<b>9</b>	<b>4,562</b>	<b>2,500</b>	<b>242</b>	<b>2,742</b>	<b>55%</b>	<b>45%</b>	<b>0%</b>
Historical	195	9	185	162	(75)	87	83%	12%	5%
10-Year Plan	4,376		4,376	2,338	43	2,382	53%	47%	0%
30-Year Strategy	-		-	-	273	273	0%	0%	0%
<b>SW - City Centre</b>	<b>1,749</b>	<b>7</b>	<b>1,742</b>	<b>1,355</b>	<b>440</b>	<b>1,795</b>	<b>77%</b>	<b>22%</b>	<b>0%</b>
Historical	656	7	649	571	300	871	87%	12%	1%
10-Year Plan	1,093		1,093	784	92	876	72%	28%	0%
30-Year Strategy	-		-	-	47	47	0%	0%	0%
<b>SW - Citywide</b>	<b>696</b>		<b>696</b>	<b>543</b>	<b>200</b>	<b>743</b>	<b>78%</b>	<b>22%</b>	<b>0%</b>
Historical	696		696	543	76	619	78%	22%	0%
10-Year Plan	-		-	-	86	86	0%	0%	0%
30-Year Strategy	-		-	-	37	37	0%	0%	0%
<b>SW - Hamilton East</b>	<b>4,108</b>	<b>6</b>	<b>4,101</b>	<b>2,145</b>	<b>(101)</b>	<b>2,044</b>	<b>52%</b>	<b>48%</b>	<b>0%</b>
Historical	174	6	168	147	(184)	(38)	84%	12%	4%
10-Year Plan	3,934		3,934	1,998	(82)	1,917	51%	49%	0%
30-Year Strategy	-		-	-	164	164	0%	0%	0%
<b>SW - Kirikiriroa</b>	<b>18,548</b>	<b>88</b>	<b>18,460</b>	<b>11,356</b>	<b>2,797</b>	<b>14,153</b>	<b>61%</b>	<b>38%</b>	<b>0%</b>
Historical	2,745	88	2,657	2,210	1,320	3,530	81%	16%	3%
10-Year Plan	15,803		15,803	9,146	546	9,692	58%	42%	0%
30-Year Strategy	-		-	-	931	931	0%	0%	0%
<b>SW - Lake Rotokauri</b>	<b>184,801</b>	<b>1,684</b>	<b>183,117</b>	<b>162,065</b>	<b>42,775</b>	<b>204,840</b>	<b>88%</b>	<b>11%</b>	<b>1%</b>
Historical	10,848	1,684	9,164	8,080	1,345	9,425	74%	10%	16%
10-Year Plan	57,948		57,948	51,030	3,359	54,389	88%	12%	0%
30-Year Strategy	116,005		116,005	102,955	38,071	141,026	89%	11%	0%
<b>SW - Mangaheka</b>	<b>10,043</b>	<b>7</b>	<b>10,036</b>	<b>8,769</b>	<b>896</b>	<b>9,664</b>	<b>87%</b>	<b>13%</b>	<b>0%</b>

<b>Table 3—Growth related capital expenditure by Council Activity Group (\$000s)</b>	<b>Total Capex Including Subsidies</b>	<b>Total Subsidies &amp; Operating Revenue</b>	<b>Total Capex Net Subsidies</b>	<b>DC Capex</b>	<b>DC Interest</b>	<b>Total Cost DC Funded Capex</b>	<b>% DC Funded</b>	<b>% Rates Funded</b>	<b>% Other Sources</b>
Historical	897	7	891	776	91	867	86%	13%	1%
10-Year Plan	9,145	-	9,145	7,993	(50)	7,943	87%	13%	0%
30-Year Strategy	-	-	-	-	854	854	0%	0%	0%
<b>SW - Mangakotukutuku</b>	<b>42,289</b>	<b>28</b>	<b>42,261</b>	<b>34,290</b>	<b>7,899</b>	<b>42,190</b>	<b>81%</b>	<b>19%</b>	<b>0%</b>
Historical	12,418	28	12,390	10,431	150	10,581	84%	16%	0%
10-Year Plan	29,871	-	29,871	23,859	4,509	28,368	80%	20%	0%
30-Year Strategy	-	-	-	-	3,240	3,240	0%	0%	0%
<b>SW - Mangaonua</b>	<b>6,337</b>	<b>3,002</b>	<b>3,335</b>	<b>1,596</b>	<b>110</b>	<b>1,706</b>	<b>25%</b>	<b>27%</b>	<b>47%</b>
Historical	282	2	280	180	(15)	165	64%	35%	1%
10-Year Plan	6,055	3,000	3,055	1,415	19	1,435	23%	27%	50%
30-Year Strategy	-	-	-	-	106	106	0%	0%	0%
<b>SW - Ohote</b>	<b>1,404</b>	<b>8</b>	<b>1,396</b>	<b>1,097</b>	<b>519</b>	<b>1,616</b>	<b>78%</b>	<b>21%</b>	<b>1%</b>
Historical	177	8	169	148	15	163	83%	12%	5%
10-Year Plan	1,227	-	1,227	949	146	1,095	77%	23%	0%
30-Year Strategy	-	-	-	-	358	358	0%	0%	0%
<b>SW - Otama-ngege</b>	<b>995</b>	<b>2</b>	<b>993</b>	<b>631</b>	<b>(34)</b>	<b>597</b>	<b>63%</b>	<b>36%</b>	<b>0%</b>
Historical	232	2	230	178	(6)	172	77%	22%	1%
10-Year Plan	763	-	763	453	(45)	408	59%	41%	0%
30-Year Strategy	-	-	-	-	17	17	0%	0%	0%
<b>SW - Peacocke</b>	<b>4,963</b>	<b>9</b>	<b>4,954</b>	<b>4,242</b>	<b>1,682</b>	<b>5,924</b>	<b>85%</b>	<b>14%</b>	<b>0%</b>
Historical	3,596	9	3,587	3,181	158	3,339	88%	11%	0%
10-Year Plan	1,367	-	1,367	1,061	890	1,951	78%	22%	0%
30-Year Strategy	-	-	-	-	633	633	0%	0%	0%
<b>SW - River North</b>	<b>131</b>	<b>0</b>	<b>131</b>	<b>113</b>	<b>19</b>	<b>133</b>	<b>87%</b>	<b>13%</b>	<b>0%</b>
Historical	120	0	120	105	19	124	87%	13%	0%
10-Year Plan	11	-	11	8	0	8	77%	23%	0%
30-Year Strategy	-	-	-	-	0	0	0%	0%	0%
<b>SW - St Andrews</b>	<b>2,013</b>	<b>11</b>	<b>2,003</b>	<b>1,474</b>	<b>(504)</b>	<b>970</b>	<b>73%</b>	<b>26%</b>	<b>1%</b>
Historical	217	11	206	181	(436)	(255)	83%	12%	5%
10-Year Plan	1,796	-	1,796	1,293	(107)	1,186	72%	28%	0%
30-Year Strategy	-	-	-	-	39	39	0%	0%	0%
<b>SW - Te Awa o Katapaki</b>	<b>31,778</b>	<b>102</b>	<b>31,677</b>	<b>25,651</b>	<b>2,889</b>	<b>28,541</b>	<b>81%</b>	<b>19%</b>	<b>0%</b>
Historical	16,486	102	16,385	14,152	1,891	16,043	86%	14%	1%
10-Year Plan	15,292	-	15,292	11,499	368	11,867	75%	25%	0%
30-Year Strategy	-	-	-	-	631	631	0%	0%	0%
<b>SW - Te Rapa Stream</b>	<b>2,226</b>	<b>8</b>	<b>2,218</b>	<b>1,835</b>	<b>977</b>	<b>2,812</b>	<b>82%</b>	<b>17%</b>	<b>0%</b>
Historical	1,093	8	1,085	959	616	1,575	88%	12%	1%
10-Year Plan	1,133	-	1,133	876	275	1,151	77%	23%	0%
30-Year Strategy	-	-	-	-	85	85	0%	0%	0%
<b>SW - Temple View</b>	<b>111</b>	<b>0</b>	<b>110</b>	<b>90</b>	<b>3</b>	<b>93</b>	<b>82%</b>	<b>18%</b>	<b>0%</b>
Historical	56	0	56	48	(3)	45	86%	14%	1%
10-Year Plan	54	-	54	42	1	43	77%	23%	0%
30-Year Strategy	-	-	-	-	6	6	0%	0%	0%
<b>SW - Waitahiriwhiri</b>	<b>10,754</b>	<b>18</b>	<b>10,736</b>	<b>5,905</b>	<b>581</b>	<b>6,486</b>	<b>55%</b>	<b>45%</b>	<b>0%</b>
Historical	1,215	18	1,197	963	(118)	845	79%	19%	1%
10-Year Plan	9,539	-	9,539	4,941	183	5,124	52%	48%	0%
30-Year Strategy	-	-	-	-	516	516	0%	0%	0%
<b>SW - Western Heights</b>	<b>179</b>	<b>1</b>	<b>178</b>	<b>131</b>	<b>20</b>	<b>151</b>	<b>73%</b>	<b>26%</b>	<b>1%</b>
Historical	15	1	14	13	(3)	9	82%	11%	7%
10-Year Plan	164	-	164	118	7	125	72%	28%	0%
30-Year Strategy	-	-	-	-	17	17	0%	0%	0%
<b>Total Stormwater</b>	<b>327,694</b>	<b>4,990</b>	<b>322,705</b>	<b>265,788</b>	<b>61,411</b>	<b>327,199</b>	<b>81%</b>	<b>17%</b>	<b>2%</b>
<b>SW - Chartwell</b>	<b>4,571</b>	<b>9</b>	<b>4,562</b>	<b>2,500</b>	<b>242</b>	<b>2,742</b>	<b>55%</b>	<b>45%</b>	<b>0%</b>
Historical	195	9	185	162	(75)	87	83%	12%	5%
10-Year Plan	4,376	-	4,376	2,338	43	2,382	53%	47%	0%
<b>Total Transport</b>	<b>1,207,623</b>	<b>410,160</b>	<b>797,463</b>	<b>463,869</b>	<b>86,633</b>	<b>550,502</b>	<b>38%</b>	<b>28%</b>	<b>34%</b>
<b>Citywide</b>	<b>707,316</b>	<b>276,362</b>	<b>430,954</b>	<b>208,465</b>	<b>41,842</b>	<b>250,307</b>	<b>29%</b>	<b>31%</b>	<b>39%</b>
Historical	231,626	78,659	152,967	62,152	12,981	75,133	27%	39%	34%
10-Year Plan	410,092	193,321	216,772	99,062	8,138	107,200	24%	29%	47%
30-Year Strategy	65,598	4,382	61,216	47,251	20,723	67,974	72%	21%	7%
<b>Infill</b>	<b>14,601</b>	<b>4,530</b>	<b>10,071</b>	<b>3,711</b>	<b>1,612</b>	<b>5,323</b>	<b>25%</b>	<b>44%</b>	<b>31%</b>
Historical	14,601	4,530	10,071	3,711	1,279	4,989	25%	44%	31%
10-Year Plan	-	-	-	-	284	284	0%	0%	0%
30-Year Strategy	-	-	-	-	49	49	0%	0%	0%
<b>Infill East</b>	<b>14,422</b>	<b>6,986</b>	<b>7,436</b>	<b>1,407</b>	<b>(113)</b>	<b>1,294</b>	<b>10%</b>	<b>42%</b>	<b>48%</b>
Historical	2,046	885	1,161	113	(230)	(117)	6%	51%	43%
10-Year Plan	12,376	6,101	6,275	1,295	32	1,327	10%	40%	49%
30-Year Strategy	-	-	-	-	84	84	0%	0%	0%
<b>Infill West</b>	<b>2,582</b>	<b>854</b>	<b>1,728</b>	<b>533</b>	<b>(114)</b>	<b>419</b>	<b>21%</b>	<b>46%</b>	<b>33%</b>

<b>Table 3—Growth related capital expenditure by Council Activity Group (\$000s)</b>	<b>Total Capex Including Subsidies</b>	<b>Total Subsidies &amp; Operating Revenue</b>	<b>Total Capex Net Subsidies</b>	<b>DC Capex</b>	<b>DC Interest</b>	<b>Total Cost DC Funded Capex</b>	<b>% DC Funded</b>	<b>% Rates Funded</b>	<b>% Other Sources</b>
Historical	-	-	-	-	(159)	(159)	0%	0%	0%
10-Year Plan	2,582	854	1,728	533	21	553	21%	46%	33%
30-Year Strategy	-	-	-	-	25	25	0%	0%	0%
<b>Peacocke</b>	<b>1,349</b>	<b>127</b>	<b>1,222</b>	<b>565</b>	<b>348</b>	<b>913</b>	<b>42%</b>	<b>49%</b>	<b>9%</b>
Historical	1,349	127	1,222	565	147	712	42%	49%	9%
10-Year Plan	-	-	-	-	154	154	0%	0%	0%
30-Year Strategy	-	-	-	-	47	47	0%	0%	0%
<b>Peacocke 1</b>	<b>10,224</b>	<b>3,714</b>	<b>6,510</b>	<b>4,969</b>	<b>(84)</b>	<b>4,886</b>	<b>49%</b>	<b>15%</b>	<b>36%</b>
Historical	7,109	3,079	4,030	3,213	(21)	3,192	45%	11%	43%
10-Year Plan	3,115	635	2,480	1,756	(114)	1,642	56%	23%	20%
30-Year Strategy	-	-	-	-	51	51	0%	0%	0%
<b>Peacocke 2</b>	<b>197,433</b>	<b>56,307</b>	<b>141,126</b>	<b>108,046</b>	<b>11,623</b>	<b>119,669</b>	<b>55%</b>	<b>17%</b>	<b>29%</b>
Historical	30,470	14,981	15,489	11,895	126	12,020	39%	12%	49%
10-Year Plan	124,997	41,326	83,672	63,037	2,283	65,320	50%	17%	33%
30-Year Strategy	41,966	-	41,966	33,114	9,214	42,329	79%	21%	0%
<b>Rotokauri</b>	<b>99,534</b>	<b>15,234</b>	<b>84,300</b>	<b>59,687</b>	<b>18,725</b>	<b>78,412</b>	<b>60%</b>	<b>25%</b>	<b>15%</b>
Historical	35,533	8,382	27,151	19,734	4,390	24,124	56%	21%	24%
10-Year Plan	39,859	280	39,579	25,278	3,463	28,741	63%	36%	1%
30-Year Strategy	24,142	6,573	17,570	14,675	10,872	25,547	61%	12%	27%
<b>Rototuna</b>	<b>87,331</b>	<b>12,758</b>	<b>74,573</b>	<b>47,122</b>	<b>9,658</b>	<b>56,780</b>	<b>54%</b>	<b>31%</b>	<b>15%</b>
Historical	38,944	6,626	32,318	22,306	7,358	29,664	57%	26%	17%
10-Year Plan	48,388	6,133	42,255	24,816	531	25,347	51%	36%	13%
30-Year Strategy	-	-	-	-	1,769	1,769	0%	0%	0%
<b>Ruakura</b>	<b>59,018</b>	<b>33,286</b>	<b>25,731</b>	<b>19,909</b>	<b>2,033</b>	<b>21,942</b>	<b>34%</b>	<b>10%</b>	<b>56%</b>
Historical	2,026	-	2,026	1,615	(57)	1,558	80%	20%	0%
10-Year Plan	56,992	33,286	23,706	18,294	(399)	17,895	32%	9%	58%
30-Year Strategy	-	-	-	-	2,489	2,489	0%	0%	0%
<b>Te Rapa North</b>	<b>13,812</b>	-	<b>13,812</b>	<b>9,455</b>	<b>1,102</b>	<b>10,558</b>	<b>68%</b>	<b>32%</b>	<b>0%</b>
Historical	-	-	-	-	(23)	(23)	0%	0%	0%
10-Year Plan	13,812	-	13,812	9,455	4	9,459	68%	32%	0%
30-Year Strategy	-	-	-	-	1,121	1,121	0%	0%	0%
<b>Total Wastewater</b>	<b>538,337</b>	<b>1,030</b>	<b>537,307</b>	<b>384,632</b>	<b>91,286</b>	<b>475,917</b>	<b>71%</b>	<b>28%</b>	<b>0%</b>
<b>Citywide</b>	<b>216,396</b>	-	<b>216,396</b>	<b>145,204</b>	<b>45,180</b>	<b>190,384</b>	<b>67%</b>	<b>33%</b>	<b>0%</b>
Historical	85,188	-	85,188	55,822	16,640	72,463	66%	34%	0%
10-Year Plan	131,208	-	131,208	89,381	12,425	101,806	68%	32%	0%
30-Year Strategy	-	-	-	-	16,115	16,115	0%	0%	0%
<b>Infill</b>	<b>827</b>	-	<b>827</b>	<b>714</b>	<b>522</b>	<b>1,236</b>	<b>86%</b>	<b>14%</b>	<b>0%</b>
Historical	827	-	827	714	342	1,056	86%	14%	0%
10-Year Plan	-	-	-	-	138	138	0%	0%	0%
30-Year Strategy	-	-	-	-	42	42	0%	0%	0%
<b>Infill East</b>	<b>11,583</b>	<b>491</b>	<b>11,092</b>	<b>5,972</b>	<b>258</b>	<b>6,230</b>	<b>52%</b>	<b>44%</b>	<b>4%</b>
Historical	3,143	116	3,026	1,464	(384)	1,080	47%	50%	4%
10-Year Plan	8,440	375	8,065	4,508	192	4,700	53%	42%	4%
30-Year Strategy	-	-	-	-	450	450	0%	0%	0%
<b>Infill West</b>	<b>27,602</b>	<b>491</b>	<b>27,111</b>	<b>15,416</b>	<b>2,426</b>	<b>17,842</b>	<b>56%</b>	<b>42%</b>	<b>2%</b>
Historical	24,486	116	24,370	13,210	(610)	12,600	54%	46%	0%
10-Year Plan	3,116	375	2,741	2,205	1,879	4,085	71%	17%	12%
30-Year Strategy	-	-	-	-	1,156	1,156	0%	0%	0%
<b>Peacocke</b>	<b>10,446</b>	-	<b>10,446</b>	<b>9,230</b>	<b>2,385</b>	<b>11,615</b>	<b>88%</b>	<b>12%</b>	<b>0%</b>
Historical	2,247	-	2,247	1,954	1,121	3,074	87%	13%	0%
10-Year Plan	8,199	-	8,199	7,277	596	7,872	89%	11%	0%
30-Year Strategy	-	-	-	-	669	669	0%	0%	0%
<b>Peacocke 1</b>	<b>4,083</b>	-	<b>4,083</b>	<b>3,615</b>	<b>(240)</b>	<b>3,375</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
Historical	2,212	-	2,212	1,955	(107)	1,848	88%	12%	0%
10-Year Plan	1,870	-	1,870	1,660	(155)	1,505	89%	11%	0%
30-Year Strategy	-	-	-	-	21	21	0%	0%	0%
<b>Peacocke 2</b>	<b>93,279</b>	-	<b>93,279</b>	<b>82,785</b>	<b>12,398</b>	<b>95,183</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
Historical	29,659	-	29,659	26,322	211	26,534	89%	11%	0%
10-Year Plan	63,620	-	63,620	56,463	4,085	60,548	89%	11%	0%
30-Year Strategy	-	-	-	-	8,101	8,101	0%	0%	0%
<b>Rotokauri</b>	<b>5,202</b>	-	<b>5,202</b>	<b>4,604</b>	<b>2,171</b>	<b>6,776</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
Historical	2,618	-	2,618	2,311	291	2,602	88%	12%	0%
10-Year Plan	2,584	-	2,584	2,293	758	3,051	89%	11%	0%
30-Year Strategy	-	-	-	-	1,123	1,123	0%	0%	0%
<b>Rototuna</b>	<b>11,001</b>	<b>47</b>	<b>10,954</b>	<b>8,181</b>	<b>3,947</b>	<b>12,127</b>	<b>74%</b>	<b>25%</b>	<b>0%</b>
Historical	7,340	47	7,293	6,213	3,571	9,785	85%	15%	1%
10-Year Plan	3,661	-	3,661	1,967	211	2,178	54%	46%	0%
30-Year Strategy	-	-	-	-	164	164	0%	0%	0%
<b>Ruakura</b>	<b>9,030</b>	-	<b>9,030</b>	<b>8,013</b>	<b>1,417</b>	<b>9,430</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
Historical	5,530	-	5,530	4,907	151	5,058	89%	11%	0%

<b>Table 3—Growth related capital expenditure by Council Activity Group (\$000s)</b>	<b>Total Capex Including Subsidies</b>	<b>Total Subsidies &amp; Operating Revenue</b>	<b>Total Capex Net Subsidies</b>	<b>DC Capex</b>	<b>DC Interest</b>	<b>Total Cost DC Funded Capex</b>	<b>% DC Funded</b>	<b>% Rates Funded</b>	<b>% Other Sources</b>
10-Year Plan	3,500	-	3,500	3,106	880	3,987	89%	11%	0%
30-Year Strategy	-	-	-	-	386	386	0%	0%	0%
<b>Temple View</b>	<b>2,679</b>	-	<b>2,679</b>	<b>1,082</b>	<b>3,239</b>	<b>4,321</b>	<b>40%</b>	<b>60%</b>	<b>0%</b>
Historical	2,679	-	2,679	1,082	805	1,887	40%	60%	0%
10-Year Plan	-	-	-	-	487	487	0%	0%	0%
30-Year Strategy	-	-	-	-	1,946	1,946	0%	0%	0%
<b>WW - East</b>	<b>67,593</b>	-	<b>67,593</b>	<b>48,648</b>	<b>5,536</b>	<b>54,184</b>	<b>72%</b>	<b>28%</b>	<b>0%</b>
Historical	7,952	-	7,952	6,838	1,922	8,760	86%	14%	0%
10-Year Plan	59,641	-	59,641	41,810	(182)	41,628	70%	30%	0%
30-Year Strategy	-	-	-	-	3,797	3,797	0%	0%	0%
<b>WW - West</b>	<b>78,617</b>	-	<b>78,617</b>	<b>51,168</b>	<b>12,047</b>	<b>63,214</b>	<b>65%</b>	<b>35%</b>	<b>0%</b>
Historical	16,181	-	16,181	14,164	5,276	19,440	88%	12%	0%
10-Year Plan	62,436	-	62,436	37,003	2,620	39,624	59%	41%	0%
30-Year Strategy	-	-	-	-	4,150	4,150	0%	0%	0%
<b>Total Water Supply</b>	<b>236,289</b>	<b>718</b>	<b>235,571</b>	<b>164,299</b>	<b>57,360</b>	<b>221,659</b>	<b>70%</b>	<b>30%</b>	<b>0%</b>
<b>Citywide</b>	<b>181,725</b>	-	<b>181,725</b>	<b>120,139</b>	<b>46,147</b>	<b>166,287</b>	<b>66%</b>	<b>34%</b>	<b>0%</b>
Historical	111,657	-	111,657	67,711	22,041	89,752	61%	39%	0%
10-Year Plan	70,068	-	70,068	52,428	14,851	67,279	75%	25%	0%
30-Year Strategy	-	-	-	-	9,256	9,256	0%	0%	0%
<b>Infill</b>	<b>13,560</b>	<b>299</b>	<b>13,261</b>	<b>9,075</b>	<b>1,738</b>	<b>10,812</b>	<b>67%</b>	<b>31%</b>	<b>2%</b>
Historical	5,193	299	4,894	2,569	736	3,305	49%	45%	6%
10-Year Plan	8,367	-	8,367	6,506	416	6,921	78%	22%	0%
30-Year Strategy	-	-	-	-	586	586	0%	0%	0%
<b>Peacocke</b>	<b>46</b>	-	<b>46</b>	<b>41</b>	<b>35</b>	<b>76</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
Historical	46	-	46	41	20	60	89%	11%	0%
10-Year Plan	-	-	-	-	12	12	0%	0%	0%
30-Year Strategy	-	-	-	-	4	4	0%	0%	0%
<b>Peacocke 1</b>	<b>1,008</b>	-	<b>1,008</b>	<b>894</b>	<b>(229)</b>	<b>665</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
Historical	882	-	882	783	(120)	663	89%	11%	0%
10-Year Plan	125	-	125	111	(109)	3	89%	11%	0%
<b>Peacocke 2</b>	<b>9,214</b>	<b>384</b>	<b>8,829</b>	<b>7,836</b>	<b>823</b>	<b>8,659</b>	<b>85%</b>	<b>11%</b>	<b>4%</b>
Historical	1,402	-	1,402	1,244	(6)	1,238	89%	11%	0%
10-Year Plan	7,812	384	7,427	6,592	103	6,695	84%	11%	5%
30-Year Strategy	-	-	-	-	726	726	0%	0%	0%
<b>Rotokauri</b>	<b>13,783</b>	<b>13</b>	<b>13,770</b>	<b>12,101</b>	<b>6,161</b>	<b>18,261</b>	<b>88%</b>	<b>12%</b>	<b>0%</b>
Historical	8,027	13	8,014	6,993	1,462	8,454	87%	13%	0%
10-Year Plan	5,755	-	5,755	5,108	1,851	6,959	89%	11%	0%
30-Year Strategy	-	-	-	-	2,848	2,848	0%	0%	0%
<b>Rototuna</b>	<b>14,303</b>	<b>21</b>	<b>14,282</b>	<b>11,861</b>	<b>77</b>	<b>11,938</b>	<b>83%</b>	<b>17%</b>	<b>0%</b>
Historical	7,393	21	7,371	5,728	38	5,765	77%	22%	0%
10-Year Plan	6,911	-	6,911	6,133	(246)	5,887	89%	11%	0%
30-Year Strategy	-	-	-	-	285	285	0%	0%	0%
<b>Ruakura</b>	<b>1,664</b>	-	<b>1,664</b>	<b>1,477</b>	<b>31</b>	<b>1,508</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
Historical	535	-	535	476	(32)	444	89%	11%	0%
10-Year Plan	1,128	-	1,128	1,002	16	1,018	89%	11%	0%
30-Year Strategy	-	-	-	-	47	47	0%	0%	0%
<b>Temple View</b>	<b>987</b>	-	<b>987</b>	<b>876</b>	<b>2,576</b>	<b>3,452</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
Historical	987	-	987	876	696	1,572	89%	11%	0%
10-Year Plan	-	-	-	-	391	391	0%	0%	0%
30-Year Strategy	-	-	-	-	1,489	1,489	0%	0%	0%
<b>Grand Total</b>	<b>2,496,228</b>	<b>418,228</b>	<b>2,078,000</b>	<b>1,369,486</b>	<b>309,929</b>	<b>1,679,414</b>	<b>55%</b>	<b>28%</b>	<b>17%</b>

**Note 1 – Historical capex refers to capital expenditure incurred groupings**

In the above table, **Historical** means any capex or subsidies spent or received before 30 June 2022; **Long-Term Plan** means any capex or subsidies spent or received between 30 June 2022 and 30 June 2031; and **30-Year Strategy** means any capex or subsidies spent or received after 1 July 2018 or specified in the 2017-18 Annual Plan, and future capex refers to capital expenditure specified in the 2018-28 10-Year Plan, 2031

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**23.26. SCHEDULE 3 – CHARGE CALCULATION WORKED EXAMPLE**

**23.26.1** The calculation of each charge in Schedule 1 is the aggregation of individual project charges in each catchment for each activity in accordance with the formula in section 8 above. Due to the number of projects, showing the calculations for every project is not practicable.

**23.26.2** The following exercise illustrates how the charges are calculated at a project level, prior to being aggregated to a catchment and activity level, with the catchment and activity being Rototuna Transport in this example.

**23.26.3** Table 6 below shows the method of calculation for the specified project, where NPV is the net present value of the capital expenditure and growth at the assumed interest rate. NPV calculations are used solely to account for interest incurred on development contributions funded projects. No discount is applied for risk or uncertainty.

Table 4 – ~~development~~ **Development** charge calculation worked example

Project <del>C9310221N</del> : Road 1328.4 Horsham Downs Road Rototuna						Interest Rate (r)	DC Charge for Future Years
Year	(000's)	(000's)	(000's)	(000's)		4.62.69%	
t	HR	HC	Cost <sub>t</sub>	$\frac{NPV(Cost_t) + HC}{HR}$	HUE <sub>t</sub>	NPV(HUE <sub>t</sub> )	DC <sub>t</sub>
NPV:				614804		3,736090	
<del>2020</del> 2022	273505	0	0		341556	341556	\$164.33260
<del>2021</del> 2023					324417	309406	\$164.33260
<del>2022</del> 2024					322450	294427	\$164.33260
<del>2025</del> 2023					333252	291233	\$164.33260
<del>2026</del> 2024					320180	267161	\$164.33260
<del>2027</del> 2025					313117	250102	\$164.33260
<del>2028</del> 2026			454	347	308115	23598	\$164.33260
<del>2029</del> 2027			226582	165483	31083	22769	\$164.33260
<del>2030</del> 2028			537336	375272	29377	20462	\$164.33260
<del>2031</del> 2029			703	554	29361	19548	\$164.33260
<del>2032</del> 2030					26372	16755	\$164.33260
<del>2033</del> 2031					25469	15551	\$164.33260
<del>2034</del> 2032					24247	14134	\$164.33260
<del>2035</del> 2033					23550	13135	\$164.33260
<del>2036</del> 2034					21792	11563	\$164.33260
<del>2037</del> 2035					21988	11259	\$164.33260
<del>2038</del> 2036					21288	10358	\$164.33260
<del>2039</del> 2037					18493	8659	\$164.33260
<del>2040</del> 2038					128111	5769	\$164.33260
<del>2041</del> 2039					3483	1450	\$164.33260
<del>2042</del> 2040					3273	1343	\$164.33260
<del>2043</del> 2041					2876	1144	\$164.33260
<del>2044</del> 2042					2665	936	\$164.33260
<del>2045</del> 2043					2012	7	\$164.33260
<del>2046</del> 2044					31	16	\$164.33260
<del>2047</del> 2045					44	23	\$164.33260
<del>2048</del> 2046					29	15	\$164.33260
<del>2049</del> 2047					46	22	\$164.33260
<del>2050</del> 2048					85	40	\$164.33260
<del>2051</del> 2049					169	78	\$164.33260
<del>2052</del> 2050					31	14	\$164.33260
<del>2053</del> 2051					22	9	\$164.33260
<del>2054</del> 2052					18	8	\$164.33260
<del>2055</del> 2053					32	13	\$164.33260
<del>2056</del> 2054					16	7	\$164.33260
<del>2057</del> 2055					20	8	\$164.33260
<del>2058</del> 2056					24	9	\$164.33260



**24.27. SCHEDULE 4 – ~~NON-RESIDENTIALS~~ – DEMAND CONVERSION FACTORS**Table 5-7 – Types of development and household unit equivalents (HUEs per 100m<sup>2</sup> GFA)

Non-Residential Conversion Factors		
DC Account	Sector	Factor
Transport	Commercial	<del>2.000</del> 1.740
Water	Commercial	0.394
Wastewater	Commercial	0.507
Stormwater*	Commercial	0.385
Transport	Industrial	<del>0.900</del> 0.620
Water	Industrial	0.209
Wastewater	Industrial	0.299
Stormwater*	Industrial	0.281
Transport**	Retail	<del>2.750</del> 0.500
Water	Retail	0.324
Wastewater	Retail	0.416
Stormwater*	Retail	0.385

\* Stormwater is calculated per 100m<sup>2</sup> of site area.

\*\* Retail Transport operates on a sliding scale ranging from 1.2 to 3.5.1 to 2.5. Both this table and the schedule of charges uses 2000m<sup>2</sup> gross floor area. Retail developments are assumed to generate different numbers of trips depending on their size (refer Table 79).

**25. ~~SCHEDULE 5 – RESIDENTIAL DEMAND CONVERSION FACTORS~~**

Table 6-8 – Types of residential development and household unit equivalents

Residential Conversion Factors		
DC Account	Type	Factor
Transport	Large Residential	1.290
Water	Large Residential	1.290
Wastewater	Large Residential	1.290
Stormwater	Large Residential	1.290
<u>Reserves</u>	<u>Large Residential</u>	<u>1.290</u>
<u>Community infrastructure</u>	<u>Large Residential</u>	<u>1.290</u>
Transport	Standard Residential	1
Water	Standard Residential	1
Wastewater	Standard Residential	1
Stormwater	Standard Residential	1
<u>Reserves</u>	<u>Standard Residential</u>	<u>1</u>
<u>Community infrastructure</u>	<u>Standard Residential</u>	<u>1</u>
Transport	Two Bedroom	0.689
Water	Two Bedroom	0.689
Wastewater	Two Bedroom	0.689
Stormwater	Two Bedroom	0.689
<u>Reserves</u>	<u>Two Bedroom</u>	<u>0.689</u>
<u>Community infrastructure</u>	<u>Two Bedroom</u>	<u>0.689</u>
Transport	One Bedroom	0.477
Water	One Bedroom	0.477
Wastewater	One Bedroom	0.477
Stormwater	One Bedroom	0.477
<u>Reserves</u>	<u>One Bedroom</u>	<u>0.477</u>
<u>Community infrastructure</u>	<u>One Bedroom</u>	<u>0.477</u>

**Table 7.9 – Transport HUEs (per 100m<sup>2</sup> of non-residential GFA)**

Type of development	Vehicle trips	Number of HUEs
Residential (per household unit)	10	1
<u>Commercial (non-retail)</u>	<u>17.4</u>	<u>1.74</u>
<u>Commercial (retail) ≤ 4,000m<sup>2</sup> GFA</u>	<u>25</u>	<u>2.5</u>
<u>Commercial (retail) 1,001 to 3,000m<sup>2</sup> GFA</u>	<u>35 to 20</u>	<u>3.5 to 2</u>
<u>Commercial (retail) 3,001 to 6,000m<sup>2</sup> GFA</u>	<u>20 to 15</u>	<u>2 to 1.5</u>
<u>Commercial (retail) 4,001 to 10,000m<sup>2</sup> GFA</u>	<u>25 to 11</u>	<u>2.5 to 1.1</u>
<u>Commercial (retail) &gt; 10,000m<sup>2</sup> GFA</u>	<u>11</u>	<u>1.1</u>
<u>Industrial (per 100m<sup>2</sup> of GFA)</u>	<u>6.2</u>	<u>0.62</u>

**Note 1 – Developments for which floor area cannot be used as a proxy for demand**

Developments for which, in the opinion of Council floor area cannot adequately be used as a proxy for demand, development contributions will be charged based upon the ratio of the increased demand that they produce to the demand assumed to be produced by an average household.

**Note 2 – Wet industries**

At the discretion of Council, the charges for water and wastewater for wet industries may be assessed on a case by case basis in relation to the level of demand produced by the development and the cost of servicing it, and set by agreement with the developer in accordance with section 207(A-F) of the LGA. The factors used for calculating the charges for developments that do not fall into this category are averages that have been calculated by excluding usage by wet industries, but wet industry usage has been included in the overall demand growth projections.

**Note 3 – Stormwater HUEs**

Stormwater HUEs are derived on the basis of the expected runoff from impermeable surfaces. A typical residential greenfield development on a 650m<sup>2</sup> section is assumed to have a runoff coefficient of 60% and represents one HUE for a 2-year storm. For non-residential developments, development contributions are assessed on site area, and the HUEs for commercial and industrial developments are calculated on the expected run-off from an average site, relative to the run-off from a residential site in accordance with Council's Infrastructure Technical Specifications.

**Note 4 – Water HUEs**

HUEs for water are calculated on the basis of the expected usage. A typical household is assumed to use 594 litres of water a day (in accordance with the Infrastructure Technical Specifications). The HUEs for commercial and industrial developments are calculated on the expected water usage per 100m<sup>2</sup> of gross floor area, relative to the usage of an average household. This figure is derived from an average over several years of Council's water meter readings.

**Note 5 – Wastewater HUEs**

HUEs for wastewater are based on the HUEs for water with assumed throughput of 70% for residential, 90% for commercial and retail and 100% for industrial developments.

**Note 6 – Transport HUEs**

HUEs for commercial and industrial transport are calculated on the average daily number of vehicle trips in relation to the ten trips per day assumed to be produced a typical household. These numbers are based on ~~the~~ [Transfund 2019 Institute of Transport Engineers \(ITE\) Trip Generation Handbook, 3rd Edition, NZTA Research Report 453](#) and [210 reports as well as two surveys commissioned by Council in 2008 in industrial areas of the city: Trips Database Bureau \(TDB\).](#)

Table 7 Commercial (non-retail)	20	2
Commercial (retail) ≤ 1,000m <sup>2</sup> GFA	35	3.5
Commercial (retail) 1,001 to 3,000m <sup>2</sup> GFA	35 to 20	3.5 to 2
Commercial (retail) 3,001 to 6,000m <sup>2</sup> GFA	20 to 15	2 to 1.5
Commercial (retail) 6,001 to 10,000m <sup>2</sup> GFA	15 to 12	1.5 to 1.2
Commercial (retail) > 10,000m <sup>2</sup> GFA	12	1.2
Industrial (per 100m <sup>2</sup> of GFA)	9	0.9

## **~~26.28.~~SCHEDULE ~~56~~ – CAPPING OF RESERVES DEVELOPMENT CONTRIBUTIONS (S203 LGA)**

~~26.128.1~~ Residential allotments may be eligible to have the Reserves component of their development contribution charge capped at the greater of 7.5% or 20m<sup>2</sup> of their section value.

~~26.228.2~~ To determine if a cap will apply, multiply the section value by 7.5%. Secondly divide 20m<sup>2</sup> by the area of the section and multiply this by the section value. If the reserves charge is higher than either or both of these, then the higher of these two values is the capped reserves charge that will apply.

~~26.328.3~~ It will be the responsibility of the developer to demonstrate to the satisfaction of staff that this cap should be applied by providing evidence of the value of the land from an approved registered valuation.

## 29. SCHEDULE 76 – GROWTH FORECASTS

*Table 10-10– Forecast annual supply growth (household unit equivalents or “HUE’s”)*

Growth Rates (HUEs)	Activity	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>Citywide</b>	CI	1,226	1,267	1,334	1,328	1,281	1,272	1,351	1,355	1,298	1,300
-	Reserves	1,226	1,267	1,334	1,328	1,281	1,272	1,351	1,355	1,298	1,300
-	Transport	1,846	1,874	1,894	1,886	1,812	1,798	1,852	1,860	1,789	1,785
-	Wastewater	1,415	1,454	1,515	1,507	1,453	1,442	1,515	1,521	1,461	1,461
-	Water	1,367	1,406	1,469	1,461	1,409	1,398	1,473	1,478	1,419	1,420
<b>Infill</b>	CI	514	531	559	557	530	523	566	565	542	539
-	Reserves	514	531	559	557	530	523	566	565	542	539
-	Transport	831	862	883	900	861	856	889	882	858	854
-	Wastewater	611	632	663	663	632	625	667	664	642	639
-	Water	586	606	637	636	606	600	641	639	616	614
<b>Infill East</b>	CI	242	251	327	194	283	336	309	272	254	275
-	Reserves	242	251	327	194	283	336	309	272	254	275
-	Transport	368	362	404	271	315	460	405	351	369	411
-	Wastewater	274	276	347	216	293	372	338	296	291	316
-	Water	266	271	343	211	290	364	331	290	282	306
<b>Infill West</b>	CI	271	280	232	362	247	187	257	293	288	264
-	Reserves	271	280	232	362	247	187	257	293	288	264
-	Transport	462	500	478	629	546	396	483	531	488	443
-	Wastewater	337	355	316	448	339	253	329	367	351	323
-	Water	320	336	294	426	316	236	310	349	335	307
<b>Peacocke</b>	CI	108	190	312	290	424	438	484	353	370	355
-	Reserves	108	190	312	290	424	438	484	353	370	355
-	Transport	108	192	312	292	427	440	490	375	398	387
-	Wastewater	108	191	312	290	425	438	485	359	378	364
-	Water	108	191	312	290	425	438	485	358	376	362
<b>Peacocke 1</b>	CI	79	62	72	19	13	11	5	2	7	1
-	Reserves	79	62	72	19	13	11	5	2	7	1
-	Transport	79	62	72	19	13	11	5	2	7	1
-	Wastewater	79	62	72	19	13	11	5	2	7	1
-	Water	79	62	72	19	13	11	5	2	7	1
<b>Peacocke 2</b>	CI	29	129	240	270	411	427	479	350	363	354
-	Reserves	29	129	240	270	411	427	479	350	363	354
-	Transport	29	130	240	273	414	429	485	372	391	386
-	Wastewater	29	129	240	271	412	427	480	356	371	363
-	Water	29	129	240	271	411	427	480	355	369	361
<b>Rotokauri</b>	CI	12	96	40	52	52	63	52	74	102	217
-	Reserves	12	96	40	52	52	63	52	74	102	217
-	Transport	146	207	117	106	94	102	95	128	156	267
-	Wastewater	61	135	67	71	67	77	68	95	121	235
-	Water	47	125	60	66	63	73	64	89	116	230
<b>Rototuna</b>	CI	423	308	372	192	131	70	75	45	48	33
-	Reserves	423	308	372	192	131	70	75	45	48	33
-	Transport	556	417	450	252	180	117	115	83	77	61
-	Wastewater	452	333	392	208	145	84	87	55	56	41
-	Water	446	327	387	204	142	81	84	53	55	39
<b>Ruakura</b>	CI	169	142	51	171	57	138	96	205	109	44
-	Reserves	169	142	51	171	57	138	96	205	109	44
-	Transport	189	177	103	234	124	205	153	253	150	79
-	Wastewater	176	154	70	193	81	162	118	224	127	60
-	Water	174	151	64	187	74	156	111	219	122	55
<b>Te Rapa North</b>	CI	0	0	0	67	87	40	78	113	127	112
-	Reserves	0	0	0	67	87	40	78	113	127	112
-	Transport	14	15	27	100	123	77	108	136	149	133
-	Wastewater	7	7	11	80	102	55	90	123	137	121
-	Water	5	5	8	77	98	51	87	120	134	118
<b>Temple View</b>	CI	0	0	0	0	0	0	0	0	0	0
-	Reserves	0	0	0	0	0	0	0	0	0	0
-	Transport	2	3	2	2	3	2	2	3	2	3
-	Wastewater	1	1	1	1	1	1	1	1	1	1
-	Water	0	1	0	0	1	0	0	1	0	1

Growth Rates (HUEs)	Activity	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
SW - Chartwell	Stormwater	70	117	123	66	149	73	175	93	99	134
SW - City Centre	Stormwater	108	124	139	70	51	60	84	120	177	117
SW - Citywide	Stormwater	1,592	1,626	1,685	1,671	1,616	1,599	1,670	1,665	1,600	1,593
SW - Hamilton East	Stormwater	93	70	57	30	62	181	74	68	20	64
SW - Kirikiriroa	Stormwater	275	188	140	281	146	241	102	289	210	132
SW - Lake Rotokauri	Stormwater	12	41	41	43	41	44	39	39	42	150
SW - Mangaheka	Stormwater	96	77	58	44	35	33	41	50	61	59
SW - Mangakotukutuku	Stormwater	112	214	269	292	360	432	470	355	321	311
SW - Mangaonua	Stormwater	19	15	14	31	39	57	92	33	9	11
SW - Ohote	Stormwater	0	56	0	10	12	19	8	29	38	42
SW - Otama-ngenge	Stormwater	87	44	34	27	25	22	19	16	13	12
SW - Peacocke	Stormwater	0	41	89	126	121	68	68	53	70	101
SW - River North	Stormwater	10	0	0	0	0	0	0	0	0	0
SW - Rotokauri West	Stormwater	0	0	0	0	0	0	0	0	0	0
SW - St Andrews	Stormwater	80	108	80	216	103	142	171	130	103	104
SW - Te Awa o Katapaki	Stormwater	315	304	370	192	128	61	75	45	48	31
SW - Te Rapa Stream	Stormwater	24	21	67	91	138	69	82	148	177	143
SW - Temple View	Stormwater	1	2	1	1	2	1	1	2	1	2
SW - Waitawhiriwhiri	Stormwater	290	198	198	99	191	95	163	196	211	171
SW - Western Heights	Stormwater	0	5	5	53	13	0	5	0	0	10
WW - East	Wastewater	931	893	1,049	888	931	1,046	1,023	932	845	780
WW - West	Wastewater	484	561	466	619	522	396	492	588	616	681

**Note 1** - The above forecasts form part of a more complex growth model used in the calculation of charges, and which is available for inspection by request to Council.

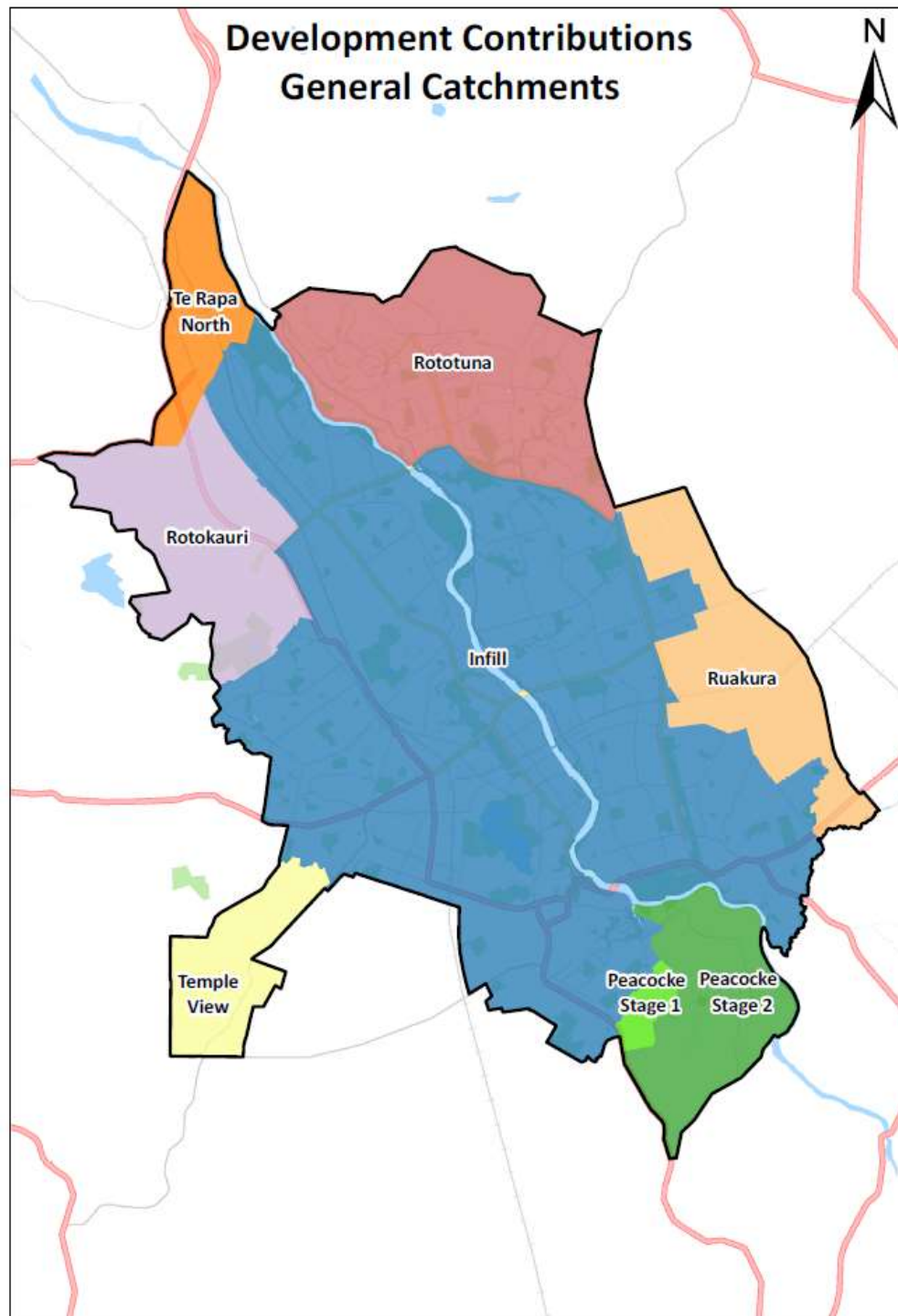
### **30. SCHEDULE 87 – DEVELOPMENT CONTRIBUTIONS CATCHMENT MAPS**

#### **Map 1 – General Catchments**

**For more detail regarding areas please refer to Council's development contributions GIS viewer.**

**(shows all activities except stormwater & bulk wastewater (refer to maps 9 & 10 below). An additional "citywide" catchment includes all other catchments).**

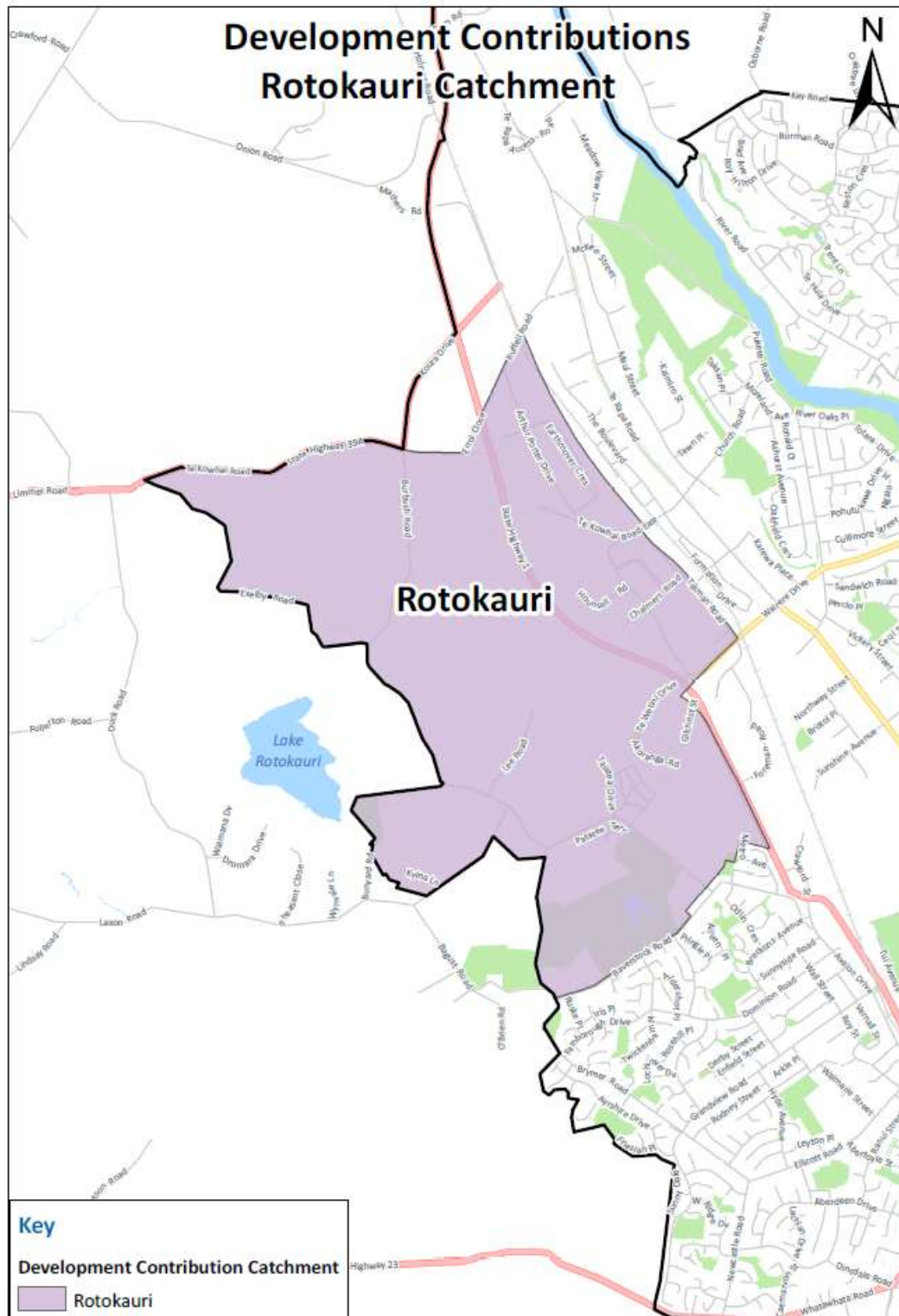






Map 3 – Rotokauri catchment

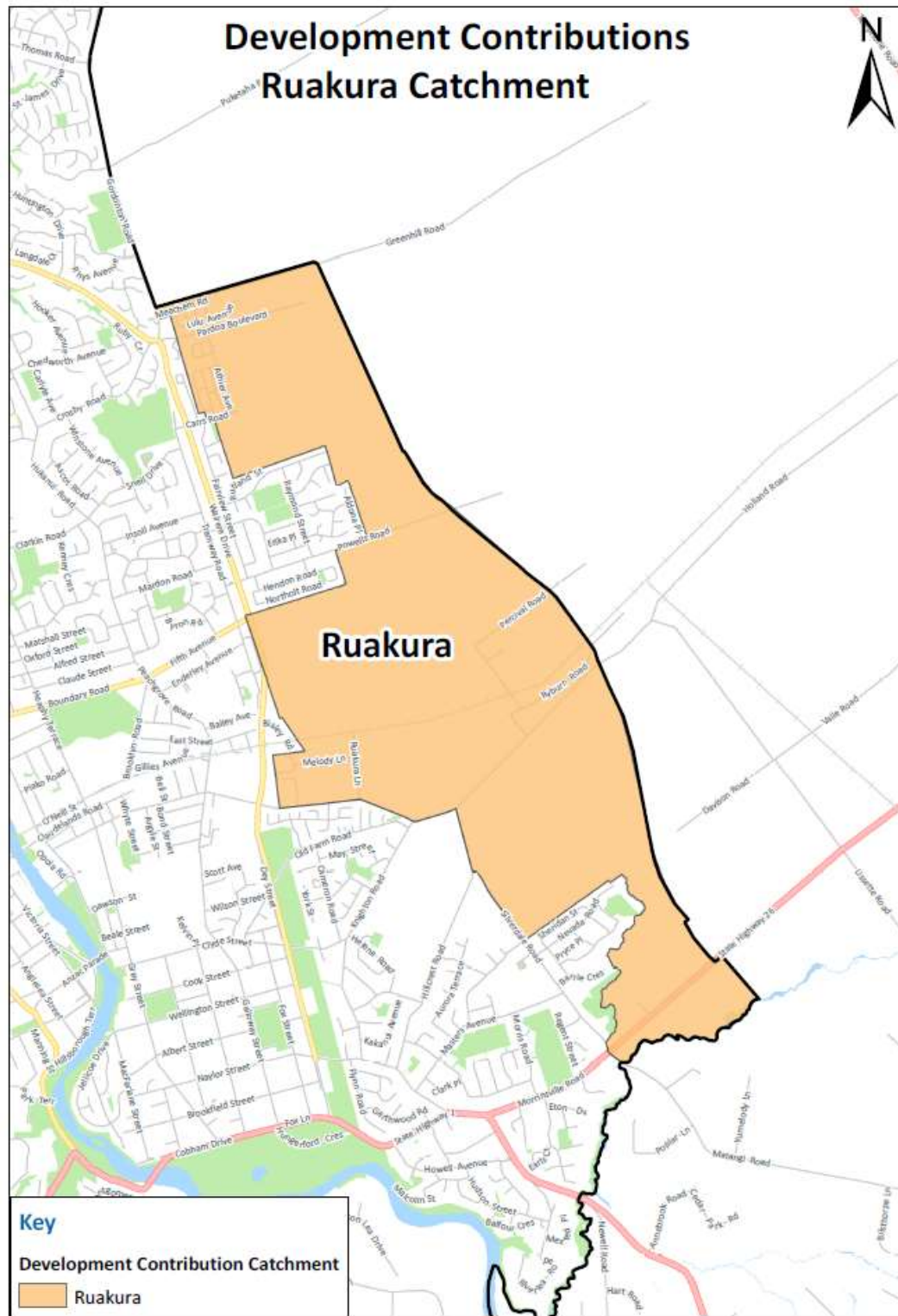
For more detail regarding areas please refer to Council's development contributions GIS viewer.





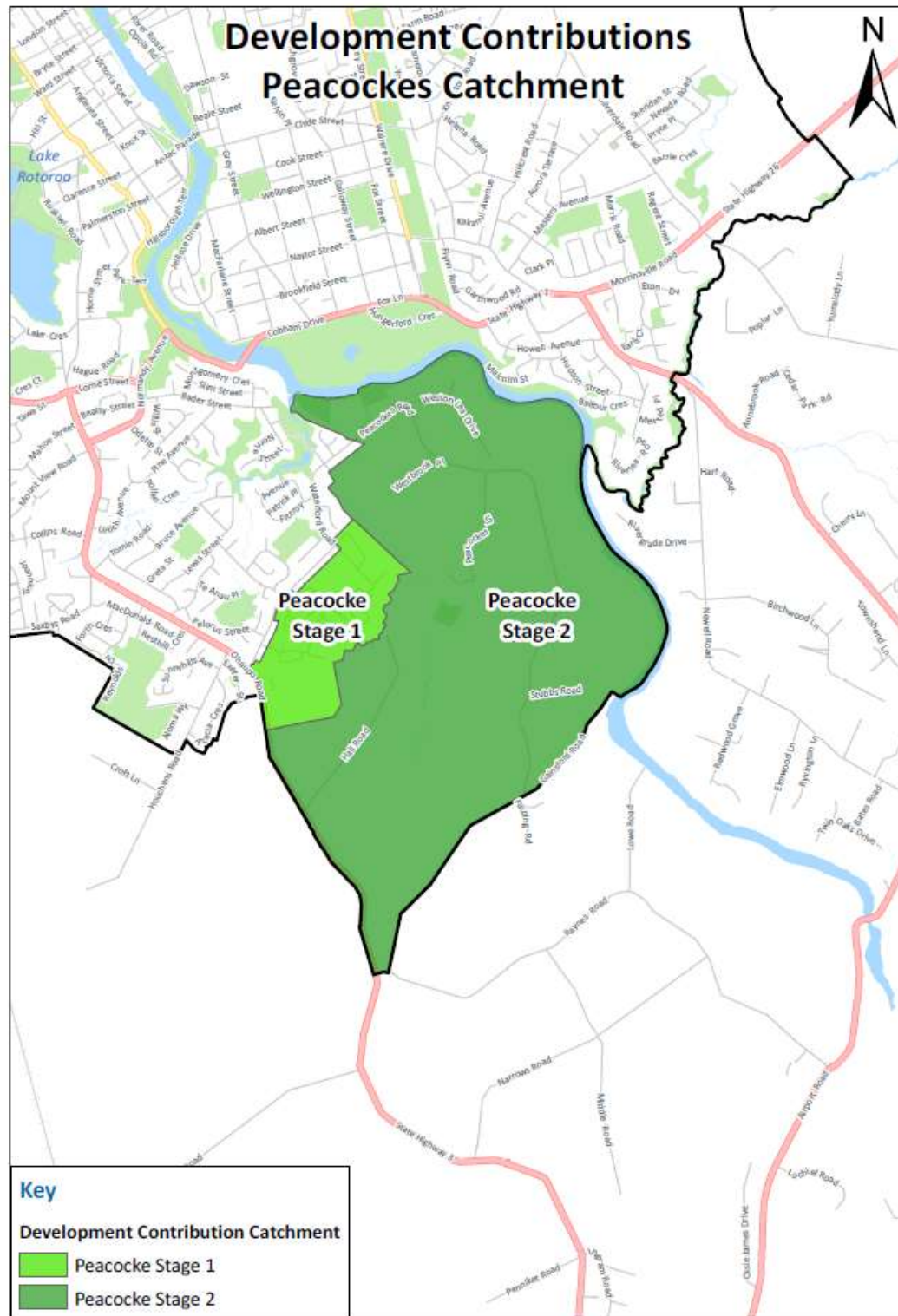
**Map 4 – Ruakura Catchment**

**For more detail regarding areas please refer to Council's development contributions GIS viewer.**



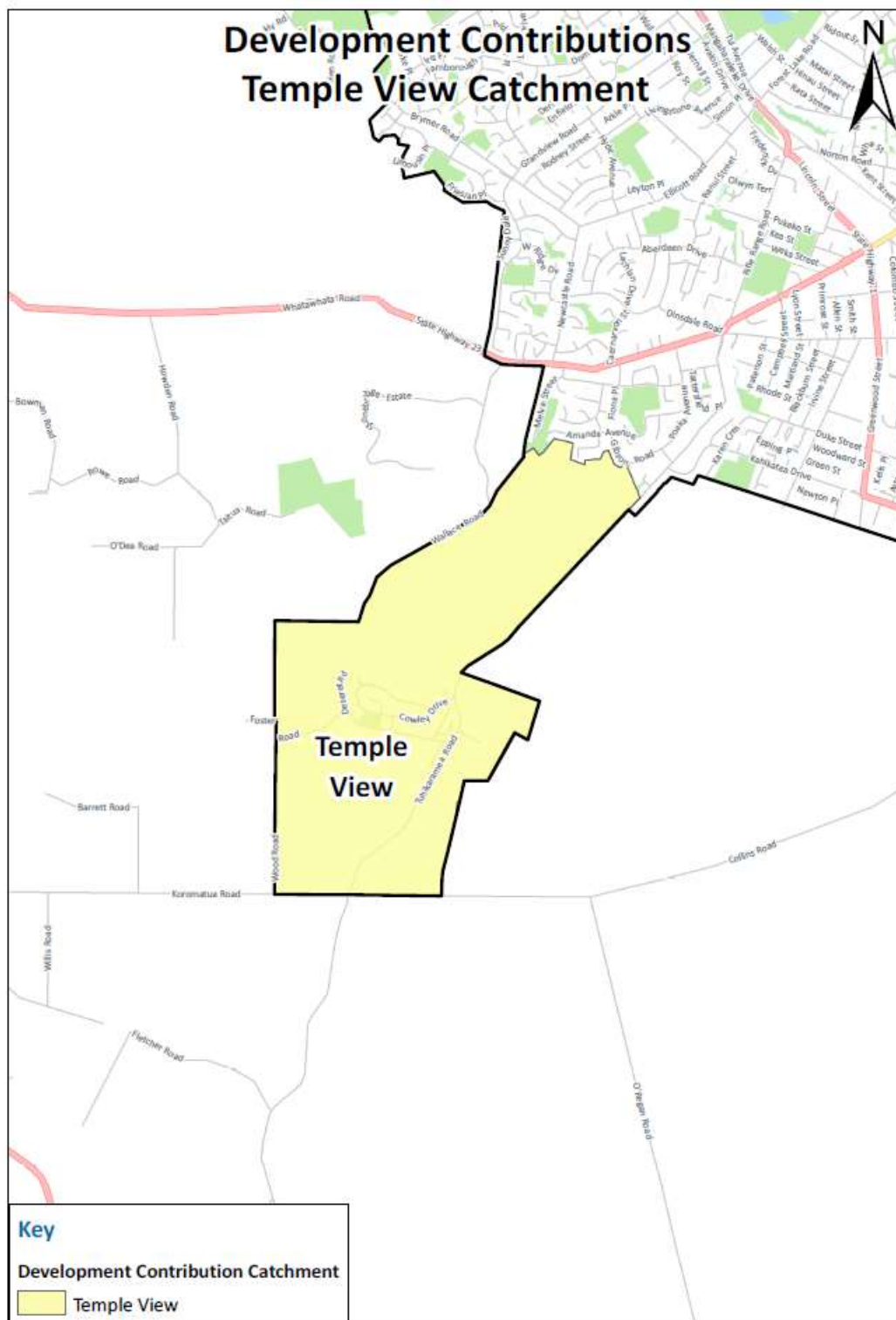
Map 5 – Peacocke Catchments

For more detail regarding areas please refer to Council's development contributions GIS viewer.



**Map 6 – Temple View Catchment**

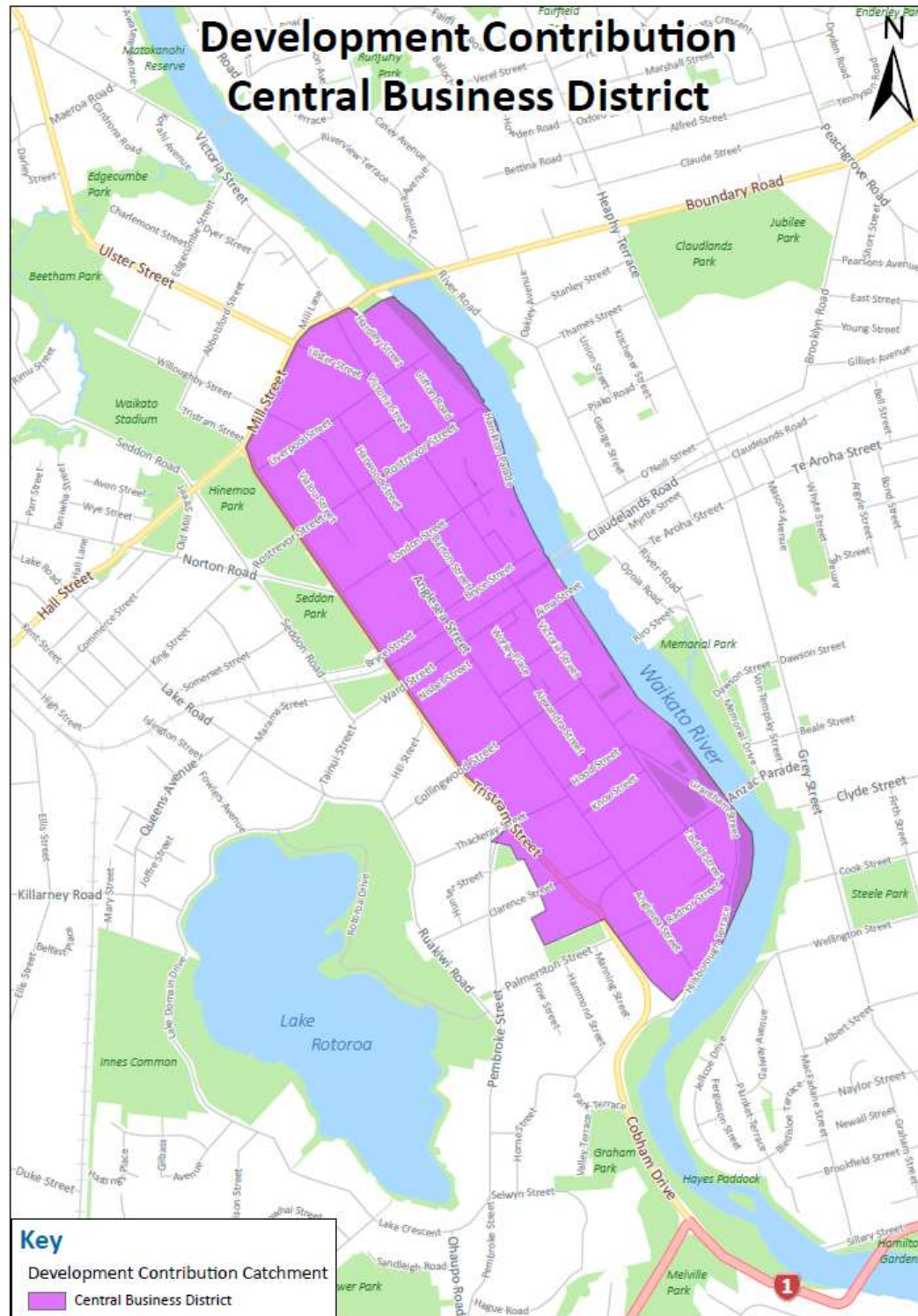
**For more detail regarding areas please refer to Council's development contributions GIS viewer.**





Map 7 – CBD Catchment

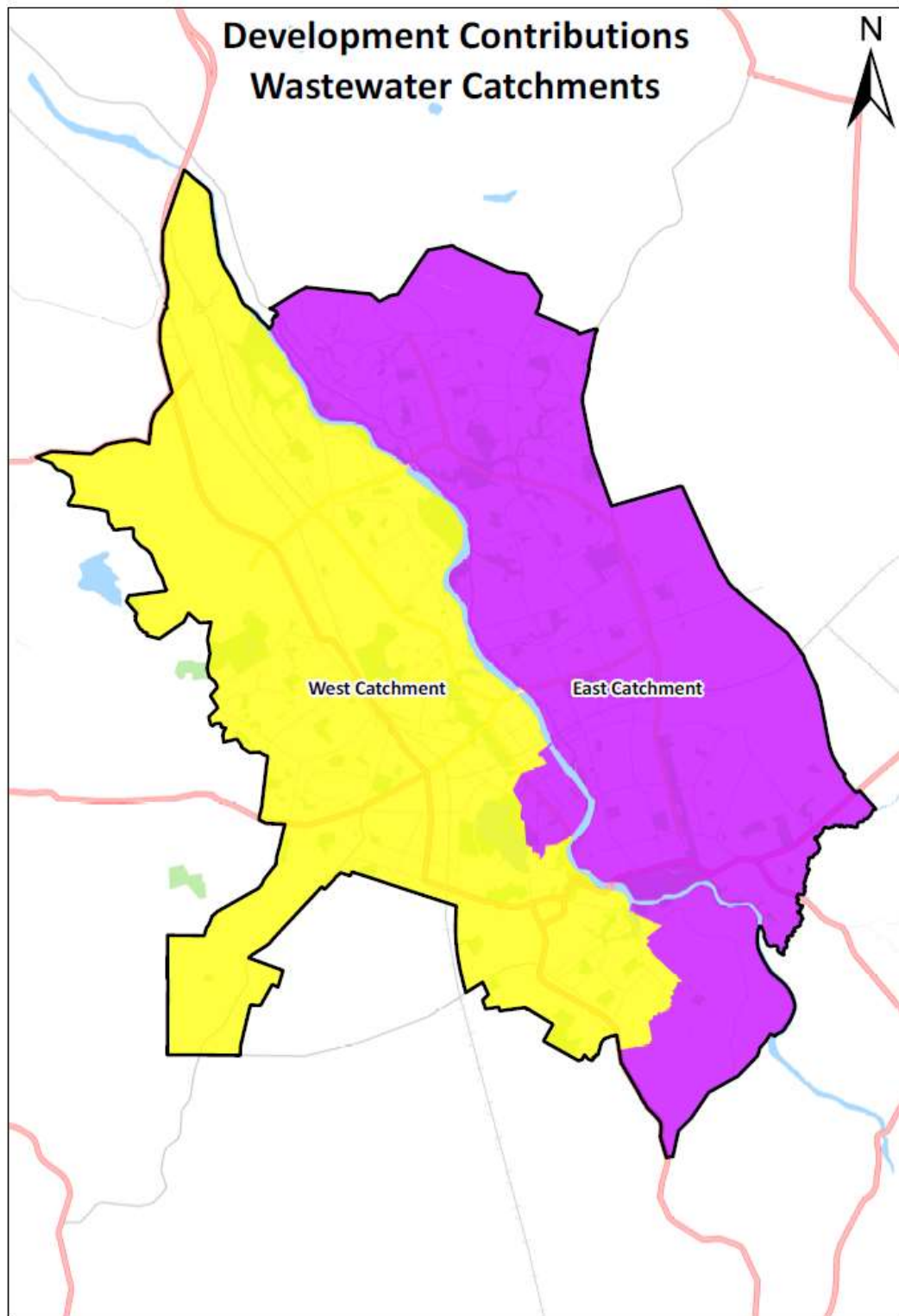
For more detail regarding areas please refer to Council's development contributions GIS viewer.





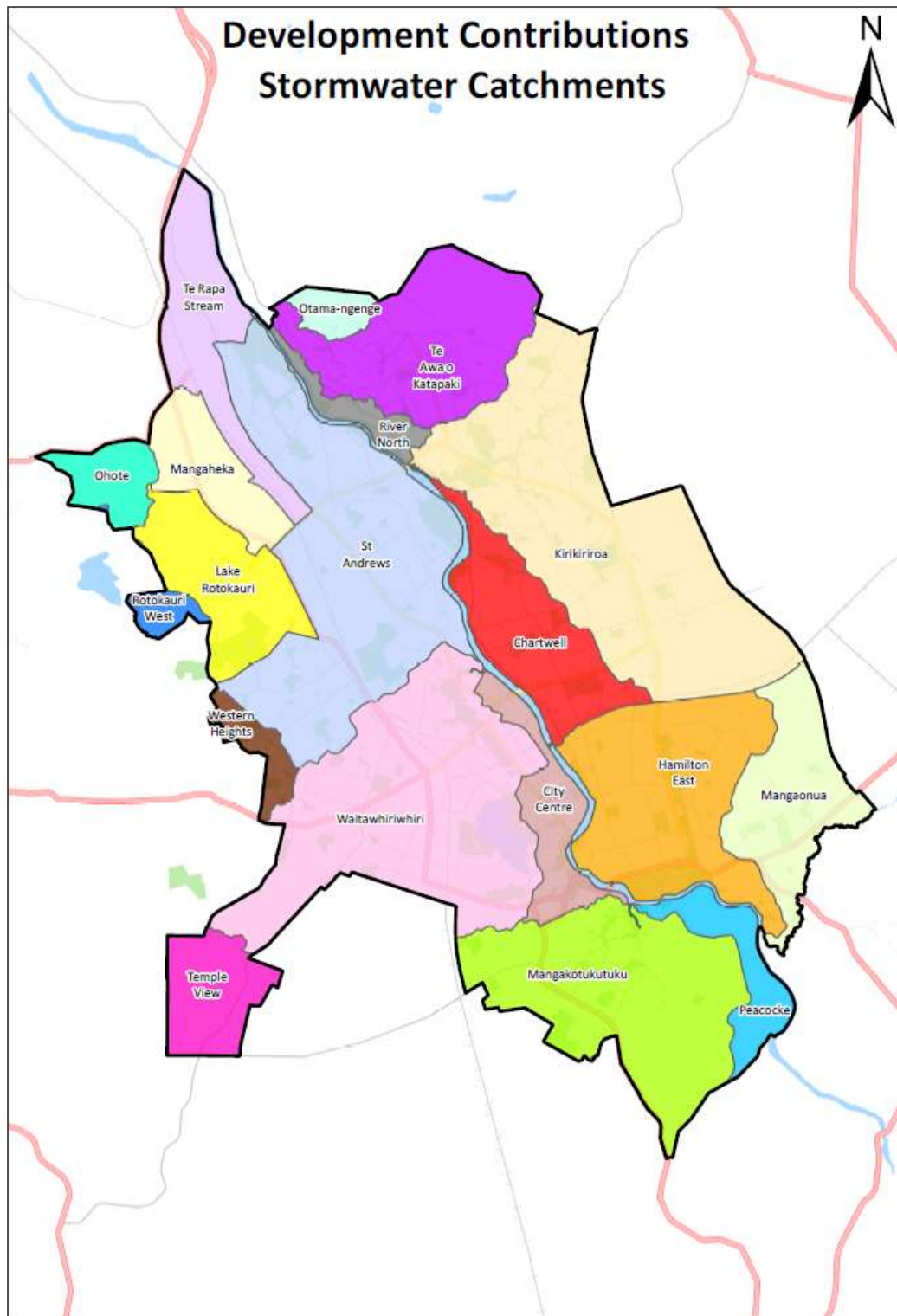
Map 8 – Catchments for Bulk Wastewater Infrastructure

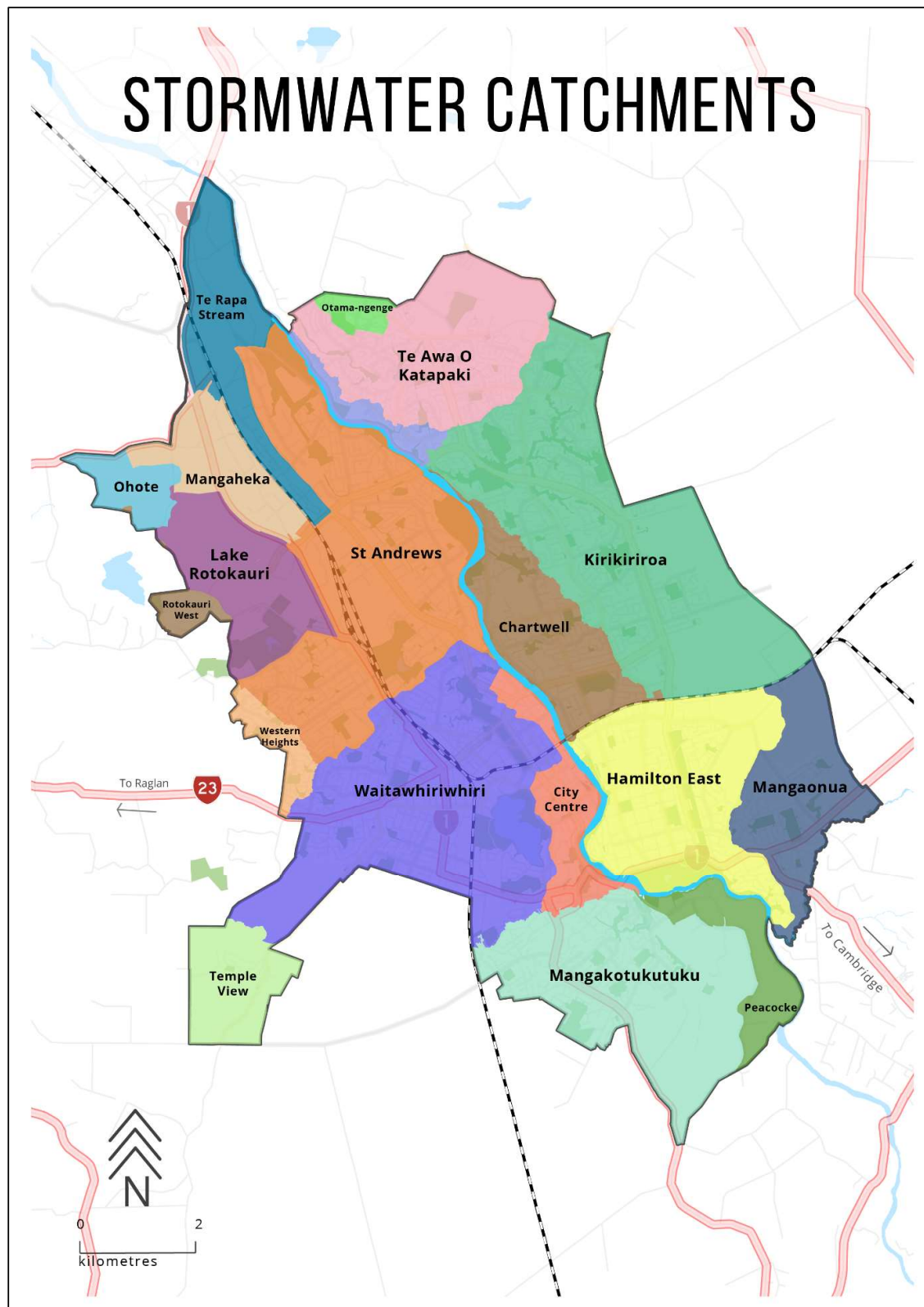
For more detail regarding areas please refer to Council's development contributions GIS viewer.



*Map 9 – Catchments for Stormwater Infrastructure*

*For more detail regarding areas please refer to Council's development contributions GIS viewer.*





END

### **Recommendation to Council from 18 May 2021 Community Committee Meeting**

#### **Community Assistance Policy Allocation Process Review 2021**

That the Council approves the revised Community Assistance Policy (**Appendix 5**), with an amendment to the policy that the allocation sub-committee comprises of **5 Community Committee Members including at least 1 Maangai Maaori** that make recommendations to the Community Committee for final decision on allocation of funds.

### **Recommendation to Council from 22 June 2021 Community Committee Meeting**

#### **General Managers Report**

That the Council approves the draft Terms of Reference for the Community Grants Allocation Sub-Committee (**Appendix 5**) with 5 Community Committee Members including at least 1 Maangai Maaori making up the membership of the Sub-Committee, noting that the Chair and Deputy Chair will be 2 permanent Members.

## Community Grants Allocation Sub-Committee

<b>Reports to:</b>	Community Committee
<b>Chairperson:</b>	Cr Bunting
<b>Deputy Chairperson:</b>	Cr Naidoo-Rauf
<b>Membership:</b>	Members of the Community Committee

<b>Meeting frequency:</b>	As required.
<b>Quorum:</b>	5 Community Committee Members, including at least 1 Maangai Maaori

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### **Purpose:**

The Community Grants Allocation Sub-Committee is responsible for providing recommendations to the Community Committee on the allocation of Community Grants in compliance with the Community Assistance Policy 2021.

### **Terms of Reference:**

To assess and provide recommendations to the Community Committee concerning the allocation of the following Community grants in line with the Community Assistance Policy 2021:

- Community Event Fund
- Multi-Year Community Grant
- Single-Year Community Grant
- Creative Partnerships Fund

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

- The sub-committee has no decision-making powers.
- The sub-committee must make recommendations to the Community Committee on all matters relating to the allocation of community grants.

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

- The Sub-Committee may make recommendations to Community Committee.

### **Recommendatory Oversight of Policies and Bylaws:**

- N/A

First adopted:	11 December 1996
Revision dates/version:	June 2021/ Version 11
Next review date:	July 2023
Engagement required:	No engagement required
Document Number	D-3434877
Associated documents:	n/a
Sponsor/Group:	General Manager Community

## Community Assistance Policy

### Purpose and scope

#### **Purpose statement**

Having a community grants programme is an explicit acknowledgement that a city with constantly improving wellbeing outcomes cannot be created by Hamilton City Council acting alone. There are many independent organisations that share our objectives, and in many cases are better placed to deliver on them. These community organisations are experts in their respective fields, and able to mobilise a range of relationships and resources to achieve their goals.

The Council's role is to enable, facilitate, and provide every opportunity for communities to drive and own their own development. By providing community organisations with direct financial assistance, Council can support those objectives we share, be a catalyst for positive change, deliver value for money to ratepayers, and help to sustain a thriving and independent community sector.

#### **Purpose of Policy**

1. To set out the Councils' funding and allocation process for assistance provided through grants to community organisations in a transparent manner.
2. The Policy applies to the Council contestable community grants administered by the Community and Social Development team, in one of the following categories.
  - a. Community Event Fund
  - b. Multi-year Community Grant
  - c. Single-year Community Grant
  - d. Creative Partnerships Fund
3. The Policy does not apply to grants administered by other Council units (ie Heritage, Cat Desexing, Waste Minimisation, Gully Restoration Grants, Covid-19 Community Response Fund), loans (or loan guarantees), rates remittance, community leases or rentals, or major event sponsorship and capital projects.
4. We work in partnership with other regional funders, sharing information and potential use of a shared online portal.
5. The Policy will reflect best practice in grant making as outlined in the Auditor General's principles for clear purpose and eligibility of grants, fairness and transparency in assessing and managing funding, open communication, accountability and integrity (see schedules 1-6).

### Aims and scope of Community Grants

6. Hamilton City Council provides grants to support community organisations to deliver community projects that are aligned with Council plans and strategies and contribute to the wellbeing of Hamiltonians.
7. The funds aim to provide financial support to a range of community organisations. Total funding is split across four funding streams.



8. The purpose and scope of each fund is covered in Table 1.
9. Council does not fund:
  - a. Projects outside the Hamilton City boundary.
  - b. Projects or operational costs already substantially funded by Hamilton City Council.
  - c. Retrospective funding, i.e. Specific projects that have already started or have been completed.
  - d. Political organisations or social clubs.
  - e. Repayment of debt, Loan, mortgage repayments or investments of any kind.
  - f. Project costs that will be directly paid back to Hamilton City Council.

Fund	Aim	What is funded
Community Event Fund	To support organisations to run free or low-cost inclusive events in Hamilton that benefit an audience of approximately 1,000 people.	Operating, entertainment, event costs. Venue hire which is not owned by Council Advertising and promotion costs
Multi-Year Community Grant	To support not-for-profit community organisations which provide gathering places or build capacity within our Hamilton communities e.g. Community centres.	Operating, service and programme costs
Single-Year Community Grant	To support small not-for-profit community organisations which provide programmes or services in our Hamilton community.	Operating, service and programme costs including wages, training, volunteer expenses etc. Small capital items e.g equipment Venue hire which is not owned by Council
Creative Partnerships Fund	To support and enable the Hamilton Arts Community to deliver new arts activities within the Hamilton City boundaries.	New project and programme costs, art installations, performances

Table 1: purpose and Scope of funding

### Policy - General

10. The total financial assistance provided to the community through grants and funding covered by this Policy is set out in the Long Term Plan budget.
11. Current funding allocations can be found on Councils' website ([link](#))

### Process, Roles and Responsibilities

12. Applications are open to all community organisations that meet criteria set out in the specific grant criteria section of the policy, Schedules 3-6.
13. Applications are made through the *SmartyGrants* online system.
14. The application and decision-making process is outlined in Schedule 1.
15. The Specific criteria for applying to each grant is outlined in Schedules 3-6
  - a. Schedule 3: Community Events Fund
  - b. Schedule 4: Multi-Year Community Grant
  - c. Schedule 5: Single-Year Community Grant
  - d. Schedule 6: Creative Partnerships Fund

16. The roles and responsibilities are set out in Table 2.

Role	Responsibilities
Chief Executive	<ul style="list-style-type: none"> <li>Sign the grant agreements that are above the delegated authority of the General Manager Community</li> </ul>
General Manager Community	<ul style="list-style-type: none"> <li>Sign the grant agreements that are above the delegated authority of the Community and Social Development Manager</li> </ul>
Community Committee	<ul style="list-style-type: none"> <li>Appoints elected members to serve on the grants Sub-Committee</li> <li>Approves funding decisions around the allocation of grants</li> <li>Approves the total financial assistance administered through the Policy and associated grant schemes</li> </ul>
Community and Social Development Manager	<ul style="list-style-type: none"> <li>Oversees the grant assessment and allocation process</li> <li>Signs the grant agreements that are within their delegated authority.</li> </ul>
Council staff	<ul style="list-style-type: none"> <li>Promote grant rounds</li> <li>Provide grant information and assistance</li> <li>Processes and assesses grant applications</li> <li>Works with Sub-Committee on allocation of grants</li> <li>Presents report on allocation of grants to Council</li> <li>Check and processes grant accountability forms</li> </ul>
Community Grants Sub-Committee	<ul style="list-style-type: none"> <li>Makes recommendation to Community Committee on the allocation of grants</li> </ul>

Table 2: Roles and Responsibilities in relation to allocation of Community grants

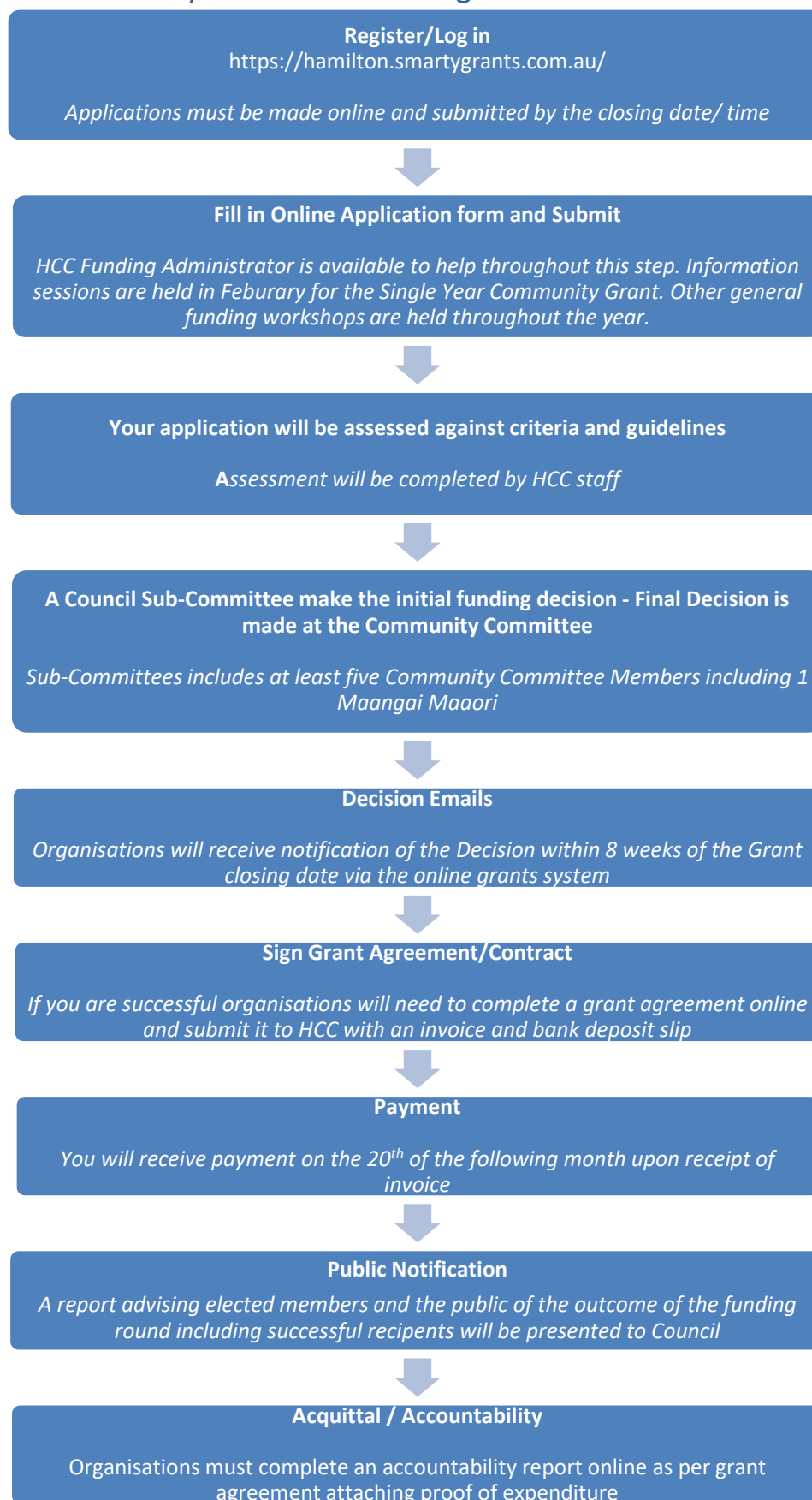
### Conflict of Interest

17. All members involved in the allocation of community grants must sign a conflict of interest form prior to the assessment of applications and allocation of grants. These forms will be kept on record and members will be asked to leave the room when an application they have a conflict with is being discussed.

### Monitoring and Implementation

18. Implementation of this policy will be monitored by the General Manager Community.
19. This policy and schedules will be reviewed, at the request of the Council, in response to any relevant legislative amendment, or every three years (whichever comes first) through the relevant Committee identified in the Governance Structure Terms of Reference and Delegations.

## Schedule 1 – Community Assistance Funding Process



## Schedule 2 – Community Assistance general criteria and guidelines

### What funding is available?

This Community Assistance Policy covers the following contestable funding rounds:

- a. Community Event Fund – see schedule 3 below
- b. Multi-Year Community Grants – see schedule 4 below
- c. Single-Year Community Grants – see schedule 5 below
- d. Creative Partnerships Fund – see schedule 6 below

### Who can apply?

Generally Council funds community organisations which:

- a. are legally constituted not-for-profit community organisations (charitable trust or incorporated society).  
The applicant organisation must have a Trust Deed or Constitution with a minimum of three board or committee members. The applicant organisation must have been operating for a minimum of 12 months.
- b. have good record keeping and operating practices eg; annual accounts, minutes, 2 bank signatories.
- c. provide services, programmes, activities or events within the Hamilton City boundary.
- d. have the capacity to deliver the project as outlined in their application.
- e. contribute to the social, arts, economic, cultural and environmental well-being of Hamiltonians.
- f. agree to provide further information on request.
- g. agree to the terms and conditions of any potential grant as outlined in their grant agreement.
- h. agree to provide accountability for any funds received.
- i. have accounted for any previous grants before any new grant application will be processed.

### How must applications be made?

- a. All applications must be made through the Hamilton City Council online system.  
[www.hamilton.govt.nz/communityfunding](http://www.hamilton.govt.nz/communityfunding)
- b. No paper applications will be accepted.

### What will not be funded?

- a. Projects or operational costs already substantially funded by Hamilton City Council.
- b. Retrospective funding, i.e. Projects that have already started or have been completed.
- c. Political organisations or social clubs.
- d. Repayment of debt, Loan, mortgage repayments or investments of any kind.
- e. Project costs that will be directly paid back to Hamilton City Council.

### What must accompany the application?

- a. The applicant's annual financial accounts.  
(The annual accounts should comply with current NZ GAAP (Generally Accepted Accounting Practice in New Zealand) as outlined in the Charities Amendment Act 2014)
- b. The applicant's statement of financial position showing year to date income and expenditure, this needs to be no greater than six months old.
- c. A current bank statement showing the bank balances of all the organisations bank accounts.
- d. A budget for the project being applied for.

### Will the application be successful?

- a. Each application submitted will be assessed on its fit to the criteria of the fund, the need for the project in the community and the likelihood of the project taking place and being successful. Not all funding applications submitted will be funded. This is often due to the large number of applications being submitted and the limited pool of funding available to distribute. It is simply not possible to fund every request.
- b. Once the application is assessed, the allocation committee will meet to decide on the outcome. The organisation will be notified of the results via the online grant system. This process will take approximately six weeks from the closing date of each funding round.

### If successful, what requirements will have to be met?

- a. Prior to payment of any grant, all successful organisations will be required to complete an online grant agreement form. The organisation will need to attach
  - I. a printed bank deposit slip or bank statement in the name of their organisation (as outlined in the application) showing bank account details (name and bank account number).
  - II. a tax invoice with their organisation name, grant amount, GST number and grant code.
- b. Successful applicants must adhere to the funding reporting requirements as set out in the grant agreement.
- c. Recipients that fail to submit acquittal/ accountability reports, or that have not spent the money in accordance with the application/contract shall not be eligible for any further Council grants until:
  - I. Accountability conditions have been met and/or grant monies returned and;
  - II. the organisation can demonstrate their ability to meet Council's eligibility criteria for a grant;
  - III. and the organisation is capable of delivering the project outcomes of which they are making an application for.

## Schedule 3 – Community Event Fund

### Purpose

Hamilton City Council's Community Event Fund supports not-for-profit community organisations that host inclusive, free or low-cost events with a high profile in our community. The fund aims to activate common, shared gathering places and spaces within our community.

### Application process:

How much can I apply for?	No Limit
When can I apply?	Fund opens (annually) for a month in the period of July and August
How can I apply?	All applications must be made through an online grants system. <a href="http://www.hamilton.govt.nz/communityfunding">www.hamilton.govt.nz/communityfunding</a>
Administration and Allocation	Administered and assessed by Council staff  Recommendations made by Community Grants Sub-Committee to the Community Committee for Decision
Grant decision	Applicants will be advised following the Community Committee that approves the allocation of funds

### Who can apply?

- Organisations that are legally constituted not-for-profit community organisations (charitable trust or incorporated society) or other legal entities such as limited liability companies, sole traders (proprietorship), or partnerships.
- Organisations which meet the criteria as outlined in schedule 2 "Who can apply" (points b-i)

### What will be funded?

- Community Event Funds will assist organisations for costs associated with organizing and delivering high profile community events in Hamilton. The fund will not cover costs that are returned to Council, eg Council venue hire.

Please note; this fund is for projects and activities taking place from October to August.

### Who will be given priority?

- Organisations which meet the criteria as outlined above in "Who can apply" and,
- Host community events or cultural celebrations open to wide community participation with a target audience of 1000 people or more. If you are holding a series of events, audience numbers can be totaled across the series.
- Events that activate community places and spaces within Hamilton eg parks, facilities, gathering places like the lake, Garden Place etc

## Schedule 4 – Multi-Year Community Grant criteria and guidelines

### Purpose

Hamilton City Council's Multi-Year Community Grant supports the operational management of community organisations which provide gathering places or build capacity that benefit the social, cultural, arts and environmental wellbeing of communities in Hamilton.

### Application process:

How much can I apply for	No Limit
When can I apply? <b>Note: This grant is only open for applications once every 3 years</b>	Next Round: Fund opens in September 2023 Fund Closes in October 2023
How can I apply?	All applications must be made through an online grants system. <a href="http://www.hamilton.govt.nz/communityfunding">www.hamilton.govt.nz/communityfunding</a>
Administration and Allocation	Administered and assessed by Council staff  Recommendations made by Community Grants Sub-Committee to the Community Committee for Decision
Grant decision	Applicants will be advised following the Community Committee that approves the allocation of funds (2023/24)

### What will be funded?

Multi-Year Community Grants will fund organisations for operating costs delivering:

- A multi-purpose space available for the community to utilise; and/or
- Opportunities for the wider community to increase social connection; and/or
- Programmes and activities delivered in the facility that addresses the needs of the local community; and/or
- Capacity building organisations of specific communities of place, identity or interest within Hamilton.

### Who will be given priority?

- Organisations which meet the criteria as outlined in schedule 2 "Who can apply" and,
- and are registered with Charities Services and,
- provide or manage community spaces/ facilities used by the community and/or other organisations. These organisations may also provide a range of services to the community.

### What are the requirements that have to be met?

In addition to the general requirements in schedule 2, successful applicants will also;

- Provide six-month reports, documenting how their activities have contributed to the objectives for which the funding was allocated.
- A Hamilton City Council staff member will visit and meet with all multi-year community grant recipients on an annual basis. The purpose of the visit is to build a relationship between Hamilton City Council and the grant recipient as well as inform on progress and development.
- All multi-year grant recipients will be invited to an annual network meeting hosted by Hamilton City Council. The purpose of this meeting is to build collaboration and cohesion among multi-year community grant recipients and provide an opportunity for feedback on Council processes and systems.



## Schedule 5 – Single-Year Community Grant

### Purpose

Hamilton City Council's Single-Year Community Grant supports not-for-profit community organisations that deliver services, programmes and activities that benefit the social, cultural, arts and environmental wellbeing of communities in Hamilton.

### Application process:

How much can I apply for?	Maximum grant \$10,000
When can I apply?	Fund opens (annually) in February Fund closes (annually) in March
How can I apply?	All applications must be made through an online grants system. <a href="http://www.hamilton.govt.nz/communityfunding">www.hamilton.govt.nz/communityfunding</a>
Administration and Allocation	Administered and assessed by Council staff  Recommendations made by Community Grants Sub-Committee to the Community Committee for Decision
When will I know?	Applicants will be advised following the Community Committee that approves the allocation of funds

### What will be funded?

Single-year grants will fund organisations for:

- Operating and administrative costs.
- Programme development and implementation.
- Community events and cultural festivals.
- Equipment and resources that support the project or organization.

Please note; this fund is for projects and activities taking place from May to January.

### Who will be given priority?

- Organisations which meet the criteria as outlined in schedule 2 "Who can apply" and,
- Consideration will be given to the number of volunteer hours contributed and any in kind donations toward the project.
- Preference will be given to organisations that have a total annual income under \$500,000.

### What will not be funded?

- Organisations who already receive a Hamilton City Council Multi-Year Community Grant.

### Can I request a multi-year grant?

If your organisation has previously received a single-year community grants from Council and is requesting a grant toward general operating costs, then you could be eligible for a multi-year grant.

Multi-year grants will be considered for organisations who provide programmes or services that:

- Closely align to the four well-beings of Council – social, economic, cultural or environmental
- Are considered by the allocation committee to be a close fit to the purpose of this fund
- Are considered by the allocation committee to be of high benefit to Hamiltonians, and
- The request fits within the budget allocation of this fund.

## Schedule 6 – Creative Partnerships Fund

### Purpose

Hamilton City Council's Creative Partnerships Fund provides support to enable the Hamilton Arts Community to deliver new arts activities, projects and initiatives within the Hamilton City boundaries.

### Application process:

How much can I apply for?	No limit
When can I apply?	Fund will remain open until the available annual funds are allocated.
How can I apply?	All applications must be made through an online grants system. <a href="http://www.hamilton.govt.nz/communityfunding">www.hamilton.govt.nz/communityfunding</a>
Administration and Allocation	Administered and assessed by Council staff  Recommendations made by Community Grants Sub-Committee to the Community Committee for Decision
When will I know?	Applicants will be advised following the Community Committee that approves the allocation of funds

### Who can apply?

- Organisations which meet the criteria as outlined in schedule 2 "Who can apply".
- Organisations who can match the grant request with funds from other sources.

### What will be funded?

- New creative projects that have not been previously funded through this grant.
- New Arts development and implementation.
- New Installation and/or performance costs.

### Who will be given priority?

- Organisations which meet the criteria as outlined above "Who can apply" and
- Are a close fit to the purpose of this fund as outlined in this schedule.