

Notice of Meeting:

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

Date: Thursday 15 June 2023
Time: 9.30am
Meeting Room: Council Chamber and Audio Visual Link
Venue: Municipal Building, Garden Place, Hamilton

Lance Vervoort
Chief Executive

Council *Kaunihera* OPEN AGENDA

Membership

Chairperson Mayor Paula Southgate
Heamana

Deputy Chairperson Deputy Mayor Angela O'Leary
Heamana Tuarua

Members	Cr Ryan Hamilton	Cr Geoff Taylor
	Cr Maxine van Oosten	Cr Sarah Thomson
	Cr Moko Tauariki	Cr Emma Pike
	Cr Ewan Wilson	Cr Melaina Huaki
	Cr Mark Donovan	Cr Anna Casey-Cox
	Cr Louise Hutt	Cr Kesh Naidoo-Rauf
	Cr Andrew Bydder	

Quorum: A majority of members (including vacancies)

Meeting Frequency: Monthly – or as required

Amy Viggers
Mana Whakahaere
Governance Lead

7 June 2023

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Purpose

The Council is responsible for:

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

Terms of Reference

1. To exercise those powers and responsibilities which cannot legally be delegated by Council¹:
 - a) The power to make a rate.
 - b) The power to make a bylaw.
 - c) The power to borrow money, or purchase or dispose of assets, other than in accordance with the Long Term Plan.
 - d) The power to adopt a Long Term Plan or Annual Plan, or Annual Report.
 - e) The power to appoint a Chief Executive.
 - f) The power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the Long Term Plan or developed for the purpose of the Council's Governance Statement.
 - g) The power to adopt a remuneration and employment policy.
 - h) The power to approve or change the District Plan, or any part of that Plan, in accordance with the Resource Management Act 1991.
 - i) The power to approve or amend the Council's Standing Orders.
 - j) The power to approve or amend the Code of Conduct for Elected Members.
 - k) The power to appoint and discharge members of committees.
 - l) The power to establish a joint committee with another local authority or other public body.
 - m) The power to make the final decision on a recommendation from the Parliamentary Ombudsman, where it is proposed that Council does not accept the recommendation.
 - n) The power to amend or replace the delegations in Council's *Delegations to Positions Policy*.
2. To exercise the following powers and responsibilities of Council, which the Council chooses to retain:
 - a) Resolutions required to be made by a local authority under the Local Electoral Act 2001, including the appointment of an electoral officer and reviewing representation arrangements.
 - b) Approval of any changes to Council's vision, and oversight of that vision by providing direction on strategic priorities and receiving regular reports on its overall achievement.
 - c) Approval of any changes to city boundaries under the Resource Management Act 1991.
 - d) Adoption of governance level strategies plans and policies which advance Council's vision and strategic goals.

¹ [Clause 32, Schedule 7, Local Government Act 2002](#)

- e) Approval of the Triennial Agreement.
- f) Approval of the local governance statement required under the Local Government Act 2002.
- g) Approval of a proposal to the Remuneration Authority for the remuneration of Elected Members.
- h) Approval of any changes to the nature and delegations of the Committees.
- i) Approval or otherwise of any proposal to establish, wind-up or dispose of any holding in, a CCO, CCTO or CO.
- j) Approval of city boundary changes, including in respect of Strategic Boundary Land Use Agreements.
- k) Approval of Activity Management Plans.
- l) Sister City relationships.

Oversight of Strategies, Plans and Reports:

- Long Term Plan
- Annual Plan
- Annual Report
- Shaping Hamilton Kirikiriroa Together
- Our Climate Future
- He Pou Manawa Ora

Oversight of Policies and Bylaws:

- *Corporate Hospitality and Entertainment Policy*
- *Delegations to officers specific to the Resource Management Act 1991*
- *Delegations to Positions Policy*
- *Elected Members Support Policy*
- *Significance and Engagement Policy*
- *Climate Change Policy*
- *Any Community Engagement Policies*

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1 Apologies – *Tono aroha*

2 Confirmation of Agenda – *Whakatau raarangi take*

The Council to confirm the agenda.

3 Declaration of Interest – *Tauaakii whaipanga*

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

4 Public Forum – *Aatea koorero*

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

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

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

If you have any questions regarding Public Forum please contact Governance by telephoning 07 838 6727.

Council Report

Committee: Council

Date: 15 June 2023

Author: Nicholas Hawtin

Authoriser: Michelle Hawthorne

Position: Governance Advisor

Position: Governance and Assurance
Manager

Report Name: Confirmation of the Council Open Minutes - 4 May 2023

Report Status	<i>Open</i>
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Staff Recommendation - *Tuutohu-aa-kaimahi*

That the Council confirm the Open Minutes of the Council Meeting held on 4 May 2023 as a true and correct record.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Council Unconfirmed Open Minutes 4 May 2023

Council Kaunihera OPEN MINUTES

Minutes of a meeting of the Council held in the Council Chamber and via Audio Visual Link Municipal Building, Garden Place, Hamilton on Thursday 4 May 2023 at 9.34am.

PRESENT

Chairperson <i>Heamana</i>	Mayor Paula Southgate
Deputy Chairperson <i>Heamana Tuarua</i>	Deputy Mayor Angela O’Leary
Members	Cr Ryan Hamilton Cr Maxine van Oosten Cr Moko Tauariki Cr Ewan Wilson Cr Mark Donovan Cr Louise Hutt Cr Andrew Bydder Cr Geoff Taylor Cr Sarah Thomson Cr Emma Pike Cr Melaina Huaki Cr Anna Casey-Cox Cr Kesh Naidoo-Rauf

In Attendance:	Lance Vervoort – Chief Executive David Bryant – General Manager People and Organisational Performance Blair Bowcott – General Manager Growth Eeva-Liisa Wright – General Manager Infrastructure Operations Julie Clausen – Acting General Manager Strategy and Communications Andrew Parsons – Executive Director Stephen Halliwell – Water Reform Financial Advisor Muna Wharawhara – Amorangi Maaori Carmen Fookes – Policy and Bylaw Advisor
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Governance Staff:	Amy Viggers – Governance Lead Arnold Andrews and Nicholas Hawtin – Governance Advisors
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The meeting was opened with a Karakia from Tame Pokaia

Council 4 MAY 2023 - OPEN

1. **Apologies – Tono aroha**
Resolved: (Mayor Southgate/Cr van Oosten)
 That the apologies for lateness from Cr Wilson and for early departure from Cr Donovan are accepted.
2. **Confirmation of Agenda – Whakatau raarangi take**
Resolved (Cr Hamilton/Cr Bydder)
 That the agenda is confirmed noting that the speaking time for Item 9 (Maangai Maaori - Review - 2022-25 Triennium) be increased to 3 minutes.

The Motion was put.

Those for the Motion: Cr Taylor, Cr Nadioo-Rauf, Cr Tauriki, Cr Bydder, Cr Donovan, and Cr Hamilton.

Those against the Motion: Mayor Southgate, Deputy Mayor, Cr Hutt, Cr van Oosten, Cr Hauki, Cr Casey-Cox, Cr Pike, and Cr Thomson.

The motion was declared LOST.

3. **Declarations of Interest – Tauaakii whaipaaanga**
 No members of the Council declared a Conflict of Interest.
4. **Public Forum – Aatea koorero**
Rawiri Bidois (THaWK) spoke to Item 9 (Maangai Maaori - Review - 2022-25 Triennium). to the vision of Maaori involvement in decision making process and noted his support for the creation of a framework that serves both groups effectively.

Hagen Tautari A (Co-chair of *Te Rūnanga o Kirikiriroa*) spoke to Item 9 (Maangai Maaori - Review - 2022-25 Triennium) on the nature of *Te Rūnanga o Kirikiriroa*, its involvement within the community, the Council's vision of Maangai Maaori and their support of the staff recommendations.

Donald Turner and Vanessa Clark (*Waikato Tainui*) spoke to Item 9 (Maangai Maaori - Review - 2022-25 Triennium) and acknowledged the journey and courage of those involved in the model to date.

Kelli Pike provided a written submission concerning Item 9 (Maangai Maaori - Review - 2022-25 Triennium) which was circulated to the members prior to the start of the meeting and as **Appendix 1** of these minutes, .

Cr Wilson joined the meeting (9:43am) during the discussion of the above item.

5. **Confirmation of the Council Open Minutes - 9 March 2023**
Resolved: (Mayor Southgate/Cr Wilson)
 That the Council confirm the Open Minutes of the Council Meeting held on 9 March 2023 as a true and correct record.

6. Confirmation of the Elected Member Open Briefing Notes - 22 March 2023

Resolved: (Cr Wilson/Cr Bydder)

That the Council confirm the Open Briefing Notes of the Elected Member Briefing held on 22 March 2023 as a true and correct record.

7. Confirmation of the Elected Member Open Briefing Notes - 5 April 2023

Resolved: (Cr Wilson/Cr Bydder)

That the Council confirm the Open Briefing Notes of the Elected Member Briefing held on 5 April 2023 as a true and correct record.

8. Chair's Report 4 May 2023

The Mayor spoke to her report, acknowledging Cr Wilson standing down as Chair from the Dog Hearing Panel and thanked him for his service. She welcomed Cr Donovan as the new Chair of the Panel. Along with staff the Mayor responded to questions from Elected Members concerning conference by resolution.

Motion: (Mayor Southgate/Deputy Mayor O'Leary)

That the Council:

- a) receives the report;
- b) thanks Cr Ewan Wilson for his work as Chair of the Dog Hearing Panel;
- c) appoints Cr Mark Donovan as Chair of the Dog Hearing Panel; and
- d) approves the expenditure of \$10,000 from the Conference by Resolution budget to fund the 2023 LGNZ Conference registration fees of the Mayor and Deputy O'Leary and the remainder split equally between any first term Councillor (including Cr Donovan).

Amendment: (Cr Wilson/Cr Taylor)

That the Council:

- a) receives the report;
- b) thanks Cr Ewan Wilson for his work as Chair of the Dog Hearing Panel;
- c) appoints Cr Mark Donovan as Chair of the Dog Hearing Panel; and
- d) approves the expenditure from the Conference by Resolution budget to fund the 2023 LGNZ Conference registration fees of any first term Councillor (including Cr Donovan) and the Mayor.

The Amendment was put.

Those for the Amendment:

Cr Wilson, Cr Taylor, Cr Bydder and Cr Donovan.

Those against the Amendment:

Mayor Southgate, Deputy Mayor O'Leary, Cr Thomson, Cr Naidoo-Rauf, Cr Pike, Cr Tauariki, Cr Casey Cox, Cr Huaki, Cr Hamilton, Cr van Oosten, and Cr Hutt.

**The Amendment was declared LOST.
The Motion was then put and declared CARRIED.**

Resolved: (Mayor Southgate/Deputy Mayor O'Leary)

That the Council:

- a) receives the report;
- b) thanks Cr Ewan Wilson for his work as Chair of the Dog Hearing Panel;
- c) appoints Cr Mark Donovan as Chair of the Dog Hearing Panel; and
- d) approves the expenditure of \$10,000 from the Conference by Resolution budget to fund the 2023 LGNZ Conference registration fees of the Mayor and Deputy O'Leary and the remainder split equally between any first term Councillor (including Cr Donovan).

Cr Wilson, Cr Taylor and Cr Donovan Dissenting.

The meeting was adjourned from 10:30am to 10:41am

9. Maangai Maaori - Review - 2022-25 Triennium

The Amorangi Maaori and Governance and Assurance Manager introduced the report. Staff responded to questions from Elected Members concerning budgets, consultation, Maangai Maaori participation in decision making, aspirations, Council's legal obligations, purpose of the Co-Governance forum, partnership funding and attendance.

Motion: (Mayor Southgate/Deputy Mayor O'Leary)

That the Council:

- a) receives the report;
- b) approves the continuation of three Maangai Maaori roles for the 2022-25 triennium with the Committees with associated voting rights and areas of focus to include the activities of attending briefings and workshops, and meetings with principal advisors to the committee and on matters to be considered by the Council with this reflected in the Kawenata (noting the remuneration resourcing will be within current budget);
- c) notes that, staff will ask representatives from Waikato Tainui, Te Runanga o Kirikiriroa (TROC) and hapuu to commence the nomination process for the selection of Maangai Maaori; and
- d) notes staff will bring a report to Council at a future meeting confirm the appointment of Maangai Maaori once the selection process has been completed.

Amendment: (Cr Hamilton/Cr Bydder)

That the Council:

- a) receives the report;
- b) approves the continuation of two Maangai Maaori for the 2022-25 triennium only and is to exclude voting rights;
- c) notes the Maangai Maaori roles will be updated to include the activities of attending briefings and workshops (in relation to topics of the committee), and meetings with principal advisors to the committee;
- d) notes the Kawenata (overarching agreement) will be updated to reflect the reviewed Maangai Maaori roles in conjunction with representatives from the Council, Waikato Tainui, Te Runanga o Kirikiriroa (TROC) and hapuu (the Principal Kawenata);
- e) notes that, staff will ask representatives from Waikato Tainui, Te Runanga o Kirikiriroa (TROC) and hapuu to commence the nomination process for the selection of Maangai Maaori; and

- f) notes staff will bring a report to Council at a future meeting confirm the appointment of Maangai Maaori once the selection process has been completed.

The Amendment was Put.

Those for the Amendment: Cr Hamilton, Cr Taylor, Cr Donovan, Cr Bydder, Cr Naidoo-Rauf, Cr Wilson.

Those against the Amendment: Mayor Southgate, Deputy Mayor O’Leary, Cr Thomson, Cr Pike, Cr Tauariki, Cr Casey Cox, Cr Huaki, Cr van Oosten, and Cr Hutt.

The Amendment was declared LOST.

Further Amendment: (Cr Tauariki/Cr Casey-Cox)

That the Council:

- a) receives the report;
- b) continues the Maangai Maaori for the 2022-25 triennium based on Option 1 – three Maangai Maaori roles appointed to the following committees of Council:
 - i. the Infrastructure and Transport Committee
 - ii. the Strategic Growth and District Plan Committee; and
 - iii. the Community and Natural Environment Committee;
- c) notes the Maangai Maaori roles will be updated to include the activities of attending briefings and workshops (in relation to topics of the committee), and meetings with principal advisors to the committee;
- d) notes the Kawenata (overarching agreement) will be updated to reflect the reviewed Maangai Maaori roles in conjunction with representatives from the Council, Waikato Tainui, Te Runanga o Kirikiriroa (TROC) and hapuu (the Principal Kawenata);
- e) notes that, staff will ask representatives from Waikato Tainui, Te Runanga o Kirikiriroa (TROC) and hapuu to commence the nomination process for the selection of Maangai Maaori; and
- f) notes staff will bring a report to Council at a future meeting confirm the appointment of Maangai Maaori once the selection process has been completed.

The Further Amendment was then Put.

Those for the Further Amendment: Mayor Southgate, Deputy Mayor O’Leary, Cr Thomson, Cr Pike, Cr Tauariki, Cr Casey Cox, Cr Huaki, Cr van Oosten, and Cr Hutt.

Those against the Further Amendment: Cr Hamilton, Cr Taylor, Cr Donovan, Cr Bydder, Cr Naidoo-Rauf, Cr Wilson.

The Further Amendment was declared CARRIED.

The Further Amendment as the Substantive Motion was then put and declared CARRIED.

Resolved: (Cr Tauariki/Cr Casey-Cox)

That the Council:

- a) receives the report;
- b) continues the Maangai Maaori for the 2022-25 triennium based on Option 1 – three Maangai Maaori roles appointed to the following committees of Council:
 - i. the Infrastructure and Transport Committee
 - ii. the Strategic Growth and District Plan Committee; and

- iii. the Community and Natural Environment Committee;
- c) notes the Maangai Maaori roles will be updated to include the activities of attending briefings and workshops (in relation to topics of the committee), and meetings with principal advisors to the committee;
- d) notes the Kawenata (overarching agreement) will be updated to reflect the reviewed Maangai Maaori roles in conjunction with representatives from the Council, Waikato Tainui, Te Runanga o Kirikiriroa (TROK) and hapuu (the Principal Kawenata);
- e) notes that, staff will ask representatives from Waikato Tainui, Te Runanga o Kirikiriroa (TROK) and hapuu to commence the nomination process for the selection of Maangai Maaori; and
- f) notes staff will bring a report to Council at a future meeting confirm the appointment of Maangai Maaori once the selection process has been completed.

Those for the Further Amendment as the Substantive Motion:

Mayor Southgate, Deputy Mayor O'Leary, Cr Thomson, Cr Pike, Cr Tauariki, Cr Casey Cox, Cr Huaki, Cr van Oosten, and Cr Hutt.

Those against the further Amendment as the Substantive Motion:

Cr Hamilton, Cr Taylor, Cr Donovan, Cr Bydder, Cr Naidoo-Rauf, Cr Wilson.

The meeting was adjourned 11:46am to 12:34pm during the discussion of the above Item

Cr Tauariki left the meeting (1.30pm) at the conclusion of the above item. He was present when the matter was voted on.

10. Dangerous and Insanitary Building Policy Review

Governance and Assurance Manager and Building Control Manager introduced the report and highlighted that the key purpose of the review was for public safety noting that there were minimal incidents in the last 12 months.

Resolved: (Cr Thomson/Cr Pike)

That the Council:

- a) receives the report;
- b) approves Hamilton City Council's Dangerous and Insanitary Building Policy and Statement of Proposal for public consultation from 15 May 2023 to 12 June 2023.

Cr Tauariki re-joined the meeting (1.36pm) at the conclusion of the above Item. He was not present when the matter was voted on.

11. Waikato Triennial Agreement 2022-2025

The Governance & Assurance Manager took the report as read.

Resolved: (Cr Wilson/Cr Bydder)

That the Council:

- a) receives the report;
- b) adopts the Draft 2022-2025 Waikato Triennial Agreement (Attachment 1 of this report) as endorsed by the Mayoral Forum on 27 March 2023; and

- c) delegates Mayor Southgate to sign the agreement on behalf of Hamilton City Council.

Item 13 (Updates to Fees and Charges (including GST) Proposed for Year 3 (2023/24) of the 2021-31 10-Year Plan) Item 14 (Report from the Strategic Risk and Assurance Committee - Risk Management) and Item 15 (Report from the Strategic Risk and Assurance Committee - Safety and Wellness) were taken after Item 11 (Waikato Triennial Agreement 2022-2025) to accommodate availability of presenters.

12. Updates to Fees and Charges (including GST) Proposed for Year 3 (2023/24) of the 2021-31 10-Year Plan

The General Manager of Growth took the report as read.

Resolved: (Cr Wilson/ Cr Taylor)

That the Council:

- a) receives the report; and
- b) approves the proposed Fees and Charges for the third year of the 2021-31 10-Year Plan (Attachment 1 of the staff report).

13. Report from the Strategic Risk and Assurance Committee - Risk Management

The Governance & Assurance Manager took the report as read.

Resolved: (Mayor Southgate/ Cr Casey-Cox)

That the Council receives the report.

14. Report from the Strategic Risk and Assurance Committee - Safety and Wellness

The General Manager People and Organisational Performance took the report as read.

Resolved: (Mayor Southgate/ Cr Wilson)

That the Council receives the report.

15. Three Waters Reform - Regional Representative Group - Consideration of Advocacy Opportunity

The Executive Director of Strategic Infrastructure and the Water Reform Financial Advisor outlined the report, and highlighted the staff recommendation. Staff responded to questions from Elected Members concerning the staff recommendation, funding, the position of Council in regards to Three Waters, its advocacy and strategic input.

Resolved (Mayor Southgate/Deputy Mayor O'Leary)

That the Council:

- a) receives the report;
- b) approves a proposal to add the independent chair of Future Proof to the Regional Representative Group of the Waikato Waters entity;
- c) opposes the withdrawal of tranche 2 of the Better Off Funding and strongly suggests that Central Government honours all components of the reform support package including

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transitional and appropriate worse off funding due to the effect this will have on the wellbeing of communities; and

- d) approves Mayor Paula Southgate, Deputy Mayor O’Leary, Cr van Oosten and Cr Tauariki to present these proposals directly to the Minister of Local Government based on the feedback provided during the meeting.

Cr Wilson, Cr Bydder, Cr Taylor, and Cr Naidoo-Rauf Dissenting.

Meeting adjourned from 2:27pm to 2:38pm

Cr Huaki and Cr Donovan retired from the meeting during the above adjournment.

16. 2023 LGNZ Remits for Consideration

The Policy and Bylaw Advisor took the report as read.

Resolved (Cr Wilson. Cr van Oosten)

That the Council:

- a) receives the report; and
- b) notes that the Council has indicated to **endorse** the following remits from Elected Members:
 - i. Online quorum requirements;
 - ii. Elected member Remuneration (specifically Kiwisaver);
 - iii. Wellbeings; and
- c) notes that the entirety of the Local Government New Zealand remits for consideration will be brought to a future meeting of Council for decisions to support or not support the remits.

17. Recommendations from Open Committee Meetings

Strategic Issues

Resolved: (Cr Hamilton/Cr Thomson)

That the Council:

- a) approves the amended Future Proof Implementation Committee Agreement and Terms of Reference; and
- b) delegates to the Chief Executive to sign the updated Agreement, which will give effect to the updated Terms of Reference; and
- c) approves Deputy Mayor Angela O’Leary and Cr Maxine van Oosten to be Hamilton City Council’s representatives on the Future Proof Public Transport Subcommittee, with Cr Sarah Thomson as alternate.

Financial Performance & Strategy Report to 31 March 2023

Resolved: (Cr van Oosten/Cr Tauariki)

That the Finance and Monitoring Committee receives the report.

That the Finance and Monitoring Committee recommends that the Council:

- a) approves the capital movement as identified in paragraph 28 of the 31 March 2023 Capital Portfolio Monitoring Report;
- b) approves the significant forecast adjustments as set out in paragraphs 53 to 55 of the staff

report; and

- c) approves the revised Financial Strategy position for Debt to Revenue, Net Debt and Balancing the Books as set out in paragraphs 57 to 59 of the staff report.

18. Resolution to Exclude the Public

Resolved (Cr Wilson/ Cr Hamilton)

The following motion is submitted for consideration:

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

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

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of the Council Public Excluded Minutes - 9 March 2023) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C2. Confirmation of the Elected Member Briefing Closed Notes - 22 March 2023)	

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

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

The meeting went into public excluded session at 2.44pm

The meeting was declared closed at 2.45pm

Council 4 MAY 2023 - OPEN

Appendix 1

Kelli Pike

Kia ora koutou,

As much as I prefer presenting in person, I'm unable to be with you today. Please accept this, in lieu of being in public forum.

I am writing in support of Option 1 for the Maangai maaori review.

I believe the maangai maaori model has proven hugely beneficial to staff, other elected members and overall decision making of this council.

To quote Mayor Paula directly

"The Maangai Maaori representatives are highly skilled people in their own right with significant credentials and mana. They are important advocates for tangata whenua and their involvement on Council allows us make more durable decisions for the city."

They provide access to maturanga knowledge, tikanga and skills that were missing from this chamber for far too long. Please dont go back now.

Maangai maaori bring forward the views of key maaori partners, which - complements - the maaori ward councillors; and together would enable our city to reach more of the aspirations that we have; and tackle the huge amount of work this council needs to do to give effect to Te Tiriti and bring He Pou Manawa Ora from paper to practice.

Allow us to have the expertise around the table to better navigate the inevitable changes that will happen constitutionally in our time in this country.

Ehara taku toa i te toa takitahi engari he toa takitini. It is not my strength alone, but the strength of many that contribute to my success.

Kelli Pike

Council Report

Item 6

Committee: Council

Date: 15 June 2023

Author: Arnold Andrews

Authoriser: Michelle Hawthorne

Position: Governance Advisor

Position: Governance and Assurance
Manager

Report Name: Confirmation of the Elected Member Open Briefing Notes - 3 May 2023

Report Status	<i>Open</i>
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Staff Recommendation - *Tuutohu-aa-kaimahi*

That the Council confirm the Open Briefing Notes of the Elected Member Briefing held on 3 May 2023 as a true and correct record.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Elected Member Open Briefing Notes - 3 May 2023

Time and date: 10.12am, 3 May 2023

Venue: Committee Room 1, Hamilton City Council

Introduction to the 2024-34 Long-Term Plan

The General Manager, Strategy and Communication and Unit Manager, Strategy and Planning introduced the topic and explained that the purpose of the presentation was to confirm the process for the 2024-34 Long-term Plan, to initiate a discussion on the alignment of activities to the five priorities and suggested refinement of these and to initiate a discussion on the prioritisation framework for determining a priority value for decision-making. Elected Members asked questions in relation to the following matters:

- Development Contributions Policy and its difference from the long-term plan
- dividend payouts received and its management
- affordability and its meaning in today's context
- feedback on affordability of rates and other activities
- funding opportunities that may arise outside the LTP process
- sessions to facilitate ideas of all councillors
- participatory budgeting and community involvement in the process
- core work alignment with strategies

Council Report

Item 7

Committee: Council

Date: 15 June 2023

Author: Nicholas Hawtin

Authoriser: Michelle Hawthorne

Position: Governance Advisor

Position: Governance and Assurance
Manager

Report Name: Confirmation of the Elected Member Open Briefing Notes - 17 May 2023

Report Status	<i>Open</i>
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Staff Recommendation - *Tuutohu-aa-kaimahi*

That the Council confirm the Open Briefing Notes of the Elected Member Briefing held on 17 May 2023 as a true and correct record.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Elected Member Open Briefing Notes - 17 May 2023

Time and date: 10.07am, 17 May 2023

Venue: Committee Room 1, Hamilton City Council

1. Wairere Drive and Gordonton Road intersection safety improvements

The Network Operations Team Leader and City Transport Unit Director introduced the topic and explained that the purpose of this presentation was for Elected Members to discuss all options and engage plan with the community for Gordonton Road and Wairere Drive. Elected Members asked questions in relation to the following matters:

- history of the intersection
- design options, how they could be future proofed, and the implication of them
- effect of crashes on guard rail life Impact of delayed decisions
- new speed signs and their effectiveness
- other roundabouts with high crash rates
- communication strategy for public
- safety platforms at the roundabout exits and their purpose
- timeline

Staff Action: Staff undertook to circulate summary of the presentation by subject matter expert (Professor Graham Currie) to all Elected Members.

2. 2024 LTP Growth Line Recommendation

The Growth, Funding and Analytics Unit Manager introduced the topic and explained that the purpose of this presentation was to inform Elected Members of the proposed growth projections ahead of the Strategic Growth Committee meeting. Elected Members asked questions in relation to the following matters:

- the use of Census NZ database
- costs incurred by contractors in the development Hamilton
- impact of lending limitations/restrictions on short term projections
- waters effect on short term projections
- effect of election year and changes to immigration settings
- the NIDIA projections
- effect of migration on growth and statistics on migration to Australia
- consistency with future proof and its impact on project recommendations
- cost
- legislative ability to levy a higher (differential/targeted) rate on land bankers for delaying development of developed land
- change in dwelling demands due to heterogeneous population
- projected Growth and variance from Stats NZ publishing

Staff Action: Staff undertook to provide cost of acquiring information from NIDEA to Elected Members.

Council Report

Item 8

Committee: Council

Date: 15 June 2023

Author: Nicholas Hawtin

Authoriser: Michelle Hawthorne

Position: Governance Advisor

Position: Governance and Assurance
Manager

Report Name: Confirmation of the Elected Member Open Briefing Notes - 31 May 2023

Report Status	<i>Open</i>
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Staff Recommendation - *Tuutohu-aa-kaimahi*

That the Council confirm the Open Briefing Notes of the Elected Member Briefing held on 31 May 2023 as a true and correct record.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Elected Member Open Briefing Notes 31 May 2023

Elected Member Briefing Notes – 31 May – Open

Time and date: 11.45am, 31 May 2023

Venue: Committee Room 1, Hamilton City Council and Audio-Visual link

The meeting was opened with a Karakia

1. Development Contributions Policy direction

Staff introduced the topic and explained that the purpose of the presentation was to seek direction from Elected Members concerning the Development Contributions policy provisions that were up for review on the 30 June 2024. Elected Members asked questions in relation to the following matters:

- Costs related to planning, interest rates, charges and remissions
- Alignment of the Development Contributions Policy with infrastructure
- planning costs and limits of the policy

Staff Action: *Staff undertook to facilitate working group meetings regarding the investigate the uncertainty of Development Contributions policies*

2. Waikato Housing Initiative Affordable Housing Discussion

Staff introduced the topic and explained that the purpose of the presentation was to provide the opportunity for various external parties to speak with Elected Members concerning affordable housing. Elected Members asked questions in relation to the following matters:

- median sales prices and affordability ranges compared to other Cities
- ownership goals and opportunities
- Development Contribution assessments and bedroom data
- centralisation to achieve a unified goal
- servicing costs and interest rates
- advocacy and impacts on the Community
- housing sector roles, action plans within the sector and the role that HCC can play
- key Waikato Housing Initiatives affordable housing developer and HCC's assistance role
- prioritise to include affordability into all developments
- encourage integrated affordability and better guidance
- perpetuity of affordability
- Waikato Lands Community Trust's move from strategy to delivery point and the joint prioritisation and the existing plans in place to achieve the desired outcomes.

Council Report

Item 9

Committee: Council

Date: 15 June 2023

Author: Nicholas Hawtin

Authoriser: Michelle Hawthorne

Position: Governance Advisor

Position: Governance and Assurance
Manager

Report Name: Chair's Report

Report Status	<i>Open</i>
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Chair's Recommendation

That the Council receives the report.

Attachments - *Ngaa taapirihanga*

Attachment 1 – Chair's Reports



Chair's Report

It has been a very busy but largely positive month.

Our Safest City Taskforce partnership with the Police and our advocacy to Government around Crime Prevention is progressing well. Recently, we received confirmation of the funding from Ministry of Social Development of the \$1M matched funding to assist Hamilton City Council with a range of appropriate crime prevention. As you are aware the first project actioned was out support for the 24hr youth/rangitahi hub created by Kirikiriroa Family Trust. I circulated the projects but in summary this includes CCTV and other camera coverage extensions, youth support supporting our community houses and existing youth networks. I am looking forward to implementing the agreed actions and am committed to ongoing advocacy with Central Government around the youth justice system. I recently met with the Hon Ginny Anderson and began this conversation. I am pleased to say that since then Government has extended the Fast Track programme into the Waikato.

On Sat 6th May. We planted a tree to commemorate King Charles's coronation. A koowhai was planted in the Ancestral Walk in the Hamilton Gardens. On one side of the Ancestral Walk there are native trees and on the other side native trees. This acknowledges the European history while acknowledging the tangata whenua and mana whenua. Government supplied a commemorative plaque for all trees planted that are on a map on the Governor General's website.

We also turned the sod to mark the beginning of the construction of the Magical Bridge Playground. This will be the first fully accessible playground in New Zealand. I would like to out on record our thanks to all who have been part of the vision and work behind making this happen.

As you are aware I sit on several advisory groups in Wellington. In these the primary focus of these has been the various reforms including RMA. This reform is huge in terms of implications on Council's business. As we move to regional spatial planning, we must be vigilant that the quality strategic planning that we have already in place, and that funding cycles and targeted funding matches the needs so that we can deliver the good outcomes. There is a great deal of discussion also about environmental regulation, and how we ensure environmental outcomes and deal with conflicts between the natural and built environment.

Chair's Recommendation

That the Council receives the report.

Paula Southgate
Mayor Hamilton City

Council Report

Item 10

Committee: Council

Date: 15 June 2023

Author: Maria Barrie

Authoriser: Helen Paki

Position: Unit Director - Parks and Recreation

Position: General Manager Community

Report Name: TOTI Founders Theatre Site Proposal

Report Status	Open
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Purpose - *Take*

1. To provide the Council with the Founders Theatre Site Proposal received by Theatre of the Impossible Charitable Trust (TOTI)

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Council:
 - a) receives the report;
 - b) thanks TOTI for their proposal and supporting information and their passion for community initiatives;
 - c) declines the TOTI proposal for the repurposing of Founders Theatre site on the basis that the Proposal presented did not meet the Community Committee Resolution of 18 April 2023; and
 - d) notes that the existing resolution of 12 May 2022 to demolish the Founders Theatre building will be implemented.

Executive Summary - *Whakaraapopototanga matua*

3. Founders Theatre has been closed since 2016. Following this a number of briefings, and reports have been presented to Council. On 18 April 2023 the Community and Natural Environment Committee, provided TOTI a final opportunity to submit their final full proposal, including supporting documents to Council.
4. The Community and Natural Environment Committee set out clear expectations via resolution for the content of the TOTI proposal to be delivered by 19 May 2023 and noted that if the conditions were not met the existing resolution of 12 May 2022 to demolish the Founders Theatre building would be implemented.
5. TOTI submitted and presented their proposal to the CE and staff on the 19 May 2023. At that time there were questions raised by staff and key appendices including condition assessments were not received.
6. Documents for the TOTI proposal were resubmitted and received by staff on 25 May 2023. Whilst the new proposal provides some further clarity, it has not fully met the requirements of the resolution.

7. Staff recommend option two – decline the TOTI proposal as detailed in paragraphs 37-39 below.
8. Staff consider the decision in this report has medium significance and that the recommendations comply with the Council's legal requirements.

Background - Koorero whaimaarama

9. Since the closure of Founders Theatre in May 2016, there have been multiple briefings and reports to council including public engagements on the future of the building and the site.
10. TOTI were first given until 31 December 2021 to submit their full and final proposal for a redevelopment of the Founders Theatre site. Due to Covid-19 disruption, this timeframe was extended till 31 March 2022.
11. During 2022 the TOTI proposal was discussed several times and at the 14 September 2022 Council meeting it was resolved to include the Founders Theatre site and independent analysis of the TOTI budgets, finance plans, benefits and disadvantages of options into the scope for the CBD community facilities review. This additional work was added to the scope of the services engaged of the Property Group.
12. The Property Group report was presented to the [18 April Community Committee](#) where the committee made the following resolution specific to the TOTI proposal:

That the Community and Natural Environment Committee:

- a) *notes the recommendation in the Property Group report that the Founders site is not considered further for community facility provision;*
- b) *allows TOTI an opportunity to respond to the Property group report and provide a full and final business case including a risk mitigation framework; confirmation from partner organisations / interested parties; confirmation the space is fit for purpose for the identified users; provision of confirmation from funders for Project Capital Costs (\$11M) plus operating funds; confirmation of the new Trusts constitution, appointment process and inaugural trustees' credentials, to support their proposal including a peer review of costs to staff by 19 May 2023 that would be reported 15 June 2023 Council meeting;*
- c) *requests TOTI undertake a comprehensive Condition Assessment and that it is peer reviewed by Council approved independent parties, at TOTI's cost, that would include but not be limited to matters such as the below:*
 - i) *the entire roof and its structure;*
 - ii) *the amenities (toilets, kitchen);*
 - iii) *services (electrical, HVAC);*
 - iv) *fire system;*
 - v) *asbestos;*
 - vi) *structural assessment and concept remediation design;*
- d) *notes that should b) and c) above not be completed, the existing resolution of 12 May 2022 to demolish the Founders Theatre building will be implemented; and*
- e) *notes that further development proposals of community facility provision and potential funding options will be submitted for consideration in the 2024-34 Long Term Plan.*

13. Representatives from TOTI and the proposed Founders Hub Establishment Board (FHEB) presented their proposal to the CE and staff on 19 May 2023. During this presentation TOTI provided a verbal response to the Property Group report and went over the key elements of their revised proposal. The proposal received did not include condition assessments or appendices.
14. At that meeting the CE acknowledged the passion and work to get the proposal together in short timeframes and indicated some areas where the proposal may be optimistic and did not fully meet the resolution of the Committee.
15. Next steps were discussed, including TOTI's desire to set up a time for Elected Members to visit representatives from TOTI and FHEB to go through the revised proposal, staff providing an email with the points where the proposal may not meet the resolution and TOTI providing condition assessments and appendices as soon as possible.
16. The points suggested for TOTI to check and/or provide were:
 - i. Confirmation from funders and partner organisations – what is included in the material provided may not be the detail Elected Members were expecting to give confidence that the project has committed funds to proceed. The document mentions appendices with this information but there are no appendices with this detail in the proposal received by staff.
 - ii. Operating budgets – estimated revenue from the Café and naming rights, in the opinion of staff based on experience with other Cafés, seems to be very optimistic, particularly with the surrounding Cafés in close proximity to this site. It may be helpful to refine these and/or share the assumptions that have been made in coming to these figures.
 - iii. Comprehensive Condition Assessments peer review by Council approved independent parties – brief comments have been made in the proposal; however, Condition Assessments have not been provided.
 - iv. The ability to borrow money - consistent with other theatres gifted is that the property cannot be used as bank security. It would be likely that the Trust would need to find security/underwrite for the bank from another source.

Discussion - *Matapaki*

17. On 24 May TOTI provided notes to support their proposal, a full response to the Property Group Report (**Attachment 1**) and user group expressions of interest (**Attachment 7**).
18. The revised final Proposal (Attachment 2) along with a finance workbook (**Attachment 3**), a building assessment summary (**Attachment 4**), seismic assessment (from councils file) (**Attachment 5**), and the Kingston's Quantity Survey list (from 2022) (**Attachment 6**) were received in the afternoon of 25 May 2023. These late arrivals have meant staff time for review and report writing has been very limited.

TOTI Response to the Property Group Report

19. TOTI are supportive of the Property Groups assessment of needs for Community Space (a shortfall of at least 5,800m²).
20. The core issues with the Property Group report from TOTI's perspective are:
 - i. The Property Group comprehensive rebuild option for refurbishment of Founders is NOT apples with apples with TOTI's proposal to renovate the building in an innovative way.
 - ii. Continuing misinformation re community opinion on the demolition of the Founders building.

TOTI Proposal & Business Case

21. The final TOTI Proposal can be read in full (refer **attachment 2**). A summary of what is proposed is:
 - i. Council gifts the Founders building to the FHEB and grants a lease (or license to occupy) for the land. A term of no less than 20yrs, with rights of renewal, and a proposed land rental of \$1,000 per year has been requested.
 - ii. FHEB will be established to carry out the development at no cost to council and will form a new Founders Cultural and Heritage Community Charitable Trust to own and manage the refurbished Hub. Development costs assume no fees for council consents and operating costs assume no rates payments.
 - iii. The refurbished Hub will deliver 3500m2 of community space that will be made available to community groups to rent.
 - iv. FHEB will manage security and maintenance immediately so there is no ongoing operational cost to council.
 - v. Council sets a timeframe of 2 years for the completion of the redevelopment of the Hub with a formal review in 3 years.
 - vi. Council retains the current budget for demolition and redevelopment to mitigate the risk of non-delivery.
 - vii. TOTI have reviewed their 2022 cost estimates and are confident that the \$11m is sufficient to deliver the renovation project and that the project does not present any risk to the Regional Theatre.
 - viii. TOTI asserts some of Hamilton's very successful businesspeople are behind the TOTI proposal which provides sufficient assurance that the project can be delivered.
22. TOTI have included brief commentary on risk and mitigation in their proposal. The commentary is relatively brief and there are a number of key risks that have not been covered as follows:
 - i. The level of information provided, and proposed non-payment of rates/consents is inconsistent with other 'gifting of building' agreements Council has entered with other Community Groups.
 - ii. Full condition assessments have not been provided or peer reviewed, so there may be unknown risk associated with the current state of the building. It is difficult to align comments made in the recent condition assessment summary with rates in the Quantity Survey which was completed in 2022 to ascertain if provision has been adequately made for the necessary repair.
 - iii. Without a full condition assessment, staff advise it is not possible to fully understand the scope or cost of works required to bring the building to a useable standard, compliance requirements (e.g. fire system upgrades), or the potential cost of repair/renewal in future years.
 - iv. The proposal is silent on what the scope of works is, so it may be difficult to assess what 'completed' looks like. Without a clear scope, it is difficult to ascertain what will be delivered, in which timeframe and if it will be fit for purpose.
 - v. The proposal assumes insurance costs but does not consider if the building can be insured and may not include public liability insurance.
 - vi. Reserves Act Process and possible reclassification of land has not been accounted for. It is possible a reclassification may be needed. This may require public consultation and would add time and some cost to council.
 - vii. If TOTI are unable to complete the project, there might then be considerable political pressure on Council to complete a project that it did not commit to undertaking in the first place.
 - viii. Founders Hub will have a 500-seat theatre which will likely compete with the any new or existing theatre space in the city.

- ix. Current traffic assessments do not contemplate a Community Hub at the Founders site. Development of a Community Hub at this site could impact and cause further delay to the safety related redesign of Tristram/Norton Rd intersection.
- 23. 37 user groups have been listed as interested parties. Of those user groups 15 participated in the Property Group user survey. 11 expressed an interest in hiring space ranging from monthly to 2-3 days per week and 4 were looking for full time space.
- 24. TOTI have supplied 'expressions of interest' for most the user groups listed (**attachment 7**). The majority of these give little indication of commitment beyond interest, nor do they give information to support the proposed Hub being fit for purpose to meet their needs. Groups range from various ethnic organisations, dance and arts groups, woodturners guild and food security organisations.
- 25. Further design work would be needed to ascertain that the redeveloped space will be fit for purpose to meet all the identified users' needs. TOTI are confident that their team will be able to carry this out and needs will be met.
- 26. A finance plan has been provided (**Attachment 3**). The finance plan gives clarity on what revenue is expected and what operational costs will be. It does not provide full confirmation of funding sources or security of funding.
- 27. The proposal is premised on \$3m in cash pledges which TOTI assure Council will be obtained once the site is committed to the Founders Hub Establishment Board.
- 28. Gratis trade contributions (\$6,000,000) and "in-kind" contributions (\$1,600,000) make up 69% of the total project cost. Messrs Gallagher and Ratcliffe have pledged \$1,000,000 (13%) of "in-kind" contributions and have also committed gratis trade contributions to an unknown value.
- 29. TOTI are confident they have firm commitments of gratis trade contributions from other providers of around \$4m. TOTI have stated via the proposal that these contributors have requested their involvement remains confidential at this time due to possible conflicts with other commercial interests and/or their relationship with Council.
- 30. Trustees for the FHEB have been named as Mr John Gallagher, Mr Robin Ratcliff, Mr Harry Mowbray, Ms Margaret Evans, Mr Graham Haines, Mr Neil Curgenvin and Mr Sonny Karena. A Draft establishment Trust Deed (**attachment 8**) which outlines the new Trusts constitution and appointment process.
- 31. Detailed condition assessments have not been provided or peer reviewed independently, instead TOTI believe their team's significant experience and industry reputations gives council sufficient assurance without the need for peer review. A building condition summary document was provided on 19 May (**Attachment 4**).
- 32. If the recommendation is not approved, Council will need to consider how best to manage the future of Founders Theatre site via a further report to Council.

Options

- 33. Staff have assessed that there are two reasonable and viable options for the Council to consider. This assessment reflects the level of significance, previous committee resolutions, and the information received from TOTI. The options are set out below.

OPTION 1 – Accept the TOTI Proposal

34. In this option Council would accept the TOTI proposal and direct staff to work towards formalising an agreement for the transfer of the Founders Theatre building to FHEB for the purposes of redevelopment as a Community Hub and a land lease for no less than 20 years.
35. If this option is preferred, staff recommend an initial intent to enter into agreement may be appropriate, however, there will be a lot of work required to reach agreement on specific terms and conditions to enable a transfer of the building and lease or license provisions.
36. It is recommended that any agreements would need to include:
- i. The purposes for which TOTI could renovate and use the building.
 - ii. Requirement for TOTI to maintain adequate insurance cover.
 - iii. Clear development milestone timeframes and reporting requirements.
 - iv. Operational KPIs and reporting requirements.
 - v. Requirement for all relevant consents to be obtained and costs to be met by TOTI.

Option 2 – Reject the TOTI Proposal

37. This option will result in Council declining TOTI's proposal to redevelop the Founders Theatre site into a community hub. This will result in the existing resolution of 12 May 2022 to demolish the Founders Theatre building and re-develop the land being implemented.
38. Risks and Benefits for each option are summarised below:

Option 1 – Accept the TOTI Proposal	
Risks	Benefits
The TOTI final proposal does not fully deliver on the resolution of 18 April which does not provide the necessary assurance that the proposal can be delivered.	TOTI and FHEB members have passion, expertise and contacts which can engender good community support. Community Space may be available for use from early 2025. The proposal is not requesting substantial funds from council.
Option 2 – Reject the TOTI Proposal	
Risks	Benefits
Possible community disappointment. Does not provide additional community space in the CBD in the next 2-3 years.	Enables time for further analysis of Community facility capacity and demand to inform LTP proposals and enable full community engagement on options.

39. Staff recommend **option 2** as the Proposal submitted does not provide Council with the necessary assurance that was requested to enable the proposal to be accepted.

Financial Considerations - *Whaiwhakaaro Puutea*

40. TOTI submitted a financial workbook (attachment 3) alongside their proposal on 19 May which suggests the project can be delivered for \$11m at no cost to council.

41. Proposal Financials as summarised by the proposal are below:

CAPITAL WORKS	
Construction	\$10,000,000
Cost Escalation	\$1,000,000
CAPITAL WORKS TOTAL	\$11,000,000
CAPITAL FUNDING	
Cash Pledges	\$3,000,000
Construction Pledges	\$6,000,000
Naming Rights	\$450,000
Donations	\$1,600,000
CAPITAL FUNDING TOTAL	\$11,050,000
OPERATING INCOME	
Room rentals & Hires	\$100,000
Advertising	\$20,000
Memberships	\$150,000
Café & shop	\$65,000
Carparking	\$56,000
Grants	\$100,000
TOTAL OPERATING INCOME	\$496,000
OPERATING EXPENSES	
Employees	\$150,000
Marketing	\$5,900
Overheads	\$154,878
Insurance	\$27,030
Ground Lease*	\$6,703
TOTAL OPERATING EXPENSES	\$344,511
TOTAL ANNUAL SURPLUS	\$151,489

*TOTI have confirmed this figure was premised on the Meteor Theatre ground lease (rent and rates) and should read \$1,000 as ground lease only.

42. Construction costs are based on the 2022 Quantity Survey provided by TOTI. TOTI is of the view that this remains current as the building industry moves into a period of recession which will bring costs down. They also note a 10% contingency is provided.
43. Using the Capital Goods Price Index for Commercial Buildings, the index increased by 9.6% between March 2022 and March 2023. In addition to this, 7% inflation was added to the HCC capital programme through the 2023/24 Annual Plan where there is a moderate to high chance that cost escalation of materials and/or labour will impact the project.
44. Staff consider a reasonable inflation/cost escalation from March 2022 to March 2024 will be a total of 16.6%.
45. The construction industry is still experiencing some market volatility with material supply issues, extreme weather, and long lead times. At concept design stage, staff would consider a contingency minimum of 30% prudent in addition to inflation.
46. Capital funding secured to date is \$1m in cash pledges, with 7 companies pledging unknown amounts in gratis or discounted services. There is no indication of source for naming rights or donations.

47. The TOTI proposed operating budget includes \$56, 000 revenue from carparking. The revenue from carparking at this site, if forecast to be up to \$70,000 this financial year and currently offsets Councils operating costs for the parking activity. Expected future price increases along with opportunities to reconfigure the parking are likely to increase this revenue. Costs to operate and maintain the carpark do not appear to be included in the TOTI proposal.
48. Assuming the proposed refurbishment meets the requirements for a Community Rates remission. The estimated rates that would be collected is \$7,843.00. This combined with carparking revenue would result in a total annual lost income to council of at least \$77,843.00 which is used to offset costs currently.
49. It is proposed Building Consent fees are not paid for the redevelopment of the Founders site. These can vary depending on scope; however, cost to council could be up to \$10,000. Council's current actual spend for holding costs for the Founders site is \$69,400 (to April 2023). This is for costs including utilities, security, administrative costs, building and grounds maintenance and internal charges. As previously advised, there is no budget set aside for ongoing holding costs for this site in the 2023-24 Annual Plan

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

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

Climate Change Impact Statement

51. Staff have considered the staff recommendation and determined that no assessment is required.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

52. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
53. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below.
54. The recommendations set out in this report are consistent with that purpose.
55. There are no Economic, Social, Environments or Cultural wellbeings for Council to consider.

Risks - *Tuuraru*

56. Risks associated with the decisions required for this matter have been noted earlier in the report.

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

Significance

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

Engagement

58. Community views and preferences are already known to the Council through multiple previous reports and briefings.
59. Given the low level of significance determined, the engagement level is low. No engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - TOTI Response to Property Group Report

Attachment 2 - TOTI Proposal - Founders Theatre Site Document 18 May 2023

Attachment 3 - TOTI Proposal Founders Theatre Site Updated financials 25 May 2023

Attachment 4 - TOTI Proposal Founders Theatre Site Appendix A Building Assessment 25 May 2023

Attachment 5 - TOTI Proposal Founders Theatre Site Appendix B Seismic Engineering Report 2016

Attachment 6 - TOTI Proposal Founders Theatre Site Appendix C QS Estimate 25 May 2023

Attachment 7 - TOTI Proposal Founders Theatre Site Collated EOIs 24 May 2023

Attachment 8 - Proposed TOTI Founders Community Hub Trust Deed 18 May 2023

Our Founders Submission:

As requested by council's Community & Natural Environment Committee (18 April 2023), the following information is provided to further explain our request to repurpose Founders as a Community Hub for Heritage and Culture. By the community. For the community.

While we acknowledge the committee resolution (essentially the same as that drafted by GM Sean Murray to ME 5 April 2022 after our presentation to Mayor Paula, Crs Geoff Taylor and Mark Bunting), TOTI's current Business Plan goes beyond that, and covers all the identified risks to the Council.

Founders was a fine example of a council-community partnership in the early 1960s. We acknowledge Mayor Denis Rogers who considered his support for Founders "to be one of his greatest achievements" (letter of support from his son Nick, May 2023)

Smart community investment

Our on-going call to repurpose Founders as a Community Hub for Heritage and Culture is a smart community investment in response to current social, cultural, economic, and environmental conditions, and the wellbeing returns from supporting community groups.

Consultants and council's senior staff have now confirmed the urgent and significant shortfall of community space in the central city – a shortage of at least 5,800m² (not including 'unique' user groups, p 95/370). Since the April 18 council committee resolution, we have received confirmation from 37 community groups interested in tenancy and usage.

Following a building inspection (Wednesday 17 May), our architects, professional advisors and tradespeople remain confident we can repurpose Founders for \$10m and provide around 3,500m² 'very fast' (two years?). We already have significant offers of 'pro bono' and discounted work and are confident of attracting even more for this public good community project.

Consultants The Property Group called for "innovative models and processes" to ensure an optimal outcome (p 92-93/370). That's what this is. Including a 'heritage' fund-raising model that will bring a new approach to 'naming rights' – within the building.

In supporting TOTI's project, we suggest councillors set a three-year progress review term. and retain the \$5m currently in the budget for demolition and carparking on site as a financial cushion for the future

We have consulted with THaWK (Te Haa o Te Whenua of Kirikiriroa) representing Mana Whenua, and have their confirmation as advisors, supporters, and users of our repurposed Founders. This notes the historic significance of the name 'Founders' and acknowledges the 14th century arrival of the Tainui waka. We are confident this empty building will be restored as a significant heritage and cultural centre for the city and region.

In the short time-frame allowed, we have provided further information on our Founders project as requested, and wish to thank those councillors who supported this opportunity (18 April 2023), as well as CE Lance and Manager Maria Barrie for their input at our meeting (19 May 2023).

This is an attachment to be read in association with the Business Plan, Financial Assessment, Draft Trust Deed and 17.05.2023 Founders Condition Assessment documents

**RESPONSE TO THE PROPERTY GROUP REPORT as discussed at the meeting with
CE Lance Vervoort and Manager Maria Barrie 19.05.23**

**Refer HCC Community & Natural Environment Committee Agenda 18 April 2023
pages 39-195/370 & Minutes pp 4/8**

Summary

Two core issues

1. 'NOT 'apples for apples' (p 195/370): Staff recommendation against TOTI's Founders project based on Option 6 & TPG/consultants "upper end costs" p 94/370 not TOTI's Option 7, and with muddled references to the actual number of options (7, 6, & 4).
2. Continuing misinformation/spin re community opinion on demolition (p 111/370)

Purpose of TPG Report – re council resolution 14 September 2022, outcome sought (or objective) adds "a focus on Hamilton's older people" (which was not in the original resolution) and "financial and community benefits" which "complement HCC's urban development and regeneration vision for the stakeholders of Hamilton City" (pp 63-64/370)

TOTI/Peddle Thorp Architects design includes the variety of spaces and facilities confirmed by TPG as currently required (office, activity & unique users). Our interested tenants and users seek offices, meeting, activity, workshop and display spaces, a shop and café, and include some of the 'unique users' (Group 3, p 95/370) not included in the 6,800m² of space assessed as currently required. Our focus will be across the community, 'all stakeholders' – as our Community Groups' confirmed Expressions of Interest illustrate - and not just older people as HCC flagged.

Our Business Plan takes account of TPG market assessments as well as the advice of the experienced professionals in the TOTI team including design, engineering & construction, rehabilitation & repurposing, real estate development & management, finance & accounting, heritage building preservation & restoration, and the current site condition assessment, as well as extensive local government and community involvement.

We reconfirm our \$10m repurposing professional estimates ([site inspection 17.05.23 reference attached](#)). We also offer [evidence](#) with the site visit to Robin Ratcliffe's former Waikato Times HQ, a building larger than Founders, repurposed for c\$2m. Harry Mowbray's Matangi heritage village is also offered for a relevant inspection.

We are confident that both our CAPEX and OPEX projections are robust (notes below).

As requested (19.05.23), further information and clarification (below).

TPG summary (p 134/370):

"Once Council determines the parameters within which a Community Facility/facilities will be realised, the detail of the needs of the User Groups to be accommodated within that Community Facility/ies can be determined based on priority of need, alignment with the Project Objective and the principles and obligations of Council to these groups and the community, thus realising optimal multi-functional spaces used for as many days and hours each day as reasonably practical in long-term fit for purpose premises..."

We repeat our references to recent history, including Council's originally proposed \$16.6m Founders upgrade (p 183-84/370), the push to build the new regional theatre, and the misinformation & 'spin' describing community opinion.

Our Founders Hub Project offers an innovative return to the Public Good concept away from the Commercial Business Model now widely acknowledged as ‘high price.’ Our success will depend on council approval as recommended, and commitment to the collaboration proposed.

We can do this.

Snapshot (& we have attempted to keep this brief):

1. TPG Conclusion p 108/370

“There is a significant need for Community Facility space for CBD User Groups. The need is on a scale larger, and broader than what is anticipated could be accommodated within a short to medium timeframe within a single Community Facility...” (p108/370)

TOTI’s \$10m Founders concept is by far the biggest, cheapest, and fastest option to meet this now recognised community need. TPG’s analysis is misleading unless their ‘NOT apples for apples’ qualification is noted and their \$41m estimate recognised as a different concept to TOTI’s (p 195/370).

Founders can provide the greatest amount of space from the options assessed – 3500m2 in an empty publicly owned building. With no costs to HCC now or in the future. Yet with HCC retaining the currently budgeted \$5m (for demolition & site redevelopment) to bring in the bulldozers if our project fails.

We also note current Council discussions concerning the Municipal Endowment Fund and ‘approved development partners’ (p91/370), and the TPG assessments as the “upper end costs” on all the concepts they evaluated (p94/700).

The current social and economic climate encourages Council to seek innovative solutions and community partnerships for the Public Good and away from the corporate business models that drive up costs. And TOTI’s Founders repurposing project will nbe an excellent example.

2. Page 195/370 – TPG \$41m ‘comprehensive’ rebuild is NOT “apples for apples” with TOTI’s \$10m plans.

TPG Report states JB estimates to be read ‘in conjunction with the price assessments’,

- the \$41m is a ‘comprehensive refurbishment from a base build’, and
- is ‘NOT ‘apples for apples’ with TOTI’s \$10m proposal

This clarification can too easily be missed in such a large agenda (370 pages) as well as inconsistency in reporting the options – four, six, & seven.

Page 40/370 – in paragraphs 7-9, HCC’s executive summary points to four options (“with two alternative variants”), stating that none of these four options provided the space needed and Founders the most expensive, this without reference to the ‘NOT apples with apples’ consultants’ explanation of TOTI’s \$10m proposal (p 195/370).

Page 98/370 Seven options assessed (by TPG and quantity surveyors Jewkes Boyd) with estimates up to \$67m:

- three for Celebrating Age Centre/30 Victoria Street,
- two for Norris Ward Park, and
- two for Founders.

However, the Graphic summarised only six, with TOTI's \$10m project omitted

This then is at odds with the report conclusion, that the Founders Theatre project 'has the highest cost per m2 for building works and the least increase in m2, and poses the highest project and cost risks 'due to required seismic remediation and deteriorating state' - TPG/JP Founders alternative option, not TOTI's \$10m proposal.

- Council's staff report failed to challenge this, yet describe their recommendations as "the most pragmatic given current financial constraints" and requirements for further planning work and funding proposals.

TOTI's \$10m Founders project is by far the cheapest and fastest option. There are far greater risks to community wellbeing from delays in providing for community groups, and significantly greater economic impact. We also note TOTI's willingness to explore environmentally innovative features (including solar power).

3. **Page 92/370 re café & retail.** TPG limits on commercial space & revenues do NOT apply to the Founders, which already has café facilities.

TOTI received market advice on leases & rental premises (from \$350-550 + GSTm2/a plus outgoings, which typically double the rent, and new developments 200m2 from \$62k/a plus outgoings including significant opening discounts). Founders' surrounding neighbourhood and increasing residential population are expected to sprout more cafes in the future. Current ground and first floor rentals in the central area were assessed. We also note the \$62,000/a Clarence Street cost for the temporary resettling of Aged Concern, and council's ongoing support for community groups including premises grants (**pages 90-91/370**)

4. **Pages 68-69/370 & 95-96/370-** TOTI's \$10m proposal is summarised and the need for council's approval in principle to progress the project and to finalise residents and users. TPG's analysis of community group facility requirements and market conditions parallel TOTI's own information previously provided to HCC and to them.

Council staff note risks to the wellbeing of Hamiltonians without investment in 'new and existing facilities' included 'public dissatisfaction and media scrutiny', 'dissatisfaction from an active, time rich and vocal segment', and groups ceasing to operate. It is noted that the CAC was known "as a space where residents from a variety of ethnic backgrounds can express their identity freely",

We point out that our Founders project will foster such an environment and with a much larger space.

- That so many culturally based groups want to be part of repurposed Founders confirms this
- It is "cost-effective", supported by extensive public good contributions from locals deeply connected with the project because of its heritage and ongoing impact.
- It is a 'doing good for the community project' rather than a fully commercial business model recognised as the most expensive (and we note the prospect of investing Municipal Endowment Funds).

5. **Page 111/370 – reference to 84% in favour of demolition**

We have previously raised council's failure to accurately present community survey information & challenged the methodology used in Western Town Belt Plan 2020 community engagement. (refer Keegan Alexander letter 14 July 2022 to Mayor Paula and August 2022 meeting with Mayor Paula & Lance).

- The quoted “84%” said to favour the demolition of the Founders is simply spin around a flawed engagement process (505 responses plus 22 direct feedback groups).
- Despite Mayor Paula’s assurances this would be ‘reviewed,’ to explain and correct this, there has been continued reference by some staff and councillors - including in this TPG report (p111/370).

We also note (again) consultation from 2016 (1600 phone calls-14% demolish & 2267 website responses-15% demolish) along with ongoing submissions to do ‘both’ – new theatre & repurposing Founders.

6. Pages 92-93/370 – Momentum Waikato’s offer & opposition to TOTI’s Founders project

It is disappointing that Momentum (& their Regional Property Trust) have continued to lobby against the Founders repurposing, when from the outset TOTI urged council to support both the new theatre & repurpose Founders as a community hub (& called for a community-based review) - Council Hearings 7 July 2016, Mayor Julie Hardaker.

TPG’s reference to Momentum’s regional theatre project as “an example of innovative development and management models to realise a community facility” is a simplified summary worthy of some history recall and respect for their challenges:

Council 2015-25 LTP - \$13.8m for Founders refurbishment & \$100,000 for options study (amended to \$16.9m for 2016/17 upgrade & expansion, then \$25m estimate). Founders manager Richard Sutherland later confirmed the staff preference was “to build new, bigger & better” (March 2021 interview).

January 2016 Council’s new executive team announced – Richard Briggs (CEO), Lance Vervoort, Sean Murray & Kelvyn Eglinton.

February 2016 - Founders closed. Annual operating deficit \$600,000-\$650,000, NCS c\$1.8m (Net Cost of Service including corporate overhead) – LGOIMA response.

July 2016 – Momentum Waikato offers to design, develop & construct ‘iconic world class theatre’, to cost \$50m with \$20m already pledged, seeks \$30m from Council (to include local, regional & central government sources), & Council to manage (& run) new theatre.

• Hamilton donors ride to Founders Theatre rescue

7/07/2016 — Momentum **Waikato** chairman Leonard Gardner, speaking on behalf of unnamed philanthropic **donors**, said the cost of a new theatre, estimated at \$50m ...

HCC GM Sean Murray reported that although community feedback favoured refurbishing Founders, Momentum’s \$50m capital cost would result in a fully functioning theatre. The Council resolution in support of the Momentum proposal committed “a maximum of \$30m to include any funding sourced from other Waikato councils or government sources and funds.” (HCC agenda 28 July, p90/221, & minutes p3-4/14).

Since then, much activity, numerous consultants and community input, & Council GM Kelvyn Eglinton appointed Momentum CEO (January 2018)

- former Hamilton Hotel site approved,
- inclusion of boutique hotel dropped,
- mana whenua/legal challenges relating to riverbank urupa,

- tenders not accepted and Fosters Construction invited to submit (Leonard Gardner resigning as Momentum chair),
- theatre estimate climbed to \$73m, then \$80m with recent suggestions \$100m & site foundation challenges,
- completion date moved to 2024, with Momentum fund-raising continuing.
- Momentum formed the Waikato Regional Property Trust to manage the project, Council committed a further \$1.1m/a for maintenance, with the building to revert to Council if its operation is unsustainable.

September 2022 – Community Hub project. Discussions between Momentum, Mayor Paula & staff discuss 'community hub partnership.' Momentum would provide "a connecting & convening & project governance role" (07.09.22 memo to LV from Kelvyn Eglington).

April 2023 – TPG Report p93/700 outlines Momentum's terms for a partnership:

*"Council will need to be a cornerstone funder and contribute at least one third of the project's capital cost and underwrite the OPEX" – capital investment could be in land.
"The project would need to be delivered and managed ongoing under a governance structure independent of Council."*

There is comment on other entities and experience "proven and often innovative models and processes that could be considered and appropriately applied to realising a community facility to ensure an optimum outcome is achieved. There is reference to the two major Hamilton based Trust's - Trust Waikato and WEL Trust - and TOTI reminds of their robust policy and application processes, plus the direct relationships built up between them and - community groups rather than professional fund-raisers.

7. Page 48/370 – Council's executive summary (para 70) notes private sector opportunities, and that 'Council staff are also liaising with Momentum Waikato and other parties to further explore partnership opportunities for provision of community facilities within the CBD.

While Momentum Waikato is a corporate run by a former council manager and seven staff with positive community intentions, we remind you that TOTI's Founders project is a community initiative and supported by volunteers with extensive project development and business experience, and expertise in repurposing existing buildings.

8. This page 48/370 also provides the staff summary of TOTI's proposal positives & negatives: This states refurbishing costs are 'unclear', and again fails to note the two different options (TOTI's and TPG's). In a nutshell, **it is incorrect in all its 'negative' reasons and fails to consider the detailed refurbishing information**

9. Page 50/370. The reference to \$250,000 in unbudgeted preliminary design fees is not applicable and not relevant under the TOTI proposal with all financial risks assumed by the Founders Community Hub Establishment Board.

Finally:

10. TRUST DEED

The establishment process takes account of The Trusts Act 2019 (came into force 30 January 2021), the Trustee Act 1956, other legislation relevant to local government and public reserve lands, along with requirements to foster community wellbeing (LGA 2002, & LG Act 2019) and respect for Mana Whenua heritage and interests,

- new Plain English requirements.
- name – The Founders Heritage and Culture Community Trust - checked with the Charitable Trusts Register to ensure no conflicts <https://ct-register.companiesoffice.govt.nz/>.
- 'Founders' will be retained to acknowledge the building's heritage as well as the 14th century arrival of the Tainui waka.



BUSINESS CASE
**FOUNDERS HUB
ESTABLISHMENT BOARD**

1. PROPOSAL

Council agree to lease¹ the Founders land and gift the building to The Founders Hub Establishment Board.

TOTI confirms the creation of The Founders Hub Establishment Board to carry out the redevelopment, at no cost to council, and to form the new Founders Cultural and Heritage Community Charitable Trust to own and manage the hub.

The trust rents out space in the building to community groups recognizing their ability to pay and community well-being considerations.

The rent contributes to management and operating costs.

The Founders Hub Establishment Board takes over all building costs immediately, including security and maintenance, so there is no cost to the council over the time required to do the work.

The council retains a budget to demolish the building. If The Founders Hub Establishment Board is unable to complete the work on time the building can still be demolished.

This proposal is cost-neutral to council.

The community gains approx. 3500m² of space in a central location with good parking and convenient access to public transport.

The proposal aligns with the Hamilton West Town Belt Masterplan ("WTB") which included the option of retaining the Founders for community use.

¹ A 20 or 30 year lease with right of renewal or alternatively a license to occupy over a similar period.

DETAILS.

The lease and building gift is the same arrangement that council granted to the Waikato Settlement Centre ("WSC").

The lease could be a 'licence to occupy' if there is a legal benefit.

The lease or licence is for 30 years (preferred) or 20 years (as per the WSC) with rights of renewal.

The ground rental is \$1,000 per year.

Council sets a timeframe of 2 years for the completion of the redevelopment work with a formal review on progress in three years.

There is currently no budget for the \$67m Celebrating Age Centre/ Victoria Street option recommended in The Property Group report. Even if Municipal Endowment funds are used and approvals gained, a long timeframe is likely before development can be realised.

The Founders Repurposing Project is a smart community investment with a fast result beneficial to community wellbeing.

KEY BENEFITS.

Nearly 60% of the demand for community spaces will be met.

The redevelopment will be completed in 2 years with a review of progress in 3 years.

There is no budget in the Long Term Plan for the recommended \$67m option in The Property Group report, so there is no alternative in the next 10 years.

The square metre construction rate is significantly lower than the cheapest option in The Property Group report.

The Founders Hub Establishment Board will meet the cost of redevelopment, so community groups will not need to pay commercial rents.

The ongoing operation is self-funding due to low overheads. Building management will be run by a philanthropic trust.

The refurbished site will provide an attractive centre for wider community use enhanced by amenity planting as envisioned in the WTB.

2.0 FINANCIAL APPRAISAL

CAPITAL WORKS

Construction	\$10m	<i>Note 1</i>
Cost escalation	\$ 1m	<i>Note 2</i>
Total	\$11m	

CAPITAL FUNDING

Cash pledges	\$3m	<i>Note 3</i>
Construction pledges	\$6m	<i>Note 4</i>
Naming Rights	\$0.45m	<i>Note 5</i>
Donations	\$1.6m	<i>Note 6</i>
Total	\$11.05m	<i>Note 8</i>

OPERATING INCOME

Room rentals and hires	\$ 100,000	<i>Note 9</i>
Advertising	\$ 20,000	
Memberships	\$ 150,000	
Café & Shop	\$ 65,000	
Car parking	\$ 56,000	
Grants	\$ 105,000	
Total operating income	\$496,000	

OPERATING EXPENSES

Employees	\$ 150,000	Note 10
Marketing	\$ 5,900	
Overheads	\$ 154,878	
Insurance	\$ 27,030	
Ground Lease	\$ 6,703	Note 11

Total **\$344,511**

Annual surplus **\$151,489²**

NOTES:

1. Refer Kingston Partners Limited estimate by Quantity Surveyor has been reviewed in conjunction with the Building Condition Assessment and remains current refer *appendix A*.
2. As the building industry moves into a period of recession, costs are coming down compared to the 2020-23 period of escalation. This means the 2022 estimate by Kingston Partners is in line with current expectations. However, a 10% contingency has been included to cover any fluctuations.
3. Refer list of contributors in *appendix B*.
4. Refer list of contributors in *appendix C*.
5. The establishment trust will sell naming rights to the building and individual rooms when the building work is completed.
6. Donations and fundraising will commence once council issues the lease. It is not possible to accept funds until there is a commitment to the project.
7. Council will not charge building consent fees or development contributions.
8. Based on \$28 per square metre and 260 days per annum at \$385 per day.
9. One full-time manager and two part-time staff. Café and Shop will be sub-let.
10. Assumed no council rates.

² Based on first year of full operation

4.0 RISK & MITIGATION

4.1 RISKS TO COUNCIL

The risk to council is that The Founders Hub Establishment Board is unable to complete the redevelopment for any reason.

MITIGATION

The council simply reverts to the demolition. The money budgeted for demolition is retained by council in case it is needed. This is cost-neutral, so there is no risk.

Because The Founders Hub Establishment Board takes over all costs immediately, there is no cost to council as a result of any delay.

4.2 RISKS TO THE FOUNDERS HUB ESTABLISHMENT BOARD

Escalation – Cost increases over the budget.

MITIGATION

The construction period is now likely to be during a recession in the building industry, meaning cost escalation is a lower risk than the 2020–23 period.

A significant portion of redevelopment work is provided by trades providing their services gratis.

Experienced business people, all of whom have completed similar projects, provide project leadership and cost control.

4.3 BUILDING CONDITIONS

Construction cost increases due to problems with the state of the existing building.

MITIGATION

A thorough building condition assessment has been carried out by professional tradespeople, and peer-reviewed by experienced project managers.

4.4 OCCUPANCY AND INCOME

Community groups do not use the redeveloped space or are unable to pay sufficient rent.

MITIGATION

The Property Group has identified a demand of 5,800m² for community groups. The Founders will provide approx. 3,500m² so there is excess demand.

If some groups choose not to use the Founders, there are others who will replace them.

There will be provision for 'free days', rent holidays, and charges sensitive to 'ability to pay' to reflect the community wellbeing principles in the Trust Deed.

The building layout has been designed so that it can be carried out in stages. If occupancy does not meet targets, then stages may be delayed or omitted, thereby reducing costs.

4.5 RISKS TO THE WAIKATO REGIONAL THEATRE

Occupants and user groups do not rent the Regional Theatre. The pool of funders and philanthropists is reduced or is contestable.

MITIGATION

The Founders redevelopment as a community hub is not in competition with the Regional Theatre.

The Regional Theatre is specialised, catering for large high-quality performances with 1,300 seats. Founders will have a hall with up to

500 seats and with appropriate technical facilities. Auditioning and pre-production activity may be available, depending on demand from other occupiers and anticipated interest in cultural and ethnic activities (based on confirmed interest).

The Regional Theatre has only committed to 40 days per year for community use. This will necessarily be performances due to the cost per day for hireage.

The Founders is, in fact, complimentary to the Regional Theatre because it provides a cheap practice venue for groups who may end up booking performances at the Regional Theatre.

The Founders is the breeding ground for arts, which will ultimately generate more revenue for the Regional Theatre.

The funders and philanthropists for Founders are mainly gifting or discounting services to the redevelopment. They are unable to do this for the Regional Theatre.

There is no risk to the Regional Theatre.

4.6 RISKS TO CELEBRATING AGE CENTRE REDEVELOPMENT

COMPETITION

Occupants and user groups do not rent the proposed 1,000m² of community space.

MITIGATION

The Property Group has identified a demand of 5,800m² for community groups.

The Founders will provide approx. 3,500m² so even with both buildings, there is excess demand of 2,300m².

5.0 USER GROUPS

The following user groups have expressed interest in the Founders and have provided letters of intent:

1. THaWK (Te Haa o te Whenua o Kirikiriroa)
2. Ampersand writer's group
3. Arts Market
4. CAB (Citizens Advice Bureau)
5. Children's Art House
6. Chinese Golden Age Society
7. Country Section NZ Indian Association Inc
8. Dance Sport Club
9. Drury Lane Dance & Performance
10. Founders (arrivals prior to 1865)
11. Grey Power Hamilton
12. Hamilton Chess Club
13. Hamilton Punjabi Sports & Cultural Club
14. Hamilton Woodturners Club \
15. Indian Cultural Society Waikato Inc
16. Jazz Unlimited
17. K-Centre (Waikato Korean Cultural Centre Trust)
18. Nga Mahi o Hineteiwaiwa
19. NZ China Friendship Society
20. Sandz Gallery

21. Shree Sanatan Dharam Pratinidhi Sabha Waikato Bay of Plenty Inc
22. The Arts Collective
23. The Serve
24. UN Association NZ Waikato
25. Waikato Compassion Mediation Trust
26. Waikato Guild of Woodworkers
27. Waikato Historical Society
28. Waikato Indian Diaspora Inc
29. Waikato Mighty River Harmony Men's Group
30. Waikato Multicultural Council Inc
31. Waikato Music Trust
32. Waikato Punjabi Badminton Club Inc
33. Waikato Punjabi Cultural Club
34. Waikato Refugee Forum (several community groups)
35. Waikato Swords Club
36. WSA (Waikato Society of Arts)
37. Waikato Filipino Association

6.0 GRATIS TRADE CONTRIBUTORS

Numerous local businesses are already willing to give their services 'pro bono' (without charge, for the public good) or heavily discounted.

A number of the main contributors have requested that their involvement

remain confidential at this time as disclosure may prejudice their commercial interests and/or relationship with Council.

Some of the contributors that may be disclosed include:

- Peddle Thorpe – Architects
- JSR Refrigeration and Air Conditioning
- The Roofing Specialists Limited
- The Polished Concrete Company Limited
- Modern Transport Engineers Limited
- BCD Group Limited
- Gallaghers

7.0 GOVERNANCE

A draft establishment Trust Deed can be found at appendix D.

The establishment Trust will have the following initial trustees:

- Mr John Gallagher – Hamilton Businessman
- Mr Robin Ratcliffe – Hamilton Businessman
- Mr Harry Mowbray – Hamilton Businessman

Harry Mowbray has recently taken delivery of the last part of the Pukekohe railway station at his Matangi heritage site – and is another local ‘expert’ at ‘doing things differently’ and heritage building renovation.

- Ms Margaret Evans – Former Mayor of Hamilton
- Mr Graham Haines – TOTI trustee and accountant
- Mr Neil Curgenvin – TOTI heritage advisor and Hamilton Historical Society president
- Mr Sonny Karena – THaWK (Te Haa o Te Whenua o Kirikiriroa)

8.0 SUMMARY

The above business case clearly sets out a viable option for much needed community space in Hamilton and evidences the following:

- (a) The cost to refurbish the building is now very clear.
- (b) A group of tradespeople, lead by some of Hamilton's most successful business people, will undertake the building refurbishment work without Council contribution.
- (c) The building will not deteriorate over the 2 years required to complete refurbishment. The Founders Hub Establishment Board will assume responsibility for it. In any event, even if refurbishment is not completed on time, Council will have funds available to meet the cost of demolition.
- (d) A refurbished Founders will align with the West Town Belt Masterplan with amenity planting, the protection of existing fountains and providing attractive grounds for public enjoyment.
- (e) The highest seismic risk areas - the fly tower and auditorium - will be reconfigured and earthquake proofed to meet currently required standards
- (f) The site is suitable for the identified user groups. There are now 35 identified user groups wishing to secure space
- (g) The Founders Hub Establishment Board's OPEX is clearly identified and is reasonable given the community hub concept planned for the site. The forecast operating cash flow evidences a strong ongoing financial position.
- (h) Contrary to the Property Group's report, the business case results in the lowest cost per m² for building works as a substantial contribution to the building works will be gratis..
- (i) The Founders Hub Establishment Board proposal meets the

specific identified needs of user groups on a m² basis.

- (j) Building maintenance and security is covered with all associated costs borne by The Founders Hub Establishment Board from the outset. A strong ongoing financial position ensures reactive maintenance can be easily met.
- (k) No Council funding is required, nor is there a requirement for an unbudgeted operational grant.
- (l) The option to re-use the Celebrating Age Centre relies on "potential" MEF funding (none of which has been secured) and liaison with Momentum Waikato and other parties. Momentum Waikato have recently publicly announced a funding deficit for the Waikato Regional Theatre project. That project needs their undivided attention if it is to be successful.
- (m) The Property Group's assessment of the cost to complete refurbishment (at a cost estimated at \$41.1m) is not an 'apples for apples' comparison. The Property Group report anticipates a 'ground-up build' refer page 195/370 of their report, which by definition will be more costly than refurbishment of the existing building.
- (n) The Founders refurbishment is slightly smaller in scale and concept than the recently refurbished former Waikato Times building in Foreman Road, Te Rapa.

The Times building was transformed from a mainly disused run down office complex into a fully functioning and modern High School catering for 330 pupils.

The refurbished Times building now has state of the art security (a Gallagher security system), a state of the art fire security system and presents as a light, modern and attractive state school.

The Times building at circa 4,000 m² is slightly larger than the Founders (3,500m²) and was refurbished at a total cost of just \$2 million.

APPENDICES

- A. Building Condition Assessment
- B. Seismic Engineering report
- C. QS Estimate
- D. Draft establishment Trust Deed

Founders Trust
Statement of Financial performance
For the years ending 31 December

	2024	2025	2026	2027	2028
Revenue					
Community Grants & Crowdfunding , fundraisers	26,000	105,000	105,000	107,500	115,000
Car Parking	54,000	55,000	56,000	57,000	58,000
Internal Advertising	-	-	10,000	10,000	10,000
External Advertising	-	-	10,000	10,000	10,000
Hub members	-	75,000	150,000	150,000	150,000
Café, shop & bar	-	30,000	65,000	65,000	65,000
Auditorium & Meeting Hire	-	80,000	100,000	100,000	100,000
	80,000	345,000	496,000	499,500	508,000
Expenses					
Employee Related Costs					
Hub Manager plus permanent staff	-	75,000	150,000	154,500	159,135
Overhead Costs					
Audit Fees	-	1,000	1,030	1,061	1,093
Bar Licences	-	1,250	1,288	1,327	1,366
Building Inspection	-	17,223	17,739	18,271	18,820
Cleaning and Laundry	12,795	12,795	13,178	13,574	13,981
Power and Gas	24,000	106,142	109,326	112,606	115,984
Insurance	25,478	26,242	27,030	27,840	28,676
Promotion	-	6,077	6,259	6,447	6,641
Rent and Rates	6,318	6,508	6,703	6,904	7,111
Repair and Maintenance	7,301	5,704	5,875	6,052	6,233
Rubbish Disposal	2,148	2,212	2,279	2,347	2,418
Phones	-	1,982	2,041	2,102	2,165
Vehicle Expenses	-	2,060	2,122	2,185	2,251
	78,040	264,194	344,870	355,216	365,873
Trading Surplus	1,960	80,806	151,130	144,284	142,127
Capital receipts					
Cash pledges and donations	3,000,000	-	-	-	-
Gratis Trade Contribution	6,000,000	-	-	-	-
In Kind Contributions	1,600,000	-	-	-	-
Naming Rights and donation wall	450,000	-	-	-	-
	11,050,000	-	-	-	-
Total Surplus	\$ 11,051,960	\$ 80,806	\$ 151,130	\$ 144,284	\$ 142,127

Item 10

Attachment 3

Founders' Trust Five Year Cash flow forecast For the years ending 31 December									
		2024		2025		2026		2027	2028
Revenue									
Community Grants & Crowdfunding , fundraisers	\$	26,000	\$	105,000	\$	105,000	\$	107,500	\$ 115,000
Car Parking	\$	54,000	\$	55,000	\$	56,000	\$	57,000	\$ 58,000
Advertising	\$	-	\$	-	\$	20,000	\$	20,000	\$ 20,000
Hub members	\$	-	\$	75,000	\$	150,000	\$	150,000	\$ 150,000
Café & Shop	\$	-	\$	30,000	\$	65,000	\$	65,000	\$ 65,000
Auditorium & Meeting Hire	\$	-	\$	80,000	\$	100,000	\$	100,000	\$ 100,000
Total revenue	\$	80,000	\$	345,000	\$	496,000	\$	499,500	\$ 508,000
Less outgoings									
Hub management - salaries and wages	\$	-	\$	75,000	\$	150,000	\$	154,500	\$ 159,135
Overheads	\$	78,040	\$	189,194	\$	194,870	\$	200,716	\$ 206,738
Net cash received	\$	1,960	\$	80,806	\$	151,130	\$	144,284	\$ 142,127
Add Capital Receipts									
Cash pledges and donations	\$	750,000	\$	2,250,000	\$	-	\$	-	\$ -
Gratis Trade Contribution	\$	3,000,000	\$	3,000,000	\$	-	\$	-	\$ -
In Kind Contributions	\$	1,600,000	\$	-	\$	600,000	\$	-	\$ -
Naming Rights and donation wall	\$	-	\$	450,000	\$	-	\$	-	\$ -
Less Capital Expenditure									
Construction costs	\$	4,500,000	\$	5,700,000	\$	800,000	\$	-	\$ -
Opening Bank Balance	\$	-	\$	851,960	\$	932,766	\$	883,895	\$ 1,028,179
Closing Bank Balance	\$	851,960	\$	932,766	\$	883,895	\$	1,028,179	\$ 1,170,306

**Founders Trust
Statement of Financial Position
as at 31 December**

	2024	2025	2026	2027	2028
Current Assets					
Bank	851,960	932,766	883,895	1,028,179	1,170,306
Intangible Assets					
Leasehold Improvements	4,500,000	10,200,000	11,000,000	11,000,000	11,000,000
	<u>5,351,960</u>	<u>11,132,766</u>	<u>11,883,895</u>	<u>12,028,179</u>	<u>12,170,306</u>
Represented By:					
Equity					
Opening Balance	-	11,051,960	11,732,766	11,883,895	12,028,179
Surplus for Year	5,351,960	80,806	151,130	144,284	142,127
Closing Balance	<u>\$ 5,351,960</u>	<u>\$ 11,132,766</u>	<u>\$ 11,883,895</u>	<u>\$ 12,028,179</u>	<u>\$ 12,170,306</u>

Notes to the Statement of Financial Performance and Statement of Financial Position

- 1 Operating revenue and expenditure has been based on the actual revenue and expenditure of the One Victoria Trust Board with appropriate adjustments to allow for scale differences.
- 2 Advertising revenue will be from bill board signage and light boards etc.
- 3 Hub member revenue represents rent paid by hub users and is at less than commercial rates.
- 4 Café & shop revenue is net of operating costs and based on an external operator running the café independently from the Trust.
- 5 Auditorium & Meeting Hire revenue is derived from non hub members.
- 6 Revenue and expenditure in years 2 to 5 has been increased to allow for rising costs.
- 7 Gratis Trade Contribution includes offers from Ratcliffe and Gallagher
- 8 Lease hold improvements consist of redevelopment costs

Statement of Accounting policies

Basis of preparation

The financial statements have been prepared based on cost. Where services are provided gratis a notional cost equivalent to an external cost has been recorded.

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand.

Goods and Services Tax

All amounts are shown inclusive of Goods and Services Tax. The establishment Trust is not registered for GST.

25 May 2023

Her Worship the Mayor
Hamilton City Council
Private Bag
Hamilton

Dear Madam

Founders Theatre – building assessment

Last week I visited the Founders Theatre building to make a comprehensive condition assessment of it.

This report is my assessment of the building and includes, but is not limited, to the following areas:

- the roof and its structure;
- the amenities (toilets, kitchen etc);
- services (electrical/HVAC);
- Fire system;
- Asbestos; and
- Structural assessment and concept remediation design.

General observation

I visited the site expecting to see a derelict and vandalised building, weak in structure and in need of serious repair.

Instead, I was pleasantly surprised to find the building in good overall condition and with very little evidence of dereliction or vandalism. Vandalism seems to be restricted to a few broken windows, all of which are easily repairable.

It is a credit to H3 that the building is in such good condition particularly when considering that it has been unoccupied for quite some time.

The building presents as tired and externally would benefit from cosmetic repair and painting.

The overall appearance of the building would be greatly enhanced by introducing some new window frames and modernising surrounding features such as the covered walkways and fountains.

The building is very similar in size to the Waikato Times building that I refurbished in Foreman Road, Te Rapa. The Times building is slightly larger and was in worse condition than the Founders.

Structure

One of my top engineers, Mr Ivan Roberts, accompanied me on my visit.

Ivan is familiar with structural assessment, having worked for building company, Modern Construction Limited and having worked as my head engineers at Modern Transport.

The building clearly needs some earthquake strengthening.

The building has good access and steel can be brought in through the large doors at the back of the stage area. Part of the stage floor could be removed, and subsequently replaced, to make this process easier.

The most critical areas of weakness in the building are the roof structures of the auditorium and the stage house.

The building can be strengthened by inserting a steel frame inside the building braced on the ceiling and which can be used to brace the tops of the heavy concrete perimeter walls.

The fly tower stage rigging has been removed which has made it easier to brace the roof of the stage house and thereby support the roof. In the process, the proscenium arch between the auditorium and the stage house would also be strengthened.

We have available the drawings, calculations and specifications for the building which were not available from HCC archives. This material will be of great assistance in the earthquake strengthening process.

Through my 50 years heavy transport experience I am well versed in structural weakness and the stressors that apply to buildings of this nature.

In my assessment, there is nothing preventing the strengthening of the Founders structure.

Roof

Hamilton firm, Ross Roofing, also accompanied me on my inspection of the Founders.

They undertook a detailed review of the roof and have prepared a separate report that I have relied on in this assessment.

They believe the roof is in overall good condition, subject to the structural work required to the roof as mentioned above.

Amenities

The amenities are all in good condition albeit rundown.

There are plenty of toilets, which, following some cosmetic repair could be retained and used. Alternatively, they could easily be replaced.

There is a very good kitchen facility and this includes benches, sinks and tap wear etc. All of the kitchen equipment has been removed but the kitchen self remains in good condition.

Services

The electrical system within the building seems to be in good working order and is very comprehensive.

The heating system has been decommissioned and this will need to be replaced.

There is a network of all wall heaters throughout the building with a good conductive system and this will make it relatively easy for a new system to be introduced.

Fire System

The fire system is clearly in old system. Whilst functional, it will need to be upgraded to suit a community hub.

I had undertaken a similar upgrade in the Waikato Times building and this cost \$200,000 plus GST and brought the system up to CAT3 (suitable for school building use and public gatherings).

Asbestos

There are no areas containing asbestos that will need to be disturbed during the refurbishment process.


Summary

My overall assessment of the building is that it is in slightly better condition than the Waikato Times building that I refurbished four years ago.

The key difference is in the area of the fly tower, stage area and proscenium all of which require steel reinforcing for earthquake strengthening purposes.

I have a team of suitably qualified tradespeople that will undertake this work and I have committed to contribute to that as part of my earlier pledge to you.

Yours faithfully
Modern Transport Engineers Limited

A handwritten signature in blue ink, appearing to read 'R Ratcliffe', with a long horizontal flourish extending to the right.

Robin Ratcliffe
Managing Director

Founders Theatre – Seismic Assessment Report for Hamilton City Council



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Report Rev A 160706AGC – Initial report for issue to HCC

This report has been prepared for Hamilton City Council for seismic assessment purposes to communicate the likely seismic risks for the primary structure of the Founders Theater, Tristram Street, Hamilton. It shall not be used by others or for alternate purposes without the approval of Dunning Thornton Consultants Ltd.

Cover image: Google Earth (27/06/2016) base image by Digital Globe 2016; model by GESUMS.com

EXECUTIVE SUMMARY

We have completed our Detailed Seismic Assessment of the Founders theatre and confirm our earlier advice that we believe the building is Earthquake Prone. Assessment has been in accordance with New Zealand Society of Earthquake Engineers (NZSEE) *Assessment and Improvement of the Structural Performance of Buildings in Earthquakes Guidelines 2006*, updates to these, including referencing the draft re-write of the guidelines that we are also providing consulting services to MBIE. We note that the building is considered Importance Level Three (IL3) due to the Auditorium capacity, and as such we must consider loads 30% greater than a "Normal" building.

The most critical areas of weakness are the roof structures of the auditorium and the stage house. These structures are important for bracing the tops of the heavy concrete perimeter walls.

In the auditorium there is no effective bracing in the ceiling and, as such, the walls rely on cantilevering out of the ground/stalls floor. We believe the auditorium therefore has a capacity of 15-25%NBS (IL3). At the lower end of this range there could be a life hazard from parts of the ceiling being dislodged during an earthquake causing large movements at the top of these side walls. At the upper end of the range the cantilever capacity of the side walls themselves may be exceeded causing the walls to become unstable.

In the stage house the roof bracing is integral with the trusses supporting the roof and, as such, failure induced in the connections of the truss by an earthquake is likely to cause collapse of the roof and the stage rigging that it supports. A conservative assessment of the capacity is important due to this consequence to align with the proposed requirements in the Draft *NZSEE Guidelines*. Therefore we have assessed the stage house to have a capacity of 20-30%NBS (IL3) based around uncertainties of the localised details and the structural mechanism that would cause complete fracture of the connections, and the contribution from the non-structural but significant roofing.

Even if the roof bracing were addressed as part of any upgrade of the existing flying system, we have calculated that the existing proscenium arch between the auditorium and the stage house also has a low seismic capacity, in a similar order to that of the roof bracing.

Our detailed assessment validates our preliminary advice regarding the re-usability of the existing structure and the scope of strengthening that is likely to be necessary. We understand that the current business case was based upon this initial advice and so see no reason to reappraise this based on this more detailed assessment. The re-development should in our opinion achieve a minimum improvement to 70%NBS considering IL3 loadings, and target 100% where practical, economic, or in areas of significant risk.

In summary, we believe that the building is Earthquake Prone, and if was still in use we would encourage its seismic retrofit to be progressed as soon as practical to minimise the risk. We do however point out that there would be no legal reason under the Earthquake Prone Building legislation to close the theatre immediately: instead it requires notice to strengthen within a timeframe based on the risk. This timeframe would be within 5 years under Wellington's policy, 10 years under HCC's current policy, and 12.5 years under the new legislation assuming the theatre is a priority building. However now that the facility has closed, any re-opening would have to consider the owners responsibilities under the Health and Safety legislation to take all reasonably practicable steps to prevent harm, considering our assessment.

INTRODUCTION

This report describes the seismic assessment of the Founders Theatre complex, located on the corner of Tristram Street and Norton Road, Hamilton.

The original theatre structure dates from 1960 and was designed by White, Leigh, DeLisle and Fraser. The building was completed in 1962.

The theatre building consists of a number of structurally connected portions to form the complete building. Principally the front of house (FoH), auditorium and stage house. These include the original building sections and a number of later additions. Refer to the figure 1 below for reference.

Significant additions to both the eastern and western wings of the stage house were undertaken circa 2000. These were designed by Opus International Consultants. We understand that as part of this work modification to the drainage and shape of the auditorium roof were also undertaken.

Additions and alterations have also been made to the café/bar space, the eastern auditorium emergency egress stairs and to the southern end of the main entrance foyer. We have not been able to locate any record drawings of these additions.

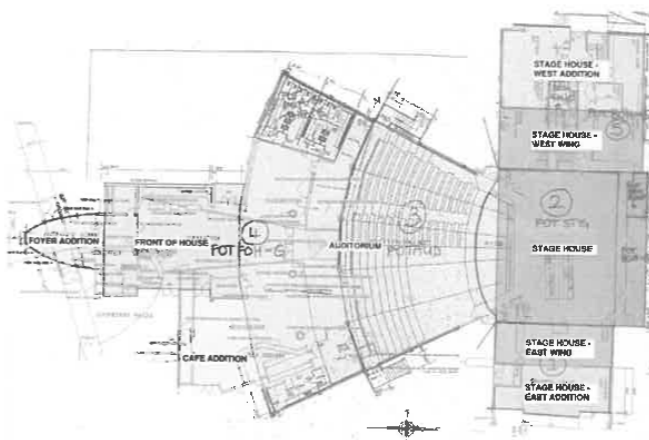


Figure 1 – Building identification and site plan

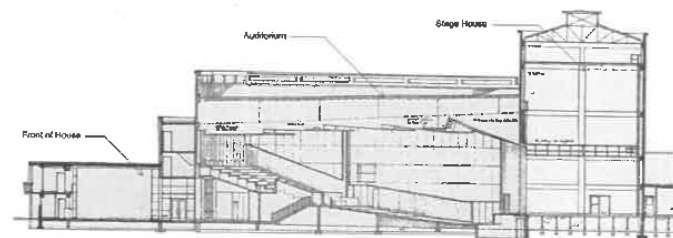


Figure 2 – Building original section

The buildings potential seismic performance was previously assessed using the *NZSEE Initial Evaluation Procedure (IEP)* in 2007 by G.A Hughes and Associates Ltd. This relatively coarse assessment method gave the building a score of 56%NBS(IL3), indicating it was not considered to be potentially Earthquake Prone as it was scored above the 33%NBS threshold.

The scope of this Dunning Thornton review was to undertake a detailed seismic assessment (DSA) of the structures against the current earthquake code demands of NZS1170.5:2004 with reference to the *NZSEE Guidelines*¹ for the assessment and improvement of structural performance of buildings in earthquakes. Assessment of wind loadings, building services, fire safety systems, glazing, cladding and envelope does not form part of the assessment.

INFORMATION AVAILABLE

Unfortunately the extent of record information (drawings, calculations and specifications) for the building is somewhat limited. We understand that a complete set of archive records for the building are no longer available from the Hamilton City Council (HCC) archive.

From HCC and other sources (Opus, G.A. Hughes) we have assembled a number of original drawings for the building structure (refer Appendix A). However they do not represent a complete set, and there are many drawings relating to structural steel elements and reinforcement arrangements for concrete elements that we do not have. We have not been able to locate any original calculations and/or specifications.

¹ New Zealand Society for Earthquake Engineering – Assessment and Improvement of the Structural performance of Buildings in Earthquakes; June 2006; ISBN 978-0-473-30073-9;

Opus have provide us with copies of the architectural and structural construction drawings for the western and eastern additions to the stage house wings.

We undertook a walk over site visit in November 2015. This site visit did not visit all areas of the building but was relatively extensive. No intrusive investigations have been undertaken as part of this assessment.

A geotechnical investigation for the site has not been undertaken as part of this assessment. We have consulted with local consultants and geotechnical specialists to confirm that our adoption of a seismic soil class C (shallow soil site) is appropriate considering the available knowledge of the general area.

Additionally we have been provided with the Founders Theatre Roof Assessment report by Opus dated August 2011 and the Founders Theatre Upgrade Report by Shand Shelton dated October 2014.

BUILDING STRUCTURE

The existing drawings indicate that the structure is founded on shallow foundations comprised of reinforced concrete strip footings under the structural walls. The available foundation drawings indicate that the foundations are arranged together to form an interconnected substructure.

The majority of floor slabs, structural walls, stair flights and roof slabs to the original FoH, auditorium and stage house are constructed from reinforced concrete. Ground floor areas to part of the stage house west wing, and the main stage itself are constructed as suspended timber floors on isolated shallow pile foundations.

The later stage house additions are constructed from reinforced concrete blockwork supporting precast pre-stressed composite flooring. The upper store to the western addition and the eastern addition are constructed from structural steel framing with lightweight roof and wall construction. The cladding to these lightweight sections is noted to be "Titan" board directly fixed to the wall framing. This form of construction is known to have weather tightness issues and there is potential for degradation of the wall structure in these areas from water ingress. This should be further considered in any refurbishment works.

The auditorium south, east and west walls have structural steel mullion and transom framing that is concrete encased and integrated into the reinforced concrete construction of the walls.

The tier seating to the main auditorium is constructed from insitu concrete slabs. The northern portion is indicated to be supported on grade while the southern portion is a suspended slab supported on raking reinforced concrete beams spanning to the reinforced concrete columns and foundation walls.

The roof of the auditorium is formed from long span structural steel trusses that span from the southern wall to the proscenium wall of the stage house. The trusses are arranged with primary trusses along ridge lines and intermediate trusses along valley lines to form a folded roof plate.

The stage house roof structure is constructed from structural steel trusses spanning north-south to the reinforced concrete walls and supporting the central lantern structure above. Directly below the roof a steel and timber framed stage rigging grid structure is supported by the stage house walls and roof trusses above.

MATERIAL PROPERTY ASSUMPTIONS

The following geotechnical and structural material properties have been used in the assessment:

Parameter	Assigned Value	Notes
Existing Concrete Compressive Strength	30 MPa	1.5 times assumed original lower bound value of 20MPa
Concrete Masonry Compressive strength	12 MPa	Assuming observation type B to NZS 4230
Existing Reinforcing Yield Strength	300 MPa	Probable strength for 1960's mild steel reinforcing
Existing Structural Steel Yield Strength	250 MPa	From Historical Structural Steel handbook; published by British Constructional Steelwork Association
Structural steel Yield Strength – year 2000 additions	300 MPa	
Bearing Capacity Foundation	300 kPa	Ultimate capacity – to be modified by geotechnical strength reduction factors.

Table 1 – Properties used in assessment

SEISMIC LOADING

The original building design undertaken in 1960 is likely to have been undertaken using the NZSS95:1955 Model Building Bylaw considering a uniform horizontal load of 0.08g (8% of gravity).

Since this time both the design codes and seismic design methodology have evolved significantly:

- The levels of seismic design forces have increased markedly, especially for building forms and systems that do not have explicit ductile elements designed to dissipate earthquake energy in a controlled manner.
- There is a greater focus on ensuring redundancy of structural systems.
- Engineering of symmetrical load paths, robust connections and structural configurations is given greater prominence.

This current assessment uses levels derived from NZS1170.5:2004. A summary of the design loading used for the assessment is given below:

Parameter	Assigned Value	Notes
Hazard factor (Z)	0.16	Hamilton CBD
Soil Class	C	Shallow soil site
Risk Factor (R)	1.3	Importance level 3 – crowd assembly spaces
Structural Ductility (typical)	1.25	Typically no reliable ductility – see note
Fundamental Period (T1)	<0.4 sec	Wall structure building – parts loading differs
Structural Performance (Sp)	0.9	A result of structural ductility assumed
Basic Seismic Coefficient	0.39	compare with original design of 0.08

Note: Assessment of some specific elements and parts has used different ductility design values as appropriate.

Table 2 – Assessment seismic load inputs (NZS1170.5:2004)

Based on the above it is evident that the seismic load likely to have been used in the original design is approximately 20% of that used for this assessment which is equivalent to that that would be used for a new building on this site.

Considering the difference in original and current design loading it would be expected that elements of the existing building structure may be assessed to have relatively low scores of %NBS.

ASSESSMENT OF SEISMIC RISKS

Risk has been separated into two factors, consequence and likelihood. For the purposes of this report consequence is defined as: the scale and impact on people/property if the element were to fail; and likelihood as: a factor associated with the elements potential for failure in a benchmark (set at 33%NBS) event.

Where applicable we have also assigned a score to the individual elements where future structural investigations / strengthening may be appropriate. We have estimated scores to these aligning with the relative cost, time or disruption these works may require.

Descriptor	None/N.A.	Low	Medium	High	Very High
Consequence	None	Hazard to individual life inside structure	Hazard to life outside structure/ localised collapse causing injury	Localised collapse affecting <300m2	Large Area Building collapse
Approximate Likelihood of Poor Performance	N/A	Significantly >34%NBS	Likely >34%NBS	Likely <33%NBS	Significantly <33%NBS
Investigation time / cost / disruption	N/A	Non invasive	Invasive exterior / Localised interior	Invasive localised interior / Invasive extensive exterior	Extensive invasive interior
Improvement Time / Cost / Disruption	N/A	Non invasive	Invasive exterior / Localised interior	Invasive localised interior / Invasive extensive exterior	Extensive invasive interior

Table 3 – Relative level of risk summary for important descriptors

STAGE HOUSE

The following outlines our assessment of the seismic risks associated with the stage house portion of the building.

We have undertaken structural calculations and structural modelling of individual elements to inform the likely capacities of critical building elements. We have not constructed a full 3 dimensional structural analysis model for the purposes of this assessment.

ORIGINAL STRUCTURE

The stage house section is formed from the main stage section 20m x 15m in plan, and 20m high, combined with projecting lower wings to the south, west and east.

The stage house proper is formed from 6' (152mm) singly reinforced concrete wall panels that span between reinforced concrete mullions and transoms.

The proscenium arch to the auditorium is formed from a reinforced concrete structure 21" (533mm) thick. The sides of the proscenium have substantial openings (allowing access between the stage and auditorium). These openings create a sub-frame at the sides of the proscenium opening. The sub-frames limit the overall capacity of the proscenium arch to resist lateral loads.

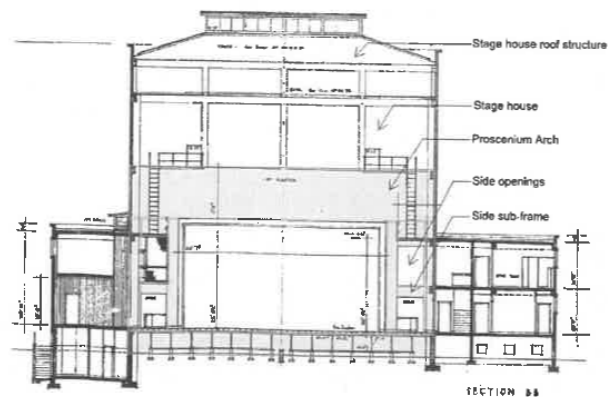


Figure 3 – Stage House Original Section (note later side additions not shown)

The roof structure of the stage house is constructed from structural steel trusses that form a hip roof with a central lantern section. The steel trusses span to the concrete walls and support timber purlins and corrugate metal roofing. The lack of diagonal bracing or a significant roof diaphragm limits the capacity of the roof structure to transfer lateral loads between the walls of the stage house.



Figure 4 – Stage house roof structure (a lack of diaphragm bracing is evident)

Below the steel roof structure is the steel and timber framed stage grid structure. The grid structure is supported by the north and south stage house walls and is supported centrally from the roof trusses with steel hangers.

The condition and adequacy of the stage grid and winch systems are the subject of previous reports by others.² It should be noted that the support of the stage grid system is reliant on the stability of the stage house walls and roof structure. Should these elements fail under seismic loading support to the stage grid will also be compromised.

ADDITIONS AND ALTERATIONS

The western and eastern wings of the original stage house were extended circa 2000 with the addition of a two storey addition to the west and a high stud single storey addition to the east, both with a significant subfloor.

The lower levels of the additions are constructed from reinforced concrete blockwork wall elements and precast pre-stressed composite flooring. The upper level walls and roof are generally constructed from structural steel main framing with light weight walls (typically timber framed) and roof structures.

² Founders Theatre Roof Structural Assessment; Opus (August 2011) and Founders Theatre Flying System Review; Shand Shelton (May 2014)

The available structural drawings indicate that the additions are structurally connected into the existing reinforced concrete walls and floors of the original stage house wings. On this basis our assessment has assumed that the original stage house and additions act as connected structures.

The construction of the later additions involved significant alterations to the reinforced concrete walls of the western and eastern elevations to provide new/enlarged openings.

STRUCTURAL ASSESSMENT

The seismic assessment of the stage house portion was undertaken on the basis of the seismic weight from the stage house itself along with contributing seismic load from the auditorium roof that is connected to the proscenium arch wall frame and from the lower wings of the stage house that are connected to the side (east and west) walls.

Seismic loads were apportioned to roof, fly gallery and stage levels on the basis of an equivalent static load distribution to NZS1170.5. It should be noted that due to the structural form of the stage house, it lacks fully effective diaphragm elements at these levels, with the majority of the seismic mass being contained directly within the surrounding wall elements.

The assessment of the stage house assumes a structural ductility of $\mu=1.25$ (nominally ductile) and a fundamental period (T_1) less than or equal to 0.4 seconds. The selection of ductility was influenced by the relatively long lengths of structural walls and their singularly reinforced nature. Additionally the assessment of the proscenium arch indicates that the critical member is likely to fail in a principally non-ductile manner.

CENTRAL STAGE HOUSE

The seismic capacity of the stage house is limited by the shear capacity of the horizontal linking beam that runs between the legs of the proscenium columns. It should be noted that we have no specific information on the reinforcing arrangement of these critical beams.

On this basis we have assessed the beams considering an upper and lower bound approach of likely reinforcement based on similar elements in the building for which we have information and knowledge of typical reinforcement arrangements. This gives a range of assessed capacity of 20%-30%NBS(IL3).

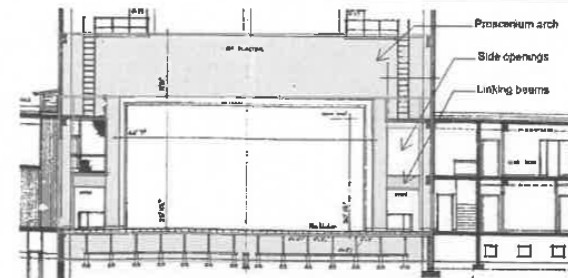


Figure 5 – Part section of proscenium arch frame (critical linking beams indicated)

Assessment of the roof structure to the central stage house indicates that it lacks an effective structural diaphragm to collect lateral loads from the walls in the north-south direction and deliver them to the resisting side walls. We lack details on the exact arrangement of the connections between the steel trusses. An assessment of the ability of the existing steel truss members to act as a diaphragm truss has been made assuming a possible tension capacity of 200kN. This results in an capacity of 20%-30%NBS(IL3). This range should be seen as approximate due to the lack of good information on the arrangements of the existing roof connections, however we note that failure of a single connection could result in collapse of both the roof and stage grid.

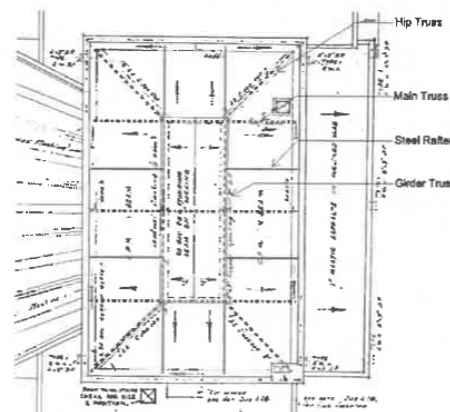


Figure 6 – Indicative arrangement of stage house roof steelwork

STAGE HOUSE – EAST WING

The seismic capacity of the stage house eastern portion is limited by the capacity of the holding down (HD) bolts of the steel portal frame columns that are fixed to the steel flat cross bracing in the eastern elevation between ground (stage) level and roof level.

The eccentricity created by the attachment of the bracing flats to the exterior flange is required to be resisted by the force couple of the HD bolts combined with the tension demand. The material grade of the bolts is not clear, although it is common practice to use grade 4.6 material for HD bolts. The assessed capacity of the connection with grade 4.6 is approximately 10%NBS(IL3). If bolts with a higher capacity (e.g. grade 8.8) were used this would likely to improve this assessed value to approximately 20%NBS(IL3).

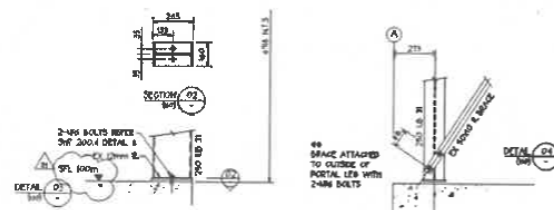


Figure 7 – Extract of east wing addition x-bracing detail (indicating eccentricity of connection)

There is likely to be some lateral load resistance provided by the lined and clad timber framed wall elements that contain the steel cross bracing. This is considered to provide some level of additional resilience to mitigate the risk of a gross collapse of this portion of the building. Assuming these walls are sufficiently connected to the roof structure, an approximate capacity of 25%NBS(IL3) could be expected.

This combined with the relatively low mass in this area and attachment to the original eastern wing portion would suggest that the lateral capacity of the eastern elevation bracing is not the critical structural weakness for the stage house.

STAGE HOUSE – WEST WING

Similar to the east wing the capacity of the western wing is limited by the capacity of the single bay of structural steel cross bracing located in the western exterior wall between first floor and roof level. Exact details of the connections are limited.

Based on the available information we have assessed the capacity of this bracing to be in the 40-50%NBS(IL3) range.

This is similar to the values determined for the critical reinforced masonry structural walls between ground and first floor in this portion of the building.

CRITICAL STRUCTURAL WEAKNESS (CSW)

The capacity of the stage house portion is limited by the capacity of the reinforced concrete linking beams (refer to figure 5) to the proscenium arch to resist forces seismic forces in the transverse (east-west) direction. This is assessed to have a capacity of 20-30%NBS(IL3) with the range based on upper and lower bounds of assumed reinforcement and is considered to be the Critical Structural Weakness (CSW) of this portion of the building.

The capacity of the central stage house roof structure to resist seismic forces in the longitudinal (north-south) direction is also assessed to be within this range and may also be considered to be a CSW for this portion of the building.

Refer to the table below for additional information and assessment.

ADDITIONAL ELEMENTS CONSIDERED

In addition to the structural elements noted above other important structural elements were assessed and found to have capacities in excess of the 33% earthquake prone threshold.

The proscenium arch column elements were found to have a flexural capacity of approximately 35%NBS(IL3) and a shear capacity greater than this indicating that they should be able to deform in a ductile manner.

The reinforced concrete wall panels of the stage house were assessed to have a capacity greater than 100%NBS(IL3) under out of plane parts loading assuming a ductility of 2.0 and two way spanning action.

The side wall RC transom elements were assessed to have a limiting flexural capacity of 90%NBS(IL3).

The critical flexural capacity of the main stage house rear (north) wall RC mullions was found to be approximately 70%NBS(IL3).

The critical reinforced masonry walls of the western stage house were found to have a limiting shear capacity of 50%NBS(IL3).

The critical shear capacity of the RC pier and column elements to the modified wall between the original and modern addition of the eastern stage house wing was found to be approximately 90%NBS(IL3).

STAGE HOUSE – CRITICAL ELEMENTS

Element	Consequence	Approximate Likelihood of Poor Performance	On Site Investigation Effort	Improvement Effort
Proscenium Frame Link Beam	Very High	High	Medium	High
Comments	<p>The capacity of the sides of the proscenium frame is limited by the critical shear demands through the mid height linking beams. The capacity of the beams to resist shear forces is dependent upon the capacity of the concrete and the reinforcement arrangement in the beam. Due to not having access to the original reinforcement drawings for these elements we have made some assumptions on an lower and upper bound of reinforcement based on details from other areas of the building and engineering judgement. These bounds give the assessed capacity as between 20% and 30%NBS(IL3).</p> <p>Failure of these elements would lead to failure of the proscenium frame to effectively resist lateral loads and potential collapse and subsequent loss of support to the roof and ceiling structures of both the auditorium and stage house sections. Hence the very high consequence assessment.</p> <p>External non-invasive scanning and/or intrusive investigation could be considered to provide additional evidence of the existing reinforcing in these critical elements. However we see this as being unlikely to drastically alter the overall capacity of these elements.</p> <p>Structural improvement of these elements is likely to be possible with fibre reinforced polymer (FRP) technologies, however we understand that reconfiguration of the proscenium arch would be part of any refurbishment and strengthening project and as such these elements would likely be replaced with new structure.</p>			
Stage House Roof Structure	Very High	High	Low	Medium
Comments	<p>The stage house roof structure lacks diagonal bracing that would act as a diaphragm to transfer seismic loads from the front and rear walls to the supporting side walls. Considering this we have made an assessment of a potential horizontally spanning truss element with the roof structure available. Unfortunately we lack detailed information on the construction of the roof structure and connections so have evaluated the capacity considering an assumed connection capacity of 200kN based on an upper bound of likely capacity. This results in an assessed capacity of 20% to 30%NBS(IL3).</p> <p>As with the proscenium arch loss of diaphragm capacity at the stage house roof is likely to result in loss of support to the roof and stage grid structures and collapse of the rear wall of the stage house. This would have very high consequences to occupants of the stage house.</p> <p>Structural improvement by constructing an appropriately designed roof diaphragm would be required. Resizing of the stage house as part of any redevelopment is likely and a new roof structure including appropriate diaphragms would be part of this work.</p>			
X-Bracing to Eastern Addition	Low	High	Medium	Medium
Comments	<p>The eccentricity of the eastern elevation cross bracing generates high shear forces on the holding down bolts of the portal frame columns. Considering the likely capacity of G4.6 steel bolts the assessed capacity in the north-south direction is approximately 10%NBS(IL3). The lined timber framed walls along this elevation will have some lateral load resistance and are likely to provide additional redundancy against collapse of this section.</p> <p>Seismic improvement of these elements would require the improvement of the column baseplates with additional fixings to resist the eccentricity moments or the inclusion of additional cross bracing elements.</p>			
Rear Wall Transoms Beams	Medium	High	Medium	Medium
Comments	<p>These elements are included in the assessment as a possible alternative load path for north-south loads to the rear wall of the stage house should the existing stage house roof structure fail.</p> <p>The critical rear wall transom could be considered to span horizontally should the assumed mechanism of stage house roof structure acting to distribute loads to the side walls fail. These RC beams are only 450mm deep and required to span 20m, therefore the deflections of the beam would be expected to be significant. The ability for these transom elements to span horizontally to support the out of plane loads from the rear wall has been assessed to be in the range of 10-20%NBS(IL3) considering lower and upper assumptions on reinforcement.</p> <p>Structural improvement of the stage house roof diaphragm would be the preferred method of improving the assessed capacity of these elements.</p>			
Refer Table 3 for definitions				

AUDITORIUM

The Auditorium is structurally connected to the stage house and the front of house sections of the building and together are considered to be one building. However the Auditorium portion differs in form and construction as it is a very large volume space, with high side walls and tier seating.

We have undertaken structural calculations and structural modelling of individual elements to inform the likely capacities of critical building elements. We have not constructed a full 3 dimensional structural analysis model for the purposes of this assessment.

ORIGINAL STRUCTURE

The auditorium is in the shape of a sector of a circle truncated by the proscenium arch of the stage house. The auditorium is approximately 33m in length and 13.5m wide at the stage house and 41.5m wide at the southern wall. The roof height above the tiered seating ranges from approximately 13m at the stage house to 6.5m at the southern wall.

The tier seating slabs (assumed to be 5' (125mm) thick) are indicated to be cast as slabs on grade for the northern section, with the southern section constructed as suspended slabs supported by reinforced concrete beams and columns.

The auditorium side walls are formed from 12" (305mm) structural steel mullions and 9" (228mm) structural steel transoms that are encased in reinforced concrete and connected to the 6" (152mm) singly reinforced concrete wall panels. The side walls span vertically between the reinforced concrete foundation walls and the existing steel framed roof structure.

The rear (south) wall of the auditorium is formed from structural steel mullions and transoms that are arranged to support the roof trusses. This steel framing is encased in concrete and connected to the 6" (152mm) reinforced concrete wall panels that form the upper section. The upper section of the wall is supported on a substantial reinforced concrete beam spanning to the 6 reinforced concrete columns spanning between ground floor and the tier seating level. Some short reinforced concrete wall panels are located adjacent to the foyer in the line of the columns.

The existing auditorium roof is formed from long span structural steel roof trusses. There are 4 main trusses (comprised of mild steel channels sections) located on the ridge lines and 5 intermediate trusses (comprised of back to back mild steel angles) located on the valley lines. Transverse trusses and folded steel valley rafters span between the trusses.

The existing auditorium ceiling structure is formed from timber framing and is suspended from the auditorium roof structure via a series of steel hanger bars. This ceiling is broken into discrete elements at varying levels and as such is not able to act as a structural diaphragm to resist seismic loading.

An orchestra pit is located at the northern end of the auditorium. This has a floor section that can be mechanically raised and lowered.

ADDITIONS AND ALTERATIONS

At some point post construction (possibly circa 2001) the eastern escape stair has been modified to be enclosed in a lightweight structure linking the stair to the front of house and stage house portions. This addition also encloses the retrofitted lift shaft that provides access between the ground floor and auditorium floor.



Figure 8 – Exterior view of east elevation indicating enclosed escape stair and lift structure (left of shot)

The original structural steel transverse roof trusses in line with the lighting bridge have been modified (presumably to improve access to manage lights). This arrangement has resulted in an eccentricity in the connection of the diagonal web members. This area is discussed in detail in the Opus report of 2011.



Figure 9 – Auditorium roof space showing modified transverse truss at lighting bridge

STRUCTURAL ASSESSMENT

AUDITORIUM – SIDE WALLS

The structural assessment of the auditorium was undertaken on the basis that the existing auditorium roof lacks an effective structural diaphragm to collect out of plane (face) loads on the tall side walls and distribute them to the resisting elements of the southern wall and the proscenium frame.

While there is horizontal steel bracing constructed against the eastern and western walls, the form and sizing of the steel members make it ineffectual. Consequently the mullions of the side walls are required to act as vertical cantilevers from the foundation base to support seismic loads in the east-west direction.

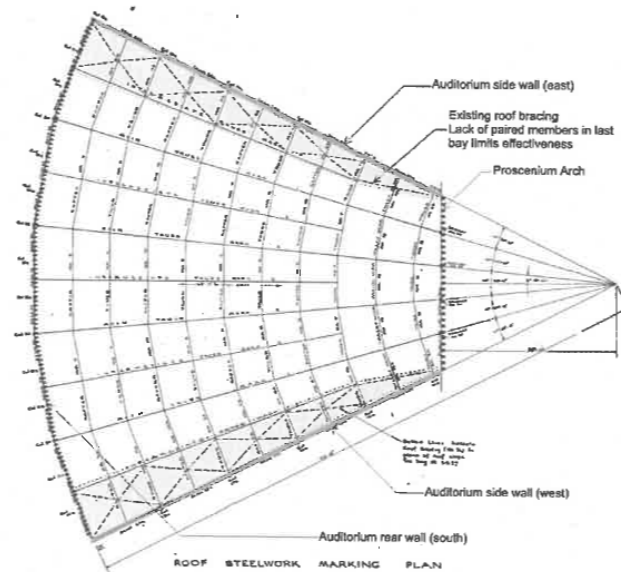


Figure 10 – Original auditorium steel framing plan indicating walls and bracing

A dynamic analysis model of the side walls has been used to estimate the fundamental period of the side walls in accordance with NZS1170.5:2004. This indicated the period of the walls is greater than 1.5 seconds. This assessment combined with an assumed ductility of $\mu=1.25$ was used to derive the horizontal loading for the side walls.

The capacity of the wall mullions to cantilever is limited by their connection to the reinforced concrete base structure. At this point of maximum flexural demand the flanges of the steel sections are welded to 4-7/8" (22mm) diameter reinforcing bars. The assessed capacity flexural capacity is approximately 15%-25%NBS(IL3) with the shear capacity assessed as 75-100%NBS(IL3).

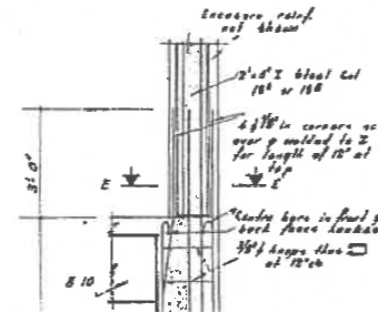


Figure 11 – Extract of original steel mullion to foundation detail (critical connection)

The inter-storey deflection limits of NZS1170.5:2004 for the mid-point of the side walls are exceeded at load levels of approximately 20%NBS(IL3).

There are possible supplementary load paths that may contribute to the seismic resistance of the auditorium side walls under face loading. These include partial diaphragm action of the roofing material and interconnected steel roof trusses and catenary (cable) action of the structural steel transoms in the walls. However both of these mechanisms are potentially unreliable and are not directly accounted for in our assessment.

AUDITORIUM – SOUTH WALL

The lateral load capacity of the south wall has been assessed considering that the stiffer existing short wall panels between ground and bleachers have their shear capacity exceeded under nominally ductile ($\mu=1.25$) loading. Therefore the lateral capacity is based on the 6 number 24" (610mm) square reinforced concrete columns that support the south wall upper section.

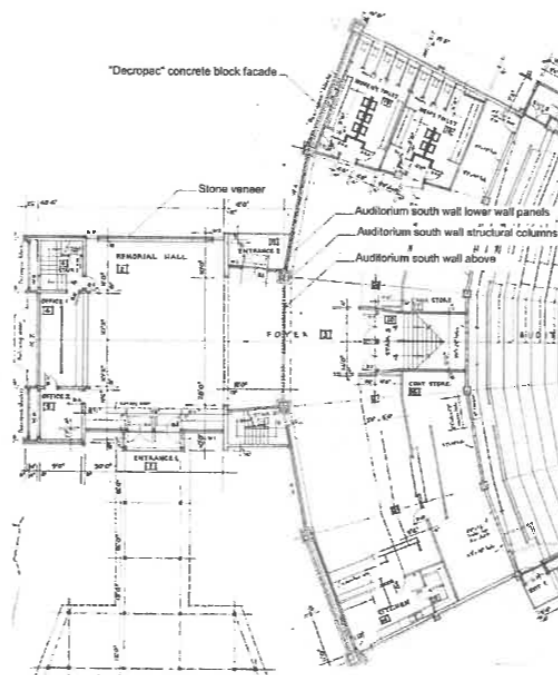


Figure 12 – Extract of original steel mullion to foundation structure connection (critical connection)

The critical columns have been assessed using lateral loads considering a structural ductility of $\mu=2.0$ (limited ductile). The transverse reinforcing in the columns is drawn as anchored closed hoops typically spaced at approximately $d/2$ and the spacing is less than the suggested 16 main bar diameters limit. The columns have been assessed to have sufficient shear, flexure and hinge rotation capacity to meet 100%NBS(IL3) demands.

Even though the supporting columns to the south wall are assessed as adequate, their structural form creates a less desirable yielding mechanism of column hinging. As part of any significant refurbishment and seismic improvement we would recommend that supplemental structural elements (eg steel bracing or RC walls between columns) be included to provide further robustness to this important wall element.

CRITICAL STRUCTURAL WEAKNESS (CSW)

The capacity of the auditorium portion is limited by the flexural capacity of the base connection of the side wall structural steel mullions to resist out-of-plane seismic forces in the transverse (east-west) direction. This is assessed to have a capacity of 15-25%NBS and is considered to be the Critical Structural Weakness (CSW) of this portion of the building.

The capacity of the auditorium roof and ceiling structure is related to the performance of the auditorium side walls. Both the roof and the ceiling suspended from it rely on the stability of the side walls, thus a failure of the side walls is likely to also result in a structural failure of the roof and ceiling.

Refer to the table below for additional information and assessment.

ADDITIONAL ELEMENTS CONSIDERED

In addition to the structural elements noted above other important structural elements were assessed and found to have capacities in excess of the 33% threshold.

The seismic capacity of the tiered bleacher slabs and their supporting beams and walls was assessed and not found to be critical. Although the reinforcing arrangements and content of the bleacher slabs is not known from the available drawings the cellular nature of the suspended sections indicates their ability to act as structural diaphragms should be structurally adequate.

The connection of the existing auditorium roof trusses to their supporting walls was reviewed. Typically these connections are formed from symmetrical steel to steel bearing connections with multiple bolts at both the top and bottom chord levels. Notwithstanding the comments above on the vulnerability of the roof to failure of the side walls the truss connections are considered structurally adequate.

The condition and capacity of the structural ties between the section of "Decropac" concrete blocks at the ground level to the southwest corner of the auditorium as not been fully assessed as access is limited and no details are available. This façade element may present a risk of collapse in a moderate earthquake and should be reviewed in more detail in any refurbishment and seismic improvement works.

AUDITORIUM – CRITICAL ELEMENTS

Element	Consequence	Approximate Likelihood of Poor Performance	On Site Investigation Effort	Improvement Effort
Auditorium side walls	Very High	Very High	None	Medium
Comments	<p>The capacity of the auditorium side walls is limited by the ability of the concrete encased steel mullions to act as vertical cantilevers to resist seismic out-of-plane loads in the transverse (east-west) direction. The critical component is the welded reinforcing connection at the base of the structural steel. This has an assessed capacity of 15% to 25%NBS(IL3).</p> <p>Failure of the side wall elements would likely also lead to failure of the auditorium roof and ceiling elements and instability. The consequence of the walls and ceiling of the auditorium failing while the venue is occupied would endanger a great number of people.</p> <p>The inadequate capacity of the existing roof bracing has already been confirmed during our walk over inspection in the roof space and no additional investigations are proposed.</p> <p>Structural improvement of the side walls would most likely be achieved by constructing an appropriately strong and robust diaphragm at the existing roof level.</p>			
Auditorium Ceiling Structure	Very High	Very High	Low	High
Comments	<p>The existing auditorium ceiling structure is vulnerable to failure of the auditorium side walls. Additionally the existing bracing between the various ceiling levels and the main roof structure also has a low capacity to resist seismic loads.</p> <p>The lack of a reliable lateral load paths at the ceiling level makes the likely poor structural performance of this element in a moderate earthquake very high.</p> <p>We would assume that as part of any significant refurbishment and structural improvement works that the existing auditorium ceiling would likely be replaced or undergo significant retrofit works combined with establishing appropriate roof diaphragm structure noted above.</p>			
Refer Table 3 for definitions				

FRONT OF HOUSE

The following outlines our assessment of the seismic risks associated with the front of house (FoH) section of the building.

We have undertaken structural calculations and structural modelling of individual elements to inform the likely capacities of critical building elements. We have not constructed a full 3 dimensional structural analysis model for the purposes of this assessment.

ORIGINAL STRUCTURE

The original front of house section of the theatre is constructed from reinforced insitu concrete walls either 6" (152mm) or 8" (203mm) thick. These walls are located in the four corners of the front of house and support insitu concrete floor and roof slabs.

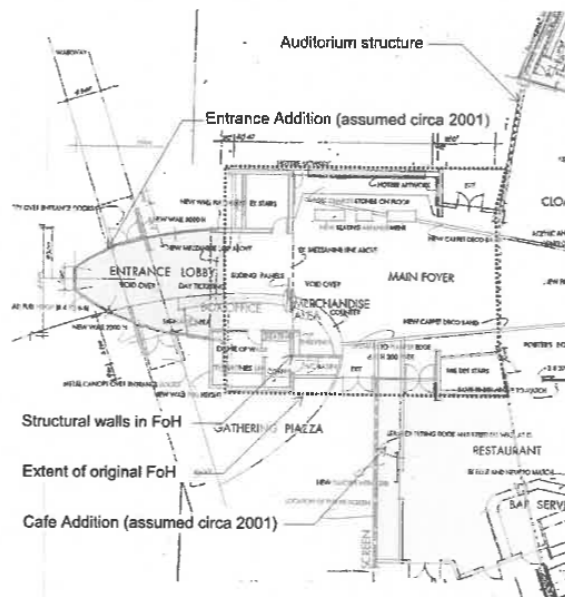


Figure 13 – Front of House area indicating wall arrangement and additions

The southern and northern portions of the original front of house have intermediate floor levels structurally connected to the wall elements. The central entrance hall portion has a double height space spanned by an insitu concrete roof slab constructed compositely with pre-stressed concrete roof beams spanning north-south.

The western wall to the entrance hall is formed from an 8" (203mm) reinforced concrete wall with an external stone veneer. This wall spans between the ground floor and the roof slab and supports the major part of the significant Hotere artwork.

Access stairs are located in the southwest and north east corners of the front of house. These are of reinforced concrete construction and typically connected into the supporting walls on all sides.

ADDITIONS AND ALTERATIONS

The original front of house has been modified and extended. A light weight single storey addition has been constructed to the eastern side to extend the existing café space and link it with the main entrance foyer. A new double height curved entrance lobby with a glazed façade to the eastern elevation has been constructed as an extension to the south elevation.

STRUCTURAL ASSESSMENT

The structural assessment of the front of house section was undertaken assuming an approximately even distribution of seismic lateral loads to the reinforced concrete walls grouped around the corners of the main foyer.

Seismic forces have been derived assuming a structural ductility of $\mu=1.25$ for this section considering the configuration and likely reinforcement detailing of the structural walls. An equivalent static load distribution was used.

The relatively symmetrical arrangement of the walls and significant number and length of walls supporting this section indicate that the walls have sufficient in plane shear capacity to resist 100%NBS(IL3) loading.

The lack of available record drawings for the café and entrance lobby additions have made making a quantitative assessment of these areas problematic. However their light weight construction and assumed connection to the primary structure of the front of house and auditorium sections indicates that they are unlikely to have a capacity below the earthquake prone threshold.

The insitu concrete stair structures would be expected to experience significant cracking in a moderate earthquake as they are rigidly connected between floor levels. Due to their robust construction and support via multiple walls we do not expect the stairs to become unusable in a moderate earthquake.



Figure 14 – Internal stair well to front of house section showing insitu construction

CRITICAL STRUCTURAL WEAKNESS (CSW)

The critical structural weakness for the front of house section was determined to be the flexural capacity of the structural walls around stair 1. This was found to be approximately 65%NBS(IL3). The shear capacity of the walls are generally in excess of the assumed flexural capacity indicating that the walls should have some degree of ductility should their capacity be exceeded.

The structural components of the front of house section are not considered to be below the 33%NBS threshold for being earthquake prone.

ADDITIONAL ELEMENTS CONSIDERED

Out of plane (face) loading to the 5m high reinforced concrete walls supporting the Hotere mural indicates that this wall has a capacity of approximately 100%NBS(IL3).

No specific details for the attachment of the remaining stone veneer to external walls in the front of house area was available. It is assumed that veneer ties connect this stone to the concrete wall. The capacity and condition of the assumed ties should be reviewed as part of any refurbishment and seismic improvement work.

IMPLICATIONS ON REDEVELOPMENT

There are several critical elements of the Founders Theatre building that have been assessed with low scores thus making the building earthquake prone.

Significant seismic improvement work would be required to the roof and ceiling of the auditorium, and to the proscenium arch and roof structure of the stage house to raise the score of the building to above the earthquake prone threshold.

We understand that significant refurbishment work is being considered for the theatre. The stage house and auditorium roof/ceiling would be areas that we would expect to require significant upgrade and modification as part of refurbishment, and that seismic improvement work could be integrated into the upgrade of these areas at such time. For more information on redevelopment proposals refer to the Shand Shelton report date October 2014.

The front of house section of the building and the lower wings of the existing stage house are relatively robust and we would expect that substantial portions of these areas could be retained and refurbished with only modest seismic improvement to obtain the recommended level of 70%NBS(IL3).

FURTHER INVESTIGATIONS

As identified above there are important structural elements (principally reinforced concrete members) for which we lack reinforcement arrangement drawings. A more accurate assessment of the capacity of critical concrete elements could be made if the actual reinforcing type, size and spacing was known.

External scanning combined with intrusive investigations (removing cover concrete to expose the reinforcing) could be contemplated in the stage house area. However our consideration of a lower and upper bound to likely capacities would indicate that confirmation of the exact reinforcing would be unlikely to significantly alter the assessed capacities.

Further we understand that the stage house and proscenium arch would need to undergo significant modification under any refurbishment and modernisation of the facility, and as such the existing concrete elements in this area would need to be rebuilt and their exact capacity would not be critical to seismic improvement works.

SUMMARY AND CONCLUSIONS

The structural performance of the Founders Theatre under seismic loading defined by NZS1170.5:2004 is limited by three critical elements:

- The capacity of the side walls of the auditorium is limited to 15-25%NBS(IL3) due to the lack of an effective horizontal diaphragm at the roof level. This is considered to be the Critical Structural Weakness (CSW) that limits the overall score of the building. A failure of the side walls would also endanger the stability of the auditorium roof and ceiling. This creates additional life safety risk for any occupants of the auditorium.
- The capacity of the stage house front and rear walls is limited by the lack of an effective horizontal diaphragm at roof level to approximately 20-30%NBS.
- The capacity of the critical linking beams to the side frames of the proscenium arch is limited by their shear capacity to approximately 20-30%NBS.

The above scores indicate that the Founders Theatre would have its ultimate capacity exceeded in a moderate earthquake as the critical structural weakness is assessed at a capacity less than 33%NBS and would be considered to be Earthquake Prone under current legislation.

Under current HCC earthquake prone building policy (assuming the building would could be classified as high risk) it would require seismic improvement or demolition within a 10 year time frame. We note that the new Building (Earthquake-prone Buildings) Amendment Act 2016 will supersede this policy when it come into force.

Should the theatre be classified as earthquake prone under this new legislation it would be likely to require seismic improvement or demolition within 12 ½ years (assuming it is given a priority classification), with Hamilton being in the "medium" seismic risk area.

Should it be determined to undertake seismic improvement and/or refurbishment of the building we would recommend that a minimum level of 70%NBS(IL3) be targeted due to the assembly space nature of the theatre and its civic importance. Higher levels of improvement would be preferably where practical, economic, or in areas of significant risk.

J002622 - Founders Theatre Building

Job Name :	FOUNDERS BUILDING	Job Description
Client's Name:		

Trd No.	Trade Description	Trade %	Cost/m2	Trade Total
1	Ceilings - allowance to make good to 5% of areas - repaint entire area.			
2	A - West Wing	1.46	36.54	133,210
3	B - Entry to community hub - part of external estimate - EXCLUDED HERE			
4	C - Stage Changing area	0.14	3.62	13,200
5	D - Back stage	7.67	191.95	699,860
6	E - Workshop	0.23	5.73	20,880
7	F - Hall / Auditorium	6.14	153.70	560,400
8	G - Hall entry	1.10	27.48	100,180
9	H - Lifts	1.79	44.71	163,000
10	I - Toilets	3.23	80.91	295,000
11	J - Gallery / studio	1.21	30.41	110,890
12	K - Auditorium upper level	2.35	58.83	214,500
13	L - Cafe / Kitchen	1.24	31.08	113,325
14	M - Cafe exterior - with external estimate - EXCLUDED HERE			
15	N - Main Lobby	0.55	13.68	49,890
16	O - Outdoor stage	1.47	36.81	134,205
17	P - Exterior work - EXCLUDED HERE - separate estimate			
18	Q - Earthquake strengthening (seismic work)	11.23	281.13	1,025,000
19	R - Building envelope maintenance including scaffolding	11.58	289.92	1,057,040
20	S - Electrical, Data, Mechanical, Security, Plumbing and Fire Services	13.09	327.76	1,195,000
21	Subtotal			<u>5,885,580</u>
22	Professional Fees 15%	9.67	242.14	882,837
23	Development Contributions - EXCLUDED			
24	Consent costs - PS of \$20,000. (Resource consent excluded)	0.27	6.86	25,000
25	Contingency - 20%	14.88	372.65	1,358,684
26	Cost Escalation allowance - 12 Months - 12%	10.71	268.31	978,253
27	Subtotal			<u>9,130,354</u>
28	Exclusions			
GFA: 3,646 m2.		100.00	2,504.21	9,130,354
Final Total : \$				9,130,354

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Item 10

Attachment 6

Trade Breakup with Mark Up Rates

Job Name : <u>FOUNDERS BUILDING</u>		Job Description			
Client's Name:					
Item No.	Item Description	Quantity	Unit	Rate	Amount
Trade : 1 <u>Ceilings - allowance to make good to 5% of areas - repaint entire area.</u>					
1					
<u>Ceilings - allowance to make good to 5% of areas - repaint entire area. Total :</u>					
Trade : 2 <u>A - West Wing</u>					
<u>A - West wing - 2 floors. 325.91m2 + 334.25m2</u>					
1	Community hub - co-shared & secure space, Offices, studios, meetings rehearsals.				
2	Allow to remove existing carpet floor covering. Leave ready for new and dispose of the waste.	661.00	m2	30.00	19,830.00
3	Provisional sum to allow for minor partition modifications (non load-bearing). Assumed around 40m of partitions 2400mm high to be modified.	1.00	Sum	6,000.00	6,000.00
4	Allow to repair 5% of ceiling area.	34.00	m2	100.00	3,400.00
5	Allow to repaint entire ceiling area - including cleaning before painting.	661.00	m2	25.00	16,525.00
6	Provisional sum for minor refurbishments to toilet and kitchenette (no new fixtures or plumbing allowed - only general tidy up, fixing as required and repainting).	1.00	Sum	13,500.00	13,500.00
7	Allow to repaint all internal walls, including cleaning as required (removal of items on wall excluded), sanding as necessary and paint.	720.00	m2	30.00	21,600.00
8	Allow for new carpet to West wing, to replace removed carpet - direct stuck to ground, including transition strips and finishes as required.	661.00	m2	55.00	36,355.00
9	Provisional sum to allow for selected acoustic treatment (no details known).	1.00	Allow	10,000.00	10,000.00
10	Allow for sundry builders work as required.	1.00	Allow	6,000.00	6,000.00
<u>A - West Wing Total :</u>					<u>133,210.00</u>
Trade : 3 <u>B - Entry to community hub - part of external estimate - EXCLUDED HERE</u>					
<u>B - Entry to community hub - part of external estimate - EXCLUDED HERE Total :</u>					
Trade : 4 <u>C - Stage Changing area</u>					
<u>Stage dressing rooms. - 69.69m2</u>					
1	Refurbishment works only. 3 change rooms and toilets all to remain.				

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Trade Breakup with Mark Up Rates

Job Name : **FOUNDERS BUILDING**

Job Description

Client's Name:

Item No.	Item Description	Quantity	Unit	Rate	Amount
Trade : 4 C - Stage Changing area					
(Continued)					
2	Allow to repair 5% of ceiling area.	4.00	m2	100.00	400.00
3	Allow to repaint entire ceiling area - including cleaning before painting.	70.00	m2	25.00	1,750.00
4	Allow to repaint all internal walls, including cleaning as required (removal of items on wall excluded), sanding as necessary and paint.	210.00	m2	30.00	6,300.00
5	Clean and make good floors as required.	70.00	m2	30.00	2,100.00
6	Provisional sum for minor refurbishments to toilet (no new fixtures or plumbing allowed - only general tidy up and fixing as required).	1.00	Sum	2,000.00	2,000.00
7	Allow for sundry builders work as required.	1.00	Allow	650.00	650.00
C - Stage Changing area Total :					13,200.00
Trade : 5 D - Back stage					
D - Back stage (ground floor) - 211m2					
1	Provisional sum for new stairs required to upper levels in fly tower. Timber preferred. Glulam?	1.00	Sum	12,000.00	12,000.00
2	Wall to be put in to divide existing hall / auditorium from backstage. Assumed 20m x 5m, including framing, cladding both sides and 2 new doors.	1.00	Sum	22,400.00	22,400.00
3	Retain and refurbish existing floor. Install Sprung floor over existing floor.	211.00	m2	250.00	52,750.00
4	Allow to demolish existing ceiling, dispose of the waste, and replace with new ceiling, including paint finish.	211.00	m2	160.00	33,760.00
5	Allow to clean and repaint existing walls to remain.	225.00	m2	30.00	6,750.00
6					
Fly tower - concrete walls on inside stav. (3 levels) - 2.6m2 x 3.					
7	New structure within Fly tower walls, supporting 3 upper floors (also acts as diaphragm bracing to Fly tower)	960.00	m2	250.00	240,000.00
8	Allow for new wall linings complete.	960.00	m2	180.00	172,800.00
9	Allow for new ceiling, including paint finish.	960.00	m2	140.00	134,400.00
10	'Art statement' entrance.		Note		EXCL
11	Allow for sundry builders work.	1.00	Allow	25,000.00	25,000.00
D - Back stage Total :					699,860.00

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Item 10

Attachment 6

Trade Breakup with Mark Up Rates

Job Name : <u>FOUNDERS BUILDING</u>		Job Description			
Client's Name:					
Item No.	Item Description	Quantity	Unit	Rate	Amount
Trade : 6 E - Workshop					
E - Workshop - 155.15m2					
1	Allow to repair 5% of ceiling area.	8.00	m2	100.00	800.00
2	Allow to repaint entire ceiling area - including cleaning before painting.	156.00	m2	25.00	3,900.00
3	Allow to repaint all internal walls, including cleaning as required (removal of items on wall excluded), sanding as necessary and paint.	350.00	m2	30.00	10,500.00
4	Clean and make good floors as required.	156.00	m2	30.00	4,680.00
5	Allow for sundry builders work as required.	1.00	Allow	1,000.00	1,000.00
E - Workshop Total :					20,880.00
Trade : 7 F - Hall / Auditorium					
1	Hall with stage.		Note		
2	Utilise existing hydraulic stage section and a small portion of the existing fixed stage.		Note		
F - Hall / Auditorium. 503.93m2.					
3	New wall included in pricing for backstage - excluded here.		Note		EXCL
4	Allow to repair 5% of ceiling area.	26.00	m2	100.00	2,600.00
5	Allow to repaint entire ceiling area - including cleaning before painting.	504.00	m2	25.00	12,600.00
6	Allow to repaint all internal walls, including cleaning as required (removal of items on wall excluded), sanding as necessary and paint.	1,500.00	m2	30.00	45,000.00
7	Allow to refurbish floor as required.	504.00	m2	50.00	25,200.00
8	Provisional sum to allow for the replacement of theatre seats with more comfortable seats which can be organised to allow different uses of the space.	1.00	Sum	200,000.00	200,000.00
9	Lighting and sound already stripped out. Adapt and modify existing theatre services for sound, lighting and projection requirements. Back projection - wiring to allow for future connection (existing broadcasting box could house this).	1.00	Sum	250,000.00	250,000.00
10	Allow for sundry builders work.	1.00	Allow	25,000.00	25,000.00
F - Hall / Auditorium Total :					560,400.00
Trade : 8 G - Hall entry					
G - Hall entry - 92.15m2					

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Trade Breakup with Mark Up Rates

Job Name : FOUNDERS BUILDING		Job Description			
Client's Name:					
Item No.	Item Description	Quantity	Unit	Rate	Amount
Trade : 8 G - Hall entry (Continued)					
1	Entry to auditorium. 20m2 of new area - including two double doors, foundations, external walls and cladding to match existing, internal wall cladding to match existing and making good at new to existing, ceiling and other as required.	20.00	m2	3,000.00	60,000.00
2	Extra value for box office and reception setup in new area.	1.00	Sum	15,000.00	15,000.00
3	Allow to remove existing carpet floor covering. Leave ready for new and dispose of the waste.	93.00	m2	30.00	2,790.00
4	Allow to repair 5% of ceiling area.	5.00	m2	100.00	500.00
5	Allow to repaint entire ceiling area - including cleaning before painting.	93.00	m2	25.00	2,325.00
6	Allow to repaint all internal walls, including cleaning as required (removal of items on wall excluded), sanding as necessary and paint.	315.00	m2	30.00	9,450.00
7	Allow for new carpet, to replace removed carpet - direct stuck to ground, including transition strips and finishes as required.	93.00	m2	55.00	5,115.00
8	'Art statement' entrance.		Note		EXCL
9	Allow for sundry builders work as required.	1.00	Allow	5,000.00	5,000.00
G - Hall entry Total :					100,180.00
Trade : 9 H - Lifts					
H - Lifts					
1	Platform lift to be put in at West wing - Community wing (currently a void) (A). Two floors high. For accessibility purposes only. Cremer Aritec A1 Platform Lift assumed - 1080mm x 805mm platform, up to 12m travel, self supporting shaft.	1.00	no	40,000.00	40,000.00
2	New lift to upper levels in Fly tower - 2 x 2m shaft. (Currently a void) Behind auditorium.	1.00	no	100,000.00	100,000.00
3	Allow to modify existing lift at hall entry to service new upper floor (K).	1.00	no	15,000.00	15,000.00
4	Allow for sundry builders work as required.	1.00	Allow	8,000.00	8,000.00
H - Lifts Total :					163,000.00
Trade : 10 L - Toilets					
L - Toilets - 69.87m2					
1	Remove existing ladies toilet (this space to become additional multipurpose space).	1.00	Sum	10,000.00	10,000.00

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Attachment 6

Trade Breakup with Mark Up Rates

Job Name : <u>FOUNDERS BUILDING</u>		Job Description			
Client's Name:					
Item No.	Item Description	Quantity	Unit	Rate	Amount
Trade : 10 I - Toilets (Continued)					
2	Provisional sum to modify and refurbish existing mens toilet.	1.00	Sum	75,000.00	75,000.00
3	Provisional sum to allow for new ladies toilets, including plumbing and fixings complete.	1.00	Sum	200,000.00	200,000.00
4	Create access to toilets from both auditorium and lobby. (allowed for in J - Gallery studio)				
5	Allow for sundry builders work.	1.00	Allow	10,000.00	10,000.00
I - Toilets Total :					295,000.00
Trade : 11 J - Gallery / studio					
J - Gallery / studio - 243.06m2					
1	Allow to remove non-load bearing walls. 30m of walls, 5m high assumed.	150.00	m2	40.00	6,000.00
2	Provisional sum to construct new wall to provide flexible access and control from various spaces to the main toilet facilities. Assumed 35m of walls, 5m high, including cladding both sides and 5 new doors.	1.00	Sum	54,750.00	54,750.00
3	Provisional sum to adjust existing main stairs to Hall as required (no detail known).	1.00	Sum	5,000.00	5,000.00
4	Allow to remove existing carpet floor covering. Leave ready for new and dispose of the waste.	244.00	m2	30.00	7,320.00
5	Allow to repair 5% of ceiling area.	13.00	m2	100.00	1,300.00
6	Allow to repaint entire ceiling area - including cleaning before painting.	244.00	m2	25.00	6,100.00
7	Allow to repaint all internal walls, including cleaning as required (removal of items on wall excluded), sanding as necessary and paint.	400.00	m2	30.00	12,000.00
8	Allow for new carpet, to replace removed carpet - direct stuck to ground, including transition strips and finishes as required.	244.00	m2	55.00	13,420.00
9	'Art statement' entrance.		Note		EXCL
10	Allow for sundry builders work as required.	1.00	Allow	5,000.00	5,000.00
J - Gallery / studio Total :					110,890.00
Trade : 12 K - Auditorium upper level					
K - Auditorium - Upper Level - 473.55m2.					
1	Provisional sum to create new 2 level floor, sitting on top of existing bleachers.	1.00	Sum	200,000.00	200,000.00
2	New wall between Hall auditorium and upper level space. (auditorium wall the same one as seen here). Priced in J Gallery studio pricing.		Note		INCL

Trade Breakup with Mark Up Rates

Job Name :	FOUNDERS BUILDING	Job Description
Client's Name:		

Item No.	Item Description	Quantity	Unit	Rate	Amount
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Trade : **12 K - Auditorium upper level** (Continued)

3	Provisional sum for new stairs serving two floor levels.	1.00	Sum	12,000.00	12,000.00
4	Refurbishment of floors, walls and ceilings allowed for in Lower level auditorium estimate.		Note		INCL
5	Provisional sum to make good where seismic items installed.	1.00	Sum	2,500.00	2,500.00

K - Auditorium upper level Total : 214,500.00

Trade : **13 L - Cafe / Kitchen**

L - Cafe / Kitchen - 128.67m².

1	New wall between Lobby and cafe.	1.00	Allow	18,400.00	18,400.00
2	Allow to repair 5% of ceiling area.	7.00	m ²	100.00	700.00
3	Allow to repaint entire ceiling area - including cleaning before painting.	129.00	m ²	25.00	3,225.00
4	Allow to repaint all internal walls, including cleaning as required (removal of items on wall excluded), sanding as necessary and paint.	200.00	m ²	30.00	6,000.00
5	Tenant to supply fitout.		Note		EXCL
6	Extract in good condition - to remain.		Note		EXCL
7	Provisional sum to provide additional toilet adjacent to existing toilet.	1.00	Sum	80,000.00	80,000.00
8	Allow for sundry builders work.	1.00	Allow	5,000.00	5,000.00

L - Cafe / Kitchen Total : 113,325.00

Trade : **14 M - Cafe exterior - with external estimate - EXCLUDED HERE**

M - Cafe exterior - with external estimate - EXCLUDED HERE Total :

Trade : **15 N - Main Lobby**

N - Main Lobby - 250.64m² + 62.61m².

1	Recent addition to the building. Has an upstairs portion.				
2	Allow to remove existing carpet floor covering. Leave ready for new and dispose of the waste.	314.00	m ²	30.00	9,420.00
3	Allow to repair 5% of ceiling area.	16.00	m ²	100.00	1,600.00
4	Allow to repaint entire ceiling area - including cleaning before painting.	314.00	m ²	25.00	7,850.00

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Attachment 6

Trade Breakup with Mark Up Rates

Job Name : <u>FOUNDERS BUILDING</u>		Job Description			
Client's Name:					
Item No.	Item Description	Quantity	Unit	Rate	Amount
Trade : 15 N - Main Lobby (Continued)					
5	Allow to repaint all internal walls, including cleaning as required (removal of items on wall excluded), sanding as necessary and paint.	375.00	m2	30.00	11,250.00
6	Allow for new carpet, to replace removed carpet - direct stuck to ground, including transition strips and finishes as required.	314.00	m2	55.00	17,270.00
7	'Art statement' entrance.		Note		EXCL
8	Allow for sundry builders work as required.	1.00	Allow	2,500.00	2,500.00
N - Main Lobby Total :					49,890.00
Trade : 16 O - Outdoor stage					
O - Outdoor stage - 166.37m2.					
1	Allow for concrete stage floor including excavation, disposal of surplus, backfill, footings, 25Mpa concrete slab, Mesh, sand blinding, hardfill, finish and curing.	167.00	m2	615.00	102,705.00
2	Provisional sum for new stairs to one side of outdoor stage - concrete stairs assumed.	1.00	Sum	4,000.00	4,000.00
3	Provisional sum to make good existing stairs and ramp as required, including cleaning, smoothing and resurfacing as required.	1.00	Sum	7,500.00	7,500.00
4	Provisional sum to allow to provide power and data for portable lighting and sound.	1.00	Sum	15,000.00	15,000.00
5	Allow for sundry builders work as required.	1.00	Allow	5,000.00	5,000.00
O - Outdoor stage Total :					134,205.00
Trade : 17 P - Exterior work - EXCLUDED HERE - separate estimate					
P - Exterior work - EXCLUDED HERE - separate estimate Total :					
Trade : 18 O - Earthquake strengthening (seismic work)					
Seismic Works					
1	Provisional sum for Seismic strengthening to Proscenium Arch, 3 upper floors of Fly tower and Hall / Auditorium.	1.00	Sum	1,000,000.00	1,000,000.00
2	Allow for sundry builders work as required.	1.00	Allow	25,000.00	25,000.00
O - Earthquake strengthening (seismic work) Total :					1,025,000.00

Trade Breakup with Mark Up Rates

Job Name :	FOUNDERS BUILDING	Job Description
Client's Name:		

Item No.	Item Description	Quantity	Unit	Rate	Amount
Trade : 19 R - Building envelope maintenance including scaffolding					
R - Building envelope maintenance.					
1	Allow for scaffolding to perimeter of Founders Theatre, including erection and dismantling and hire for 16 weeks (assumed). Assumed to 12m high (average height) and 306m perimeter.	1.00	Allow	550,000.00	550,000.00
2	Allow to clean and repaint external walls.	3,672.00	m2	25.00	91,800.00
3	Allow to replace 20% of roofing (assumed to be damaged) - allow for future proofing for green roof where possible. Includes removal and disposal of damaged roofing, cutting, flashings etc, & new roofing / making good as appropriate.	501.00	m2	160.00	80,160.00
4	Allow to repaint entire roof area, including cleaning and removing any mould, moss and debris, leaving ready for new, priming and painting (colour to be decided).	2,502.00	m2	40.00	100,080.00
5	Provisional sum to refurbish external windows and doors as required, including cleaning and repainting framing.	1.00	Sum	20,000.00	20,000.00
6	Provisional sum to allow for rainwater harvesting tanks - installed - assumed 2 x 6m long x 1200mm diameter tanks are required. including excavation, bedding, backfilling, riser, lid and connection to pipes.	2.00	Allow	20,000.00	40,000.00
7	Provisional sum to allow for solar panels to roofing - assuming 60 panels and associated installation and batteries.	1.00	Sum	150,000.00	150,000.00
8	Allow for sundry builders works as required.	1.00	Allow	25,000.00	25,000.00
R - Building envelope maintenance including scaffolding Total :					1,057,040.00
Trade : 20 S - Electrical, Data, Mechanical, Security, Plumbing and Fire Services					
Services					
1	Provisional sum to allow to adapt / modify existing services (Electrical, fire and data) as required.	1.00	Sum	515,000.00	515,000.00
2	Sprinklers are existing and seem sufficient. Not clear if pump pressure will be sufficient. Allow sum of \$60,000 for upgrading pump as required.	1.00	Sum	60,000.00	60,000.00
3	Provisional sum to allow for upgrades to existing Mechanical system as required.	1.00	Sum	550,000.00	550,000.00
4	Provisional sum to make minor amendments to plumbing system as might be required.	1.00	Sum	30,000.00	30,000.00
5	Provisional sum for maintenance of security system as might be required.	1.00	Sum	25,000.00	25,000.00
6	Allow for sundry builders work as required.	1.00	Allow	15,000.00	15,000.00

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Attachment 6

Trade Breakup with Mark Up Rates

Job Name : <u>FOUNDERS BUILDING</u>		Job Description			
Client's Name:					
Item No.	Item Description	Quantity	Unit	Rate	Amount
	S - Electrical, Data, Mechanical, Security, Plumbing and Fire Services			Total :	1,195,000.00
Trade :	21 <u>Subtotal</u>				
				<u>Subtotal</u> Total :	
Trade :	22 <u>Professional Fees 15%</u>				
1				<u>Professional Fees 15%</u> Total :	
Trade :	23 <u>Development Contributions - EXCLUDED</u>				
1				<u>Development Contributions - EXCLUDED</u> Total :	
Trade :	24 <u>Consent costs - PS of \$20,000. (Resource consent excluded)</u>				
1				<u>Consent costs - PS of \$20,000. (Resource consent excluded)</u> Total :	
Trade :	25 <u>Contingency - 20%</u>				
1				<u>Contingency - 20%</u> Total :	
Trade :	26 <u>Cost Escalation allowance - 12 Months - 12%</u>				
1				<u>Cost Escalation allowance - 12 Months - 12%</u> Total :	
Trade :	27 <u>Subtotal</u>				
1				<u>Subtotal</u> Total :	
Trade :	28 <u>Exclusions</u>				
	<u>GENERAL EXCLUSIONS</u>				

Trade Breakup with Mark Up Rates

Job Name : **FOUNDERS BUILDING**

Job Description

Client's Name:

Item No.	Item Description	Quantity	Unit	Rate	Amount
Trade : 28 Exclusions (continued)					
1	Land cost including purchase costs and Tenancy Purchase.				
2	Development Contributions.				
3	Local Body Levies, upgrading Council site services etc.				
4	Site investigation including special foundations e.g. Piling etc.				
5	Special services e.g. Music, Systems etc.				
6	Loose Furniture, Fittings and Equipment.				
7	Asbestos testing and removal.				
8	Board or client supply item.				
9	Finance and holding costs.				
10	Legal costs.				
11	Professional fees.				
12	Goods and Services Tax.				
13	Additional Costs due to changes in Government legislation.				
14	Any costs due to Covid-19.				
15					
PROJECT SPECIFIC EXCLUSIONS					
16	No work allowed to existing distribution and mains board.				
17	Plant platform and roof access.				
18	Roof fall restraint system.				
19	No internal wall cladding, ceiling or insulation allowed to garage.				
20	Hot water cylinder.				
21	New columns and footings only allowed to support new deck area, assume rest are already existing as part of the existing roof structure.				
22	Electric hand dryer - paper towel dispenser allowed for to WC's.				
23	Painting to existing walls, ceiling or roof.				
24	Decanting of existing furniture or fixtures.				
25	Work to stormwater or sanitary sewer systems other than connecting to existing.				

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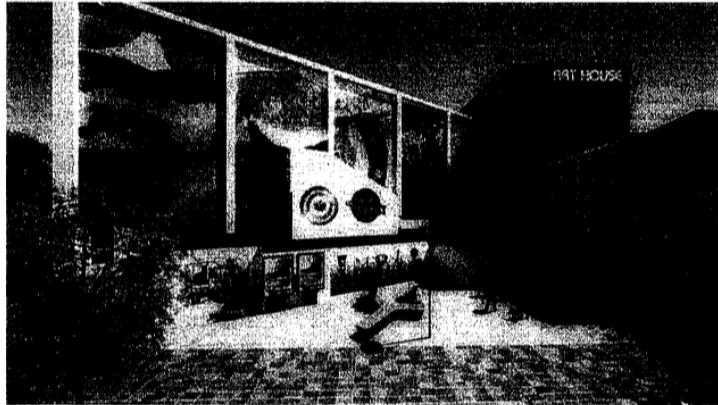
Attachment 6

Trade Breakup with Mark Up Rates

Job Name : <u>FOUNDERS BUILDING</u>		<u>Job Description</u>			
Client's Name:					

Item No.	Item Description	Quantity	Unit	Rate	Amount
Trade : 28 <u>Exclusions</u> (Continued)					
26	External works (of any sort, including mowing strips, pathways, making good external area after works, fencing, gates, landscaping, asphalt work, retaining walls or any other external work).				
Exclusions Total :					

DRAFT



Founders Repurposed – an art, crafts & heritage Community Hub

Hamilton City Council (HCC) have now had it confirmed by consultants Property Group there's an immediate 5,800m² shortfall for community space in the central city, with suggestions that multi-million-dollar upgrades or rebuilds at the Celebrating Age Centre (\$52million) and Norris Ward Park (\$67million) be investigated for the future – and even greater demand anticipated. After our consistent lobbying, Founders was included in this community needs review made public in mid-April.

TOTI's architects and professional advisors are confident we can 'repurpose' Founders for \$10million, and provide around 3,500m² 'very fast' (two years?). The \$40m for a Founders upgrade publicly quoted from HCC staff reports relates to the consultants' estimate for a 'comprehensive refurbishment from a base build' and their report to the council last month makes it clear this is NOT an 'apples for apples' comparison with TOTI's \$10m. Our design includes the variety of spaces and facilities identified for us from our community contacts & includes offices, meeting, activity, workshop and display spaces, a shop and café. Details will be negotiated as Founders Hub 'tenants' are finalised. We can provide these concept plans for you. The PG report also assessed current market lease and rental costs and our plan is for Founders rates to benefit the community.

The council already knows we have the support of significant patrons and offers to donate services, typical of community generosity and good will towards positive community initiatives. For our Founders project, we plan a new Community Charitable Trust (with user and community representatives), and envisage a collaborative and sustainable culture to benefit tenants, community users, and visitors.

We are now confident of success. But we do need your help.

Can your club or group please indicate your interest in the proposed Community Hub?

Tick here: Tenant ✓ User ✓ Manawhenua Partner ✓ Cultural Advisor ✓

Add your/group name ...THaWK (Te Haa ote Whenua O Kirikiriroa)...

Manager →

& email this back to sender or to margaret.evans.nz@gmail.com by Thursday 11th May

We will contact you via phone and/or email, but we do need an initial indication of your interest. We appreciate this is short notice, but it will assist with our preparations for the presentation to HCC on the 19th. There will be opportunities for further detail as we finalise the plan. If you need further information, please contact: Margaret Evans 021 2044674

R Bidois 19-5-23

Kia ora Margaret,
Gemma Reid passed on your message about the potential community arts hub in a remodeled Founders Theatre space. This sounds like a great idea to me, and I coordinate a writer's group--Ampersand--that currently meets in my home but is a bit of a squeeze, and might be a potential user of the space, if the cost was not prohibitive.

Good luck with your proposal!
Carrie

Carolyn Longden

Thu, May 11,
7:08 PM (13 days
ago)

to me

Hi Margaret,
Great to talk to you yesterday,
Do let me know if there is anything I can do to assist the cause!
Cheers
Carolyn Longden
Phone 0274 114 842
NZ Children's Art House Foundation

Item 10

Attachment 7

Chinese Golden Age Society <hamiltonchinesegoldenage@gmail.com> May 11, 8:37 AM (13 days ago)

to me

Hi Margaret,

We support the refurbishment of the Founders Theatre. Our community organizations will be using the renovated space.

Best regards,
CHEN Ruili
President of Hamilton Chinese Golden Age Society

----- Forwarded message -----

From: **Waikato Multicultural Council** <waikatomulticultural@gmail.com>
Date: Sat, 6 May 2023 at 15:46
Subject: Fwd: URGENT REQUEST: Proposed Community Hub register of interest
To: Anil Gupta <waikatoseniors_indian@outlook.com>, Anwar Ghani <anwargnz@gmail.com>, Dharendra Kumar Naresh <divya99@xtra.co.nz>, Gladys Stephens <wfahnz@yahoo.co.nz>, Hamilton Chinese Ethnic Song and Dance Group <liwendy07@gmail.com>, Hamilton Chinese Golden Age Society <hamiltonchinesegoldenage@gmail.com>, Jeanie Tseng Holland <Jeanie.tseng@gmail.com>, Jeevan Mathews <jeevansyрил@xtra.co.nz>, Jing Zhang <mirror901013@gmail.com>, Monica Thour Purewal <monica.thour@harcourts.co.nz>, New Zealand Republic of Korea (South Korea) Friendship Society Jung mi Ko <nzkojungmi@gmail.com>, Ravinder Powar <cocophamilton@gmail.com>, Robin Patchett <rpatch42@gmail.com>, Sayeeda Bano <sayeeda.bano@waikato.ac.nz>, Waikato Muslim Association Inc. <amohsin@waikato.ac.nz>

Dear all,

For your information below.

Thank you,

Linda Gee
secretary
WMC Council

NB this encompasses several organisations (ME)



Founders Repurposed – an art, crafts & heritage Community Hub

Hamilton City Council (HCC) have now had it confirmed by consultants Property Group there's an immediate 5,800m² shortfall for community space in the central city, with suggestions that multi-million-dollar upgrades or rebuilds at the Celebrating Age Centre (\$52million) and Norris Ward Park (\$67million) be investigated for the future – and even greater demand anticipated. After our consistent lobbying, Founders was included in this community needs review made public in mid-April.

TOTI's architects and professional advisors are confident we can 'repurpose' Founders for \$10million, and provide around 3,500m² 'very fast' (two years?). The \$40m for a Founders upgrade publicly quoted from HCC staff reports relates to the consultants' estimate for a 'comprehensive refurbishment from a base build' and their report to the council last month makes it clear this is NOT an 'apples for apples' comparison with TOTI's \$10m. Our design includes the variety of spaces and facilities identified for us from our community contacts & includes offices, meeting, activity, workshop and display spaces, a shop and café. Details will be negotiated as Founders Hub 'tenants' are finalised. We can provide these concept plans for you. The PG report also assessed current market lease and rental costs and our plan is for Founders rates to benefit the community.

The council already knows we have the support of significant patrons and offers to donate services, typical of community generosity and good will towards positive community initiatives. For our Founders project, we plan a new Community Charitable Trust (with user and community representatives), and envisage a collaborative and sustainable culture to benefit tenants, community users, and visitors.

We are now confident of success. But we do need your help.

Can your club or group please indicate your interest in the proposed Community Hub?

Tick here: user Add your/group name: See Below:

- Waikato Punjabi Cultural Club Inc.
- Waikato Punjabi Badminton Club Inc.
- Country Section NZ Indian Association Inc.
- Waikato Indian Diaspora Inc.

.....

& email this back to sender or to margaret.evans.nz@gmail.com by Thursday 11th May

We will contact you via phone and/or email, but we do need an initial indication of your interest. We appreciate this is short notice, but it will assist with our preparations for the presentation to HCC on the 19th. There will be opportunities for further detail as we finalise the plan. If you need further information, please contact: Margaret Evans 021 2044674

Re: Community Hub for Hamilton

I was a member of Christine Simmon's Dance Club from 2005 until 2015 where I was able to sit and pass Social level of Bronze, and Silver medals in Waltz, Foxtrot and Latin, until she sadly passed away in February 2015. These lessons were held in the Fraser Tech Rugby Rooms that she leased in Avalon. Drive. However, any large competitions were held in Auckland as there were no suitable halls to lease that were large enough to accommodate the large entries .

The Dance Sport Club of Hamilton will be holding their Ball on 25th June this year at Tamahere Hall as there is no suitable venue locally.

Dance clubs are on the increase in Hamilton and young and old people wanting to learn to dance not only waltz and foxtrot but modern jive, rock and roll and line dancing.

I would fully support a proposed Community Hub for Hamilton.

Noeline Jeffries QSM

On Wed, May 10, 2023 at 7:19 PM Kerry Davis <dancer.mum@hotmail.com> wrote:
Hi Margaret
Sorry for late reply. Really busy time for me.
I would be interested in the Founders Theatre space for shows and classes.
Regards,

Kerry Davis
Owner/Director
027 485 2488
www.drurylanedance.co.nz

Grey Power Hamilton <greypowerhamilton@gmail.com>

May 7,
2023,
4:07 PM

to me

Hi Margaret,
A suggestion re Grey Power needs.

Regards
Ray

----- Forwarded message -----

From: **Grey Power Hamilton** <greypowerhamilton@gmail.com>

Date: Fri, 5 May 2023 at 17:53

Subject: Founders Theatre (Community Hub)

To: mark kilgour <kilgourm@hotmail.com>, Rudi du Plooy
<ruididuplooynz@gmail.com>, Annette <gara@xtra.co.nz>, <markc57@live.com>

Hi Everyone,
We need to decide whether we wish to use the old Founders as a potential meeting place for the Association.

Attached is a flyer with some information.

I have said to Margaret that the emphasis on arts is too strong as there are other demands for this space.

If we respond, i suggest the following requirements:

1. Office for 2 people, 3 days a week (could be hot swap desks, or permanently allocated room)
2. Internet Access
3. Shared meeting space for 6 to 10 people (Meet the President occasions)
4. Shared meeting space for 50 to 100 people.(currently once a month, possibly going to twice a month)
5. Secure space for securing technology (2 * PC & Printer)and office materials
6. Access to coffee/tea facilities
7. Access to tables that seat 4 (used in 50 to 100 meeting space)

It would be useful to have other agencies such as Citizen's Advice, Age Concern, Aged Care agency, budgeting advice, health referral service, legal support, digital training, banking service for aged.

Your thoughts please by Saturday

Regards
Ray

Founders Repurposed

Inbox



Hamilton_Chess <hamiltonchesswaikato@gmail.com>

Wed, May
10,
7:48 PM

to me

The Hamilton Chess Club is a potential user of the repurposed theatre
We are a group that meet weekly for three hours on a Tuesday evening
We currently have use of a high school classroom but it is conceivable we may look
for a new venue in the future

Regards

Ian Kennedy

Secretary, Hamilton Chess Club



Founders Repurposed – an art, crafts & heritage Community Hub

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We are now confident of success. But we do need your help.

Can your club or group please indicate your interest in the proposed Community Hub?

Tick here: tenant YES. user YES Add your/group name **Hamilton Punjabi Sports & cultural Club.**

& email this back to sender or to margaret.evans.nz@gmail.com by Thursday 11th May

We will contact you via phone and/or email, but we do need an initial indication of your interest. We appreciate this is short notice, but it will assist with our preparations for the presentation to HCC on the 19th. There will be opportunities for further detail as we finalise the plan. If you need further information, please contact: Margaret Evans 021 2044674

On Sun, May 7, 2023 at 9:25 AM Stephen Hawley
<stephenjohnhawley@gmail.com> wrote:

Good morning Margaret and Grant,

I write on behalf of the Committee of the Hamilton Woodturners Club, a registered Charity based in Dinsdale. Currently with about 45 members, we cater for people interested in pursuing Woodturning as a creative hobby, with particular emphasis on teaching woodturning to beginners.

We were given the opportunity to take part in the study by the Property Group last year to establish the Schedule of Requirements for Community facilities in Hamilton.

This email is to confirm Hamilton Woodturners Club's strong interest in being part of the new Community Hub at Founders Theatre. Specifically, we envision being included in a Woodcraft centre along with the Waikato Guild of Woodworkers and the Mens Shed.

All the best with the Business Case, it is the right solution.

Regards

Stephen Hawley

President Hamilton Woodturners

021 546 084



Founders Repurposed – an art, crafts & heritage Community Hub

Hamilton City Council (HCC) have now had it confirmed by consultants Property Group there's an immediate 5,800m² shortfall for community space in the central city, with suggestions that multi-million-dollar upgrades or rebuilds at the Celebrating Age Centre (\$52million) and Norris Ward Park (\$67million) be investigated for the future – and even greater demand anticipated. After our consistent lobbying, Founders was included in this community needs review made public in mid-April.

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We are now confident of success. But we do need your help.

Can your club or group please indicate your interest in the proposed Community Hub?
Tick here: tenant and user Add your/group name ...K-CENTRE (WAIKATO KOREAN

CULTURAL CENTER TRUST)..... 
& email this back to sender or to margaret.evans.nz@gmail.com by Thursday 11th May

We will contact you via phone and/or email, but we do need an initial indication of your interest. We appreciate this is short notice, but it will assist with our preparations for the

presentation to HCC on the 19th. There will be opportunities for further detail as we finalise the plan. If you need further information, please contact: Margaret Evans 021 2044674



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Tick here: tenant ☒ user ☐ Add your/group name ...Nga Mahi o Hineteiwaiwa and The Arts Collective.

& email this back to sender or to margaret.evans.nz@gmail.com by Thursday 11th May

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Yes, NZ China Friendship Society Hamilton is interested in this Community hub.

Let's catch up at some point:-)

Kind regards, Miao



Miao Fan (She/Her), JP / Student Engagement Advisor / Waikato Management School /

Private Bag 3105 / Hamilton 3240 / New Zealand
www.mngt.waikato.ac.nz / DDI: [+ 64 7 838 4787](tel:+6478384787)

Sandz Gallery

Mon, May
8, 3:21 PM

to me

Thanks Margaret,
It was good to speak today. You're correct about spaces for us though meeting spaces not a priority.
Fingers crossed and Good Luck.

Regards
Maree

On Mon, 8 May 2023, 1:06 pm Margaret Evans, <margaret.evans.nz@gmail.com> wrote:

Hi Maree

Yes, I'm aware of your work.

We are currently seeking all expressions of interest and (hopefully) when council agrees to give us Founders, then we will be able to meet everyone & determine the best mix.

I think you might be interested in workshop, display, and meeting spaces?

Regards
Margaret

On Fri, May 5, 2023 at 5:24 PM Sandz Gallery <sandzgalleries@gmail.com> wrote:
Hello Margaret,

I'm unsure about the tenant/user choice above but we're interested in leasing? a workshop space. I work for Idea Services and manage their art base (Sandz Studio /Gallery in Frankton) for people with intellectual disabilities and we are looking for a more suitable space than our present studio and our people would certainly benefit from working in a space that offers community inclusion.

Thank you.
Maree Glass
Ph 021322575. sandzgalleries@gmail.com.....



Founders Repurposed – an art, crafts & heritage Community Hub

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We are now confident of success. But we do need your help.

Can your club or group please indicate your interest in the proposed Community Hub?

Tick here: tenant user Add your/group name Shree Sanatan Dharam Pratinidhi Sabha Waikato Bay of Plenty – NC Inc

& email this back to sender or to margaret.evans.nz@gmail.com by Thursday 11th May

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Can your club or group please indicate your interest in the proposed Community Hub?
Tick here: tenant X.... user Add your/group name **Tamil Society Waikato**
& email this back to sender or to margaret.evans.nz@gmail.com by Thursday 11th May

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Tick here: tenant Ae. user Add your/group name The Serve - Kia Pakari te Hapori & email this back to sender or to margaret.evans.nz@gmail.com by Thursday 11th May

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Tick here: tenant ✓

.... user ✓

.... Add your/group name Waikato Compassion Meditation Trust

& email this back to sender or to margaret.evans.nz@gmail.com by Thursday 11th May

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Re: Founders Community Hub

Inbox

G

Gladys Stephens

Wed, May 17,
5:42 PM (7 days
ago)

to me

Hello Margaret..

Waikato Filipino Association will be "definitely" supporting and will send a support letter.

Take care..

Best Regards...

Gladys Stephens

P.S.

Jun Valencia, Federation of Filipinos Associations, Societies, Clubs NZ President & formerly, Waikato Filipino Association Chairperson & existing Executive Officer will send a support letter.



Confidentiality Notice

This e-mail and any attachment are confidential and may be privileged and are intended only for the authorised recipients of the sender. The information contained in this e-mail and any attachment to it must not be published, copied, disclosed, or transmitted in any form to any person or entity unless expressly authorised by the sender. If you have received this e-mail in error you are requested to delete it immediately and advise the sender by return e-mail.

XX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

wfahnz@yahoo.co.nz

PO Box 19164 Hamilton 3244

www.waikatofilipino.org.nz

http://ketehamilton.peoplesnetworknz.info/waikato_filipino_association

WGW in Founders

Inbox

G

Grant and Camille Taylor

Thu, May 11,
2:31 PM (13 days
ago)

to me

Hi Margaret.

To make it official, Waikato Guild of Woodworkers is excited to be a key member of the Founders HUB of Arts & Crafts.

Regards
Grant

Grant Taylor
0274 929 700
371 Piako Road
RD1
Hamilton
3281

Re: Founders users update

Inbox

n

Neil Curgenven

Thu, May 11,
9:16 AM (13 days
ago)

to me, Mark, Graham, TOTI

Thanks for the update.

You can add the Waikato Historical Society, even though they own and run Hockin it's future is not guaranteed past lease renewal 2026 and as a group have spoken often of the need to retain it.

Like 'Field of dreams' if it's there they could find an occasion to use it

Neil

Founders Users phone responses**Grant.**

Embroidery will consider.

Menz Shed, no comment.

Hamilton Wood Turners, very supportive and aligned with Waikato Guild of Woodcraft.

Waikato Mighty River Harmony, Mens group.

Very interested

Would want good acoustics.

Would like seating for 500.

Permanent storage for risers, (stands for performers)

Presently practice at Marion School

Perform at Gallagher Uni Art Centre.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Tony.

Expressions of interest:

We will get four positive expressions of interest from:

Citizens Advice Bureau Hamilton

Drury Lane Dance

Jazz Unlimited

Ballroom Dancing

a No from:

Wintec - their student numbers are dwindling and struggling to keep classes going.

Heritage Film - not relevant as they don't use premises for showing films.

No luck so far in contacting:

THAWK Te Haa

Hamilton Chess

Naa McEwan Heritage expert.



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Can your club or group please indicate your interest in the proposed Community Hub?

Tick here: tenant user ✓.... **Waikato Multicultural Council Inc.**

Mobile: **027 2483040 Ravinder Powar - Chairperson.....**

& email this back to sender or to margaret.evans.nz@gmail.com by Thursday 11th May

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Tick here: tenant possibly user possibly Add your/group name ...**Waikato Refugee Forum, representing 8 former refugee communities, some of them have nowhere to meet and nowhere to hold their events. This would be very helpful for them. The WRF itself has a home at the Settlement Centre but other former refugee community groups who form part of the WRF Council do not have a home currently.**

& email this back to sender or to margaret.evans.nz@gmail.com by Thursday 11th May

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Item 10

Attachment 7

Waikato Society of Arts

Inbox



WSA

Thu, May 11,
9:32 AM (13 days
ago)

to me, Grant

Morena Margaret

This email is to confirm an expression of interest in the refurbished Founders site as a possible future tenancy for the WSA and our operations.

Ngaa Mihi

Julie Johnstone
WSA Operations Manager
Waikato Society of Arts Inc
120 Victoria Street, P O Box 1018
Waikato Mail Centre, Hamilton 3240
Ph: 07 839 4481
wsa@wsa.org.nz www.wsa.org.nz

Follow us on:

Waikato Society of Arts

Facebook: <http://www.facebook.com/waikatosocietyofarts>

Instagram: <http://www.instagram.com/artwaikato>

Registered Charity No: CC24351

Account number: 03-0306-0217827-00

Founders Heritage and Culture Community Trust Deed

Parties

1. TOTI (Theatre of the Impossible) Charitable Trust
2. Founders Community Hub Establishment Board
3. Hamilton City Council (HCC)

Introduction

- A. The parties to this Deed wish to establish a charitable community trust for the purposes as set out in this deed.
- B. It is agreed that Hamilton City Council shall gift to this trust the Founders Theatre building along with a 30-year lease of the site with rights of renewal, rent in accordance with the Community Occupancy Policy 2023 and as negotiated, and the right to raise loan funds against the capital asset for maintenance and future development.
- C. In the interim (until the new trust is registered) TOTI shall act as this trust's agent through the Founders Community Hub Establishment Board to foster progress towards the purposes as set out.
- D. Once agreed, the Community Hub Establishment Board shall apply for the Founders Heritage and Culture Community Trust to be incorporated as a Trust Board in accordance with charitable trusts legislation.
- E. The Parties will pay to the Trustees the sum of \$10.00 to create the Trust Fund referred to in Clause F of this Introduction.
- F. The trustees shall hold the sum of \$10.00 and any further sum or sums or any type of property whatsoever received by them whether by way of donation, bequest, gift or otherwise ("The Trust Fund") upon the Trust set out therein.

This Deed Records:

1. Name

- 1.1 The name of this trust shall be the *Founders Heritage and Culture Community Trust*

2. Principles

2.1 The Trust's vision is to rehabilitate and repurpose the Founders Theatre into a Community Hub for heritage and culture, with, by, and for the community, for the common good.

2.2 The Hub Trust shall manage this Community Hub openly and transparently, effectively, and efficiently to promote and foster the four well-beings (social, cultural, environmental, and economic) now and for the future in accordance with local government law and community expectations.

2.3 Account shall also be taken of Hamilton City Council's He Pou Manawa Ora strategy and its indicators of well-being (history, unity, prosperity, and restoration) to acknowledge the mana whenua founders of this place.

2.4. The Hub Trust shall foster an inclusive and collaborative culture within the Community Hub among tenants, users, and visitors.

3. Charitable Purposes

3.1 The Hub Trust's mission is to repurpose Founders to provide appropriate, cost-effective and secure accommodation for community tenants, responding to the shortage of space in the central city confirmed in the Property Group's commissioned report to the Community and Natural Heritage Committee 18 April 2023.

3.2 The Hub Trust shall offer Founders' tenancies and associated services to community groups who exhibit charitable purposes and activities relating to the four well-beings, and the fostering of community education and intergenerational knowledge for the public benefit and the common good.

3.3 The Hub Trust shall offer specified Founders facilities for short-term and casual usage for activities in accordance with 3.2.

3.4 The Hub Trust shall offer the Founders café to a commercial operator exhibiting a style appropriate to the trust's overall principles and purposes.

3.5 The Hub Trust may carry out any other lawful charitable purpose for the public benefit in respect of advancement of education, the relief of poverty, or any other purpose beneficial to the community and for all citizens and occupants in accordance with charities law.

4. Area of Operation

4.1 Founders Hub priority shall be given to tenants whose activities focus on Hamilton and the wider Waikato regional communities. Other tenants and users will be evaluated on their merits and potential contribution to the local communities in accordance with 3.2.

5. Registered Office

5.1 The Hub Trust's registered office shall be at the Founders, 229 Tristram Street, Hamilton.

6. Makeup of the Founders Heritage and Culture Community Trust Board:

6.1. The Hub Trust Board shall have a minimum of five (5) members and a maximum number to be set and reviewed every three years to best reflect the community hub operation.

6.2. The founding trust membership shall be decided by the Founders Community Hub Establishment Board for a blend of relevant qualifications, skills, and experience and in accordance with the Charities Act 2005. The Establishment Board will have the power to co-opt trustees. Trustee nominations will be open to Founders tenants and users, Hamilton community groups, and the public.

6.3 An independent chairperson shall be appointed by the Founders Establishment Board and an inaugural secretary and treasurer.

6.4 Founding Community Hub trustees shall be appointed for an initial three-year term.

6.5 The Founders Establishment Board shall develop the concept of a Founders Hub Electoral College representing community interests to review, re-appoint, dismiss, fill vacancies, and select new trustees including the independent chairperson.

7. Board operations

7.1 The Founders Establishment Board with the inaugural Founders Community Hub Trust Board shall agree a Founders Hub management structure taking account of the Initial Business Plan and Trust Deed clauses 3 and 4. This may include provisions for delegations.

7.2 Together the two boards shall develop and agree Standing Orders and Trust Rules for the operation of the Trust Board, including the meeting quorum, decision-making and record keeping, staff and tenant management, public submissions and accountabilities, trustee conduct and dismissal processes. This shall include financial management, provision for dispute resolution mechanisms, mediation and arbitration, and rules' amendment and/or alteration.

7.3 The Founders Community Hub Trust shall have the powers necessary to carry out their job properly, including the employment of staff and contractors in accordance with 7.1

7.4 The Founders Community Hub Trust common seal shall be kept by the Trust secretary, and as the trust's official stamp be applied as required by the trust by the chairperson and treasurer.

8. Pecuniary Benefit

8.1 No Founders Community Hub trustee or any person directly associated with the Community Hub shall use their position to benefit financially. However, they may be paid for services or reimbursed for legitimate expenses at rates agreed by the Hub Trust Board, and these may be less than market rates.

9. Trustee Liability

9.1 The Hub Trust Board and individual trustees shall have limited liability but they are expected to act legally prudently in line with the trust deed and any other policies.

10. Winding Up

10.1 If, for whatever reason, the Hub Trust Board decides it should wind up, the Founders building shall be returned to Hamilton City Council ownership, and all chattels be gifted to resident community groups and users.

Council Report

Committee:	Council	Date:	15 June 2023
Author:	Charlotte Catmur	Authoriser:	Julie Clausen
Position:	Sustainability and Climate Change Manager	Position:	Acting General Manager Strategy and Communication
Report Name:	Submission to the Climate Change Commission on the 2023 Draft Advice to Inform the Strategic Direction of the Governments Second Emissions Reduction Plan		

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

Purpose - *Take*

1. To seek approval from the Council of the submission to the Climate Change Commission on their 2023 Draft Advice to Inform the Strategic Direction of the Governments Second Emissions Reduction Plan.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Council:
 - a) receives the report;
 - b) approves the submission 2023 Draft Advice to Inform the Strategic Direction of the Governments Second Emissions Reduction Plan (Attachment 1);
 - c) notes that the submission will be lodged by the closing date of 20 June 2023; and
 - d) notes that the draft submission on the 2023 Draft Advice to Inform the Strategic Direction of the Governments Second Emissions Reduction Plan (Draft 1) was circulated to all Elected Members for feedback on 23 May 2023.

Executive Summary - *Whakaraapopototanga matua*

3. On 26 April 2023 He Pou a Rangi - Climate Change Commission released the 2023 Draft advice to inform the strategic direction of the Government's second emissions reduction plan. The consultation is open until 20 June 2023.
4. The draft submission was circulated to all Elected Members for feedback on 23 May 2023 with feedback requested by 29 May 2023. As no feedback was received, there were no changes made to the draft submission.
5. The submission (Attachment 1) is supportive of many of the recommendations made by the Climate Change Commission; however it also outlines the areas that the Commission should strengthen. These include:
 - i. Providing recommendations on the systems transformations required

- i. Clear articulation of the role of local government in supporting the emissions reductions required
 - ii. Ensuring appropriate funding is available to deliver on the required actions.
- 6. Staff have considered the key considerations under the Significance and Engagement Policy and consider the decision in this report has low significance and that the recommendations comply with the Council's legal requirements.

Background - *Koorero whaimaarama*

- 7. He Pou a Rangi - Climate Change Commission was established in November 2019 to provide the Government with independent, evidence-based advice to help Aotearoa transition to a climate-resilient and low emissions future.
- 8. In 2021, the Commission provided their first advice, [Inaia tonu nei: a low emissions future for Aotearoa](#), on the first three emissions budgets and direction for the first Emissions Reduction Plan.
- 9. Council [submitted on the first advice](#) provided by the Commission. In this submission we outlined the importance of a holistic approach to emissions reduction and the need for recommendations around urban form to be strengthened.
- 10. Following the final advice from the Commission, the Government released their discussion document Transitioning to a Low-Emissions and Climate-Resilient Future: Emissions Reduction Plan. Council [submitted to Government](#) on the discussion document outlining the lack of clarity on the role of Local Government and the importance of Central Government partnering with Councils.
- 11. The final Emissions Reduction Plan was released in May 2022. Then in July 2022, [Council submitted](#) to the Parliament's Environment Committee on Towards a Productive, Sustainable and Inclusive Economy: Aotearoa New Zealand's First Emissions Reduction Plan. This was focused on the need for appropriate funding and support for local government to deliver our contribution towards the first emissions reduction budget.
- 12. Since the release of the Government's First Emissions Reduction Plan, Council has developed our climate change strategy, [Our Climate Future: Te Pae Tawhiti o Kirikiriroa](#) and a [Climate Change Policy](#).
- 13. Our Climate Future: Te Pae Tawhiti o Kirikiriroa outlines our local climate change response and our vision for Hamilton Kirikiriroa to be a thriving, low carbon city that responds and adapts to climate change. It also includes emissions reduction targets for the city of:
 - i. 2025 – turning point – emissions peak at the very latest
 - ii. 2030 – minimum 30% reduction
 - iii. 2050 – minimum 82% reduction
- 14. The Climate Change Policy sets out how climate change is considered in council decision making and the set of principles that should apply to our climate change response.

Discussion - *Matapaki*

- 15. The Climate Change Commission released their draft advice on the second Emissions Reduction Plan on 26 April 2023. The focus of the advice is to guide the strategic direction of the Government's plan to achieve the 2026-2030 emissions budget.
- 16. It is available on their [website](#).
- 17. This latest advice from the Commission only outlines the "most urgent, highest priority actions" and recognises the action that is already underway through the implementation of the first Emissions Reduction Plan.

18. The draft advice is divided into three parts:
 - i. Fundamentals for success
 - ii. Creating low emissions options
 - iii. Enabling system transformations
19. The 19 recommendations outlined in the draft advice only cover the first two parts. There are no recommendations on how the Government should enable system transformations.
20. The Commission will consider all submissions and evidence received and will then prepare the final advice to Government by 31 December 2023.
21. It is then anticipated that Government will consult on the second Emissions Reduction Plan, prior to it being finalised before 31 December 2024.

Council's draft submission

22. The submission was developed with input from staff across Council, as the recommendations and response touch on many elements of Council's operations.
23. At the 16 May 2023 Climate Strategy Advisory Group staff provided a short update on the submission development and the key focus points for the submission.
24. Draft 1 of the submission was then circulated to all Elected Members for feedback. No feedback was received by 29 May 2023 on the draft submission.
25. The submission (**Attachment 1**) outlines the following key points:
 - i. The draft advice fails to provide a holistic approach to emissions reduction, it is too focused on achieving the emissions budgets and not on the system changes required for the sustained low carbon transition
 - ii. The Commission should make formal recommendations for the third part of the advice – enabling system transformations.
 - iii. The assumption that the actions in the current Emission Reduction Plan will be delivered should be challenged. Whilst there is a lot underway, some actions have been paused and others are not delivering at the pace and scale required.
 - iv. The role of local government needs to be better recognised and there needs to be an appropriate level of funding set aside for local action.
26. The content of the submission aligns with the direction outlined in Our Climate Future and in other key strategies of Council, including Access Hamilton and Hamilton Urban Growth Strategy.
27. The approved submission will be submitted to the Climate Change Commission by the closing date of 20 June 2023.

Options

28. Although the Council has no obligation to make a submission to the Climate Change Commission, the submission has been developed to ensure that Council's views are considered by the Commission when providing their final advice to Government.

Financial Considerations - *Whaiwhakaaro Puutea*

29. This is a regular operating activity funded through the Long Term Plan.

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

30. Staff confirm that the staff recommendation complies with the Council's legal and policy requirements.

Climate Change Impact Statement

31. Staff have assessed this option and determined no adaptation assessment is required.
32. Staff have assessed this option and determined no emissions assessment is required.
33. The submission is advocating for the Commission to provide stronger direction to Government on the need for comprehensive emissions reduction action.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

34. The purpose of Local Government changed on the 14 May 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the 4 wellbeings').
35. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report as outlined below.
36. The recommendations set out in this report are consistent with that purpose.

Climate change is and will continue to impact on the wellbeing of our community. This submission advocates for the Commission to provide more holistic advice to Government, not just focused on direct emissions reduction. As outlined in the Chair's message in the draft advice "lower emissions is more about opportunities than obligations", these opportunities include creating a more equitable society, greater resilience in our ecosystems and the creation of a thriving low carbon economy.

Risks - *Tuuraru*

37. There are no known risks associated with the decisions required for this matter.

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

Significance

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

Engagement

39. Given the low level of significance determined, the engagement level is low. No engagement was undertaken in the development of the submission.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Submission - 2023 Draft Advice to Inform the Strategic Direction of the Governments Second Emissions Reduction Plan (April 2023) (20 June 2023)

HAMILTON CITY COUNCIL – DRAFT 1 SUBMISSION

2023 Draft Advice to Inform the Strategic Direction of the Government's Second Emissions Reduction Plan (April 2023)

He Pou a Rangi – Climate Change Commission



20 June 2023

Improving the Wellbeing of Hamiltonians

Hamilton City Council is focused on improving the wellbeing of Hamiltonians through delivering to our five priorities of shaping:

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

The topic of this submission is aligned to the priority '**A green city**'.

Council Approval and Reference

This submission was approved by Hamilton City Council at its meeting held on 15 June 2023.

Hamilton City Council Reference D-4705907 - Submission # 738.

Key Messages and Recommendations

1. Hamilton City Council is supportive of many of the recommendations outlined in the Climate Change Commission's draft advice on the Government's Second Emissions Reduction Plan. However, there are key areas that the Council would like the Commission to provide stronger and clearer direction on.
2. It is our view that the Commission is not taking a holistic approach to climate change – the advice is too focused on the emissions profile to meet the budgets, often disregarding the root causes and systemic problems and not looking at actions that will have wider co-benefits for communities. We should be prioritising options that help us to achieve the sustained emissions reductions required and ensure the best, most equitable outcomes for people.
3. We also suggest that the Commission provide recommendations to Government based on all the advice included in the document, as opposed to the priorities only. There are many important points in the body of the document that have not been picked up as recommendations to Government. By only focusing on 'priority' recommendations, the advice does not portray the true scale and pace of change required from central government.
4. We also challenge the assumption that the actions in the first Emissions Reduction Plan will be delivered, whilst there are actions underway, the consistent delay and slowing of delivery puts in jeopardy achieving the second and third emissions budgets. We would support the reiteration of key actions and those that are at risk of being achieved, from the first advice the Commission provided in Ināia tonu nei: A Low Emissions Future for Aotearoa.
5. The role of local government is not well outlined in the advice. Whilst the advice is for central government to respond to, the Commission should outline the importance of the role of local government in the transition and the need for clear direction and expectations for local government.
6. The Government, in its release of Budget 2023 (on 18 May 2023), has continued to support some good emissions reduction initiatives and to invest in the transport transition to electric and low emission fuels. However, it is concerning that cycling and walking investment is absent from this Budget. A balance must be found between responding to these weather events, that will become more frequent, and investing in long term emissions reduction.
7. Whilst it is positive the Government has ringfenced the emissions trading scheme proceeds for the Climate Emergency Response Funding, the trade-off between emissions reduction action and adaptation will continue if this is seen as the only bucket of funding to draw on for climate change related spending. The Commission should make it clear that sufficient funding needs to be allocated to emissions reduction actions and that allocations for local government need to be made that provide the certainty for Councils to align their funding and programmes.

Introduction

8. Hamilton City Council welcomes the opportunity to make a submission to the **2023 Draft Advice to Inform the Strategic Direction of the Government's Second Emissions Reduction Plan (April 2023)**.
9. The Climate Change Commission has used a prioritisation framework to decide which elements of their advice to raise as recommendations. We note that the six aspects considered in the prioritisation framework give direction for actions with the most impact. However, we believe it restricts the ability for the Commission to make broader recommendations that the Commission should be providing to Government.

10. We recommend the Commission use the prioritisation framework to highlight recommendations with more impact but also supplement it with recommendations for urgent enabling actions such as funding, innovation, and systems change as well as including a clearer way of acknowledging existing actions that must continue to be implemented by Government.
11. We support the intent of the policy framework and can see the benefit it would have if it was applied by other Government agencies and local government when embedding climate change outcomes. If consistently applied, it would ensure a nationwide direction and collaborative approach to achieving our Nationally Determined Contribution (NDC).
12. We recommend the Commission better represent local government's voice throughout the advice. There is still a disconnect between central and local government climate response (for both adaptation and mitigation), and this needs to transition into a well-connected and streamlined 'all of government' response. Recommendations for where local government could be better recognised are outlined throughout our submission.
13. Our feedback is structured by the three parts as outlined in the Commission's advice.

Part 1: Fundamentals for Success

14. Hamilton City Council supports the focus on and reiteration of timely action in the recommendations. We support the considerations around cumulative emissions and the importance of taking urgent action. However, the advice needs to put more focus on enabling actions and the system changes required to enable future actions and achievement of the future emissions budgets.
15. A centralised approach is required. Councils need information, tools, and resources that we can tailor for our communities. This will make it easier for Councils to engage with our communities without having to develop everything from scratch.
16. Findings from the policy impact assessment states that *"The policies in the first emissions reduction plan, if fully implemented, would contribute to meeting the second and third emissions budgets. However, further and stronger policies will likely be needed"*. We recommend the Commission to reflect the urgent policy changes required in their recommendations, some of which are highlighted in this submission as recommendations.

Chapter 3: A Path to Net Zero

17. The two recommendations in this chapter are to commit to a specific level of gross emissions for the second and third emissions budgets and communicate indicative levels of gross emissions and carbon dioxide removals from forestry.
18. Hamilton City Council agree that the Government needs to establish clarity on reducing gross emissions for each emissions budget. In the current budget there is a concerning strong reliance on our ability to sequester carbon. We agree with the Commission that the Government needs to take a strong stance on committing to gross reductions as the highest priority and include all possible levers to achieve the reductions urgently needed.
19. We do not believe that the Commission's advice in this section addresses many of the gaps in the current Emission Reduction Plan in creating a path to net zero. The following are some of the gaps we have identified that we would like to see as recommendations in this section.
20. The role of native forests for emissions reduction and adaptation is understood and prioritised. The role of 'permanent' native forests needs to be prioritised because in the long term this will store more carbon than managed forests, and support the much-needed support for native flora and fauna in the face of climate change.

21. An economic strategy for climate change is required and should be embedded within current economic policy. Without a wider shift in the way we expect corporations to do business, emissions trading and financial disclosures are currently as likely to create more barriers than opportunities for change. Current economic policy needs to align with a low carbon transition, otherwise, as seen recently with the recent policy refocus, short-term economics and politics will continue to win over prioritising a livable low carbon future.
22. Ensure uncertainty is incorporated into the level of action required to meet the emissions budgets. The emissions budget is challenging to interpret because of the number of assumptions that must be applied through modelling. This is the nature of carbon accounting. The current emissions budget presents the minimum each sector must do to achieve the budget. With so much uncertainty (and some initiatives from the current Emissions Reduction Plan already scrapped) this is not enough. Each sector must be aiming higher, putting all possible levers in place.
23. An emissions hierarchy needs to be applied to decisions and policy making. To achieve net zero an emissions hierarchy should be applied, requiring considerations of how to avoid emissions first and then to energy efficiency, low emissions energy and then sequestering last.
24. Include a wide range of opportunities to sequester carbon in the Emission Reduction Plan. In the introduction, the Commission state that, *“currently the only source of removals in Aotearoa New Zealand is establishing new forests”*. This statement is false and must be reconsidered. Any action that in effect keeps carbon in our soils can sequester emissions. We must not limit sequestration opportunities to what is currently considered viable to measure. There are other natural options for sequestration (that have current and developing methodologies for measurement) that we believe should be considered in the second emissions budget, including peat and wetlands.
25. We also note that the term ‘carbon removals’ is misleading language as it suggests a permanent solution. Carbon storage is a more accurate term.
26. Overall, the Commission’s advice seems to focus on solutions that support business as usual behaviour and societal expectations. Changes to current practices will require a shift in values and perception. This must be outlined in the Emissions Reduction Plan if it is to be understood and actioned upon.

Chapter 5: Whāia Ngā Tapuwae

27. We commend the Commission on highlighting the importance of Iwi/Māori leadership and an effective Crown-Māori relationship to achieve our emissions reduction budgets, enable adaptation initiatives, and ensure an equitable transition.
28. We support proposed recommendation four – *“Accelerate Iwi/Māori emissions reduction in conjunction with climate change adaptation initiatives by exploring and implementing a mechanism to allocate resourcing direct to Iwi, and increase funding to Māori landowners (Te Ture Whenua entities)”*, and recommendation five – *“Ensure Iwi/Māori can drive the integration of maatauranga Māori into policy design, development, and implementation at central and local government level, by delivering sufficient resources to Iwi/Hapuu”*.
29. Council recognises the importance of maatauranga Māori in our climate change response and has included this as a guiding principle in our own climate change strategy, [Our Climate Future: Te Pae Tawhiti o Kirikiriroa](#).
30. Ensuring that our knowledge basis for responding to climate change is a combination of maatauranga Māori and western science will provide the most equitable outcomes for all. This combined knowledge system will allow us to respond fully to the issues, and with both a local and global lens.

31. However, it is critical that Iwi/Hapuu and maataawaka maintain rangatiratanga (autonomy) over this knowledge and that non-indigenous/Paakeha are sharing, supporting, and learning from this knowledge as opposed to being extractive.
32. Our experience of engaging with Iwi/Maori partners on climate change so far has been through the development of our climate change strategy, Our Climate Future: Te Pae Tawhiti o Kirikiriroa. Throughout this process our partners gave insightful feedback focussed on the impacts of climate change for people and sites of significance. However, in discussions they expressed that they were overstretched and struggling to resource the requests for their input on various issues.
33. Furthermore, as recognised by the Commission, not all Iwi/Hapuu are resourced equally. Engagement with our partners highlighted the varying levels of resource that Iwi/Hapuu can give towards, and their understanding of, climate change action, impacts and risks. For example, not all Iwi/Hapuu may have someone who is knowledgeable about the local or national risks climate change presents, and so requesting their advice and opinion on a climate change risk assessment would need to be accompanied by support and education in this space.
34. We would therefore encourage that the resourcing proposed by the Climate Change Commission in Recommendation Four would be used to build capacity for Iwi/Hapuu and maataawaka to understand climate change impacts and risks (if they are not aware of this already), as well as implement the most effective and equitable climate action.
35. We also support the Commission's advice for Government to accelerate a general understanding of maatauranga Maaori and develop a means for local government to deepen collaboration with local Iwi/Hapuu and would like to see a recommendation specifically tailored towards this.
36. As highlighted in the first National Adaptation Plan, local government are on the front line in preparing for climate change, but we must and want to work with our Iwi/Hapuu and maataawaka partners to do this.
37. As discussed, Hamilton City Council has started working with Iwi/Hapuu and maataawaka partners on climate change, however so far this has been through consultation phase only. As we move into action planning and implementation of our climate change strategy, we plan to ask our Iwi/Hapuu and maataawaka partners how we can best engage with them on this. However, any guidance on working with our Iwi/Maori partners specifically in for climate change issues would be beneficial, as facing this challenge together is new territory for all involved.

Chapter 6: Maintaining and Enhancing Wellbeing through the Transition

38. Hamilton City Council agrees with the proposed recommendations in this chapter to expand the scope of the Equitable Transitions Strategy to include the compounding impacts of climate change and adaptation as well as mitigation, and to make use of existing mechanisms rather than delaying climate action.
39. We agree that *"failing to consider emissions reduction and adaptation together can lead to decisions to prioritise one over the other, rather than making decisions that meet both goals."*
40. We do not however believe that these two recommendations alone will *"ensure the wellbeing of New Zealanders is at the center of decisions about taking climate action under the second emissions reduction plan"* as the Commission suggests. To address this the points below include both statements made in this chapter that should be included as clear recommendations, and further points that we believe also need to be added.
41. Recommendations that we suggest should be included in the final advice:
 - a. Intergenerational equity must be reflected in the Equitable Transitions Strategy and robust platforms for youth to influence policy must be established.
 - b. Clear mechanisms need to be in place to support worker's transition to a low carbon economy.

- c. The equitable transition strategy should include mechanisms and incentives to increase local economic potential.
 - d. Just Transition Plans need to be scaled up quickly to ensure early engagement and the voice of Rangatahi.
 - e. The Government should urgently prioritise funding policies to support low-income groups to reduce their emissions.
42. We agree that it is important for intergenerational equity to be considered when making policies to reduce emissions as outlined in Figure 6.1. However, there are no recommendations made on how to address this. There must be a stronger voice for youth through the second Emissions Reduction Plan, and there must be stronger economic mechanisms in place to prevent short-term economic gain from being continually prioritised at the detriment of a future that those decision-makers will not have to bear.
43. We agree that the Government needs to present clear communication for businesses and employees around the changes required in skills and locations in the transition. Small to medium businesses require support to transition for both adaptation and mitigation. We would like to see the Commission recommend clear mechanisms to be in place to support the transition of workers. In the aftermath of New Zealand's most recent climate disaster the Income Insurance scheme has ironically been halted, and we would like to see it is recommended that it is reinstated or something similar that will support workers through the low carbon transition.
44. More economic diversity is required for communities to survive the changes that must come and ultimately thrive. We cannot depend solely on the current global model that is already fragile. We need to support the inclusion of more locally driven economies to support local communities, be less dependent on the global supply chain, drive innovation and empower people to be less dependent on big industry employers. The equitable transition strategy should include incentives to increase our local economic potential addressing current economic inequities. There are numerous successful examples of this including social enterprise, community ownership, and sharing and lending schemes for goods and services such as electric vehicles and solar power.
45. Although the Government has begun Just Transition Plans (in Taranaki and Southland), it is key that this is scaled up quickly. There is some urgency for communities to understand their transition opportunities. Communities need to engage early so they can play their part in reducing emissions sooner rather than later and understand risks and opportunities so they can help shape what a just transition looks like. Co-design works at the beginning of change, not halfway through. Rangatahi must play a key role in this as they have the most at stake.
46. We agree that there are financial barriers that make it hard for households to transition to low carbon options that would save money in the long term. The Government should urgently prioritise funding policies to support low-income groups to reduce their emissions such as social leasing or low-cost loans for emissions-reducing technologies.

Part 2: Creating Low Emissions Options

Chapter 8: Built Environment

47. Throughout Chapter 8: Built Environment, the Commission does not provide commentary on embodied carbon – except when providing a definition of what this term means.
48. Embodied carbon was identified as a key component in the 'Building and Construction' section of the first Emissions Reduction Plan, however we have not seen enough action in this space. Although embodied emissions sit outside of the emissions budget, addressing them is a key driver for the production industry to shift to lower emissions methods and materials, and drives responsibility throughout the supply chain. The next Emissions Reduction Plan needs to address mechanisms to drive this.

49. We recommend that the Climate Change Commission reiterates that reduction of embodied carbon requires more urgent action as it locks in carbon for the lifecycle of the building.
50. One way to do this could be through including a benchmark for embodied and whole of life carbon emissions. The advice outlines *2030 benchmarks for action to meet the second emissions budget, based on the Commission's demonstration path* (page 38). For buildings, the benchmarks and percentage reduction targets are focused on fossil fuel reduction and energy efficiency. We recommend the Commission to also set benchmarks for embodied carbon and whole of life carbon emissions to enable and incentivise actions to reduce embodied carbon in buildings. Only focusing on energy efficiency for buildings, considering the importance given to decarbonising energy nationally, is a significant missed opportunity for embodied carbon reduction and circular construction practices.

Urban Form

51. Hamilton City Council supports the Commission's proposed recommendation – *"Implement an integrated planning system that builds urban areas upward and mixes uses while incrementally reducing climate risks."*
52. Hamilton City Council is already working towards this approach through the Hamilton Urban Growth Strategy - Te Rautaki Tupu Taaone o Kirikiriroa.
53. Hamilton's response to intensification Plan Change 12 has also been prepared in the context of the changes made to the Resource Management Act by the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021 (Housing Supply Amendment Act or HSAA). These changes, among other things, support increased densities around identified centres, increased building heights, green polices, Three Waters infrastructure assessments, and policies that support transport mode shift.
54. To enable successful implementation of the strategy and plan change, it is key for national funding and planning systems to better link urban development with Three Waters infrastructure funding and financing as well as transport infrastructure (and other) system improvements.
55. The integrated planning system proposed in recommendation ten must put responding to climate change at the core of its purpose. The funding and planning system that the Commission refers to in its report, and the 'restrictive' land-use policies that are mentioned, are only considered to be so because their main purpose is not to respond to climate change. Climate change must be embedded into all planning and regulatory tools, policies, activities core purposes and concern etc., for us to be successful in becoming a low-carbon and resilient country.
56. While we agree that the focus of our urban development must be on creating compact areas with high-density growth and greater housing choices, consideration is also needed for any situation where it may not be possible to build upwards, and so some level of outwards development is required. This type of development (which expands urban boundaries) should be considered a last resort, but we need to set conditions, out-of-sequence growth criteria, or parameters so that if it is needed, we are still able to deliver on our climate change response.
57. This is particularly important when we consider issues such as flood hazards and managed retreat, and the potential scale of movement that will be required from vulnerable coastal and low-lying areas to more inland locations (such as Hamilton Kirikiriroa). Local governments are currently waiting on further guidance from central government regarding this issue, however we will need time and resourcing to plan for and enable any additional population growth that will result from the movement of communities to safer areas. If this additional growth is not able to be supported within high-density city environments across the country (i.e., the 'upwards' growth), then guidance on how and when best to enable 'outwards' growth that still meets our climate change goals will be required.
58. As such, we also request that the Commission encourages Government to provide guidance to local authorities regarding managed retreat.

59. The Urban Form section refers to the importance of design when intensifying (page 98). This is good, but we suggest that the Commission considers using terminology of urban design instead, as this provides more clarity and allows consideration of design at both a site level and broader scale (the latter of which is only referenced in the advice). By referencing to urban design and on-site issues, we can then have a greater regard to embodied carbon issues and long-term operational carbon, i.e., from good access to sunlight in rooms thus reducing energy consumption for heating, to materials, and landscaping etc.
60. We would also encourage the Commission to incorporate the importance of both private and public green spaces/green infrastructure in addressing mitigation and adaptation issues. This has been known for some time, and we would challenge the wording used in the report on page 98 that considers research on hard surfaces and the importance of green spaces as 'emerging knowledge'.
61. Green spaces and green infrastructure also enable other co-benefits such as providing for biodiversity, and the physical and mental wellbeing of our communities.
62. We support the statements outlined in the section *"Transport and urban development in Aotearoa New Zealand are not well linked, as the funding and planning systems are completely different"*, and that the current system does not support emissions reductions as well as it could.
63. A better-integrated system would be beneficial for Councils of urban areas, like Hamilton City Council, to have greater influence over things that have a significant impact on our city's emissions, but that we do not control – in particular, public transport.
64. Public transport will be key to reducing transport emissions for Hamilton Kirikiriroa, as 64% of our city's emission come from transport (2018/19 profile), and nearly 16% of our workforce come from outside of the city boundaries ([2021 Hamilton Annual Economic Report](#)). These journeys could potentially be transferred to public transport if we had a frequent and reliable system in place. However, we are currently limited in the influence we have over this service provision because the public transport system as this sits at the regional council level.
65. We support comments regarding access to 'all four key types of funding' made in the section *"Current financing structure are not well integrated, which overwhelms the capacity to pay for transport and urban form improvements"*.
66. However, we also need to deepen public understanding of the cost of climate change, and make it better known that acting and investing now will be cheaper than if we wait and act in the future. Local governments receive pushback on spending to future proof infrastructure and changes to transport systems to enable low-carbon modes, because there is a lack of public understanding acceptance that an upfront investment is required now to enable the desired behaviours and prepare us for the impact of climate change.

Buildings

67. Hamilton City Council supports the Commission's proposed recommendation 11 – *"Incentivise comprehensive retrofits to deliver healthy, resilient, low emissions buildings"*.
68. We see that this recommendation is particularly important for ensuring an equitable transition to a low-carbon way of living for those in lower socioeconomic areas, as well as preparing those who are more at risk from climate change impacts, to better withstand them.
69. However, we would also challenge that incentivising may not be enough for some of the changes required. The Commission highlights a number of barriers to delivering healthy, resilient and low emissions buildings, such as that it can be 'costly', 'complex', and that *"existing buildings also have an inherently low level of adaptive capacity"*.

70. Merely incentivising retrofits may not be enough to deliver changes when these are the issues faced by property owners and renters. Further action will be needed, and we encourage the Commission to strengthen the recommendation so that Government is able to adequately address these barriers.
71. We support the Commission's proposed recommendation 12 – *"Prohibit the new installation of fossil gas in building where there are affordable and technically viable low emissions alternatives in order to safeguard consumers from the costs of locking in new fossil gas infrastructure"*.
72. However, it is important that the Commission defines what is meant by affordable – does this mean affordable right now, or affordable over time? As the Commission explains, some low-emissions options are currently more expensive upfront but work out to be cheaper over time. If we are considering the upfront cost only, which many individuals on lower incomes are only able to do, then these lower emissions options may not be considered affordable.
73. This further highlights the point made previously, that there is work to do in deepening public understanding of the cost of climate change and that any costs paid now, will still be lesser than costs to act in the future.
74. We would also suggest strengthening the wording of proposed Recommendation 12, so it's clearer that any cases of fossil gas installation should be an extraordinary exception to the rule. A suggested wording change is: *"Prohibit the new installation of fossil gas in all buildings, unless it is proven to be uneconomical or logistically impractical to do so"*. Examples of where it is uneconomical or logistically impractical would still include the exceptions provided by the Commission e.g., industrial connections, isolated properties, and marae.
75. To achieve the reductions required in emissions from the built environment, we must also focus on reducing building energy usage (and costs) through education and behaviour change. This is particularly important as we move towards greater electrification and will experience greater demand on the national energy grid. Influencing behaviours to promote energy efficiency will also assist with keeping costs down.
76. We would like to see more discussion and a recommendation for central government to further investigate distributed energy resources (DER). As the Commission outlines, there are many benefits to DER including offsetting the need for grid supply and new generation. Energy resources within consumer premises or that are perceived to be owned by or closer to the consumer, could also lead to greater management of consumption as people consider that they 'own' it (and therefore reduce their demand and the emissions from this energy use).
77. Recent events such as Cyclone Gabrielle have also shown us the importance of increasing energy resiliency, which DER can help to deliver.

Chapter 9: Energy and Industry

78. The advice notes that achievement of emissions reduction (in the high policy impact case) relies heavily on the emissions trading scheme (ETS) and Government Investment in decarbonising industry. It is also noted that policy uncertainty and barriers within the consenting system may make it difficult to meet emissions budgets with delayed renewable energy build and expensive electrification. We recommend the Commission includes recommendations about what can be done to reduce future uncertainty and plan for alternative policy and funding scenarios.
79. The advice states that *"The strong contribution expected from energy and industry in the second emissions budget period reflects the need for rapid emissions cuts from electricity and heat production"*. We support the strong focus on renewable electricity generation.
80. We recommend that electricity distribution companies must be brought on as key supporters and contributors of emissions reduction targets to ensure an affordable and equitable transition of the electrification of energy.

81. We recommend the Commission to highlight the role of efficient energy use and behavior change alongside electrification. A focus on electrification and renewable energy sources alone would not deliver quick results. Energy efficiency and decarbonisation of industry should be incentivised simultaneously.
82. We support the intent of developing a National Energy Strategy. We recommend involving and consulting with local government to develop the strategy. Additionally, the strategy should address plans to make energy more affordable and upskilling workforce to design and maintain new energy systems.
83. We support the need for transitional provisions ahead of enactment of the Natural and Built Environment Act and the National Planning Framework to implement fast paced consenting to remove the current barriers to climate solutions.
84. The advice notes that some issues regarding complexity and cost with New Zealand's current consenting frameworks will be addressed through the resource management system reform. However, we recommend adding specific emissions reduction measures in the National Planning Framework and transitional emissions reduction mechanisms to ensure action is taken regardless of the timeframes of the reforms.
85. We support the idea of public and mana whenua involvement to find practical solutions and create awareness about renewable electricity generation.
86. The Commission acknowledges that more investment is required (\$40 billion) to realise the vision of an electrified economy by 2030. We recommend that recommendation 13, *"Prioritise and accelerate renewable electricity generation build and ensure electricity"* is reworded to be more action focused and to encourage the reprioritisation of existing investments decisions to deliver on emissions reductions.
87. We support the advice to balance phasing out of fossil fuels/gas while maintaining adequate electricity supply for communities.
88. We recommend the Commission provides firmer advice on energy efficiency measures and their alignment with achieving the Building for Climate Change targets. This section mentions the benefits that communities may have with reducing fossil fuels/ gas use and increasing electrification. However, there is a lack of focus on individual agency and community led energy efficient practices. We recommend the Commission to include recommendations for the Ministry for the Environment to highlight and support the role of local governments and communities to encourage energy efficient practices.

Chapter 11: Transport

89. Access Hamilton Ara Kootuitui Kirikiriroa (our transport strategy) sets out how we are planning to transform Hamilton Kirikiriroa from a car dominant city to being a city with a low-emission transport system that is resilient against climate change. To achieve this, we will require a significant investment into our public transport and biking, walking and micromobility networks as well as the behaviour changes from our community and those accessing Hamilton from surrounding areas.

Increasing Walking, Cycling and Public Transport

90. We support the proposed recommendation 16 – *"Simplify planning and increase funding of integrated transport networks that optimise public and active transport. For major population centres, the Government should also complete cycleway networks by 2030 and take steps to complete rapid transport networks by 2035"*.
91. However, clarity is required on what the Commission defines a complete cycleway network. Does this refer to a completed primary network, or secondary and tertiary ones too? In addition, the major population centres across the country will all be at different stages of these networks, and what is considered complete by some, may not be shared by others.

92. We would also encourage the Commission to consider broadening the language to reflect biking and micromobility as opposed to just cycleways, as there are many forms of active travel that could and should be catered for in a network.
93. Hamilton City Council is already making progress toward delivering a connected and integrated transport network that optimises active transport, with a particular focus on biking, micro-mobility, and public transport. This is demonstrated by the recent Biking and Micro-mobility Business Case, the Hamilton-Waikato Metro-Spatial Plan and Access Hamilton Ara Kootuitui Kirikiriroa (our transport strategy). For example, we successfully applied for and received funding from the Climate Emergency Response Fund (CERF) to implement 28 projects, which have a focus on strategic biking, micro-mobility, and public transport.
94. However, there needs to be a much greater focus on the public transport component of this recommendation. *"Take steps to complete rapid transport networks by 2035"* is not strong enough and will not lead to the scale and pace of change required to reduce transport emissions in urban areas such as Hamilton Kirikiriroa. Central government must commit to completing this and supporting local government and other partners to achieve this transformation.
95. Hamilton City Council supports the current changes to the public transport model, as per our [submission on Land Transport Management \(Regulation of Public Transport\) Amendment Bill, 2 May 2023](#). We recognise that this work is underway, and that public transport is a partnership between regional and local authorities.
96. We are implementing many infrastructure improvements to public transport (e.g., through CERF funding mentioned above), however as a City Council we are only responsible for on-road infrastructure. To maximise the value of these improvements, there needs to be adequate funding provided for increased optimisation and significantly improved frequencies for public transport services that the infrastructure is designed to support.
97. This is particularly important for Hamilton and reducing our citywide emissions, as 64% of our city's emissions come from transport (2018/19 profile), and nearly 16% of our workforce come from outside of the city boundaries ([2021 Hamilton Annual Economic Report](#)). It is not realistic to expect that these longer journeys from outside of the city boundaries will be converted from private vehicles to biking and walking; however, they could be more easily transferred to public transport (bus and train) if we had a frequent and reliable system in place.
98. Public transport is currently very underfunded and under resourced, so we propose that greater emphasis on this part of the proposed recommendation is needed. This includes ensuring that public transport is adequately resourced with bus drivers, which is an ongoing issue in the Hamilton/Waikato Region.
99. We would also like to see greater support for park and ride facilities to support inter- and intraregional trips, such as those between rural Waikato and Hamilton City.
100. Hamilton City Council, along with other Future Proof Partners, have already started work on rapid transit through the Hamilton-Waikato Metro Spatial Transport Programme Business Case. This proposes a number of rapid transport corridors, with these routes further supported by a series of frequent bus routes and coverage routes in the remaining metro spatial plan area. This would result in emissions and VKT reduction aligned with scale and pace of implementation for Hamilton City and the wider Tier 1 area, however the 30-year programme is currently unfunded.
101. In addition, for this recommendation to lead to real action, local governments will require the additional funding and support to implement the work.

102. The Commission highlights that local governments are responsible for a large portion of the funding for transport infrastructure, and that allocating central government funding to achieve emissions reductions will be a challenge and will require stronger coordination between central, regional and city/district entities. All of this is true and has already started happening, and transport teams are at capacity. The changes signalled by the Commission means we will need more resourcing to get it right, and at the rapid pace and increased scale needed to achieve the Government's emissions and VKT reduction targets.
103. As such, we need to ensure that we are resourcing our transport teams appropriately for the expectations that the Commission's advice, and central government, is putting on them.
104. This is especially true if the Commission is already recognising that there are threats to the emissions reductions expected to be achieved from the energy and transport sectors (p.138). We cannot afford to not achieve the reductions required in these sectors. If we are highlighting that this could be an issue now, central government must do something to address it.
105. To support the transition of the public transport fleet to be zero emissions the Government needs to continue to provide appropriate funding. This needs to support not only existing services but also the expansion of public transport services in metro areas.
106. Greater direction and support are also required on engaging the public and communicating the transformational changes that are required in the transport system and for its users.
107. The Commission highlights the importance of transport in the lives of New Zealanders, and how it connects individuals, whaanau, and communities to one another and to places where they learn, work, live and play. However, there is no direction on how these changes will be communicated to the public, or how local governments will be supported to communicate this to the public.
108. Greater public understanding of the role that active and public transport will have in our national response, will help local government to deliver it more successfully in our communities.
109. One of the issues that plays into the lack of public support is that the transport works happen one at a time instead of at the network level, as identified by the Commission (page 139). The public are not able to see the whole picture of how the system is changing and improving, because from the outside perspective, the transport funding system and the on-the-ground programmes and isolated projects it results in, is too difficult to follow.
110. As such, while we support simplifying the planning and funding of integrated transport networks that optimise public and active transport, this is only part of the response. We also need a greater national public understanding and attitude towards this, and to shift public gaze to the future, cohesive and beneficial network as opposed to the fragmented projects and issues these bring, which are currently the focus of attention.
111. There is national campaigning for safety with Road to Zero and 'paying the road toll', so there is national understanding of that messaging and our work towards speed reduction and other safety measures. However, there is no national campaign to get people out of their cars and using other modes of transport. We consider this a gap, because mode shift requires behavior change and to take a united front which needs to be led centrally.

Decarbonising the Light Vehicle Fleet

112. We agree with the Commission's comments around targeted support for low income and disadvantaged groups to transition to a zero-emissions vehicle fleet (page 142). This will be crucial to ensuring transport equity – if we keep operating in the same transport system that we have been until now.
113. However, the Commission also highlights the benefits of shared transport modes, particularly car-sharing services, and how these benefits are wider than just emissions reduction from vehicles (such as reducing the need for vehicles overall which allows more road space for active and public transport – see page 140).

114. We encourage the Commission to consider this as a recommendation for Government; instead of looking only at ways to give people cheaper electric vehicles (e.g., Clean Car Discount), we should instead be looking at encouraging the more transformative shared transport modes like car-sharing services, that will have co-benefit of making way for active and public transport.
115. By continuing to focus on electric vehicles and encouraging car ownership, even second-hand electric vehicle ownership, we are not changing the behaviour that has led to the issues that we are facing today i.e., higher car ownership and much lower public and active transport rates than many other parts of the world. If we instead focus on the solutions that have co-benefits, we will be achieving more than just emissions reductions. If the Government's VKT targets are to be achieved, there needs to be a much stronger focus on public transport and active transport.
116. At the moment, we have seen great uptake in electric vehicles, even faster than the modelling predicted, which is positive for our emissions budgets but is not enabling improvements to congestion and is potentially driving greater inequality in our communities.
117. Furthermore, the Commission highlights a number of potential issues with electric vehicles that will impact the reduction in the second and third emissions budget periods:
 - a. There will be a shortfall of demand for both new and second-hand electric vehicles.
 - b. Charging infrastructure is likely to limit uptake.
 - c. Potential burden on the electricity grid due to high demand.
 - d. Affordability of and access to electric vehicles and the charging infrastructure required at home (and therefore equity issues).

Decarbonising Freight and Commercial Vehicles

118. Hamilton City Council support the proposed recommendation 18 – *“Develop incentives to accelerate the uptake of zero emissions commercial vehicles, including vans, utes and trucks”*.
119. However, we consider that this is an opportunity to think wider than just replacing current freight vehicles with a ‘zero emissions’ version of the same thing. Instead, we should use this opportunity to address the consumer behaviour that underpins the current freight system, and then look for more innovative solutions to the demand for moving goods.
120. The best way to reduce these emissions is to avoid them in the first place, so if we can reduce the amount of goods and/or distance that they are required to travel, then this would have the biggest impact. This would require behaviour change such as consuming less, consuming local, and/or promoting community sharing networks over individual purchasing, which Government could enable through innovative policy settings.
121. There are a number of inventive solutions for low or zero-emissions commercial vehicles currently in development, both in New Zealand and overseas e.g., drone delivery trials in New Zealand, and Zipline drone delivery operating in Rwanda. While we recognise that these may not be suitable for all freight/delivery types, incentives for this type of innovation as well as ‘zero emissions’ vans, utes and trucks should be encouraged.
122. Therefore, we encourage the Commission to revise the wording of the recommendation so that it is not limiting, and instead encourages more research, development, and innovation in the freight sector.
123. An additional recommendation should be included to look at incentivising behaviour change that address the root cause of consumption issues, instead of just alternative freight options for the existing system and demand.

124. We support the Commission's comments and advice around rail. As per Hamilton City Council's [staff submission on the Inquiry into the Future of Inter-Regional Passenger Rail in New Zealand](#) (21 October 2022), we have been a long-standing supporter of getting more out of our rail system. We see this as underutilised both for freight and passengers and we need to address barriers to ensure that both are accessible and well-utilised to achieve transport emissions reductions.
125. We also support comments regarding the use of biofuels to address hard-to-abate transport emissions, as outlined in our [staff submission on The Sustainable Biofuels Obligation: Proposals for Regulations](#) (6 July 2022).
126. However, we must ensure that these fuels are sustainably produced. If the production and use of these fuels creates issues elsewhere (e.g., is harmful to biodiversity), then it is not something that should be considered. We need to be cognisant of other issues alongside climate change, such as the biodiversity crisis.
127. Government needs to be working towards biofuels now and setting the right policy directions to enable their use in the future. However, in March 2023, Government scrapped the biofuels mandate despite stating in the first Emissions Reduction Plan that *"low-carbon liquid fuels, such as biofuels, will play a role [in reducing emissions from the fuels used for transport]"* and that they are *"one of the best options for vehicles already in use, and for hard-to-decarbonise transport sectors"*.
128. We propose that the Commission recommend Government to either reinstate this or provide an alternative way to achieve the emissions reduction that the biofuels mandate was going to achieve.
129. Again, we should also be considering how we can change the behaviour causing the emissions that are 'hard-to-abate' e.g., emissions from aviation which could be caused by people and companies who might be flying excessive amounts and unnecessarily.
130. Behaviour change policies should be explored to shift these habits, so that people reduce their flying. Work also needs to be done so that other lower-carbon alternatives are available, such as passenger rail to replace domestic flights, where possible.

Chapter 12: Waste and Fluorinated Gases (F-Gases)

131. We broadly support the advice in this chapter. We recommend incorporating a stronger regional and local government representation in the advice and recommendations.
132. We support the need for a long-term waste infrastructure plan. We recommend that the Ministry for the Environment partner with territorial authorities to develop the plan and understand options that are best for the councils.
133. The Commission mentions that emissions reduction from waste and F gasses would require integration across Government agencies and central and local government in waste planning and decision-making. Achieving this would require systems in place which are currently not being recommended in the advice. We recommend providing local and regional government with tools to deliver on national objectives. This would ensure representation of regional efforts in the national emissions reduction narrative and provide commonly understood standard across local government organisations.
134. We support the policy intervention suggestion to *"identifying opportunities to reduce emissions from wastewater discharge in Aotearoa New Zealand"*.

Part 3: Enabling System Transformation

135. We would be supportive of the Commission including specific recommendations in this part to drive stronger focus on this critical part of achieving net zero by 2050.

Chapter 13: Research, Science, Innovation, and Technology

136. The Commission recognises the importance of Research, Science, Innovation, and Technology (RSI&T) and the need to have targeted investment towards it. We support the intent of the Climate and Environment Research Strategy and Te Ara Paerangi - Future pathways. However, if these strategies are still in the early stages of development, they would pose risks to meeting future budgets as tangible actions will take time to follow from centralised strategies.
137. We support the need for openly available climate data. We recommend the Commission to seek an update on the development of the Climate Information Centre as stated in the first ERP. Hamilton City Council supported the development of an information centre as part of its submission on the first ERP.
138. We recommend the Commission to adequately represent the role of local councils and communities in promoting and achieving advancement in RSI&T.
139. We recommend that stronger support needs to be given for increased funding towards RSI&T. Current economic headwinds and political appetite pose a risk of budget cuts to RSI&T funding. Every opportunity to reduce emissions that we miss will result in requiring more credits from an international carbon market being required to meet our international emissions reduction commitments. Funding RSI&T in New Zealand has flow on benefits such as increased incomes/GDP for the nation.

Chapter 14: Funding and Finance

140. We support the need for public investment to meet the emissions budgets. Funding is one of the most important enabling actions that sets strong foundational systems to achieve emissions reduction. Providing no recommendations in the section makes the advice lack impact. We recommend the Commission to provide directive advice regarding the projected gap in finances required to meet the emissions reduction targets.
141. We support the Commission's advice on considering current investments to reduce emissions as a mechanism to save future investments in adaptation. It should also be noted that adaptation often comes at the cost of wellbeing, livelihoods, and lives.
142. We note that the advice lacks recognition of local government and the special benefits of local voice to local decisions. Local councils have restrictive capacity to fund new or more demanding mandates. We recommend that the Commission should be advocating for a Local Government specific climate fund. Such funding, combined with local leadership delivering clear and consistent local solutions, will make a greater difference than distant centralised government agencies. Local government can be a strong strategic partner with unique abilities to drive change and reduce emissions locally.
143. We recommend the Commission ensure their advice captures the need for local government to be adequately represented and funded through the centralised Climate Finance Strategy.
144. The Government, in its release of Budget 2023 (on 18 May 2023), has continued to support some good emissions reduction initiatives and to invest in the transport transition to electric and low emission fuels. However, it is concerning that cycling and walking investment is absent from this Budget. A balance must be found between responding to these weather events, that will become more frequent, and investing in long term emissions reduction.

145. Whilst it is positive the Government has ringfenced the emissions trading scheme proceeds for the Climate Emergency Response Funding, the tradeoff between emissions reduction action and adaptation will continue if this is seen as the only bucket of funding to draw on for climate change related spending. The Commission should make it clear that sufficient funding needs to be allocated to emissions reduction actions and that allocations for local government need to be made that provide the certainty for Councils to align their funding and programmes.

Chapter 15: Circular Economy and Bioeconomy

146. We agree with the Commission's acknowledgment in this section that the following are fundamental:
- a. Address consumption-based emissions.
 - b. Enshrine the consideration of the waste hierarchy within central and local government decision-making requirements.
 - c. Realise the role of product stewardship for designing out and reducing the emissions from waste.
 - d. Commit to the biomass strategic use assessment and strategy.
 - e. Address the bioeconomy information gap through education, Government procurement, and setting standards.
147. We would however like to see the following added to the list:
- a. Embed the consideration of a greenhouse emissions hierarchy and consideration of embodied emissions within central and local government decision-making requirements.
 - b. Reinstate the Biofuels Mandate.
148. We would also be supportive of recommendations that addresses the commentary outlined in the draft advice, including referencing the implementation of Te rautaki para - Aotearoa's Waste Strategy.
149. We agree with the barriers identified to a shift to more circular economy and sustainable economy. However, the Commission should consider the solutions to these barriers and recommend them in the final advice. For example, ensure the circular and bioeconomy strategy address transition barriers including:
- a. Improve data on recycling and waste volumes to evaluate the infrastructure required for resource recapture.
 - b. Implement product stewardship regulation and increase landfill costs to drive the need to reuse, refurbish and recycle.
 - c. Ensuring a 'Right to Repair' to redefine values of business and consumers for many goods.
 - d. Implement mechanisms to drive new business models that will not put burden of cost on consumer.
150. The need to buy new goods upfront and dispose at end of life no longer fits, as it is part of our old take - make - waste mentality. There are different models that could be implemented, such as leasing or lending goods to consumers for long term, providing repairs and taking back the goods to upgrade, refit or eventually, if necessary, take apart and recycle. The Government must incentivise businesses to shift to this model.
151. The Government should also ensure equity in the transition to a circular economy such as retraining programs and investing in local business enterprise and opportunities.

Further Information and Opportunity to Discuss our Submission

152. Should the Climate Change Commission require clarification of the submission from Hamilton City Council, or additional information, please contact **Charlotte Catmur** (Sustainability and Climate Change Manager) on **07 838 6538**, email charlotte.catmur@hcc.govt.nz in the first instance.
153. Hamilton City Council representatives would welcome the opportunity to discuss the content of this submission in more detail with the Climate Change Commission.


Yours faithfully

Lance Vervoort
CHIEF EXECUTIVE

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Council Report

Item 12

Committee: Council

Date: 15 June 2023

Author: Anna Hildyard

Authoriser: David Bryant

Position: Legal Services lead

Position: General Manager People and Organisational Performance

Report Name: Delegations to Positions Policy update

Report Status	Open
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Purpose - *Take*

1. To inform the Council on the proposed update to the *Delegations to Positions Policy*.
2. To seek the Council's approval of the updated *Delegations to Positions Policy*.

Staff Recommendation - *Tuutohu-aa-kaimahi*

3. That the Council:
 - a) receives the report; and
 - b) approves the proposed changes to the *Delegations to Positions Policy* (**Attachment 1** – clean copy; **Attachment 2** – tracked changes).

Executive Summary - *Whakaraapopototanga matua*

4. Part of the Council's strategic and governance role is to ensure that its responsibilities, duties and powers are carried out at the most effective and efficient levels.
5. The Delegations to Positions Policy supports effective governance by authorising the Chief Executive and designated staff to be responsible for carrying out tasks or functions on behalf of Council. With such a policy in place, Council (as a governance body) and the Chief Executive can be clear about their powers and responsibilities, and any exclusions or limitations that apply. Council retains ultimate accountability for the decisions and actions made by the Chief Executive or designated officers under the Delegations to Positions Policy.
6. In the 2019-22 triennium, elected members requested that staff consider whether amendments to the financial delegations would be appropriate to ensure that decision making sits at the most effective and efficient level to avoid administrative delays and inefficiencies that might otherwise occur as a result of referring matters that were perceived to be lower risk and/or value to Council for consideration and approval.
7. Further, on 17 November 2022, Council approved a new Governance Structure for the 2022-25 triennium, setting out the committees with their respective terms of reference and delegations. As a result, the Delegations to Positions Policy needs to be reviewed and updated to reflect the 2022-25 Governance Structure.
8. Additional changes are proposed to ensure there is alignment with the approved 2022-25 Governance Structure, and to provide clarity and update or remove outdated references.

9. Staff recommend **option one** – approve the proposed changes to the Policy, as detailed later in the report.
10. Staff consider the decisions in this report have medium significance and that the recommendations comply with the Council's legal requirements.

Background - *Koorero whaimaarama*

11. In the 2019-22 triennium, elected members requested that staff consider whether the financial delegations were set at an appropriate level to enable effective and efficient decision-making. It had been noted by elected members that significant numbers of low risk and/or low value matters were presented to them for consideration as a result of the current policy's wording.
12. At a Council meeting on 10 June 2021, when considering amendments to the policy, it was reported that staff were beginning to look at how the financial delegations function across Council, from a first principles basis, to ensure that Council's financial delegations are set at levels that enable efficient and effective decision-making for the years ahead, with any proposed changes to be reported to a future Council meeting.
13. Further, the current Delegations to Positions Policy was approved by the previous Council and reflects the Governance Structure for the 2019-22 triennium. At its meeting on 17 November 2022, Council approved a new Governance Structure for the 2022-25 triennium, setting out the committees with their respective terms of reference and delegations. It was noted by Council that the Delegations to Positions Policy would be reviewed and updated to reflect the 2022-25 Governance Structure and presented to a future Council meeting for consideration.
14. It is the Council's responsibility to maintain oversight of its delegations and their effectiveness in practice. The Council can amend or revoke any delegation at any time.

Discussion - *Matapaki*

15. Staff have reviewed the Delegations to Positions Policy to:
 - i. ensure there is alignment with the approved 2022-25 Governance Structure;
 - ii. update language and format for clarity, and update or remove outdated references; and
 - iii. amend the financial delegations with a view to ensuring that decision making sits at the most effective and efficient level.

Proposed changes to Chief Executive's financial delegations

16. In carrying out the assessment of the current financial delegations, staff reviewed Council's current policy and compared it with other councils' delegation policies (focussing, in particular, on councils of a similar size and with a similar work programme to Council). Staff have assessed that there are two limits in Council's financial delegations that are currently impacting effective and efficient decision making and that appear to be more restrictive than those of other similar councils:
 - i. the delegated authority limit for contracts that have not been openly tendered being set at \$250,000, subject to certain exceptions; and
 - ii. the restriction that Council or the relevant Committee must approve any contract with a term (including renewals) exceeding five years.

17. Staff draw Elected Members' attention to the Office of the Auditor General's article on local government procurement, in which the Auditor General notes that "*Delegations need to be flexible enough for councils to deliver day-to-day services and not be unnecessarily constrained by schedules for council meetings. However, it is entirely appropriate for major procurements to require sign-off by the governing body*": [OAG Local Government Procurement](#). Staff have endeavoured to reflect this guidance in all of the recommendations in this paper.
18. The changes proposed to the Financial Delegations are summarised below, and are marked up in **Attachment 2** as tracked changes (with **Attachment 1** constituting a clean copy for approval). Staff consider that these recommendations will ensure that decision making sits at the most effective and efficient level and will avoid unnecessary administrative delays and inefficiencies that otherwise occur as a result of referring lower risk or value matters to Council. This would enable the best use of elected members' abilities and allow Council to concentrate on its policy making role and decisions of the greatest magnitude of risk.

Staff recommend the separate limit relating to contracts that have not been openly tendered be increase and amended to include an additional exception

19. Staff recommend that the current delegated authority limit of \$250,000 for the Chief Executive to approve contracts not going to open tender be amended to:
- i. Increase the limit from \$250,000 to \$500,000;
 - ii. change references to "tender" to "open competitive process" to reflect the fact that tender is only one form of competitive procurement process; and
 - iii. include an additional exception for collaborative contracts.
20. Staff draw elected members' attention to the Office of the Auditor General's good practice guide *Procurement guidance for public entities*, which recognises that "*there will be circumstances in which an open request for tender or proposal will not be practicable or cost-effective, or may not produce the best procurement outcome*": [OAG Procurement Guidance](#).
21. Staff have recommended that the limit for the Chief Executive's delegated authority for contracts that have not been procured through an open competitive process be increased from \$250,000 to \$500,000. Noting that the existing financial limits have not been amended since 2016, staff have given thorough consideration to the most appropriate financial limit in light of future requirements and the economic effects of inflation, and consider that the proposed limit would better align with the current commercial environment and will enable effective and efficient financial management of Council's activities.
22. Although this limit is currently subject to certain exceptions (such as private developer agreements, appointments of utility service providers, and capital works contract awards prior to 1 July 2021), staff recommend that clause 1b of the Financial Delegations in Schedule 2 be amended to remove the exception for capital works contract awards prior to 1 July 2021 (as this is no longer required), and to replace it with the following exception, which is consistent with the Auditor General's guidance and one of the exemptions in the Government Procurement Rules: [Government Procurement Rules](#) (while not mandatory for Council, but local government is encouraged to have regard to the Government Procurement Rules as good practice guidance):
- For secondary procurement, where Council is purchasing under a collaborative contract such as an All-of-Government contract or syndicated contract where the original arrangement was established through an open competitive process.*

23. The rationale for this recommendation is that collaborative contracts secure discounted prices and preferential contract terms for buyers in the public sector. Council can join collaborative contracts and benefit from the buying power of the government's collective spending. Risk is reduced for Council as the terms of collaborative contracts are preferential and standard for government agencies and each contract will have gone through extensive reviews. Collaborative contracts include:
- i. All of Government (AOG) contracts, created by central government and managed by MBIE; and
 - ii. **Syndicated contracts, which typically involve a** group of public entities aggregating their procurement requirements and collectively going to the market for goods, services or works.

Staff recommend that the restriction preventing Officers approving contracts with a contract term over five years be removed, or alternatively, amended

24. The financial delegations currently include the restriction that: *"Contracts exceeding five years total term (including renewals) must be authorised by Council or the relevant Committee"*. Staff note that this restriction results in a number of low risk/low value contracts being presented to Council for approval, as the duration of the contract does not necessarily have any bearing on the risk associated with the relevant contract. Staff recommend the restriction relating to contract term be removed from the Delegations to Positions policy.
25. Staff do not consider that a low value contract that has, by way of example, a term of seven years, and which includes a right for Council to terminate at its discretion, should necessitate Council's attention purely because its term is two years longer than the five-year restriction.
26. Staff note that, even without this restriction, if staff do intend to enter into long-term contracts, the financial delegations will require staff to consider the aggregate of all amounts to be paid to the other party over the full term of the relevant contract, which means that those contracts are more likely to be presented to Council for consideration due to the likely cumulative value of the approved contract sum. Staff consider that this requirement for calculating the approved contract sum, as referenced in clause 8 of Schedule 2, represents a robust control on staff entering into long term contracts
27. If Council does not approve the removal of the restriction, staff alternatively propose that the restriction be retained with the following amendments shown in bold and underlined:

*"Contracts exceeding five years total term (including renewals) must be authorised by Council or the relevant Committee, **except where the contract gives Council the right to terminate for convenience or where any renewals are exercisable at Council's sole discretion**"*

This is not staff's preferred approach, noting that the exceptions may require staff, on a case-by-case basis, to seek legal advice as to determine whether the exceptions apply, resulting in a less efficient process. Staff also note that no other council's delegation policy that staff were able to access as part of the review contained a similar restriction based on the term of the contract.

Options

28. Staff have assessed that there are three reasonable and viable options for the Council to consider. The options are set out in the table below.

Option One (recommended) Approve the proposed changes to the Policy	The proposed changes include: <ul style="list-style-type: none"> i. Amending the separate limit relating to contracts that have not been openly tendered, by increasing it to \$500,000 and including an additional exception ii. Removing the requirement for Council to approve contracts with a term over five years iii. Other minor updates, including those required to reflect the 2022-25 Governance Structure
Option Two Approve the proposed changes to the Policy, with the alternative set out in paragraph 28	The proposed changes include: <ul style="list-style-type: none"> iv. Amending the separate limit relating to contracts that have not been openly tendered, by increasing it to \$500,000 and including an additional exception v. Amend the requirement for Council to approve contracts with a term over five years, by adding exceptions as outlined in paragraph 28 above vi. Other minor updates, including those required to reflect the 2022-25 Governance Structure
Option Three Approve the proposed changes to the Policy, with amendments	As above, but with amendments as requested by Council.
Option Four Do not approve the proposed changes to the Policy	No changes would be made to the Policy.

29. Staff recommend **option one** (Attachment 1 - clean copy; Attachment 2 - tracked changes) for the reasons set out in this report. The proposed changes are the result of thorough staff consideration of the appropriate delegation of financial authority from Council.
30. If the revised Delegations to Positions Policy is approved, it is recommended that the new policy comes into effect from 1 July 2023.

Financial Considerations - *Whaiwhakaaro Puutea*

31. Staff time was the only cost involved in reviewing the *Delegations to Positions Policy*.
32. There are no direct financial implications of adopting the recommendations in this report.

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

33. Staff confirm that the recommendations comply with the Council's legal and policy requirements.

Climate Change Impact Statement

34. Staff have used the climate adaptation assessment guidance and determined there are no known climate risks or adaption opportunities associated with the staff recommendations.
35. Staff have used the climate emissions assessment guidance and determined there is no change in greenhouse gas emissions associated the staff recommendations.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

36. The purpose of Local Government changed in 2019 to include promotion of the social, economic, environmental and cultural wellbeing of communities in the present and for the future ('the four wellbeings').
37. The recommendations set out in this report do not directly affect the four wellbeings. However, setting delegations at the appropriate level to enable effective and efficient decision making ensures that Council can act in the best interests of the community, keep people safe, and protect their immediate and future wellbeing. In this sense, the recommendations are consistent with the purpose of local government.

Risks - *Tuuraru*

38. The risk associated with any delegation of Council power is the reduced oversight Council has of the decision. However, delegation is well-understood to be an inevitable and necessary aspect of local government as it enables the efficient and effective administration of Council activities.
39. For every delegation, the risk involved is mitigated by:
 - i. requirements to report back to Council or relevant Committee when the delegation is exercised (as stipulated in the Delegations to Positions Policy);
 - ii. thorough consideration of the appropriate level of delegation by staff; and
 - iii. final approval of delegations by Council itself.

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

Significance

38. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed that the matter(s) in this report has/have a medium level of significance.

Engagement

39. Given the medium level of significance determined, the engagement level is medium. No engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Draft Delegations to Positions Policy (Clean Version)

Attachment 2 - Draft Delegations to Positions Policy (Track Change Version)

First adopted:	December 2013
Revision dates/version:	November 2015, November 2016, May 2019, February 2020, April 2020, June 2021, June 2023
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Sponsor/Group:	Mayor of Hamilton / Chief Executive Officer

Delegations to Positions Policy

Purpose and scope

- Part of Council's strategic and governance role is to ensure that its statutory responsibilities, duties and powers are carried out at the most effective and efficient levels. This Policy sets out the delegations from Council to specified elected members and officers.
- Matters outside the scope of this Policy are:
 - Delegations from Council to Committees, which are specified in the Governance Structure; and
 - Delegations from the Chief Executive to subordinate officers through management policies or by way of a specific delegation.

Definitions

Term	Definition
Committee	A committee or subcommittee (if any) of Council, as listed in the Governance Structure
Delegated Financial Authority	The financial limit delegated to: <ol style="list-style-type: none"> the Chief Executive or a specified officer under this Policy; or an officer under the relevant management policy or a specific delegation from the Chief Executive; or the Chief Executive or a specified officer under a specific delegation from Council.
Governance Structure	The Council's approved Governance Structure document, including the terms of reference and delegations for Council and Committees, for the current triennium.
Officer	A Council staff member who is for the time being the holder of a specified office.

Principles

- Where local authority activities do not contain a governance component and are not limited by statutory restrictions then they should be delegated to the Chief Executive, who may sub-delegate to officers.

4. To be effective and of legal standing, all delegations from Council must be precise and in writing (i.e. via this Policy or by Council resolution).
5. The delegate is acting in their own name on behalf of the Council when exercising delegated authority. In so doing, the delegate will ensure they act in accordance with any:
 - a. binding statutory authority (in relation to each delegation, relevant sections of legislation will be identified); and
 - b. relevant Council policy or process, including delegated financial authority and reporting requirements.
6. Council retains ultimate responsibility for its governance, statutory and financial responsibilities, duties and powers at all times. No delegation relieves Council of the liability or responsibility for the performance of the delegated responsibility, duty or power.
7. Those with responsibility for a delegated task or function should always have the authority to carry it out effectively.
8. Those with authority to perform a delegated responsibility, duty or power should always be responsible for the performance of the delegation in a full, fair and objective manner. To this end, it is open to the person delegated a responsibility, duty or power to consider whether or not to exercise that delegated responsibility, duty or power, or to refer the matter back to Council or the relevant Committee.
9. Subject to any legislative restrictions, a responsibility, duty or power delegated to an officer is also delegated to all officers in a direct line of authority above that officer and is also delegated to any officer who is in an acting capacity for that officer.
10. Any delegation made includes any ancillary responsibilities, duties or powers necessary to give effect to that delegation.
11. Unless specifically restricted by law or expressed to be for a defined period, a delegation continues in force until expressly revoked or varied by resolution of Council. A delegation will survive any change in the person occupying the office to which the delegation was made.
12. Unless otherwise expressly stated in the Policy:
 - a. all financial values stated in this Policy are GST exclusive; and
 - b. all references to a repealed enactment should read as a reference to its replacement.
13. Where any currently adopted delegation to Council staff refers to a position title and the name of the position title has subsequently changed without substantial changes being made to the position-holder's job description (in respect of the function to which the delegation relates), any delegations in the name of the previous position title are and shall be effective for the position-holder of the new position title.

Policy

The meaning of delegation

14. For the purpose of this Policy, delegation means the transfer of a responsibility, duty or power from Council to specified Elected Members, the Chief Executive or other specified officers, together with the authority to carry out that responsibility, duty or power or complete the action delegated.
15. General delegation means the granting of authority to determine a range of matters of a similar kind as and when they arise over a period of time without further reference to the delegator.
16. From time to time the Council may delegate authority by resolution to determine a specific issue. This specific delegation will exist only so long as that matter is unresolved and will then lapse at a specified time.

17. General delegations will be updated in this Policy as they are confirmed. Specific delegations may not necessarily be recorded in this Policy due to the fact that they would be largely historical by the time they are recorded.

Legal basis

18. The delegations in this Policy are made in accordance with the Local Government Act 2002 and any other legislation permitting delegation.

19. **Council cannot delegate** the power to:
- a. make a rate; or
 - b. make a bylaw; or
 - c. borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan or otherwise as expressly covered in this Policy; or
 - d. adopt a long-term plan, annual plan, or annual report; or
 - e. appoint a Chief Executive; or
 - f. adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the long-term plan or developed for the purpose of the local governance statement; or
 - g. adopt a remuneration and employment policy.

(Local Government Act 2002 - Schedule 7, Clause 32(1))

Council has reserved other matters for its sole decision, which are recorded in the Governance Structure.

20. The **Chief Executive and other specified officers** can further delegate their delegations to any other officer, subject to certain restrictions.

(Local Government Act 2002 – Schedule 7, clause 32B)

Delegations by the Council to Elected Members

21. Delegations from Council to specified Elected Members are detailed in Schedule 1.

Delegations by the Council to Chief Executive and Specified Officers

22. Delegations from Council to the Chief Executive and specified officers (including Financial Delegations) are detailed in Schedule 2.
23. This Policy is to be read alongside the Hamilton City Council management policies that record the delegations from the Chief Executive to subordinate officers. The Policies, read together, record compliance with the statutory norm allowing only one sub-delegation. Although inherently linked to this Policy and governed by the same general principles, the management policies are separate documents, and the delegations in those management policies may be changed or updated at any time by the Chief Executive, as necessary.

Review of Policy

24. This Policy shall remain in effect until such time as it is varied or revoked by resolution of the Council. It is intended that this Policy will be reviewed and updated from time to time; at the start of each triennium as a minimum.

Schedule 1 - Delegations by the Council to Elected Members

Position	General Delegations
Mayor	<p>The Mayor is elected by Hamilton City as a whole and as one of the elected members shares the same responsibilities as other members of Council.</p> <p>Authorities</p> <ul style="list-style-type: none"> • Lead the development of Council's plans (including the long-term plan and the annual plan), policies and budgets for consideration by the Council.* • To appoint the Deputy Mayor.* • To establish committees of the Council.* • To appoint the chairperson of each committee.* • Act as a Justice of the Peace. • Requisition a meeting of Council. • Declare a local Civil Defence emergency. • Authority of a chairperson of a Council meeting under Standing Orders. • In relation to the Chief Executive's employment contract, has delegated authority to manage <u>routine</u> employment matters such as; approving leave provisions; deduction and overpayment arrangements; approving expenditure and travel reimbursement claims, but excluding changes to employment contract provisions. <p>*Note: Subject to the provisions of Section 41A of the Local Government Act 2002.</p>

Position	General Delegations
Deputy Mayor	<p>Authorities</p> <ul style="list-style-type: none"> • All the authorities of the Mayor when the Mayor is not available and including, in relation to the Chief Executive's employment contract, the delegated authority to manage <u>routine</u> employment matters such as; approving leave provisions; deduction and overpayment arrangements; approving expenditure and travel reimbursement claims, but excluding changes to employment contract provisions, and the Mayor's powers under section 41A(3) of the Local Government Act 2002.

Position	Signing and Sealing of Formal Documents
Elected Members	<p>Authorities</p> <ul style="list-style-type: none"> • The Mayor, Deputy Mayor, or any other two elected members acting at the specific request of the Mayor or Chief Executive, are authorised to sign any document required by law to be signed under seal, provided those documents have been: <ul style="list-style-type: none"> a) approved by the Council or a Committee (in accordance with its delegations); or b) authorised by an officer (including the Chief Executive) under delegated authority. <p>Note: Where a document does not need to be executed under Council seal it may instead be signed by the Chief Executive or any other officer who is authorised under delegated authority, whether under this Policy or otherwise, to approve the transaction involved.</p>

Note: Council has delegated the power to issue warrants under Council Seal to enforcement officers pursuant to Clause 32A, Schedule 7 of the Local Government Act 2002 to the Chief Executive, General Manager Community and General Manager Growth.

Schedule 2 - Delegations by the Council to the Chief Executive and Specified Officers

Position	General Delegations
Chief Executive Officer	<p>In accordance with clause 32(1) of Schedule 7 of the Local Government Act 2002, the Chief Executive is hereby delegated all Council's responsibilities, duties and powers to act on any matter, subject to the Exclusions, Conditions and Notes below.</p> <p>The Chief Executive may choose to delegate those responsibilities, duties and powers to Officers, unless delegation is specifically restricted by statute or the terms of the Chief Executive's delegation. Every delegation by the Chief Executive will be recorded in writing.</p> <p>To the extent that they are relevant, the following Exclusions, Conditions and Notes below also apply to the Financial Delegations section in this Schedule.</p> <p>Exclusions:</p> <ul style="list-style-type: none"> Any responsibilities, duties and powers that the Council is prohibited by legislation or operation of law from delegating to officers, including those set out in paragraph 19 of this Policy. Any responsibilities, duties and powers conferred on Council by an external entity that the entity has prohibited the Council from delegating to officers. Any matter that can only be given effect to by a resolution of the Council. Any responsibilities, duties and powers that have been delegated by Council to a Committee, unless sub-delegated to the Chief Executive by resolution of that Committee. Any matter that is above the limits of the Chief Executive's delegated financial authority (refer below). In relation to the Resource Management Act 1991 ('RMA'): <ul style="list-style-type: none"> Sub-delegation by the Chief Executive (section 34A(1)) Approval of a Proposed District Plan (section 34A(1)(a)) Notification of a Proposed District Plan Rejection of a private plan change request Hearing and determining objections to officer-declined resource consent applications (delegated to independent hearings commissioners). <p>Conditions:</p> <ul style="list-style-type: none"> The Council's delegations to the Chief Executive do not preclude the Chief Executive from referring any matter to the Council or a Committee for decision if the matter is particularly significant; of political

	<p>importance or sensitivity; of special community interest or for any other reasons the Chief Executive determines.</p> <ul style="list-style-type: none"> The Chief Executive shall exercise this delegation in accordance with any plans, policies, and procedures and bylaws adopted by Council and with any specific directives given by way of resolution of the Council or a Committee. <p>Notes:</p> <ul style="list-style-type: none"> For the purposes of the Trespass Act 1980, the Chief Executive is the person in lawful occupation of land owned, occupied or controlled by the Council. For clarity, the Chief Executive has the Council's general authority to exercise all of the Ministerial powers that have been delegated to the Council under the Reserves Act 1977. This differs from the specific delegation to the General Manager Community in this Policy. The Chief Executive has the Council's general authority to delegate to any officer any of the Chief Executive's functions, powers and duties under the Sale and Supply of Alcohol Act 2012, other than the general power of delegation. The Council may from time to time appoint the Chief Executive (or other senior officers) to act in Council's interests as director or shareholder representative with associate organisations. Any such appointment should be considered a specific delegation and to be fulfilled in terms of the requirements of each specified appointment rather than as a general delegation as provided by this Policy.
<i>Position</i>	<i>Signing and Sealing of Warrants</i>
<i>Chief Executive Officer, General Manager - Community and General Manager - Growth</i>	Pursuant to Clause 32A, Schedule 7 to the Local Government Act 2002 Council delegates to the Chief Executive, General Manager - Community and General Manager - Growth authority to sign and apply the Council seal on any warrant of appointment required by law to be signed under seal.

Position	General Delegations
Acting Chief Executive	<p>The Acting Chief Executive is delegated all the responsibilities, duties and powers of the Chief Executive and may act for the Chief Executive in:</p> <ul style="list-style-type: none"> the formal and recorded absence of the Chief Executive; or an emergency where the Chief Executive cannot be contacted.
General Managers and Executive Directors	<p>General Managers and Executive Directors are delegated the following responsibilities, duties and powers within their respective areas of responsibility, where that is permitted by law, in accordance with any Council policy (as appropriate) and subject to any condition, limitation or prohibition imposed by Council or any statutory limitation:</p> <ul style="list-style-type: none"> The responsibilities, powers and duties delegated to them from the Chief Executive, as are recorded in management policies or specific written delegations, from time to time. The power to enter into contracts subject to their delegated financial authority.¹ The power to sub-delegate, unless expressly restricted by law or the terms of Council's delegation to the General Manager or Executive Director. All such sub-delegations must be recorded in writing. The power to undertake their specific delegations without further reference (though some may require to be reported). The power to establish staff committees or working groups. The power to act for the Chief Executive in an emergency where the Chief Executive and the Deputy Chief Executive cannot be contacted, provided this is done through prior consultation with the Executive Leadership Team.
General Manager - Community	<p>The General Manager may exercise the following specific powers where that is permitted by law, in accordance with any Council policy (as appropriate) and subject to any condition, limitation or prohibition imposed from time to time by Council or any statutory limitation:</p> <ul style="list-style-type: none"> All the powers and functions of the Council, as an administering body under the Reserves Act 1977, to the extent that the Reserves Act affects reserves held by or under the control of Council.

¹ Refer to the Council Management Policy – *Financial Delegations to Officers*
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Governance & Assurance Manager	<p>The Governance & Assurance Manager is appointed Privacy Officer for the Council pursuant to section 201 of the Privacy Act 2020 and is delegated the associated responsibilities of this position. The Governance & Assurance Manager may sub-delegate such responsibilities, duties and powers to other officers, except for the power to delegate under that Act.</p> <p>The Governance & Assurance Manager may exercise the powers of the Council under Parts 2 to 5 of the Local Government Official Information and Meetings Act 1987, except any powers specified in section 32 of that Act; such delegation to be exercised in accordance with any condition, limitation or prohibition imposed from time to time by Council. The Governance & Assurance Manager may sub-delegate such powers to other officers, except for the power to delegate under that Act.</p>
Finance Director	<p>The Finance Director is specifically delegated the responsibility to approve and pay:</p> <ul style="list-style-type: none"> • all Council tax returns to the Inland Revenue Department; and • regular sums for utilities such as power, phone, rates etc.
Rates Administration Officers	<p>The responsibility for exercising the functions, powers or duties and administering the provisions under the Local Government (Rating) Act 2002 are delegated to the following officers:</p> <ul style="list-style-type: none"> • Chief Executive • General Manager People & Organisational Performance • Finance Director • Financial Support Services Manager • Rates Manager <p>In addition, the Rates Manager is specifically delegated the responsibility to:</p> <ul style="list-style-type: none"> • make decisions as to the allocation of rating units to differential rating categories in terms of section 27(5)(a) of the Local Government (Rating) Act 2002; and • amend any entries in the district valuation roll (under section 14 of the Rating Valuations Act 1998) or the rating information database (under section 40 of the Local Government (Rating) Act 2002) which are the result of an error or which are no longer correct as a result of changed circumstances. • Approve and apply remissions and postponements to rates in accordance with Council's Rates Remissions and Postponements Policy. <p>Note:</p> <ul style="list-style-type: none"> • The functions, powers or duties under the Local Government (Rating) Act 2002 and the Rating Valuations Act 1998 delegated by the Council to the above specified officers, including the Chief Executive, may not be sub-delegated. <p>Exclusion:</p> <ul style="list-style-type: none"> • Council must not delegate to any officer, including the Chief Executive: <ul style="list-style-type: none"> a) the power to delegate; or

	b) a function, power or duty conferred by subpart 2, Part 1 or subpart 1, Part 5 of the Local Government (Rating) Act 2002.
Local Civil Defence Controller	<p>The Local Civil Defence Controller ('the Controller') and the Civil Defence Emergency Management Group (CDEMG) for the Waikato Region during a State of Local Civil Defence Emergency shall have the powers vested as described in the Civil Defence Emergency Management Act 2002 ('CDEM Act').</p> <p>Authority has been delegated by Council to the CDEMG/Controller under the CDEM Act. A summary of the powers and obligations of the Controller are contained in the Waikato CDEM Group Plan.</p> <p>Under section 94 of the CDEM Act, the CDEMG/Controller and Alternate Controllers for Hamilton City Council and the CDEMG for the Waikato Region Emergency Operating Area are authorised to enter into urgent contracts on behalf of Hamilton City Council for the purposes of the Act as outlined in the Waikato CDEM Group Plan.</p> <p>Under the Waikato CDEM Group Plan, when formally placed in control of an event by the relevant local authority CE in writing, councils must provide Local and Group Controllers with uncapped financial delegations to manage emergency events (as defined in the Act), declared or otherwise, within their area. This delegation should apply to all Tier 1 and 2 Controllers and specific Tier 3 Controllers in the case of a council where they exist.</p> <p>To ensure appropriate oversight of the ability to enter into urgent contracts and the uncapped financial delegation in emergency events, the Controller is required to present the following incremental reporting to the Chief Executive and Group Controller:</p> <ul style="list-style-type: none"> • for every \$500,000 of expenditure incurred in a declared emergency; and. • for every \$250,000 of expenditure incurred in a non-declared emergency. <p>Note: A non-declared emergency is an emergency, as defined under the CDEM Act, where a formal declaration of state of local emergency has not been made pursuant to section 68 of that Act.</p>

Financial Delegations

- The limits of the specified sum(s) applicable to various financial transactions delegated to the Chief Executive (and other specified officers, as applicable) under this Policy or otherwise, are as follows²:

Expenditure Type – Refer to Terms of Delegation below

Unexpended Budget - Operating and Capital)	Overspends/Unbudgeted (Operating and Capital)	Capex B/Fwd	Contracts	Purchase/Sale of Land	Debt Write-off	Legal Proceedings	Financial Operations (Admin disbursements)	Development Contributions	Reprioritisation Budget – Renewals and Compliance Programme
Limited to the approved budget	\$250,000	\$500,000	\$3,000,000 For contracts not being procured through an open competitive process: \$500,000 (and \$3,000,000 where the protocol set out in the notes below at (b) or (c) is complied with)	\$3,000,000	\$10,000	\$500,000 for weather-tight and defective building claims \$250,000 for all other legal proceedings	Limited to the approved budget	\$1,500,000	\$1,000,000 (Within years 3 of any approved 10-Year Plan) For individual movement of budget between capital projects and activity classed and timing (subject to terms of delegation below).

Notes:

- There is a cumulative cap of \$1,000,000 per financial year for the aggregate total (whole of Council) of all unbudgeted items, overspends and operational expenditure (Opex) brought forward and approved under delegated authority during that financial year. Any significant overspends or underspends will be recorded and reported to the Finance and Monitoring Committee on a quarterly basis, for noting purposes.
- The delegated financial limit for contracts not being procured through an open competitive process shall not apply in the following situations:
 - For Private Developer Agreements, which is a contract with a developer to upsize or deliver infrastructure on behalf of the Council in a new subdivision or development that will eventually vest in the Council;
 - For appointment of utility service providers to relocate, connect or alter utility services for the purpose of capital works budgeted within the applicable Long Term Plan, where a provider is the only possible supplier by virtue of being the owner of, or otherwise being legally responsible for, the relevant utility infrastructure. Examples of such utility service providers include, but is not limited to, Transpower, WEL Networks and Kiwirail.

The Chief Executive must ensure that appropriate mechanisms are in place and implemented to ensure, as far as is reasonably possible, the Council obtains Best Value from any appointed utility service provider.

² The delegated financial authority limits specific to General Managers, Executive Directors and officers are set out in the Council's Management Policy - *Financial Delegations to Officers*.

- iii. For secondary procurement, where Council is purchasing under a collaborative contract such as an All-of-Government contract or a syndicated contract where the original arrangement was established through an open competitive process.

The Chief Executive's general delegated authority limit of \$3,000,000) shall apply for contracts under 1(b)(i), 1(b)(ii) and 1(b)(iii) above.

- c. The Chief Executive's delegated authority limit for contracts that have not been procured through an open competitive process is \$500,000 (subject to the exclusions at (1.b) above). However, the Chief Executive, Mayor (or Deputy Mayor), Chair of the Finance Committee and Chair of the Infrastructure Operations Committee are jointly delegated authority to approve, by majority, contracts that have not been procured through an open competitive process exceeding the Chief Executive's limit of \$500,000 and up to a value of \$3,000,000 for a term not exceeding five years (including renewals). Where the full group listed above is unable to meet, then the delegation may be jointly exercised by two of the abovenamed Elected Members and the Chief Executive. Exercise of this delegation must be reported by the Chief Executive to the relevant committee for noting on a quarterly basis. This exemption should only be used in exceptional circumstances and in consultation with relevant Elected Members.

Expenditure Types – Terms of Delegation

Unexpended Budget

- 2. Operating and capital expenditure including deferred capital expenditure (approved by Council resolution) that has been budgeted in the applicable Long-Term Plan/Annual Plan and not yet spent. All expenditure must comply with the requirements of Council's Procurement Policy.

Overspend and Unbudgeted

- 3. Any expenditure on an item that exceeds the amount budgeted for that item in the applicable Long Term Plan/Annual Plan or is not budgeted but required to deliver the level of service and outcomes outlined in the applicable Long Term Plan/Annual Plan e.g. contract or project cost over-run.
- 4. A Local Civil Defence Controller has an uncapped delegated financial authority in the event of a declared or non-declared emergency, subject to the conditions and reporting provisions in this Policy (See: *Local Civil Defence Controller* [above](#)).

Capex – Capital Expenditure Brought Forward

- 5. Capital expenditure occurring in financial periods in advance of the planned expenditure timeframe in the applicable Long-Term Plan. This delegation is to the Chief Executive, General Managers and Executive Directors only (limits apply to officers in accordance with the Hamilton City Council Management Policy - *Financial Delegations to Officers*) and cannot be further delegated.

Contracts

- 6. The delegated financial authority limit for contracts applies on a 'per contract' basis.
- 7. A contract is any agreement in writing which purports to be legally binding upon Council, including memoranda of understanding, letters of agreement, purchase orders, guarantees, leases (as lessor or lessee), licences (as licensor or licensee) and deeds. A contract includes any subsequent extensions, renewals or variations to the agreement. For clarity, the delegated financial authority limits apply to contracts involving revenues receivable by Council, including contracts and agreements with promoters and organisers of events.
- 8. The value of the contract for the purposes of this Policy is referred to as the "Approved Contract Sum". The Approved Contract Sum is, as at the date of approval, the aggregate of all amounts

most likely to be paid to the other party (including retentions made, or to be made in respect of a contract), or amounts received from the other party (as applicable), for that contract, over the life of the relevant contract. Disaggregation of supplies or contractual arrangements in order to comply with this requirement is expressly prohibited.

9. For the purposes of determining whether a specified officer has the necessary delegated financial authority in relation to a contract that involves both; (a) expenditure (payable by Council) and (b) revenue (receivable by Council), the Approved Contract Sum for that contract is the greater of either the expenditure or revenue in that contract. That is, there must be no offset of expenditure and revenues.
10. The Chief Executive may approve variations that result in an increase to the total value of the contract that exceeds the Approved Contract Sum, provided that the total value approved (inclusive of the original Approved Contract Sum) does not exceed their delegated financial authority limit for contracts.
11. If a contract has been approved by Council resolution, the Chief Executive, or relevant General Manager or Executive Director (as appropriate), has delegated authority to:
 - a. execute the contract (other than those contracts required to be signed under the Council's seal);
 - b. authorise payments up to the Approved Contract Sum or delegate the authorisation of payments to a nominated position; or
 - c. (if applicable) correct and re-issue invoices, issue credit notes or refunds up to the Approved Contract Sum, in relation to revenue receivable by Council under an approved contract;
 - d. approve a variation that results in the Approved Contract Sum being exceeded by no more than 5%, up to a maximum of \$250,000, provided the new Approved Contract Sum remains within budget. Any exercise of this delegation will be reported to the appropriate Committee.
12. If a contract has been approved under this Policy or by management delegation:
 - a. the payment/s or any correction to invoices (as applicable) must be authorised by an officer with the correct financial delegated authority for that payment or invoice³;
 - b. a brief summary of such contracts are to be reported quarterly to Elected Members.

For clarity, no reporting is required under section 12(b) above for contracts approved by Council or a Committee.
13. All contracts approved by the Chief Executive or management under delegated authority in sections (1.b) and (1.c) are to be reported to the relevant committee for noting on a quarterly basis.

Purchase/Sale of Land

14. The delegated authority to enter into any transaction occurring in respect to the purchase and sale of land only applies where the purchase or sale is provided for in the applicable Long Term Plan/Annual Plan either separately or as an integral part of a project, or authorised by a resolution of Council. For clarity, the purchase and sale of land includes the acquisition or disposal of land under the provisions of the Public Works Act 1981.
15. In exercising this delegation, the Chief Executive is permitted to negotiate the sale and purchase of land to the delegated financial authority limit specified in this Policy, where appropriate:

³ For management delegations, refer to Council's Management Policy - Financial *Delegations to Officers*.

- a. **Sale of Land:** at not less than 10% below of the estimated market value determined by a registered valuer;
- b. **Purchase of Land:** for not more than 10% above the estimated market value determined by a registered valuer.

Debt Write-off

- 16. The delegated financial authority limit applies on a 'per debtor' basis.
- 17. Irrespective that the Chief Executive, General Managers, Executive Directors and Financial Controller may have delegated authority to write-off bad debts⁴, all such debts written off must be reported to the next Finance and Monitoring Committee meeting, for noting purposes, on an aggregate basis for each Group.

Legal Proceedings

- 18. The delegated financial authority is determined on a per proceeding basis.
- 19. Includes commencing or defending, negotiating, settling or withdrawing from legal proceedings (including prosecutions and claims) on the Council's behalf in any New Zealand court or tribunal. The Chief Executive is also delegated the authority to take all steps necessary to enforce any court or tribunal judgment in favour of the Council, and to recover debts owing to the Council, subject to the delegated financial authority limit.
- 20. All legal claims or other proceedings undertaken by, or on behalf of, the Chief Executive, for an amount in excess of \$100,000 are to be reported to the next meeting of Council or the relevant Committee for noting.

Financial Operation

- 21. Subject to any Council or management policies, the Chief Executive, General Manager People & Operational Performance and Finance Director are each delegated the authority to operate (including opening and closing accounts) all of the Council's bank accounts, investment accounts, sinking funds, loan accounts, special funds, tax related matters, and other financial matters including exercising signing authority where appropriate.

Reprioritised budget – Renewals and Compliance programme

- 22. The Renewals and Compliance Programme will be managed and reported as a programme against 3-year periods being 2021-24, 2024-27 etc. The Chief Executive has the authority to approve budget reprioritisation for the programme, which may be:
 - a) between projects and / or activity classes (e.g. stormwater)
 - b) related to timing of expenditure on a project (e.g. reprioritised from year 2 to year 1).
- 23. Any reprioritisation of budgets should be reported to the relevant Council Committee following use of this delegation. Reporting should include:
 - a) programme expenditure to demonstrate that the 3-year funding provision is not exceeded
 - b) providing assurance that the limits in the Financial strategy are not breached by any expenditure changes from the Long Term Plan Renewal and Compliance budgets
 - c) reporting by Long Term Plan activity (and group of activity) to give assurance that the Renewals and Compliance expenditure for the 3-year period is spread appropriately across Councils services.

⁴ Refer to the Management Policy – *Financial Delegations to Officers*
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Development Contributions

24. Subject to the development contributions provisions in the Local Government Act 2002 and the provisions of the Council's Development Contributions Policy, the Chief Executive is delegated authority to approve a remission, postponement, or refund of a development contribution levied on a developer to the delegated financial authority limit specified in this Policy. All remissions, postponements or refunds are to be reported, for noting purposes, at the next relevant Committee meeting.
25. For clarity, Council will not delegate to the Chief Executive any powers in relation to hardship related remissions or remissions not provided for in the Development Contributions Policy.

Waiver of Council Fees & Charges

26. Subject to any specific waiver policies adopted by Council, the Chief Executive, General Managers and Executive Directors are each delegated authority to waive fees and charges for their respective areas of responsibility **provided:**
- the waiver and the amount are recorded and available for audit purposes;
 - the circumstances of the specific waiver will not create a precedent;
 - the act of waiving such fees and charges reflects 'good citizen' conduct;
 - any waivers in excess of \$10,000 (calculated on an aggregate basis per Group) are to be reported to the next Finance and Monitoring Committee meeting.

For clarity, development contributions are not within the scope of the delegated authority detailed in this section 26.

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Sponsor/Group:	Mayor of Hamilton / Chief Executive Officer

Delegations to Positions Policy

Purpose and scope

- Part of Council's strategic and governance role is to ensure that its statutory responsibilities, duties and powers are carried out at the most effective and efficient levels. This Policy sets out the delegations from Council to specified elected members and officers.
- Matters outside the scope of this Policy are:
 - Delegations from Council to Committees, which are specified in the [2019-2022](#) Governance Structure; and
 - Delegations from the Chief Executive to subordinate officers through management policies or by way of a specific delegation.

Commented [AH1]: Deleted as the definition of Governance Structure specifically refers to the "current triennium"

Definitions

Term	Definition
Committee	A committee or subcommittee (if any) of Council, as listed in the 2019-2022 Governance Structure
Delegated Financial Authority	The financial limit delegated to: <ol style="list-style-type: none"> the Chief Executive or a specified officer under this Policy; or an officer under the relevant management policy or a specific delegation from the Chief Executive; or the Chief Executive or a specified officer under a specific delegation from Council.
Governance Structure	The Council's approved Governance Structure document, including the terms of reference and delegations for Council and Committees, for the current triennium.
Officer	A Council staff member who is for the time being the holder of a specified office.

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Commented [AH2]: This has been inserted to reflect that Council staff may be delegated authority under a specific Council resolution

Principles

- Where local authority activities do not contain a governance component and are not limited by statutory restrictions then they should be delegated to the Chief Executive, who may sub-delegate to officers.

4. To be effective and of legal standing, all delegations from Council must be precise and in writing (i.e. via this Policy or by Council resolution).
5. The delegate is acting in ~~his or her~~their own name on behalf of the Council when exercising delegated authority. In so doing, the delegate will ensure they act in accordance with any:
 - a. binding statutory authority (in relation to each delegation, relevant sections of legislation will be identified); and
 - b. relevant Council policy or process, including delegated financial authority and reporting requirements.
6. Council retains ultimate responsibility for its governance, statutory and financial responsibilities, duties and powers at all times. No delegation relieves Council of the liability or responsibility for the performance of the delegated responsibility, duty or power.
7. Those with responsibility for a delegated task or function should always have the authority to carry it out effectively.
8. Those with authority to perform a delegated responsibility, duty or power should always be responsible for the performance of the delegation in a full, fair and objective manner. To this end, it is open to the person delegated a responsibility, duty or power to consider whether or not to exercise that delegated responsibility, duty or power, or to refer the matter back to Council or the relevant Committee.
9. Subject to any legislative restrictions, a responsibility, duty or power delegated to an officer is also delegated to all officers in a direct line of authority above that officer and is also delegated to any officer who is in an acting capacity for that officer.
10. Any delegation made includes any ancillary responsibilities, duties or powers necessary to give effect to that delegation.
11. Unless specifically restricted by law or expressed to be for a defined period, a delegation continues in force until expressly revoked or varied by resolution of Council. A delegation will survive any change in the person occupying the office to which the delegation was made.
12. Unless otherwise expressly stated in the Policy:
 - a. all financial values stated in this Policy are GST exclusive; and
 - b. all references to a repealed enactment should read as a reference to its replacement.
13. Where any currently adopted delegation to Council staff refers to a position title and the name of the position title has subsequently changed without substantial changes being made to the position-holder's job description (in respect of the function to which the delegation relates), any delegations in the name of the previous position title are and shall be effective for the position-holder of the new position title.

Policy

The meaning of delegation

14. For the purpose of this Policy, delegation means the transfer of a responsibility, duty or power from Council to specified Elected Members, the Chief Executive or other specified officers, together with the authority to carry out that responsibility, duty or power or complete the action delegated.
15. General delegation means the granting of authority to determine a range of matters of a similar kind as and when they arise over a period of time without further reference to the delegator.
16. From time to time the Council may delegate authority by resolution to determine a specific issue. This specific delegation will exist only so long as that matter is unresolved and will then lapse at a specified time.

17. General delegations will be updated in this Policy as they are confirmed. Specific delegations may not necessarily be recorded in this Policy due to the fact that they would be largely historical by the time they are recorded.

Legal basis

18. The delegations in this Policy are made in accordance with the Local Government Act 2002 and any other legislation permitting delegation.

19. Council **cannot delegate** the power to:
- make a rate; or
 - make a bylaw; or
 - borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan or otherwise as expressly covered in this Policy; or
 - adopt a long-term plan, annual plan, or annual report; or
 - appoint a Chief Executive; or
 - adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the long-term plan or developed for the purpose of the local governance statement; or
 - adopt a remuneration and employment policy.

(Local Government Act 2002 - Schedule 7, Clause 32(1))

Council has reserved other matters for its sole decision, which are recorded in the Governance Structure.

20. The **Chief Executive and other specified officers** can further delegate their delegations to any other officer, subject to certain restrictions.

(Local Government Act 2002 – Schedule 7, clause 32B)

Delegations by the Council to Elected Members

21. Delegations from Council to specified Elected Members are detailed in Schedule 1.

Delegations by the Council to Chief Executive and Specified Officers

22. Delegations from Council to the Chief Executive and specified officers (including Financial Delegations) are detailed in Schedule 2.

23. This Policy is to be read alongside the Hamilton City Council management policies that record the delegations from the Chief Executive to subordinate officers. The Policies, read together, record compliance with the statutory norm allowing only one sub-delegation. Although inherently linked to this Policy and governed by the same general principles, the management policies are separate documents, and the delegations in those management policies may be changed or updated at any time by the Chief Executive, as necessary.

Commented [AH3]: Inserted for clarification purposes

Review of Policy

24. This Policy shall remain in effect until such time as it is varied or revoked by resolution of the Council. It is intended that this Policy will be reviewed and updated from time-to-time; at the start of each triennium as a minimum.

Schedule 1 - Delegations by the Council to Elected Members

Position	General Delegations
Mayor	<p>The Mayor is elected by Hamilton City as a whole and as one of the elected members shares the same responsibilities as other members of Council.</p> <p>Authorities</p> <ul style="list-style-type: none"> • Lead the development of Council's plans (including the long-term plan and the annual plan), policies and budgets for consideration by the Council.* • To appoint the Deputy Mayor.* • To establish committees of the Council.* • To appoint the chairperson of each committee.* • Act as a Justice of the Peace. • Requisition a meeting of Council. • Declare a local Civil Defence emergency. • Authority of a chairperson of a Council meeting under Standing Orders. • In relation to the Chief Executive's employment contract, has delegated authority to manage <u>routine</u> employment matters such as; approving leave provisions; deduction and overpayment arrangements; approving expenditure and travel reimbursement claims, but excluding changes to employment contract provisions. <p>*Note: Subject to the provisions of Section 41A of the Local Government Act 2002.</p>

Position	General Delegations
Deputy Mayor	<p>Authorities</p> <ul style="list-style-type: none"> • All the authorities of the Mayor when the Mayor is not available and including, in relation to the Chief Executive's employment contract, the delegated authority to manage <u>routine</u> employment matters such as; approving leave provisions; deduction and overpayment arrangements; approving expenditure and travel reimbursement claims, but excluding changes to employment contract provisions, and the Mayor's powers under section 41A(3) of the Local Government Act 2002.

Position	Signing and Sealing of Formal Documents
Elected Members	<p>Authorities</p> <ul style="list-style-type: none"> • The Mayor, Deputy Mayor, or any other two elected members acting at the specific request of the Mayor or Chief Executive, are authorised to sign any document required by law to be signed under seal, provided those documents have been: <ol style="list-style-type: none"> a) approved by the Council or a Committee (in accordance with its delegations); or b) authorised by an officer (including the Chief Executive) under delegated authority. <p>Note: Where a document does not need to be executed under Council seal it may instead be signed by the Chief Executive or any other officer who is authorised under delegated authority, whether under this Policy or otherwise, to approve the transaction involved.</p>

Note: Council has delegated the power to issue warrants under Council Seal to enforcement officers pursuant to Clause 32A, Schedule 7 of the Local Government Act 2002 to the Chief Executive, General Manager Community and General Manager Growth.

Schedule 2 - Delegations by the Council to the Chief Executive and Specified Officers

Position Chief Executive Officer

General Delegations

In accordance with clause 32(1) of [Schedule 7](#) of the Local Government Act 2002, the Chief Executive is hereby delegated all Council's responsibilities, duties and powers, ~~and to further delegate such responsibilities, duties and powers to act on any matter, and shall exercise this delegation~~ subject to the Exclusions, Conditions and Notes below.

~~The Chief Executive may choose to delegate those responsibilities, duties and powers to Officers, unless delegation is specifically restricted by statute or the terms of the Chief Executive's delegation. Every delegation by the Chief Executive will be recorded in writing.~~

To the extent that they are relevant, the following Exclusions, Conditions and Notes below also apply to the Financial Delegations section in this Schedule.

Exclusions:

- Any responsibilities, duties and powers that the Council is prohibited by legislation or operation of law from delegating to officers, ~~including those set out in paragraph 19 of this Policy.~~
- Any responsibilities, duties and powers conferred on Council by an external entity that the entity has prohibited the Council from delegating to officers.
- Any matter that can only be given effect to by a resolution of the Council.
- ~~Any power, responsibility, or duties and powers that have been delegated by Council to a Committee, unless sub-delegated to the Chief Executive by resolution of that Committee.~~
- Any matter that is ~~outside above the limits of~~ the Chief Executive's delegated financial authority (refer [below](#)).
- In relation to the Resource Management Act 1991 ('RMA'):
 - ~~Council's own power of Sub-delegation by the Chief Executive (section 34A(1))~~
 - ~~Notification of a Proposed District Plan~~
 - Approval of a Proposed District Plan (section 34A(1)(a))
 - ~~Notification of a Proposed District Plan~~
 - ~~Appointment of a hearings commissioner~~
 - ~~Decisions on submissions and further submissions to a Proposed District Plan~~
 - Rejection of a private plan change request

Commented [AH4]: Changes added for clarification purposes

Commented [AH5]: Changes added for clarification purposes

Commented [AH6]: Changes added for clarification purposes

- Hearing and determining objections to officer-declined resource consent applications which will be heard by (delegated to independent hearings commissioners).

Conditions:

- The Council's delegations to the Chief Executive do not preclude the Chief Executive from referring any matter to the Council or a Committee for decision if the matter is particularly significant; of political importance or sensitivity; of special community interest or for any other reasons the Chief Executive determines.
- The Chief Executive shall exercise this delegation in accordance with any plans, policies, and procedures and bylaws adopted by Council and with any specific directives given by way of resolution of the Council or a Committee.
- The Chief Executive has the Council's general authority to delegate to any officer any of the Chief Executive's functions, powers and duties under the Sale and Supply of Alcohol Act 2012, other than the general power of delegation.

Notes:

- For the purposes of the Trespass Act 1980, the Chief Executive is the person in lawful occupation of land owned, occupied or controlled by the Council.
- For clarity, the Chief Executive has the Council's general authority to exercise all of the Ministerial powers that have been delegated to the Council under the Reserves Act 1977. This differs from the specific delegation to the General Manager Community in this Policy.
- The Chief Executive has the Council's general authority to delegate to any officer any of the Chief Executive's functions, powers and duties under the Sale and Supply of Alcohol Act 2012, other than the general power of delegation.
- Where exercised by a General Manager (other than the Deputy Chief Executive) in the unplanned or unforeseen absence of the Chief Executive, that prior consultation occurs with the Senior Leadership Team.
- The Council may from time to time appoint the Chief Executive (or other senior officers) to act in Council's interests as director or shareholder representative with associate organisations. Any such appointment should be considered a specific delegation and to be fulfilled in terms of the requirements of each specified appointment rather than as a general delegation as provided by this Policy.

Commented [AH7]: Changes made to mirror the words of the *Delegations from Council to Officers specific to the RMA policy*

Commented [AH8]: Moved from Conditions to Notes

Commented [AH9]: Moved from Conditions to Notes

Commented [AH10]: Deletion proposed due to repetition in the GM section

<u>Position</u>	<u>Signing and Sealing of Warrants</u>
<u>Chief Executive Officer, General Manager - Community and General</u>	Pursuant to Clause 32A, Schedule 7 to the Local Government Act 2002 Council delegates to the Chief Executive, General Manager - Community and General Manager - Growth authority to sign and apply the Council seal on any warrant of appointment required by law to be signed under seal.

Manager -
Growth

Item 12

Attachment 2

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Position	General Delegations
Acting Chief Executive	<p>The Acting Chief Executive is delegated all the responsibilities, duties and powers of the Chief Executive and may act for the Chief Executive in:</p> <ul style="list-style-type: none"> the formal and recorded absence of the Chief Executive; or an emergency where the Chief Executive cannot be contacted.
General Managers and Executive Directors	<p>General Managers and Executive Directors are delegated the following responsibilities, duties powers and duties-powers within their respective areas of responsibility, where that is permitted by law, in accordance with any Council policy (as appropriate) and subject to any condition, limitation or prohibition imposed by Council or any statutory limitation:</p> <ul style="list-style-type: none"> The responsibilities, powers and duties delegated to them from the Chief Executive, as are recorded in management policies or specific written delegations, from time to time. The power to enter into contracts subject to their delegated financial authority.¹ The power to sub-delegate, unless expressly restricted by law or the terms of Council's delegation to the General Manager or Executive Director. All such sub-delegations must be recorded in writing. The power to undertake their specific delegations without further reference (though some may require to be reported). The power to establish staff committees or working groups. The power to act for the Chief Executive in an emergency where the Chief Executive and the Deputy Chief Executive cannot be contacted, provided this is done through prior consultation with the Senior Executive Leadership Team.
General Manager - Community	<p>The General Manager may exercise the following specific powers where that is permitted by law, in accordance with any Council policy (as appropriate) and subject to any condition, limitation or prohibition imposed from time to time by Council or any statutory limitation:</p> <ul style="list-style-type: none"> All the powers and functions of the Council, as an administering body under the Reserves Act 1977, to the extent that the Reserves Act affects reserves held by or under the control of Council.
City-Safe Manager	<p>The City-Safe Manager is to act as Secretary of the District Licensing Committee with authority to perform all responsibilities, duties and powers of the Secretary under the Sale and Supply of Alcohol Act 2012.</p>

Commented [AH11]: Deletion of this delegation is proposed as section 196 of the Sale and Supply of Alcohol Act provides that the chief executive is the secretary of the licensing committee. As a result, this delegation should sit within a management policy instead of the Council policy

¹ Refer to the Council Management Policy – Financial Delegations to Officers
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<p>Legal Services Governance & Assurance Manager</p>	<p>The Legal ServicesGovernance & Assurance Manager is appointed Privacy Officer for the Council pursuant to section 201 of the Privacy Act 2020 and is delegated the associated responsibilities of this position. The Governance & Assurance Legal Services Manager may sub-delegate such responsibilities, duties and powers to other officers, except for the power to delegate under that Act.</p> <p>The Governance & Assurance Legal Services Manager may exercise the powers of the Council under Parts 2 to 5 of the Local Government Official Information and Meetings Act 1987, except any powers specified in section 32 of that Act; such delegation to be exercised in accordance with any condition, limitation or prohibition imposed from time to time by Council. The Governance & Assurance Legal Services Manager may sub-delegate such powers to other officers, except for the power to delegate under that Act.</p>
<p>Finance Director</p>	<p>The Finance Director is specifically delegated the responsibility to approve and pay:</p> <ul style="list-style-type: none"> • all Council tax returns to the Inland Revenue Department; and • regular sums for utilities such as power, phone, rates etc.
<p>Rates Administration Officers</p>	<p>The responsibility for exercising the functions, powers or duties and administering the provisions under the Local Government (Rating) Act 2002 are delegated to the following officers:</p> <ul style="list-style-type: none"> • Chief Executive • General Manager Corporate People & Organisational Performance • Financial Finance ControllerDirector • Financial Support Services Manager • Rates and Revenue Manager <p>In addition, the Rates and Revenue Manager is specifically delegated the responsibility to:</p> <ul style="list-style-type: none"> • make decisions as to the allocation of rating units to differential rating categories in terms of section 27(5)(a) of the Local Government (Rating) Act 2002; and • amend any entries in the district valuation roll (under section 14 of the Rating Valuations Act 1998) or the rating information database (under section 40 of the Local Government (Rating) Act 2002) which are the result of an error or which are no longer correct as a result of changed circumstances. • Approve and apply remissions and postponements to rates in accordance with Council's Rates Remissions and Postponements Policy. <p>Note:</p> <ul style="list-style-type: none"> • The functions, powers or duties under the Local Government (Rating) Act 2002 and the Rating Valuations Act 1998 delegated by the Council to the above specified officers, including the Chief Executive, may not be sub-delegated. <p>Exclusion:</p> <ul style="list-style-type: none"> • Council must not delegate to any officer, including the Chief Executive:

Commented [AH12]: This delegation is added here for clarity, relating to the Financial Operation delegation in paragraph 21 of the Financial Delegations

	<p>a) the power to delegate; or</p> <p>b) a function, power or duty conferred by subpart 2, Part 1 or subpart 1, Part 5 of the Local Government (Rating) Act 2002.</p>
<i>Local Civil Defence Controller</i>	<p>The Local Civil Defence Controller ('the Controller') and the Civil Defence Emergency Management Group (CDEMG) for the Waikato Region during a State of Local Civil Defence Emergency shall have the powers vested as described in the Civil Defence Emergency Management Act 2002 ('CDEM Act').</p> <p>Authority has been delegated by Council to the CDEMG/Controller under the CDEM Act. A summary of the powers and obligations of the Controller are contained in the Waikato CDEM Group Plan.</p> <p>Under section 94 of the CDEM Act, the CDEMG/Controller and Alternate Controllers for Hamilton City Council and the CDEMG for the Waikato Region Emergency Operating Area are authorised to enter into urgent contracts on behalf of Hamilton City Council for the purposes of the Act as outlined in the Waikato CDEM Group Plan.</p> <p>Under the Waikato CDEM Group Plan, when formally placed in control of an event by the relevant local authority CE in writing, councils must provide Local and Group Controllers with uncapped financial delegations to manage emergency events (as defined in the Act), declared or otherwise, within their area. This delegation should apply to all Tier 1 and 2 Controllers and specific Tier 3 Controllers in the case of a council where they exist.</p> <p>To ensure appropriate oversight of the ability to enter into urgent contracts and the uncapped financial delegation in emergency events, the Controller is required to present the following incremental reporting to the Chief Executive and Group Controller:</p> <ul style="list-style-type: none"> • for every \$500,000 of expenditure incurred in a declared emergency; and. • for every \$250,000 of expenditure incurred in a non-declared emergency. <p>Note: A non-declared emergency is an emergency, as defined under the CDEM Act, where a formal declaration of state of local emergency has not been made pursuant to section 68 of that Act.</p>

Financial Delegations

1. The limits of the specified sum(s) applicable to various financial transactions delegated to the Chief Executive (and other specified officers, as applicable) under this Policy or otherwise, are as follows²:

Expenditure Type – Refer to Terms of Delegation below

Expenditure Type	Overspends/Unbudgeted (Operating and Capital)	Capex B/Fwd	Contracts	Purchase/Sale of Land	Debt Write-off	Legal Proceedings	Financial Operations (Admin disbursements)	Development Contributions	Reprioritisation Budget – Renewals and Compliance Programme
Limited to the approved budget	\$250,000	\$500,000	<p>\$3,000,000 Total-contract term-not exceeding 5 years-including renewals</p> <p>For contracts not going to tender being procured through an open competitive process: \$250,000 (and \$3,000,000 where the protocol set out in the notes below at (b) or (c) is complied with) (subject to the restrictions in clause 11 below).</p>	\$3,000,000	\$10,000	<p>\$500,000 for weather-tight and defective building claims (leaky buildings)</p> <p>\$250,000 for all other legal proceedings</p>	Limited to the approved budget	\$1,500,000	<p>\$1,000,000 (Within years 1-3 of any approved 10-Year Plan)</p> <p>For individual movement of budget between capital projects and activity classed and timing (subject to terms of delegation below).</p>

Notes:

- a. There is a cumulative cap of \$1,000,000 per financial year for the aggregate total (whole of Council) of all unbudgeted items, overspends and operational expenditure (Opex) brought forward and approved under delegated authority during that financial year. Any significant overspends or underspends will be recorded and reported to the Finance and Monitoring Committee on a quarterly basis, for noting purposes.
- b. The delegated financial limit for contracts not going to tender being procured through an open competitive process shall not apply in the following situations:
 - i. For Private Developer Agreements, which is a contract with a developer to upsize or deliver infrastructure on behalf of the Council in a new subdivision or development that will eventually vest in the Council;
 - ii. For appointment of utility service providers to relocate, connect or alter utility services for the purpose of capital works budgeted within the applicable Long Term Plan, where a provider is the only possible supplier by virtue of being the owner of, or otherwise being legally responsible for, the relevant utility infrastructure. Examples of such utility

Commented [AH13]: Amendment proposed to reflect that tender is only one form of competitive procurement process

² The delegated financial authority limits specific to General Managers, Executive Directors and officers are set out in the Council's Management Policy - Financial Delegations to Officers.
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service providers include, but is not limited to, Transpower, WEL Networks and Kiwirail.

The Chief Executive must ensure that appropriate mechanisms are in place and implemented to ensure, as far as is reasonably possible, the Council obtains Best Value from any appointed utility service provider.

- iii. ~~Any other capital works contract award prior to 1 July 2021. For secondary procurement, where Council is purchasing under a collaborative contract such as an All-of-Government contract or a syndicated contract where the original arrangement was established through an open competitive process.~~

The Chief Executive's general delegated authority limit ~~of \$3,000,000 and a term not exceeding 5 years, including renewals~~ shall apply for contracts under 1(b)(i), 1(b)(ii) and 1(b)(iii) above.

- c. The Chief Executive's delegated authority limit for contracts that have not been procured through an open competitive process ~~openly tendered~~ is \$250,000 (subject to the exclusions at (1.b) above). However, the Chief Executive, Mayor (or Deputy Mayor), Chair of the Finance Committee and Chair of the Infrastructure Operations Committee are jointly delegated authority to approve, by majority, contracts that have not been procured through an open competitive process ~~openly tendered~~ exceeding the Chief Executive's limit of \$250,000 and up to a value of \$3,000,000 for a term not exceeding five years (including renewals). Where the full group listed above is unable to meet, then the delegation may be jointly exercised by two of the abovenamed Elected Members and the Chief Executive. Exercise of this delegation must be reported by the Chief Executive to the relevant committee for noting on a quarterly basis. This exemption should only be used in exceptional circumstances and in consultation with relevant Elected Members.

Expenditure Types – Terms of Delegation

Unexpended Budget

- 2. Operating and capital expenditure including deferred capital expenditure (approved by Council resolution) that has been budgeted in the applicable Long-Term Plan/Annual Plan and not yet spent. All expenditure must comply with the requirements of Council's Procurement Policy.

Overspend and Unbudgeted

- 3. Any expenditure on an item that exceeds the amount budgeted for that item in the applicable Long Term Plan/Annual Plan or is not budgeted but required to deliver the level of service and outcomes outlined in the applicable Long Term Plan/Annual Plan e.g. contract or project cost over-run.
- 4. A Local Civil Defence Controller has an uncapped delegated financial authority in the event of a declared or non-declared emergency, subject to the conditions and reporting provisions in this Policy (See: *Local Civil Defence Controller* [above](#)).

Capex – Capital Expenditure Brought Forward

- 5. Capital expenditure occurring in financial periods in advance of the planned expenditure timeframe in the applicable Long-Term Plan. This delegation is to the Chief Executive, General Managers and Executive Directors only (limits apply to officers in accordance with the Hamilton City Council Management Policy - *Financial Delegations to Officers*) and cannot be further delegated.

Contracts

- 6. The delegated financial authority limit for contracts applies on a 'per contract' basis.

- 7. A contract is any agreement in writing which purports to be legally binding upon Council, including memoranda of understanding, letters of agreement, purchase orders, guarantees, leases (as lessor

or lessee), licences (as licensor or licensee) and deeds. A contract includes any subsequent extensions, renewals or variations to the agreement. For clarity, the delegated financial authority limits apply to contracts involving revenues receivable by Council, including contracts and agreements with promoters and relating to the organising organisers of events.

Commented [AH14]: Inserted for clarification purpose

8. The value of the contract for the purposes of this Policy is referred to as the "Approved Contract Sum". The Approved Contract Sum is, as at the date of approval, the aggregate of all amounts most likely to be paid to the ~~contractor~~ other party (including retentions made, or to be made in respect of a contract), or amounts received from the other party (as applicable), for that contract, over the life of the relevant contract. Disaggregation of supplies or contractual arrangements in order to comply with this requirement is expressly prohibited.

Commented [AH15]: Changes added for clarification purposes

9. For the purposes of determining whether a specified officer has the necessary delegated financial authority in relation to a contract that involves both; (a) expenditure (payable by Council) and (b) revenue (receivable by Council), the Approved Contract Sum for that contract is the greater of either the expenditure or revenue in that contract. That is, there must be no offset of expenditure and revenues.

10. The Chief Executive may approve variations that result in an increase to the total value of the contract that exceeds the Approved Contract Sum, provided that the total value approved (inclusive of the original Approved Contract Sum) does not exceed their delegated financial authority limit for contracts.

Commented [AH16]: Inserted for clarification purpose

6-11. If a contract has been approved by Council resolution, the Chief Executive, or relevant General Manager or Executive Director (as appropriate), ~~can~~ has delegated authority to:

- execute the contract (other than those contracts required to be signed under the Council's seal);
- authorise payments up to the Approved Contract Sum or delegate the authorisation of payments to a nominated position; or
- (if applicable) correct and re-issue invoices, issue credit notes or refunds up to the Approved Contract Sum, in relation to revenue receivable by Council under an approved contract;
- approve a variation that results in the Approved Contract Sum being exceeded by no more than 5%, up to a maximum of \$250,000, provided the new Approved Contract Sum remains within budget. Any exercise of this delegation will be reported to the appropriate Committee.

Commented [AH17]: Consistent with clause 3 above, t has been inserted for clarification purposes

7-12. If a contract has been approved under this Policy or by management delegation:

- the payment/s or any correction to invoices (as applicable) must be authorised by an officer with the correct financial delegated authority for that payment or invoice³;
- a brief summary of such contracts are to be reported quarterly to Elected Members.

For clarity, no reporting is required under section ~~121210~~(b) above for contracts approved by Council or a Committee.

~~Contracts exceeding five years total term (including renewals) must be authorised by Council or the relevant Committee.~~

8-13. All contracts approved by the Chief Executive or management under delegated authority in sections (1.b) and (1.c) are to be reported to the relevant committee for noting on a quarterly basis.

Purchase/Sale of Land

³ For management delegations, refer to Council's Management Policy - Financial Delegations to Officers.

9.14. ~~includes any expenditure~~ The delegated authority to enter into any transaction occurring in respect to the purchase and sale of land only applies where the purchase or sale is provided for in the applicable Long Term Plan/Annual Plan either separately or as an integral part of a project, or authorised by a resolution of Council. For clarity, the purchase and sale of land includes the acquisition or disposal of land under the provisions of the Public Works Act 1981.

15. In exercising this delegation, the Chief Executive is permitted to negotiate the sale and purchase of land to the delegated financial authority limit specified in this Policy, where appropriate:-

a. Sale of Land: at not less than 10% below ~~90%~~ of the estimated market value determined by a registered valuer;

~~a-b.~~ Purchase of Land: for not more than 10% above the estimated market value determined by a registered valuer.

Commented [AH18]: Changes added for clarification purposes

Debt Write-off

10.16. The delegated financial authority limit applies on a 'per debtor' basis.

11.17. Irrespective that the Chief Executive, General Managers, Executive Directors and Financial Controller may have delegated authority to write-off bad debts⁴, all such debts written off must be reported to the next Finance and Monitoring Committee meeting, for noting purposes, on an aggregate basis for each Group.

Legal Proceedings

12.18. The delegated financial authority is determined on a per proceeding basis.

13.19. Includes commencing or defending, negotiating, settling or withdrawing from legal proceedings (including prosecutions and claims) on the Council's behalf in any New Zealand court or tribunal. The Chief Executive is also delegated the authority to take all steps necessary to enforce any court or tribunal judgment in favour of the Council, and to recover debts owing to the Council, subject to the delegated financial authority limit.

20. All legal claims or other proceedings undertaken by, or on behalf of, the Chief Executive, for an amount in excess of \$100,000 are to be reported to the next meeting of Council or the relevant Committee for noting.

Financial Operation

14.21. Subject to any Council or management policies, the Chief Executive, General Manager People & Operational Performance Corporate and Financial Controller-Director are each delegated the authority to operate (including opening and closing accounts) all of the Council's bank accounts, investment accounts, sinking funds, loan accounts, special funds, tax related matters, and other financial matters including exercising signing authority where appropriate. This includes payment of regular sums for administrative matters such as: power, heat and light; tax and GST payments; rates; etc.

Reprioritised budget – Renewals and Compliance programme

15.22. The Renewals and Compliance Programme will be managed and reported as a programme against 3-year periods being 2018-21, 2021-24, 2024-27 etc. The Chief Executive has the authority to approve budget Reprioritisation changes to the programme, which can may be:

- a) between projects and / or activity classes (e.g. stormwater)
- b) related to timing of expenditure on a project (e.g. reprioritised from year 2 to year 1).

16.23. Any reprioritisation of budgets should be reported to the relevant Council Committee following use of this delegation. Reporting should include:

⁴ Refer to the Management Policy – Financial Delegations to Officers

- a) programme expenditure to demonstrate that the 3-year funding provision is not exceeded
- b) providing assurance that the limits in the Financial strategy are not breached by any expenditure changes from the [10-YearLong Term](#) Plan Renewal and Compliance budgets
- c) reporting by [10-YearLong Term](#) Plan activity (and group of activity) to give assurance that the Renewals and Compliance expenditure for the 3-year period is spread appropriately across Councils services.

Development Contributions

~~17.24.~~ Subject to the development contributions provisions in the Local Government Act 2002 and the provisions of the Council's Development Contributions Policy, the Chief Executive is delegated authority to approve a remission, postponement, or refund of a development contribution levied on a developer to the delegated financial authority limit specified in this Policy. All remissions, postponements or refunds are to be reported, for noting purposes, at the next relevant Committee meeting.

~~18.25.~~ For clarity, Council will not delegate to the Chief Executive any powers in relation to hardship related remissions or remissions not provided for in the Development Contributions Policy.

Waiver of Council Fees & Charges

~~19.26.~~ Subject to any specific waiver policies adopted by Council, the Chief Executive, General Managers and Executive Directors are each delegated authority to waive fees and charges for their respective areas of responsibility **provided:**

- a. the waiver and the amount are recorded and available for audit purposes;
- b. the circumstances of the specific waiver will not create a precedent;
- c. the act of waiving such fees and charges reflects 'good citizen' conduct;
- d. any waivers in excess of \$10,000 (calculated on an aggregate basis per Group) are to be reported to the next Finance [and Monitoring](#) Committee meeting.

For clarity, development contributions are not within the scope of the delegated authority detailed in this section ~~26.25.~~

Council Report

Committee: Council **Date:** 15 June 2023
Author: Chantal Jansen **Authoriser:** Michelle Hawthorne
Position: Governance Advisor **Position:** Governance and Assurance Manager
Report Name: Recommendations from Open Committee Meetings

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

1. To seek the Council's approval of the following recommendations from Committee Meetings:
 - i. Economic Development Committee meeting of 11 May 2023 ([Agenda and Minutes](#)), in respect of the Sale and Disposal of Council Land Policy 2023 and Business Improvement District (BID) Policy; and
 - ii. Infrastructure and Transport Committee meeting of 30 May 2023 ([Agenda and Minutes](#)), in respect of the Trade Waste and Wastewater Bylaw - Deliberations Report.

Recommendations from the Economic Development Committee meeting of 11 May 2023

Policy Review – Sale and Disposal of Council Land Policy 2023

2. That the Council approves the Sale and Disposal of Council Land Policy.

Policy Review - Business Improvement District (BID) Policy

3. That the Council approves the amended Business Improvement District Policy effective from 1 July 2023.

Recommendations from the Infrastructure and Transport Committee meeting of 30 May 2023

Trade Waste and Wastewater Bylaw - Deliberations Report

4. That the Council:
 - a) adopts the revised Trade Waste and Wastewater Bylaw (2023), effective from 1 July 2023;
 - b) notes that:
 - i. as part of this review, Council determined on 8 June 2021 that a Trade Waste and Wastewater Bylaw is the most appropriate mechanism for addressing issues relating to Trade Waste and Wastewater management in Hamilton;
 - ii. the Hamilton Trade Waste and Wastewater Bylaw 2016 has been reviewed and consulted on as per the requirements of the Local Government Act 2002;
 - iii. the revised Trade Waste and Wastewater Bylaw 2023 is the most appropriate form of the bylaw, having regard to the issues identified in the review and consultation feedback; and
 - iv. the revised Hamilton Trade Waste and Wastewater Bylaw 2023 does not give rise to any implications under the New Zealand Bill of Rights Act 1990.

Attachments - *Ngaa taapirihanga*

There are no attachments for this report.

Resolution to Exclude the Public

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

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

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

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of the Elected Member Briefing Closed Notes - 3 May 2023) Good reason to withhold) information exists under) Section 7 Local Government	Section 48(1)(a)
C2. Confirmation of the Elected Member Briefing Closed Notes - 31 May 2023) Official Information and) Meetings Act 1987)	
C3. Alternation to the Resolution of the Economic Development Committee		
C4. Recommendations from Public Excluded Committee Meetings		
C5. Confirmation of the Council (Recommendation from the CE Review Committee) Public Excluded Minutes 9 March 2023		
C6. Recommendation from the CE Review Committee meeting 23 May 2023		

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

Item C1.	to enable Council to carry out negotiations	Section 7 (2) (i)
	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C2.	to enable Council to carry out negotiations	Section 7 (2) (i)
	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C3.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h)
	to enable Council to carry out negotiations	Section 7 (2) (i)
		Section 7 (2) (j)

	to prevent the disclosure or use of official information for improper gain or improper advantage	
Item C4.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h)
	to enable Council to carry out negotiations	Section 7 (2) (i)
	to prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C5.	to protect the privacy of natural persons	Section 7 (2) (a)
Item C6.	to protect the privacy of natural persons	Section 7 (2) (a)