

Notice of Meeting:

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

Date: Tuesday 15 June 2021
Time: 9.30am
Meeting Room: Council Chamber and Audio-visual Link
Venue: Municipal Building, Garden Place, Hamilton

Richard Briggs
Chief Executive

Finance Committee *Komiti Tahua* OPEN AGENDA

Membership

Chairperson Cr R Pascoe
Heamana

Deputy Chairperson Cr Maxine van Oosten
Heamana Tuarua

Members	Mayor P Southgate	Cr A O'Leary
	Deputy Mayor G Taylor	Cr S Thomson
	Cr M Bunting	Cr E Wilson
	Cr M Gallagher	Cr D Macpherson
	Cr R Hamilton	Vacancy
	Cr K Naidoo-Rauf	Vacancy

Quorum: A majority of members (including vacancies)

Meeting Frequency: Six weekly

Becca Brooke
Governance Manager
Menetia Mana Whakahaere

8 June 2021

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Purpose:

The Finance Committee is responsible for:

1. Monitoring Council's financial strategy, and financial performance against the Long Term Plan and Annual Plan.
2. Determining financial matters within its delegations and Terms of Reference and making recommendations to Council on financial matters outside its authority.

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

Terms of Reference:

1. To provide direction on Council's financial strategy and monitor performance against that strategy.
2. To monitor Council's financial performance against the Council's 10 Year Plan and the impact of the financial performance on services levels and rate payers' value.
3. To monitor deferred capital expenditure.
4. To develop and monitor policy related to the following matters:
 - a) financial management;
 - b) revenue generation; and
 - c) procurement and tendering.
5. To monitor the probity of processes relating to policies developed by the Finance Committee.

The Committee is delegated the following powers to act:

- Approval of operating expenditure within the Long Term Plan or Annual Plan that exceeds the Chief Executive's delegation, excluding expenditure which:
 - contravenes the Council's Financial Strategy; or
 - significantly alters any level of service outlined in the applicable Long Term Plan or Annual Plan; or
 - impacts Council policy or practice, in which case the delegation is recommendatory only and the Committee may make a recommendation to the Council for approval.
- Approval of contractual and other arrangements for supply and services, and revenue generating contracts, which:
 - exceed the Chief Executive's delegations, but
 - exclude contracts or arrangements that are reserved for the Council or another Committee's approval.
- Approval to write-off outstanding accounts greater than \$10,000 (in accordance with the Debtor Management Policy).

The Committee is delegated the following recommendatory powers:

- To set the direction of Council's Financial Strategy.
- The Committee may make recommendations to Council.
- The Committee may make recommendations to other Committees.

Recommendatory Oversight of Policies and Bylaws:

- *Funding Needs Analysis Policy*
- *Investment and Liability Management Policy*
- *Rates Remissions and Postponements Policy*
- *Rating Policy*
- *Revenue and Financing Policy*

ITEM	TABLE OF CONTENTS	PAGE
1	Apologies – <i>Tono aroha</i>	5
2	Confirmation of Agenda – <i>Whakatau raarangi take</i>	5
3	Declarations of Interest – <i>Tauaakii whaipaanga</i>	5
4	Public Forum – <i>Aatea koorero</i>	5
5	Confirmation of the Finance Committee Open Minutes of 13 May 2021	6
6	Capital Portfolio Monitoring Report	11
7	Annual Monitoring Report to 30 April 2021	41
8	Financial Strategy Monitoring Report (<i>Recommendation to the Council</i>)	68
9	Non-Financial Service Performance Report Quarter three 2018-28 Long Term Plan	74
10	Resolution to Exclude the Public	121

1 Apologies – *Tono aroha*

2 Confirmation of Agenda – *Whakatau raarangi take*

The Committee 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 Chair.

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

Speakers will be put on a Public Forum speaking list on a first come first served basis in the Council Chamber prior to the start of the Meeting. A member of the Council 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: Finance Committee

Date: 15 June 2021

Author: Narelle Waite

Authoriser: Becca Brooke

Position: Governance Advisor

Position: Governance Manager

Report Name: Confirmation of the Finance Committee Open Minutes of 13 May 2021

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

That the Finance Committee confirm the Open Minutes of the Finance Committee Meeting held on 13 May 2021 as a true and correct record.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Finance Committee Open Unconfirmed Minutes - 13 May 2021 .

Finance Committee

Komiti Tahua

OPEN MINUTES

Minutes of a meeting of the Finance Committee held in Council Chamber, Municipal Building, Garden Place, Hamilton and audio-visual link on Thursday 13 May 2021 at 9.32am.

PRESENT

Chairperson Cr R Pascoe
Heamana

Deputy Chairperson Cr Maxine van Oosten
Heamana Tuarua

Members: Mayor P Southgate
Deputy Mayor G Taylor (via audio-visual link)
Cr M Gallagher
Cr R Hamilton
Cr K Naidoo-Rauf (via audio-visual link)
Cr S Thomson
Cr E Wilson
Cr D Macpherson

In Attendance: David Bryant – General Manager People and Organisational Performance
Chris Allen – General Manager Development
Eeva-Liisa Wright – General Manager Infrastructure Operations
Iain Anderson – Capital Financial Lead
Tracey Musty – Financial Controller
Rebecca Whitehead – Unit Director Business and Planning
Luke O'Dwyer – City Planning Manager

Governance Staff: Becca Brooke – Governance Manager
Narelle Waite and Carmen Fortin – Governance Advisors

1. Apologies – *Tono aroha*

Resolved: (Cr Wilson/Cr van Oosten)

That the apologies for absence from Crs O'Leary and Bunting, for partial attendance from Mayor Southgate, for early absence from Crs Hamilton and Thomson are accepted.

2. Confirmation of Agenda – *Whakatau raarangi take*

Resolved: (Cr Pascoe/Cr Hamilton)

That the agenda is confirmed.

3. **Declarations of Interest – *Tauaakii whaipaaanga***

No members of the Council declared a Conflict of Interest.

4. **Public Forum – *Aatea koorero***

No members of the public wished to speak.

5. **Confirmation of the Finance Committee Open Minutes of 23 March 2021**

Resolved: (Cr van Oosten/Cr Wilson)

That the Finance Committee confirm the Open Minutes of the Finance Committee Meeting held on 23 March 2021 as a true and correct record.

6. **Capital Portfolio Monitoring Report**

The Capital Financial Lead introduced the report noting the capital expenditure to date, project impacts on the capital forecast including deferrals, the Ruakura Road Urban Upgrade, Turakina Rise and the National Policy Statement: Fresh Water (NPS FW). Staff responded to questions from Members concerning the Rototuna land purchase including designation, Waka Kotahi subsidies and budget for public transport infrastructure, the NPS FW and projects effected, and outstanding capitalisation figures.

Staff Action: Staff undertook to provide bring an update to the Finance Committee meeting of 15 June 2021 concerning budget to support public transport infrastructure at the Rototuna land purchase site.

Staff Action: Staff undertook to provide Members with information on the most recent outstanding capitalisation figures.

Resolved: (Cr Pascoe/Cr Hamilton)

That the Finance Committee receives the report.

Cr Gallagher joined the meeting (9.36am) during discussion of the above item. He was present when the matter was voted on.

Cr Macpherson joined the meeting (9.36am) during discussion of the above item. He was present when the matter was voted on.

7. **Annual Monitoring Report to 31 March 2021**

The Financial Controller took the report as read noting forecast adjustments including the Waikato Regional Theatre development, and the Investment and Liability Management Policy (ILMP). She responded to questions from Members concerning the review of the ILMP, redistribution of investments, forecasting variance concerning development contributions, multi-year deferrals, Covid-19 effect on forecasting, review of borrowing forecast, and depreciation and revaluation of assets.

Staff Action: Staff undertook to provide Members with information concerning Council's investment opportunities.

Staff Action: Staff undertook to provide information to Members identifying multi-year project deferrals.

Resolved: (Cr Wilson/Cr van Oosten)

That the Finance Committee receives the report.

8. Financial Strategy Monitoring Report

The Financial Controller took the report as read noting the Register of Significant Forecast Changes. She responded to questions from Members concerning the effect of deferrals on the favourable debt to revenue reporting.

Resolved: (Cr Pascoe/Cr Hamilton)

1. That the Finance Committee receives the report.
2. That the Finance Committee recommends that the Council:
 - a) approves the capital movement as identified in paragraph 22 of the 13 May 2021 Capital Portfolio Monitoring Report;
 - b) approves the significant forecast adjustments as set out in paragraphs 19 and 20 of this report; and
 - c) approves the revised Financial Strategy position for Debt to Revenue, Net Debt and Balancing the Books as set out in paragraphs 22 to 24 of this report.

9. Libraries RFID (Radio Frequency Identification) Service Level Agreement

The Unit Director Business and Planning spoke to the report noting the procurement recommendations including contract length and operational budget.

Resolved: (Cr Wilson/Cr Hamilton)

That the Committee:

- a) receives the report; and
- b) approves the RFID Service Level Agreement under Contract 18157 – Hamilton Libraries RFID Implementation noting the following:
 - (i) the Service Level Agreement term is to be set at ten years; and
 - (ii) the Sum of Six Hundred Thousand Dollars (\$600,000) being the maximum total spend over the full term of the Agreement.

10. Resolution to Exclude the Public

Resolved: (Cr Pascoe/Cr van Oosten)

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 Finance Committee Public Excluded Minutes of 23 March 2021) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C2. Report on overdue debtors as at 31 March 2021 and Debt write-offs 2020/21)	
C3. Waikato Innovation Park Claim		
C4. Technology Service Contract Renewal		

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 protect the privacy of natural persons to maintain the effective conduct of public affairs through protecting persons from improper pressure or harassment	Section 7 (2) (a) Section 7 (2) (f) (ii)
Item C3.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h)
Item C4.	to enable Council to carry out negotiations	Section 7 (2) (i)

The meeting went to Public Excluded session at 10.32am

The meeting was declared closed at 12.13pm

Council Report

Item 6

Committee: Finance Committee

Date: 15 June 2021

Author: Iain Anderson

Authoriser: Chris Allen

Position: Capital Financial Lead

Position: General Manager
Development

Report Name: Capital Portfolio Monitoring Report

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

1. To inform the Finance Committee on the progress of the capital portfolio against the 2020-21 Annual Plan.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Finance Committee receives the report.

Executive Summary - *Whakaraapopototanga matua*

3. This report is to be read in conjunction with the:
 - 30 April 2021 (15 June 2021 meeting) Annual Monitoring Report; and
 - 30 April 2021 (15 June 2021 meeting) Financial Strategy Monitoring report
4. Capital expenditure for the ten months ended is \$179.0m. The annual forecast has been revised through deferrals, brought forwards and changes to \$256.5m.
5. The value of deferrals and brought forwards has increased by \$6.5m to \$47.9m for the ten months ended 30 April 2021. The year-end projected value for deferrals is estimated to be \$65.0m.
6. Further savings of \$2.3m have been identified, bringing the year-to-date amount to \$6.1m. The annual impact on the operating position of these savings is approximately \$195k.
7. Capital work in progress (WIP) is \$420.5m, within this amount is \$79.3m of assets that are in service but have not yet been capitalised. These assets are being processed with priority to ensure minimal on the 30 June 2021 financial operating result for Council.
8. Five projects across the portfolio have been flagged as having a risk(s) that are being brought to the attention of the Finance Committee. Risks are generally considered to be associated with cost, timing, or scope.
9. A significant portfolio risk for 2021/31 is emerging relating to supply chain issues for materials caused by global and national demand and transport logistics.
10. Staff consider the matters to be of low significance and that the recommendations comply with Council's legal requirements.

Discussion – *Matapaki*

Programme Summary and Significant Highlights

11. The following definitions are relevant:
 - i. Portfolio: refers to the total organisational capital work budget for 2020-21. As per the approved Annual Plan the portfolio is \$302.8m. This is subsequently modified through the Forecast;
 - ii. Programme: refers to the eight programmes that are referred to in this report, which when added together equal the portfolio; and
 - iii. Project: refers to the individual project under a particular programme. These projects may have funding from multiple activities and occur across multiple years.
12. **Attachment 1** contains an overview of the Capital Portfolio.
13. **Attachment 2** contains an overview of the eight programmes. Each overview contains a summary of the key achievements and a graphical representation of the financial performance. The eight programmes are:
 - i. City Wide Community,
 - ii. City Wide Waters,
 - iii. Peacocke,
 - iv. Rotokauri,
 - v. Rototuna,
 - vi. Ruakura,
 - vii. Transport Improvement, and
 - viii. Renewal and Compliance.
14. **Attachment 3** is a summary table of changes to the 2020-21 capital expenditure and capital revenue. This table tracks the changes approved at each Finance Committee meeting.
15. **Attachment 4** is a full capital project listing. This reports the overall capital budget for the 2020/21 financial year. It tracks the budget changes from the approved 10 Year plan through to the approved Annual Plan and then the budget changes through to the current forecast position as at 30 April 2021. This attachment has been expanded to show the future year(s) that deferrals are moving to.

Capital Expenditure Forecast Groups

16. For the purposes of this Capital Portfolio Monitoring report, there are three main types of capital budget movement that will impact on the forecasted total spend for this financial year. They are:
 - i. **Deferrals and Brought Forwards**: These are approved budgets where a timing change has been identified. The timing change is either, a deferral, where the budget is moved out to a future year or a brought forward where the future budget is brought forward to the current year;
 - ii. **Capital Savings**: these are permanent reductions in the budget. The savings are tied back to the Organisation savings targets established by the CE at the start of the 2018-28 10YP; and
 - iii. **Other Changes**: these are new budgets that either did not previously exist or is an amendment to an existing approved budget.

17. These three types apply to all assets except the Renewals and Compliance Programme. This programme is being managed as a 3-year programme. Any unspent funds within any year are carried forward. Ultimately, any budgets unspent at the end of the 3-year cycle will be returned to Council as a saving. Staff are authorised to use their discretion to manage projects within the 3-year programme to ensure that Council is looking after its assets.

Capital Actual

18. The actual capital expenditure for the ten months ended 30 April 2021 is \$179.0m (\$150.4m) with associated capital revenue of \$52.1m (\$33.8m). The amounts in the brackets are comparatives from the previous financial year.
19. The capital programme is significantly greater this year than was delivered in the previous year. The total spend last year was \$190.8m while this year the forecast target as at 30 April 2021 is \$256.5m.

Capital Forecast

20. This section only includes changes since the previous report to the Finance Committee on 13 May 2021.
21. The following table starts with the opening forecast as per the previous Finance Committee meeting and shows the additional movements through each area.

	Expenditure	Revenue
Forecast Budget as at 31 March 21	268,940	72,547
less Deferrals & b/fwds	(6,542)	0
less Savings	(2,253)	0
less Changes	(3,654)	(10,501)
Forecast Budget as at 30 April 2021	256,492	62,046

22. A summary table with all changes made this financial year is contained in **Attachment 3**. This table starts with the approved budget as per the 2020-21 Annual Plan and moves through the changes disclosed at each Finance Committee meeting.
23. A full capital schedule is contained in **Attachment 4**. This listing follows the same layout as the approved 2020-21 Annual Plan. It tracks the approved changes for the original 10-Year Plan through to the current forecast position.

Capital Deferrals

24. Deferrals are largely classified as either re-phasing or delay.
- I. Re-phasing - is where the project has started, or there is confidence that the project will start and finish on time, but the expenditure across the years of the project is forecast to be different than budgeted. In general, this refers to projects where staff have received construction programmes from the contractors, and with them the forecasts of expenditure have been rephrased.
- II. Delay Deferrals - this is where a movement of capital expenditure is required due to delays and will result in a shift of the project end date. Some of these delays will be 020-21 due to third party issues outside Council control, the more usual reason being that a developer is not ready to partner with Council as anticipated when the 2018-28 10-Year Plan was developed.
25. The net value of deferrals and brought forwards has increased by \$6.5m, the total value for the financial year is now \$47.9m. The end of year estimate for deferrals remains at \$65.0m. This position continues to be reviewed based on actual progress to date. Any change will be reported to next Finance Committee meeting.

26. As deferrals are the transfer of approved budgets into future periods Attachment 4 has been amended to show the future period the deferral is being transferred. As this is the final year of the 2018-21 10YP it should be noted all deferrals are only moving out one year to 2021-22, this being the first year of the new 2021-31 10YP. This was deliberate and the impact was considered at the time the 2021-31 capital programme was being developed.

Capital Savings

27. The Cost Saving Report from the 2018-28 10 Year Plan identified a capital savings target for 2020-21 of \$14.2m. The impact of this amount on the savings targets is the consequential savings in interest and depreciation. In other words, by not spending there is no depreciation and no interest expense.
28. Further savings of \$2.3M has been identified. This brings the total to \$6.1M. This equates to approximately \$195K in reduced depreciation and interest.

Capital Other

29. The majority of the Other changes relates to realignment of the budgets for the 3 Water Stimulus Programme. This programme was not part of the approved Annual Plan, since the funding agreement was approved staff have refined the cashflow for the project and this has seen funding that was initially expected to be spent this financial year moving into next financial year. Note the programme is fully funded and there is an offset adjustment under the Capital revenue section below.

Capital Revenue

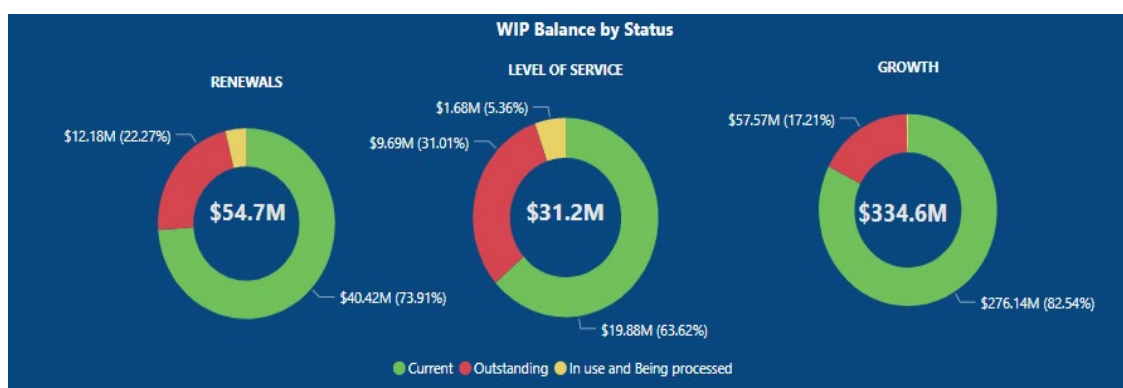
30. The large reduction in capital revenue is a timing change related to the 3 Water Reform, Te Awa Cycleway and Ruakura Package 1. These works were not originally part of the approved budget and are being funded through contributions. This movement will see this funding transferred out of the current year and into the next year, this will ensure alignment with the planned spend.

Work in Progress (WIP)

31. The total value of WIP as at 30 April 2021 is \$420.5m, inclusive of vested assets.
32. The breakdown by status is:
- i. Current - \$336.5m (80.0%): this is legitimate WIP and reflects the assets that cannot be capitalised until they are complete and in use;
 - ii. In use and being processed - \$4.7m (1.1%); and
 - iii. Outstanding \$79.3m (18.9%): these are assets are in service, but the capitalisation process has not yet been completed. This group is treated with priority. Depreciation is applicable but not yet charged.
33. As reported previously, WIP is simply an accounting disclosure of capital expenditure. It reflects fixed assets that are not yet fully operational. Until they are complete and operational the expenditure remains classified as WIP. However, once the asset is fully operational it is required to be capitalised, it is at this point the depreciation begins.
34. Therefore, the focus is the WIP amount that is classified as outstanding. It is this balance that is getting priority to resolve before the end of the financial year. In the meantime, to ensure that we do not understate the amount of depreciation an assessment has been made and recorded as an expense on the Statement of Comprehensive Revenue and Expense.
35. Since the previous report to the Committee the value of outstanding WIP has increased slightly from \$73.8m to \$79.3m. The capitalisation process is complex due to the need to identify and

record the assets at the correct component level with the Asset Management systems. As staff work through this the substantial reduction is not expected to be seen until the final month of the financial year.

36. One of the significant areas within outstanding is the Vested Assets, they represent 37.5 % of outstanding value and staff are currently ensuring all the assets are correctly recorded within both RAMM (Transport assets only) and IPS (all other assets), before the WIP in the ledger is reduced.
37. This report relates to the period ended 30 April 2021, however by the time this committee meets on the 15 June the 31 May results will be available, as such a verbal update will be made to the meeting.
38. The following table includes the status along with split between the different asset categories: Renewal, Level of Service and Growth.



Project Risks - update

39. The following five projects have been classified as orange within the eight Programme Summaries. Changes since the last report are; Resolution Drive extension has been removed as it has returned to green while the Newcastle Water Reservoir and Supply Network Upgrade has been added due to current risks that require monitoring.

Wairere Drive Extension – Cambridge to Cobham

40. Timing and costs risks. This is a large complex contract with a number of significant risks that need monitoring and managing, as such this project will remain orange throughout the construction period. The significant remaining risks include bridge structure works, traffic management and contract time costs.

Te Awa Cycleway Extension

41. Timing risk. The construction contract has been awarded. The project has an estimated completion date of October 2021. The project is currently tracking behind and staff are working with the contractor to seek assurances completion will be achieved as per contract agreement.

Rototuna Village Transport – Stage 1

42. Timing and costs risk. The extension of Turakina Rise through to Bourn Brook Ave had been planned for a start this year, however due to the National Policy Statement on Freshwater the project has been moved out to next year as staff work with Regional Council on ensuring compliance.

Ruakura Road Urban Upgrade

43. The contract has now been awarded. Over the coming months there will be need for significant traffic management including staged road closures in the second half of the 2021

year. Project has been classified orange with staff actively monitoring traffic impact on the network.

Newcastle Water Reservoir and Supply Network Update

44. The contract was subject to a public excluded report to Infrastructure Operations on 8 June 2021. The risk relates to programme due to contract approval delays.

Portfolio Risks

45. A new and potentially significant portfolio risk is emerging relating to material supply. The risk is caused by both the national and international demand for certain materials and transport logistics. The risk consequence is delivery time and cost.
46. Discussions with our contractors indicate recent shortages and/or significant cost escalations for certain products such as steel, concrete, pipes, fittings and bitumen to name a few.
47. Staff are monitoring this risk carefully and will be further reporting on it in subsequent reports to this Committee and to the Strategic Risk and Assurance Committee.
48. The risk is very likely to put pressure on budget adequacy for projects over the next few years. It is very hard to fully dimension the risk as it is just emerging. For the interim, more risk analysis on each project around supply issues prior to committing to physical works procurement and contracts will be undertaken, and if necessary, reported to Council.

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

49. Staff confirm that matters and recommendations within this report comply with Council's legal and policy requirements.

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

50. 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 well-beings').
51. The subject matter of this report has been evaluated in terms of the 4 well-beings during the process of developing this report as outlined below.
52. The recommendations set out in this report are consistent with that purpose.

Social

53. Work is currently underway to understand social procurement opportunities across our portfolio, which involves enhanced recognition and valuing of social benefits through particularly our selection of contractors.

Economic

54. Delivery of our capital works portfolio is required for the city to continue to grow and generate employment and wealth.

Environmental

55. Across the capital portfolio, environmental consideration is integrated throughout the project life cycle, including through design, procurement and construction.
56. In the procurement phase all physical works contracts include a component to incorporate environmental and sustainability considerations into tender evaluation, where contractor initiatives such as materials reuse, energy requirements, electric vehicle utilisation, carbon offsets etc. can be valued.

57. Across the portfolio several works projects and programmes are specifically focussed on enhancing Hamilton's natural environment or ensuring effects of city development are not at the detriment of the natural environment.

Cultural

58. Across the portfolio, engagement and partnership with iwi is continuing at a project level, and work is underway to further align and partner at programme and portfolio levels to identify opportunities for enhanced partnership and shared outcomes. This is particularly in regard to alignment with objectives of the Waikato Tainui Environmental Plan – Tai Tumu Tai Pari Tai Ao.

Risks - *Tuuraru*

59. There are no known risks associated with the recommendations in this report .

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

Significance

60. Staff have considered the key considerations under the Significance and Engagement Policy and have assessed the matters and recommendations in this report have a low level of significance.

Engagement

61. Community views and preferences are already known to the Council through the 2018-28 10-Year Plan and 2019-20 Annual Plan.
62. Given the low level of significance determined, the engagement level is low, and no further engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Portfolio Summary

Attachment 2 - Eight Programme Summaries

Attachment 3 - 2020-21 Summary Budget Changes

Attachment 4 - Full Capital Project Listing .

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HAMILTON CITY COUNCIL CAPITAL PORTFOLIO REPORT

PORTFOLIO COMMENTARY/HIGHLIGHTS

Across the portfolio, our works programmes and projects are continuing to deliver organisational outcomes and realise the following investment benefits:

Looking after our existing assets

Delivery of our asset renewals programmes is continuing, with works largely contractually committed and on track. Delivery of these activity works programmes has involved agility and reprioritisation to best respond to asset needs.

Enabling and supporting residential growth and development

Our strategic infrastructure delivery programmes continue to support ongoing residential development in the greenfield growth areas of Rototuna and North Ruakura, and delivery of the Peacocke programme is on track as our next primary greenfield residential growth area.

Enabling and supporting industrial and employment growth and development

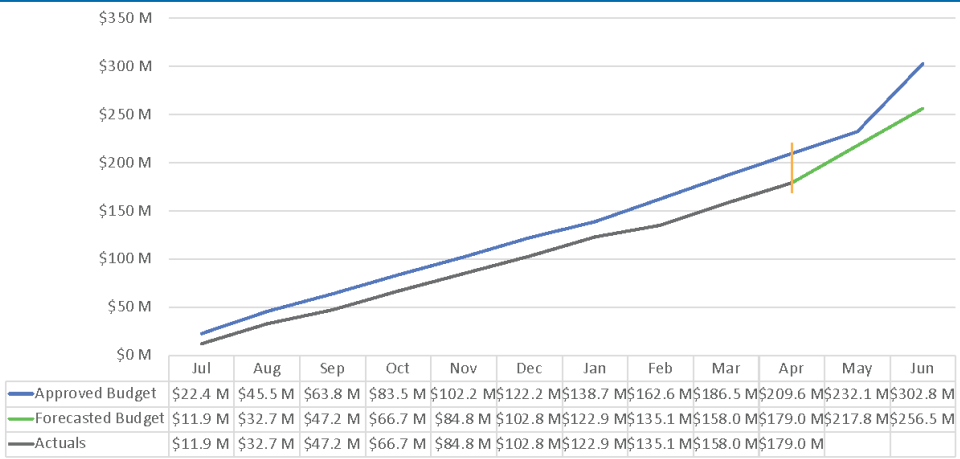
With limited existing industrial/commercial land available (Te Rapa industrial zone almost at capacity), Ruakura is the city’s next planned major employment area. In collaboration with Tainui Group Holdings and with Crown Stimulus Funding, provision for the major transport links and strategic 3-waters infrastructure is well advanced.

Building a great river city that makes Hamilton a great place to live, work, play and visit.

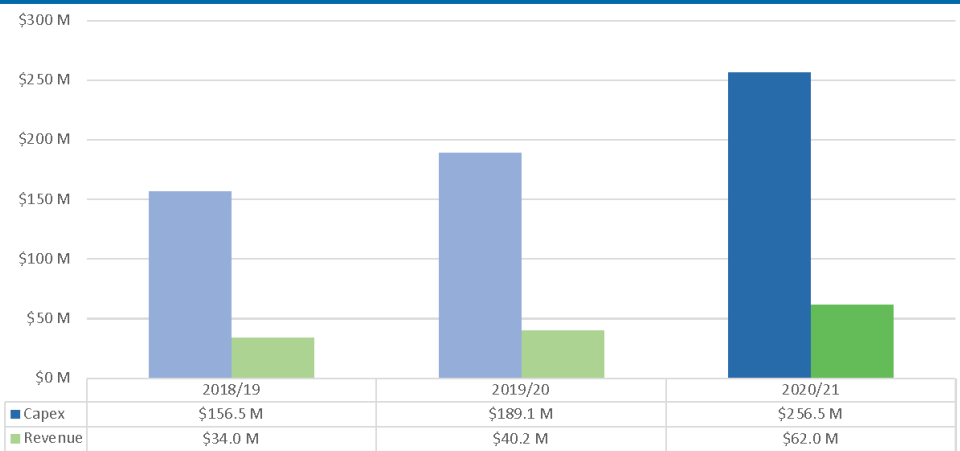
Development of new playgrounds, sports parks and Rototuna village are progressing well with positive community feedback.

FINANCIAL PERFORMANCE

Capital Expenditure 2020-21



3 Year Forecasted Budget



CITY WIDE COMMUNITY PROGRAMME CAPITAL REPORT

PROGRAMME OUTCOME

Whakapai atu te mauri o ngaa waahi taangata me ngaa waahi wairua auaha
Improving the vibrancy of our social and creative spaces



HAMILTON GARDENS

The Egyptian Garden main contract is progressing well. Palm Court construction will commence after completion of the Egyptian Garden. The Visitor Centre concept design is currently in progress.



ZOO/WAIWHAKAREKE SHARED ENTRY PRECINCT

Construction of the new Zoo entrance building is progressing well. Works have begun on the Waiwhakareke landscaping. Procurement for Stage 2 (car parks and Brymer Road urbanisation) will commence in May 2021 with a Request for Expressions of Interest (REOI).



PLAYGROUNDS

Hayes Paddock playground is completed. Glenview Park is currently being constructed with planned opening in May. Tauhara Park playground construction is well underway and will be complete by the end of June. Hammond Park playground will be deferred to next financial year.



CENTRAL CITY JETTY

Jetty landing completed first week April 2021. Interpretive signage is currently under review with the local Hapu. Anticipated final completion date including the revetment wall is in June 2021.

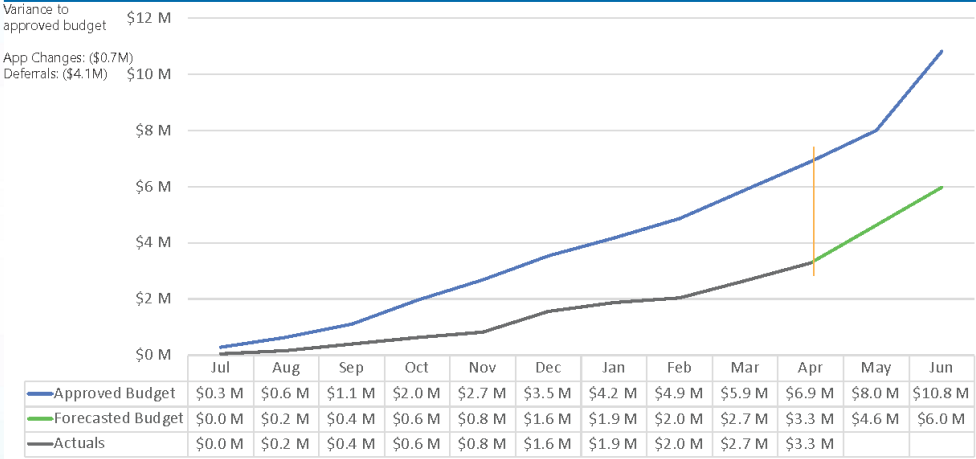
Zoo / Waiwhakareke Entry Precinct



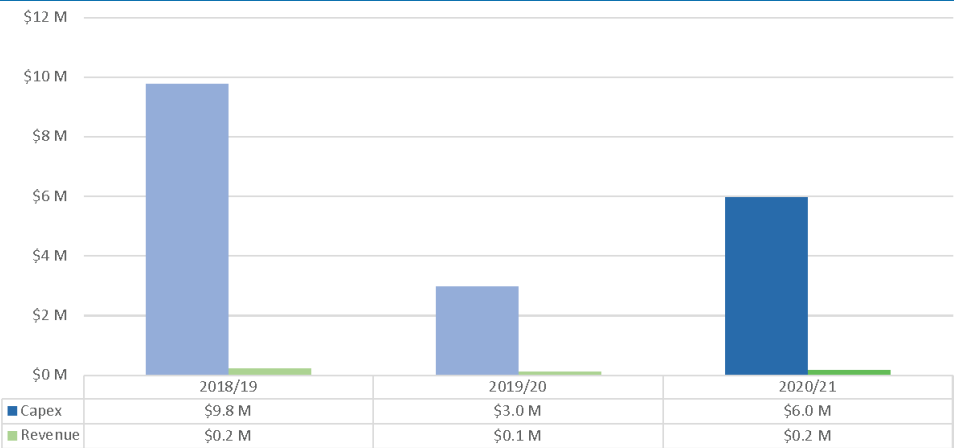
Central City Jetty

FINANCIAL PERFORMANCE

Capital Expenditure 2020-21

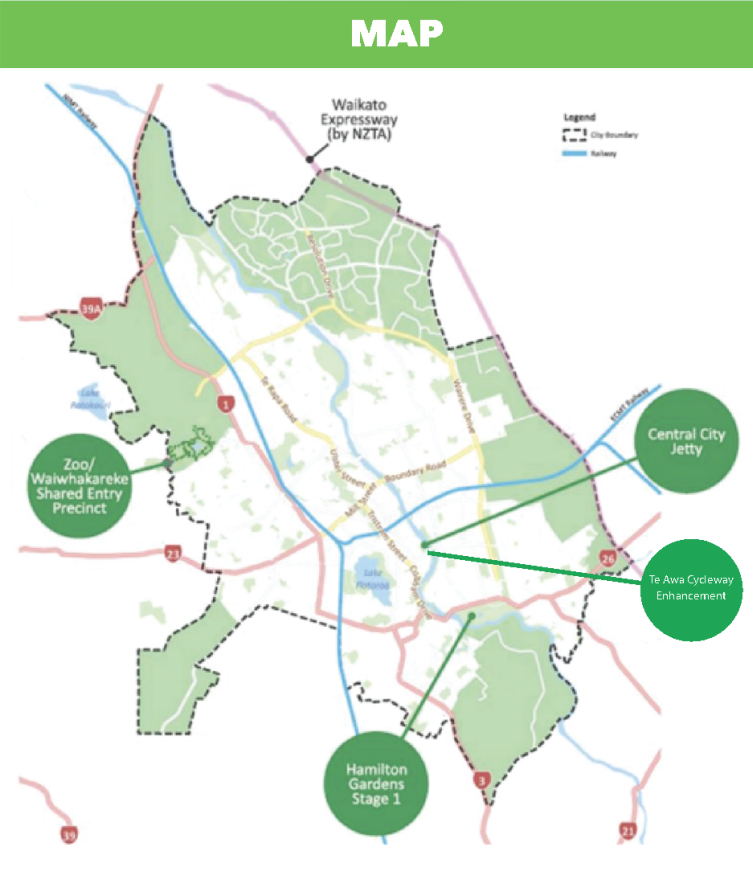


3 Year Forecasted Budget





CITY WIDE COMMUNITY PROGRAMME CAPITAL REPORT


KEY PROJECTS														
Project Name		Project Description	Project Status	Total Project Budget	Actual Spend to Date	Forecast Total Cost	2019/20		2020/21			2021/22		
	Hamilton Gardens Stage One	Completion of the theme gardens at the western end of the site and the extension of the visitor retail space. The project also includes the following new gardens: - Baroque Garden - Medieval Garden - Pasifika Garden - Ancient Egyptian Garden and Courtyard Civil works have been completed for these four gardens.		\$9.9 M	\$4.3 M	\$9.9 M								
	Zoo/Waiwhakareke Shared Entry Precinct	Creating a shared entry precinct with Hamilton Zoo and Waiwhakareke Natural Heritage Park. This project includes Stage 1 / Stage 2 and Brymer Road projects. The budget shown here does not include additional funds identified in the Draft LTP for Stage 2.		\$13.1 M	\$2.1 M	\$13.1 M								
	Playground Development Programme	The renewal and upgrade of playgrounds across the City (budget shown for 2018/19 to 2020/21). This budget includes playground upgrades and renewals.		\$4.9 M	\$3.6 M	\$4.9 M								
	Central City Jetty	The upgrade the current central city jetty to provide a safe location for boats to dock close to the central business district.		\$1.1 M	\$1.0 M	\$1.1 M								




Project status

 Project is on track


 Project has significant risks that are being monitored and managed


 Project has significant risks that will require Council decision

KEY

 Business Case / Investigation

 Procurement

 Design

 Construction

CITY WIDE WATERS PROGRAMME CAPITAL REPORT

PROGRAMME OUTCOME

He wai tonu ka whai ture, ka haapai hoki i te tupuranga

Ensuring the provision of essential water services that allow for future growth and compliance



TREATMENT PLANTS

Waioira Water Treatment Plant: Construction of the new chemical storage facility is now complete and has been commissioned. The first package of the sedimentation and filtration upgrade (raw water pipeline) is now complete and package two to design and construct the new process plant is underway.

Pukete Wastewater Treatment Plant: Works on the chemical storage facility, bioreactor and clarifier is now substantively complete and we are working on commissioning these. The bioreactor retrofits will start once process commissioning of the new bioreactor and clarifier has been completed (summer 2021/22).



WATER

Newcastle Water Reservoir and supply network upgrade: As reported to the Infrastructure Operations Committee on the 8 June 2021, contract establishment and confirmation of works programmes are still being finalised. Works are planned to start in mid 2021.



STORMWATER

Erosion control works: Works are underway to deliver a integrated programme of erosion control activities through gullies, streams and watercourses across the city. Construction works are currently nearing completion at the Ulster culvert and Maeroa street in the Waitawhiriwhiri gully.



WASTEWATER

Western Wastewater Interceptor: The project is making good progress with all pipe installation largely complete and final tie-in and commissioning works including connection of the southern chamber is underway. Works are planned to be complete by July 2021.

Hillsborough Wastewater Pump Station

upgrade: All construction is now complete and the pump station is operational.



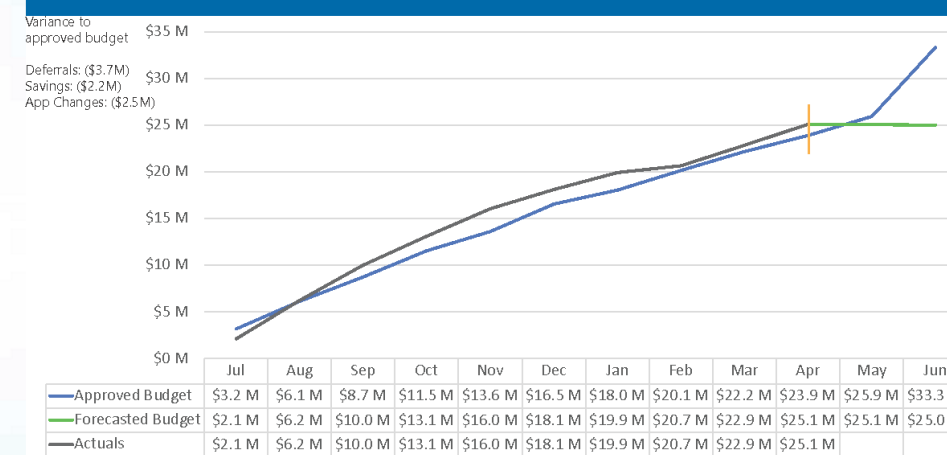
Western
Wastewater
Interceptor



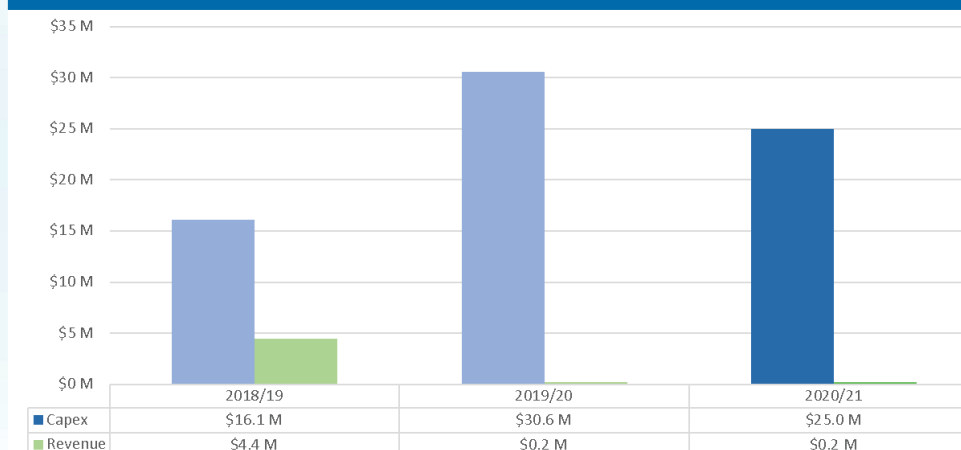
Western
Wastewater
Interceptor

FINANCIAL PERFORMANCE

Capital Expenditure 2020-21














3 Year Forecasted Budget






CITY WIDE WATERS PROGRAMME CAPITAL REPORT

KEY PROJECTS

Project Name	Project Description	Project Status	Total Project Budget	Actual Spend to Date	Forecast Total Cost	2019/20	2020/21	2021/22
 Pukete 3 Wastewater Treatment Plant Capacity Upgrade - Stage 1	Major capacity upgrade on the wastewater treatment plant including new chemical storage facility, interstage pump station, bioreactor and clarifier.		\$32.4 M	\$32.4 M	\$32.4 M			
 Pukete 3 Wastewater Treatment Plant Capacity Upgrade - Stage 2	Retrofit of existing bioreactors.		\$4.2 M	\$0.0 M	\$4.2 M			
 Western Wastewater Interceptor Capacity Upgrade	A large wastewater pipe being installed underground along Mangaharakeke Drive which will connect to our Pukete Wastewater Treatment Plant. Savings of \$1.44m already realised in 2018/19.		\$22.5 M	\$15.4 M	\$21.0 M			
 Hillsborough Wastewater Pump Station Upgrade	A major renewal project which will increase the size and capacity of the wastewater pump station. Additional costs have been incurred.		\$5.3 M	\$5.2 M	\$5.3 M			
 Waioara Water Treatment Plant Upgrade	Major capacity upgrade on the water treatment plant including upgrading the chemical facility and replacing the clarifiers, sand filters, balancing tank and pump station.		\$32.4 M	\$10.6 M	\$32.4 M			
 Newcastle Water Reservoir and Supply Network Upgrade	Installing new water pipes and upgrading the reservoir pump station to improve functionality, network operations and resilience. Amber due to contract delivery risks as reported to the 8th June 2021 Infrastructure Operations committee. Budget includes funds identified in the draft 2021/31 LTP.		\$16.7 M	\$1.4 M	\$16.7 M			

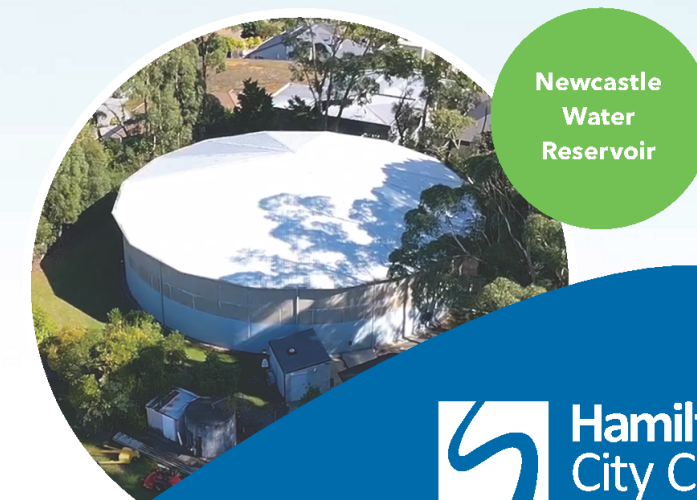
Project status

-  Project is on track
-  Project has significant risks that are being monitored and managed
-  Project has significant risks that will require Council decision

KEY

-  Business Case / Investigation
-  Design
-  Procurement
-  Construction

MAP



Newcastle Water Reservoir

PEACOCKE PROGRAMME CAPITAL REPORT

PROGRAMME OUTCOME

Ko te aaheinga o te hanga he waahi ataahua, he waahi toiora ki Peacocke

Enabling the development of an attractive and sustainable community in the Peacocke growth area



INFRASTRUCTURE

Overall, the network infrastructure programme remains on track or ahead of the original Business Case and approved HIF agreement.

Ohaupo Road (SH3) Intersection construction is substantially complete, with the roundabout operational 6 months ahead of schedule. Processes for final safety audit and handover to the asset owners are under way.

The Waikato bridge and associated roads contract is progressing well with bulk earthworks and utility diversions and bridge foundation works under way. This includes part of the Peacockes Road Urban Upgrade. Geotechnical risks at the bridge abutment site on the northern river bank are being managed with refinements to piling methodology and increased monitoring.

The Northern Transfer Main project is approaching 50% complete and is likely to be completed ahead of schedule. Alternative traffic management arrangements are being used on Wairere Drive to minimise the duration of disruption to traffic.

Peacocke's main wastewater pump station tender phase is under way with tenders closing in July 2021 for construction to commence at the end of this year.

Design is under way for the Peacocke East-West minor arterial and the North-South Wastewater Pipelines.

Council has secured 36 of the 39 properties required for construction with 31 by agreement and has licenses to occupy in place for two of the remaining three. The Environment Court hearing has been completed for the one objecting landowner remaining and Council awaits the Court's decision.



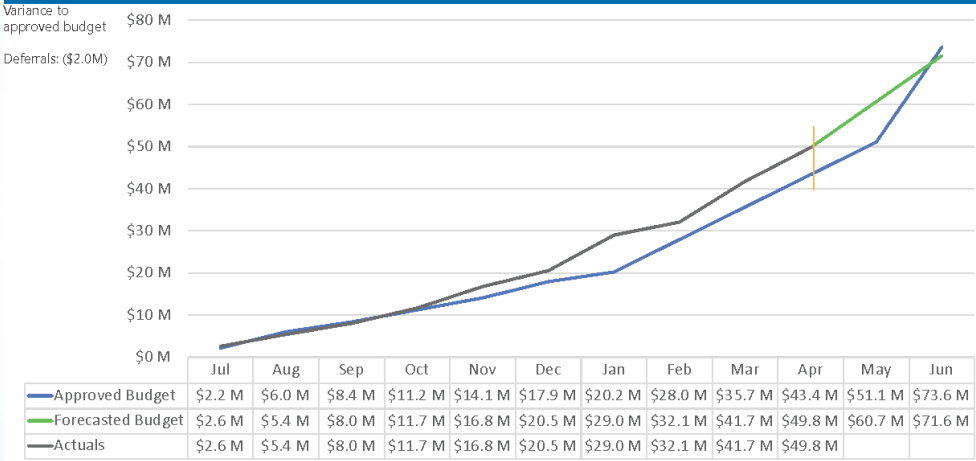
PARKS

A Notice of Requirement for the approximately 14.5ha northern sports park has been lodged. Discussions with submitters continues and a deferred hearing is planned for mid-2021.

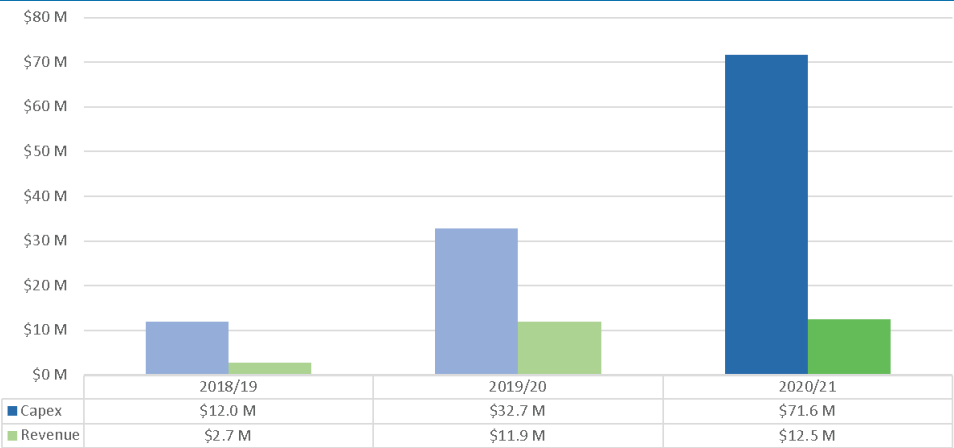
An advance agreement for acquisition of the northern sports park property is expected to be executed by June 2021.

FINANCIAL PERFORMANCE

Capital Expenditure 2020-21































































3 Year Forecasted Budget

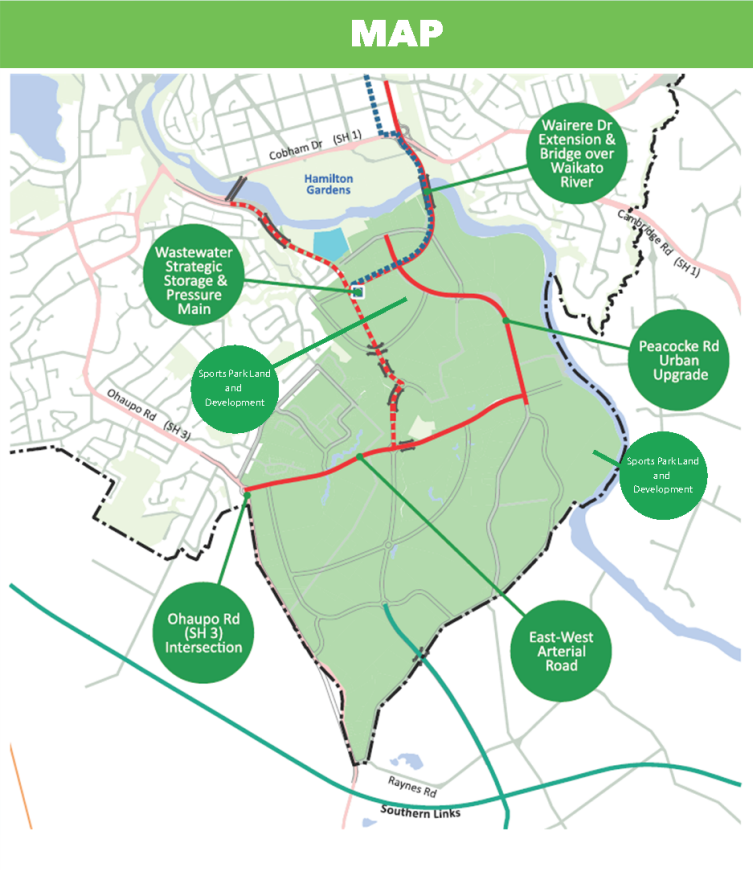


Peacocke
Wastewater
Event






PEACOCKE PROGRAMME CAPITAL REPORT

KEY PROJECTS														
Project Name		Project Description	Project Status	Total Project Budget	Actual Spend to Date	Forecast Total Cost	2019/20		2020/21			2021/22		
	Ohaupo Road (SH3) Intersection	Construction of a new roundabout, including separated walking/cycling facilities, will serve as a gateway to Peacocke from the south. Land budget previously separated now included in total project budget.		\$22.8 M	\$18.5 M	\$22.8 M								
	Wairere Drive Extension and Bridge over Waikato River to Peacocke North-South Arterial	Construction of a new major arterial roading connection into Peacocke, including a bridge across the Waikato River.		\$136.5 M	\$32.7 M	\$136.5 M								
	Wastewater Strategic Pumpstation, Storage and Pressure Main	Construction of a new major pump station, associated storage and installation of 7.5km new wastewater pressure pipelines to connect to the city's existing wastewater network.		\$59.9 M	\$17.4 M	\$59.9 M								
	East/West Rooding Arterial	This major arterial roading connection will connect Peacockes Road in the east with Ohaupo Rd/State Highway 3 (SH3) in the west.		\$35.1 M	\$1.4 M	\$35.1 M								
	Land Acquisition	The purchase of land to allow for the construction of infrastructure.		\$62.0 M	\$17.8 M	\$62.0 M								
	Sports Park Land Acquisition and Development	The land purchase and basic development of two sports parks in Peacocke.		\$33.9 M	\$0.3 M	\$33.9 M								



Peacocke Bridge Site

Project status

-  Project is on track
-  Project has significant risks that are being monitored and managed
-  Project has significant risks that will require Council decision

KEY

-  Business Case / Investigation
-  Design
-  Procurement
-  Construction

ROTOKAURI PROGRAMME CAPITAL REPORT

PROGRAMME OUTCOME

Ko te aaheinga o te hanga he waahi ataahua, he waahi toiora ki Rotokauri
Enabling the development of an attractive and sustainable community in the Rotokauri growth area



BAVERSTOCK ROAD UPGRADE

Construction works are complete. The stormwater wetland works are subject to alignment with developer timing.



ARTERIAL ROADING DESIGNATION

As reported to the Strategic Growth Committee on 12 November 2020, the designation for the strategic transport corridors in the Rotokauri area is progressing with site investigation, concept development and stakeholder engagement workstreams underway. Engagement with the directly affected land-owners has commenced, with positive feedback at the public open day held in April 2021.



ROTOKAURI ROAD UPGRADE

Construction is complete for the upgrade between Baverstock Road and Te Wetini Drive providing a safe connection and bus services for the community.



TE WETINI DRIVE EXTENSION

A private development agreement (PDA) is now in place to progress this extension and construction is underway, the programme has been impacted by seasonal weather and high ground water slowing earthworks progress.

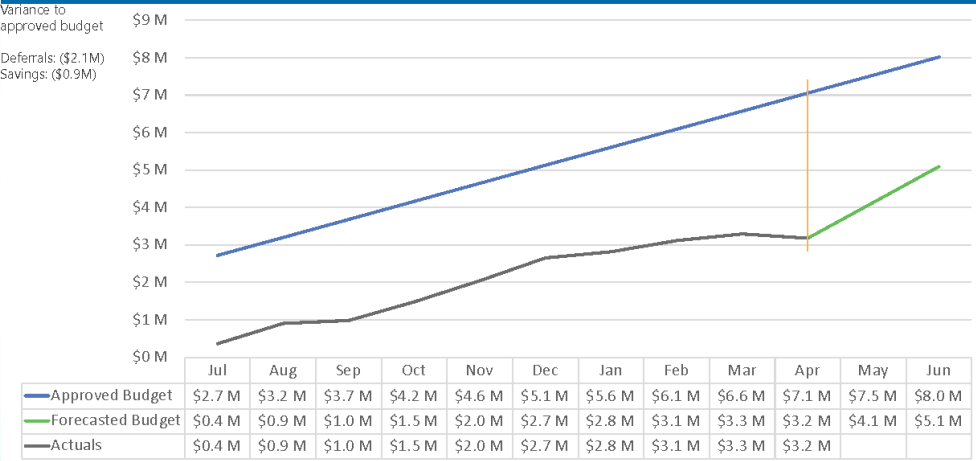


Rotokauri Road Upgrade

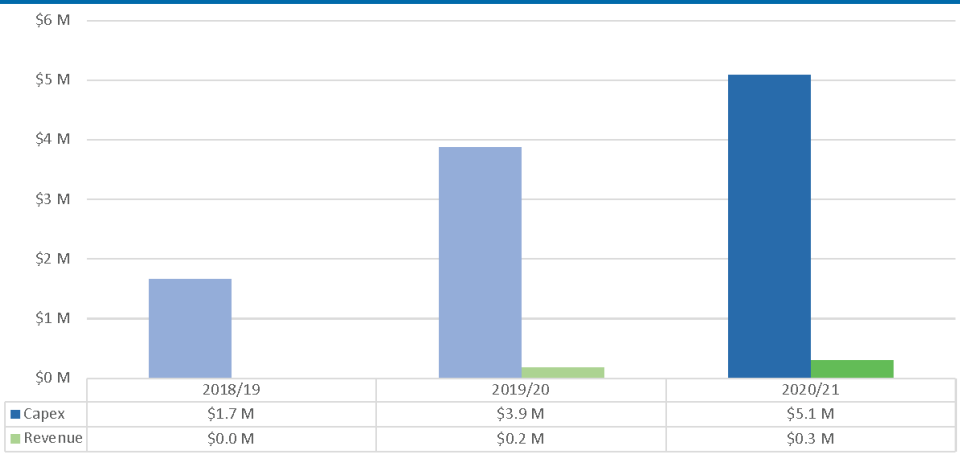
Rotokauri Road Upgrade

FINANCIAL PERFORMANCE

Capital Expenditure 2020-21



3 Year Forecasted Budget



ROTOKAURI PROGRAMME CAPITAL REPORT

KEY PROJECTS




Project Name	Project Description	Project Status	Total Project Budget	Actual Spend to Date	Forecast Total Cost	2019/20	2020/21	2021/22
 Baverstock Road Urban Upgrade	Urban upgrade (taking the road from rural to one which fits within an urban setting) of Baverstock Road. Upsize contribution to stormwater wetland being delivered by developer is outstanding and subject to developer timing.		\$2.8 M	\$1.6 M	\$2.8 M			
 Rotokauri Swale Designation	Protecting land corridors required for stormwater mitigation for future development.		\$1.4 M	\$1.4 M	\$1.4 M			
 Rotokauri Arterial Transport Designation	Protecting land corridors required for future roading development.		\$3.2 M	\$2.2 M	\$3.2 M			
 Te Wetini Drive Extension	To extend Te Wetini Drive from Akoranga Road to the new Rotokauri north-south minor arterial being delivered by the developer via PDA agreement. This will better connect the Rotokauri Rise Community to the road network and improve public transport efficiency to the Base. This includes \$1.3M of Water Stimulus funding.		\$2.5 M	\$0.2 M	\$2.5 M			
 Rotokauri Minor Arterial (Baverstock Rd to Te Wetini Drive)	Urban upgrade of existing Rotokauri Road from Baverstock Road to new development area, plus new minor arterial extension to Te Wetini Drive. Additional costs required to complete the project which have been addressed via re-prioritisation within the Rotokauri programme. (Note: \$1.5M of savings realised in previous financial years).		\$2.2 M	\$2.2 M	\$2.2 M			

MAP



Rotokauri Road Urban Upgrade

Project status

-  Project is on track
-  Project has significant risks that are being monitored and managed
-  Project has significant risks that will require Council decision

KEY

-  Business Case / Investigation
-  Design
-  Procurement
-  Construction

ROTOTUNA PROGRAMME CAPITAL REPORT

PROGRAMME OUTCOME

Ko te aaheinga o te hanga he waahi ataahua, he waahi toiora ki Rototuna
Enabling the development of an attractive and sustainable community in the Rototuna growth area



ROTOTUNA VILLAGE

Design development is progressing for the library and open spaces. Construction is due to start in the 2021/22 financial year.

Works to deliver Turakina Rise and Bourn Brook Avenue have been delayed due to impacts of the National Policy Statement Fresh Water, consultation with WRC around navigating and interpreting the new policy and alternative approaches is underway.

Remaining roading networks are planned to be delivered with the open spaces programme in 2021/22 financial year.



SPORTS PARKS

Construction works across all three sites is underway for the basic development of future sports fields at Hare Puke Park, Mangaiti Park and Te Manatu. Some works at Hare Puke will be finished next financial year to align with grass growing season.



BORMAN HORSHAM URBAN UPGRADE

Detailed design is progressing well as programmed. Construction is planned to commence in late 2021 subject to confirmation of Waka Kotahi NZ Transport Agency financial assistance in accordance with draft 2021/31 LTP.



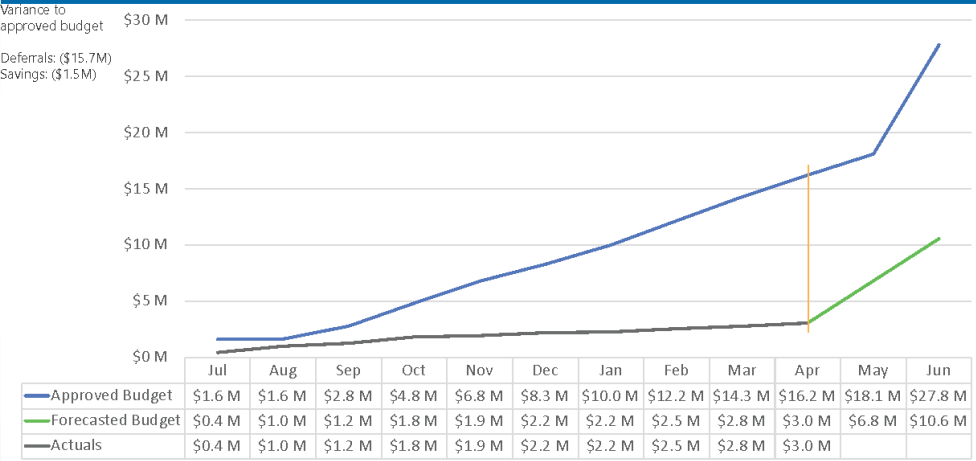
RESOLUTION DRIVE EXTENSION

Waka Kotahi NZ Transport Agency are contracted to Council to construct the extension of Resolution Drive from Borman Road to the new expressway interchange as part of the Waikato Expressway construction contract. It is anticipated that Resolution Drive will be complete and opened at the same time as the expressway, which is currently scheduled for late 2021.

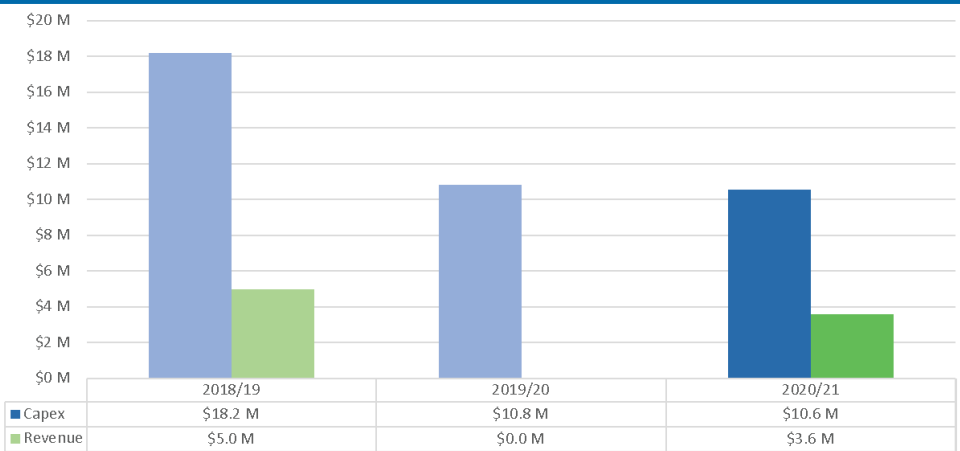


FINANCIAL PERFORMANCE





















Capital Expenditure 2020-21






3 Year Forecasted Budget



ROTOTUNA PROGRAMME CAPITAL REPORT

KEY PROJECTS										
Project Name	Project Description	Project Status	Total Project Budget	Actual Spend to Date	Forecast Total Cost	2019/20	2020/21	2021/22	2022/23	2023/24
 Borman Horsham Urban Upgrade and Borman Road Extension	Design development for the extension of this key piece of road which will include associated urban upgrades and a new intersection at Horsham Downs Road. Construction timing to be determined by 2021/31 LTP.		\$2.2 M	\$0.6 M	\$2.2 M					
 North Ridge Drive Upgrade	Urban upgrade (taking the road from rural to one which fits within an urban setting) of Northridge Road and construction of a new stormwater wetland to support land development in the area.		\$5.4 M	\$3.3 M	\$3.4 M					
 Rototuna Village - Community Facilities	Development of new library, community hub, play spaces, village square and carparks.		\$19.6 M	\$1.4 M	\$19.6 M					
 Borman Road Western Extension to Kay Road	Construction of the final piece of road which connects Borman Road to Kay Road. Physical works to connect Borman Road to Kay Road has completed under a PDA. A land purchase agreement is still outstanding due to misalignment of values between valuers.		\$2.1 M	\$1.3 M	\$2.1 M					
 Rototuna Village Transport - Stage 1 North City (Borman to Ferry) and Park Lane	Roading upgrades to support the Rototuna Village development.		\$3.7 M	\$3.7 M	\$3.7 M					
 Rototuna Village Transport - Stage 2 North City (Ferry to Bourn Brook)	Transport network upgrades through the Rototuna Village area including Turakina/Bourn Brook extensions. The extension of Turakina Rise is delayed as staff work with Waikato Regional Council on the Resource Consent approval.		\$10.9 M	\$2.3 M	\$10.9 M					
 Expressway to Kimbrae Dr - Walking/Cycling Connection	A pedestrian and cycling connection under the Waikato Expressway adjacent to Rototuna High School. Remaining budget will be used for connecting the Rototuna Village with existing walking and cycling connections.		\$0.6 M	\$0.4 M	\$0.6 M					
 North City Road Upgrade - Bourn Brook to Kay	Preliminary design and land acquisition for future urban upgrade		\$1.7 M	\$0.02 M	\$1.7 M					
 Resolution Drive Extension	The extension of Resolution Drive (north) to connect to the new Waikato Expressway. Waka Kotahi is constructing this as part of the Waikato Expressway. Waka Kotahi NZTA continue to signal scope changes and additional Council contributions.		\$10.3 M	\$5.1 M	\$10.3 M					
 Rototuna Park & Reserve Upgrades	Development of Hare Puke Park and Mangaiti Park into sports parks. Improving walking/cycling networks, playground and recreational space at Te Manatu Park.		\$2.6 M	\$0.2 M	\$2.6 M					

- Project status**
-  Project is on track
 -  Project has significant risks that are being monitored and managed
 -  Project has significant risks that will require Council decision

- KEY**
-  Business Case / Investigation
 -  Design
 -  Procurement
 -  Construction



RUAKURA PROGRAMME CAPITAL REPORT

PROGRAMME OUTCOME

Ko te aaheinga o te hanga he waahi ataahua, he waahi toiora ki Ruakura
Enabling the development of an attractive and sustainable community in the Ruakura growth area



RUAKURA WATER RESERVOIR

Construction is complete on our new 12ML water reservoir - which will supply fresh drinking water to the Ruakura and Peachgrove areas.



RUAKURA STAGE ONE - KEY TRANSPORT CONNECTIONS

This is being developed as a partnership project between Hamilton City Council, Tainui Group Holdings and the MBIE Provincial Development Unit. Construction is now underway with work expected to be complete early 2022.



RUAKURA WASTEWATER INTERCEPTOR

The Chedworth portion (stage 1) of the strategic Far Eastern Interceptor Wastewater pipe has been completed under a PDA with the developer. Stage 2 is being undertaken by a Tainui Group Holdings with works planned to commence in late 2021.



RUAKURA ROAD URBAN UPGRADE

A construction contract has been awarded to Schick for this project, with enabling works and service relocations underway. This project is amber as in the coming months there will be significant traffic management required, including staged road closures in the second half of 2021.



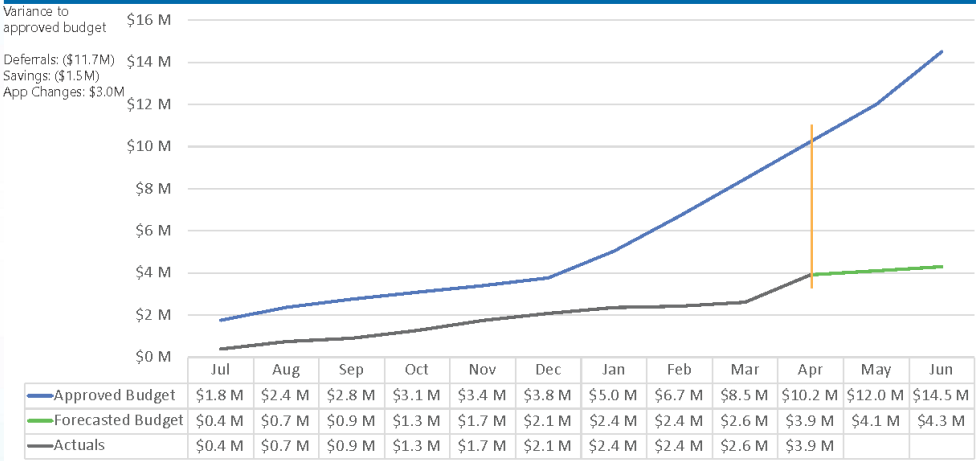
Ruakura
Key Transport
Connections



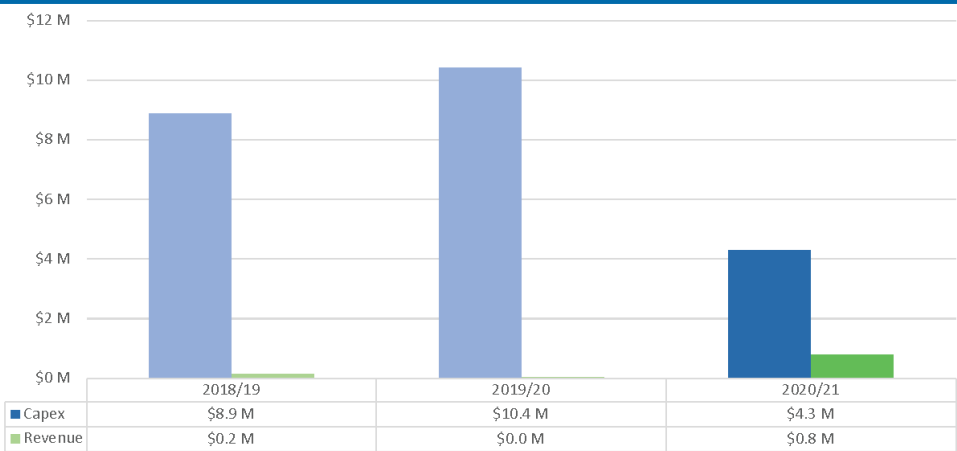
Ruakura
Key Transport
Connections

FINANCIAL PERFORMANCE






Capital Expenditure 2020-21



3 Year Forecasted Budget



RUAKURA PROGRAMME CAPITAL REPORT

Key Projects														
Project Name		Project Description	Project Status	Total Project Budget	Actual Spend to Date	Forecast Total Cost	2019/20		2020/21			2021/22		
	Ruakura Water Reservoir	Construction of a new 12ML water reservoir, associated pumphouse, and some bulk mains (large water pipes) to service development in Ruakura.	On Track	\$17.1 M	\$17.1 M	\$17.1 M	Yellow	Yellow	Yellow	Yellow				
	Ruakura Trunk Watermains	Remaining strategic networks to service development areas - planned to be delivered by Tainui Group Holdings.	On Track	\$2.0 M	\$0.0 M	\$2.0 M							Yellow	Yellow
	Ruakura Wastewater Interceptor	HCC contribution to new wastewater pipe to service development. Northern section has been completed. Deferral required for Southern Interceptor funding which will be delivered by Tainui Group Holdings. \$1.3M of savings have been realised in previous financial years.	On Track	\$9.9 M	\$2.5 M	\$8.5 M	Yellow	Yellow					Yellow	Yellow
	Ruakura Road Urban Upgrade	Urban upgrade (taking the road from rural to one which fits within an urban setting) of Ruakura Road from the Wairere Drive/Ruakura Road intersection and up to the Ruakura Road and Silverdale Road intersection. Additional funding secured from Crown Infrastructure Partners to complete project. This is amber due to the impact of the road closures to the public.	Amber	\$12.3 M	\$1.2 M	\$12.3 M	Blue	Blue	Dark Blue	Dark Blue	Orange	Yellow	Yellow	Yellow
	Ruakura Eastern Transport Corridor (Spine Road Stage 1) - Expressway to Ruakura/Silverdale	Jointly funded by HCC, TGL and PDU the construction of a new road from Silverdale Road/Ruakura Road intersection to the Waikato Expressway Ruakura Interchange to allow the development of the Ruakura Inland Port.	On Track	\$40.9 M	\$2.2 M	\$40.9 M	Dark Blue	Dark Blue	Dark Blue	Orange	Yellow		Yellow	Yellow
Project status							Key							

- Project is on track

Project has significant risks that are being monitored and managed

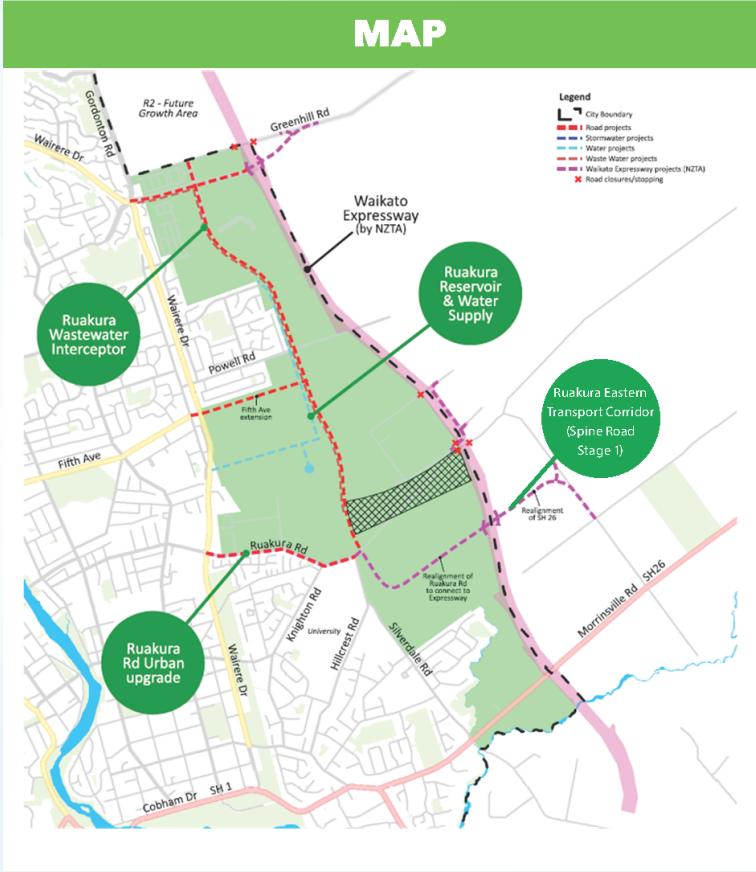
Project has significant risks that will require Council decision

- Business Case / Investigation

Design

Procurement

Construction



Ruakura
Key Transport
Connections

TRANSPORT IMPROVEMENT PROGRAMME CAPITAL REPORT

PROGRAMME OUTCOME

Kia tika ano te hanga rori maa; Aahienga whakatupu, whakapai atu haumarū, me whakawhaanui atu ngāa koowhiringa waka

Delivering a balanced transport system through; Enabling growth, improving safety, and improving transport choice



ROKOKAURI TRANSPORT HUB

The Transport Hub is now operating and the Te Huia rail service has begun.



TE AWA CYCLE EXTENSION

The construction contract has been awarded. Construction is underway with works anticipated for completion by the end of the year. Staff have been working closely with the contractor around work methodology and construction programme issues which are currently being resolved. This project is being funded central government stimulus investment.



WAIRERE DRIVE EXTENSION

Works are progressing well on site. Construction of the on and off ramps are complete, and the traffic has been moved onto these. Now, the team is focusing on the Cobham Drive overbridge construction and preparing for the landscaping season.



TRANSPORT CENTRE REJUVENATION

At the 27 April 2021 Infrastructure Operations Committee the final draft business case and preferred option was approved for submission to Waka Kotahi NZ Transport Agency to seek funding approval.



EASTERN PATHWAYS

Business Cases were presented to 27 April 2021 Infrastructure Operations Committee. The School Link final draft was approved for submission to Waka Kotahi NZ Transport Agency to seek business case approval. The University Link Business Case was further reported to the 8 June 2021 Infrastructure Operations Committee for endorsement.



MANGAITI PARK WALKING/CYCLING

The footbridge across Mangaiti Gully has been installed and construction of the approaches and off-road path through Mangaiti Park will be completed by end of May 2021. Once completed this will provide a safe connection for pedestrians and cyclists between St James Drive and Darjon Drive.

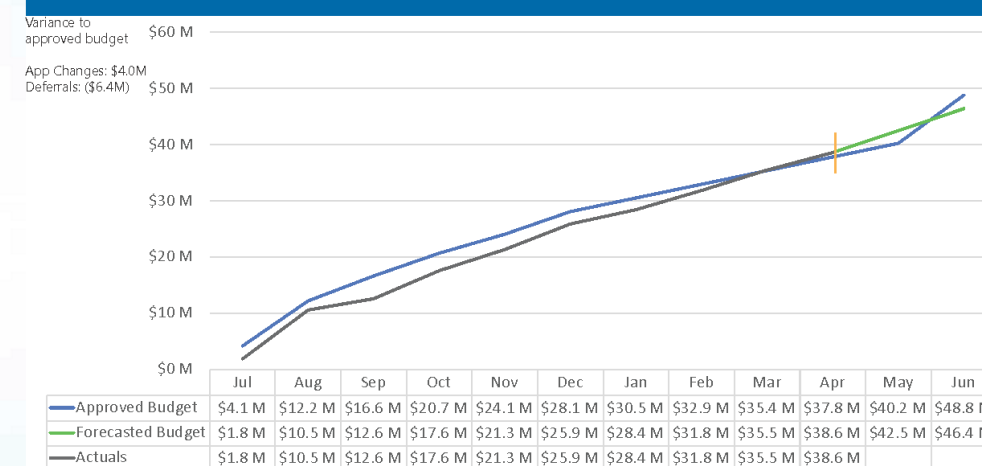


Wairere Drive Extension

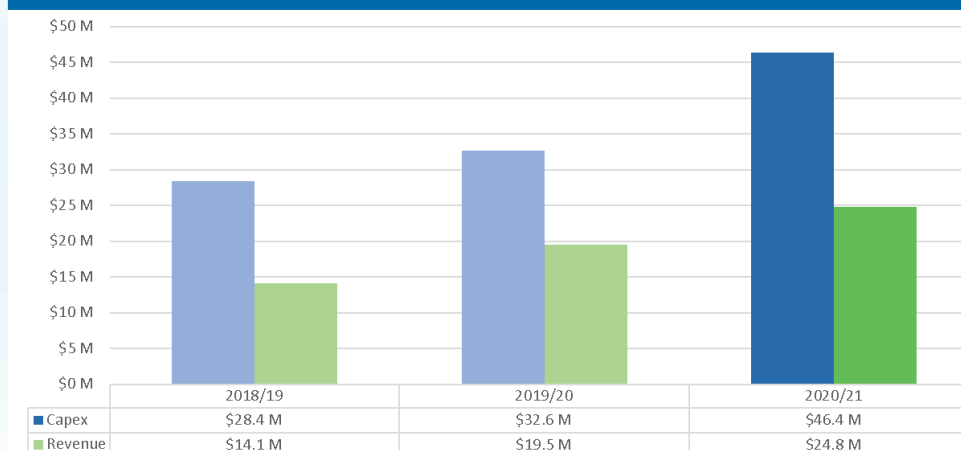
Wairere Drive Extension

FINANCIAL PERFORMANCE

Capital Expenditure 2020-21



















3 Year Forecasted Budget

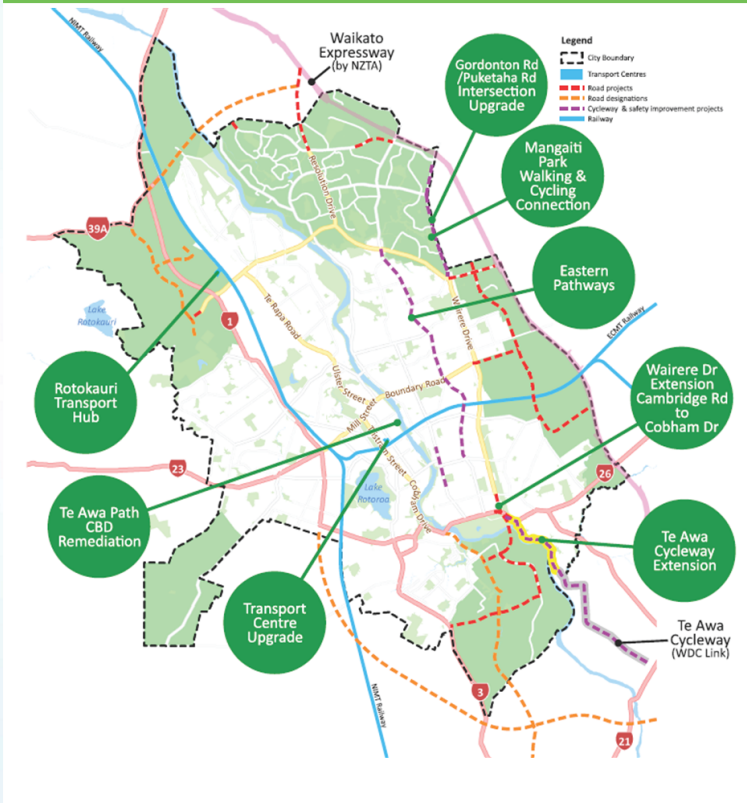


TRANSPORT IMPROVEMENT PROGRAMME CAPITAL REPORT




KEY PROJECTS

Project Name	Project Description	Project Status	Total Project Budget	Actual Spend to Date	Forecast Total Cost	2019/20	2020/21	2021/22
 Wairere Drive Extension - Cambridge Road to Cobham Drive	The final connection of the Hamilton Ring Road will see Cobham Drive raised to allow the four-laned Wairere Drive to pass underneath it. It will also include extensions of shared walking and biking paths. This is a large complex contract with a number of significant risks that need monitoring and managing, as such this project will remain orange throughout the construction period.		\$59.1 M	\$46.6 M	\$59.1 M			
 Rotokauri Transport Hub	The Hub is a park and ride, rail station, bus interchange and includes a pedestrian connection to The Base. It includes improvements essential to the city's public transport network and will improve the intercity connections between Hamilton and Auckland.		\$28.9 M	\$28.7 M	\$28.9 M			
 Te Awa Path CBD - Remediation	Specialist slip repair between London Street and Bryce Street to make this section of river path safe again for users.		\$1.1 M	\$0.9 M	\$1.1 M			
 Mangaiti Park Walking/Cycling Network Connection	Will connect existing walking/cycling paths between St James and Huntington areas in Rototuna, including a new pedestrian bridge across Mangaiti gully.		\$1.0 M	\$0.3 M	\$1.0 M			
 Te Awa Cycle Extension - Hamilton Gardens to City Boundary	The Hamilton section of the Te Awa River Ride from Manganua Stream — in Riverlea — to Hamilton Gardens. Currently tracking behind baseline and seeking further clarification from Contractor around due dates for completion.		\$5.8 M	\$1.4 M	\$5.8 M			
 Eastern Pathways	Will make it easier and safer for people on the east of our city to get around their neighbourhoods by bike, on foot, or by bus. The budget and actuals shown is for 2018/19 to 2020/21.		\$4.5 M	\$2.2 M	\$4.5 M			
 Transport Centre Rejuvenation	Upgrading the existing transport centre in the central city and will include platform upgrades and the recently completed driver facilities upgrade. Funding to complete construction is subject to decisions of the 2021/31 LTP. The budget shown here does not include additional funds identified in Business Case and draft 2021/31 LTP.		\$6.4 M	\$0.3 M	\$6.4 M			
 Gordonton/Puketaha Intersection Upgrade	The 10 Year Plan budgeted for an upgrade of the Puketaha Rd/Gordonton Rd intersection, including connection of St James Dr to Gordonton Rd. At the Infrastructure Operations Committee on 27th April 2021 the macro-scope for Puketaha/Gordonton intersection was approved. The budget shown here does not include additional funds identified in the draft 2021/31 LTP.		\$2.7 M	\$0.18 M	\$2.7 M			

MAP



Project status

-  Project is on track
-  Project has significant risks that are being monitored and managed
-  Project has significant risks that will require Council decision

KEY

-  Business Case / Investigation
-  Design
-  Procurement
-  Construction



Wairere Drive Extension

RENEWALS & COMPLIANCE PROGRAMME CAPITAL REPORT

PROGRAMME OUTCOME

Ko te tiaki aa taatou hua hei tika moo toona whaingā

Looking after the assets we have and making sure they are fit for purpose

As approved by Council, the Renewals and Compliance programme is now managed as a three year (36 month) programme with a total budget of \$211.7 million. Over the last 34 months we have spent \$175.4 million (83%). In April a total of \$5.1 million was expended leaving a balance for the remainder of the financial year and three year programme of \$36.3 million.

Fairfield Bridge Resurfacing

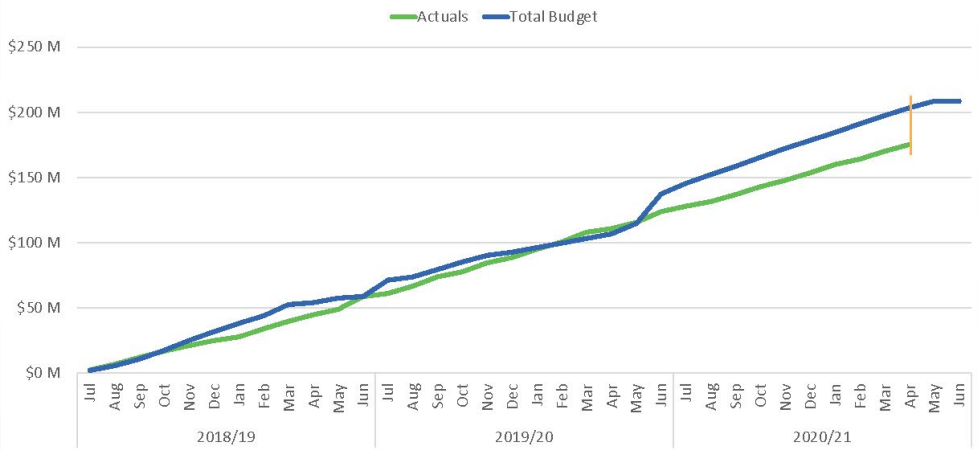


Innes Common Toilet Block

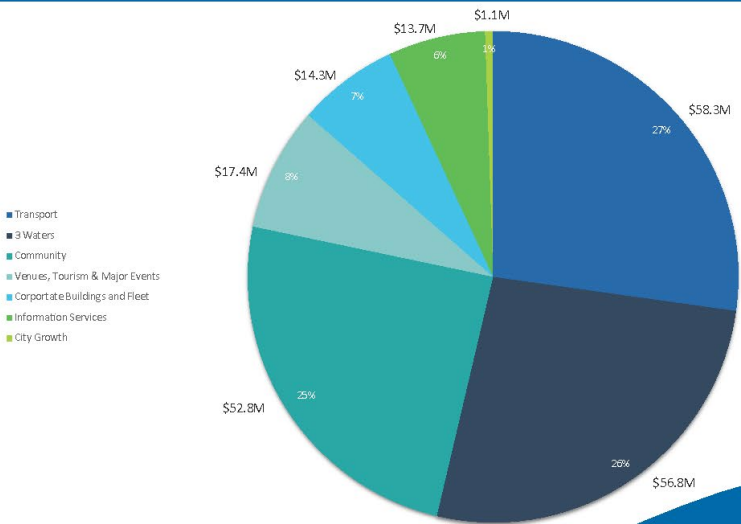


FINANCIAL PERFORMANCE

Capital Expenditure Y1-Y3



Total Budget Y1-Y3



\$6M is still to be found across the programme from reprioritisation and savings. Total forecast budget over the 3 years is \$211.7M

Summary of Changes to the Capital Budget
for the 2020-21 Financial Year

Finance Committee Meeting Date	6/10/2020	2/12/2020	16/02/2021	23/03/2021	13/05/2021	15/06/2021	
Expenditure in 000's	Aug-20	Oct-20	Nov-20	Jan 21	Mar-21	Apr-21	Total
Opening Budget as at 1 July 2020	302,844	311,453	290,273	283,378	286,807	268,940	
Deferrals & b/fwds	4,072	(21,180)	(6,905)	(9,833)	(7,535)	(6,542)	(47,923)
Savings					(3,882)	(2,253)	(6,135)
Changes	4,538		10	13,262	(6,450)	(3,654)	7,706
Closing Expenditure Budget (Forecast)	302,844	311,453	290,273	283,378	286,807	256,492	(46,352)
Revenue in 000's	Aug-20	Oct-20	Nov-20	Jan 21	Mar-21	Apr-21	Total
Opening Budget as at 1 July 2020	58,634	62,237	62,237	60,077	72,951	72,547	
Deferrals & b/fwds	3,130		(2,159)	(2,179)			(1,208)
Savings							0
Changes	473			15,052	(404)	(10,501)	4,620
Closing Revenue Budget (Forecast)	58,634	62,237	60,077	72,951	72,547	62,046	3,412

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LIST OF CAPITAL PROJECTS

For the 2020-21 Financial Year

		2020-21 Annual Plan	2020-21 Forecast Changes as at 31	2020-21 Forecast Changes as at 30	2020-21 Forecast Changes as at 31	2020-21 Forecast Changes as at 31	2020-21 Forecast Changes as at 30 April 2021				Deferral/Brought Forward Offsets						
Type		Annual Plan 2020/21	Revised Budget as at 31 October 2020	Revised Budget as at 30 November 2020	Revised Budget as at 31 January 2021	Revised Budget as at 31 March 2021	Deferrals and B/fwds	Approved Changes	Savings	Revised Budget as at 30 April 2021	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2026/28
Arts and Culture		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000							
CE10005 - Library collection purchases	R	1,229	1,292	1,292	1,292	1,292	-	-	-	1,292	62						
CE10006 - Library asset renewal	R	147	273	273	273	273	-	-	-	273	70						
CE10007 - Library building asset renewal programme	R	893	989	989	989	989	-	-	-	989	139						
CE19015 - Libraries facilitation plan	LOS	-	-	-	-	-	-	-	-	-	2						
CE19016 - Libraries strategic plan	LOS	-	-	-	-	-	-	-	-	-	10						
CE19017 - Rotoruna community facilities	G	9,500	1,697	1,556	1,556	1,106	-	-	-	1,106	(8,394)						
CE19070 - Community Facilities building renewals	R	128	250	250	250	250	-	(100)	-	150	39						
Total Arts and Culture		11,898	4,501	4,359	4,359	3,909	-	(100)	-	3,809	(8,072)	-	-	-	-	-	-
City Planning and Development																	
CE10037 - CCTV renewals and development	R	54	45	45	45	96	-	-	-	96	(9)						
Total City Planning and Development		54	45	45	45	96	-	-	-	96	(9)	-	-	-	-	-	-
Corporate Services																	
CE10053 - Tenancy inducement renewals	R	109	115	115	115	115	-	-	-	115	6						
CE10151 - Renewals program	R	2,271	1,998	1,998	2,460	2,170	-	(409)	-	1,761	104						
CE10152 - Network and infrastructure	R	2,023	1,888	1,888	1,888	1,888	-	-	-	1,888	(135)						
CE10153 - Core business applications	R	1,498	1,470	1,470	1,470	1,470	-	-	-	1,470	(28)						
CE10154 - Minor applications	R	64	121	121	121	121	-	-	-	121	58						
CE10156 - Lease funding of equipment	R	1,578	1,578	1,578	1,578	1,578	-	-	-	1,578	-						
CE10158 - Replacement of fleet vehicles	R	2,372	2,552	2,552	2,552	2,552	-	-	-	2,552	181						
CE15155 - Mobility and eservices	R	564	551	551	551	551	-	-	-	551	(13)						
CE17001 - Customer Service Projects	R	51	51	51	51	-	-	-	-	-	-						
CE19024 - IS major upgrades	R	1,467	1,470	1,470	1,470	1,470	-	-	-	1,470	3						
CE19025 - Smart Hamilton Initiatives	LOS	271	262	262	262	262	-	-	-	262	(9)						
CE19032 - Civic Square upgrade project	R	541	541	541	541	541	-	-	-	541	-						
CE19033 - Duke Street workshop replacement	R	60	187	187	187	187	-	-	-	187	-						
CE19034 - Key Control project	R	-	-	-	-	-	-	-	-	-	-						
CE19035 - Building Management Systems Council upgrade project	R	-	-	-	-	-	-	-	-	-	-						
Total Corporate Services		12,869	12,786	12,786	13,248	12,907	-	(409)	-	12,498	167	-	-	-	-	-	-
Parks and Recreation																	
CE10001 - Aquatic facilities building renewals	R	320	444	444	444	502	-	-	-	502	115						
CE10003 - Waterworld operational asset renewals	R	410	413	413	413	444	-	-	-	444	(17)						
CE10004 - Gallagher Aquatic Centre operational asset renewal	R	57	75	75	75	75	(45)	-	-	30	(51)						
CE10021 - Building renewals cemeteries	R	-	-	-	-	-	-	-	-	-	-						
CE10022 - Renewal of crematorium assets	R	137	129	129	129	129	-	-	-	129	(36)						
CE10023 - Hamilton Park east and west cemeteries renewals	R	282	304	314	314	314	-	-	-	314	50						
CE10029 - Toilet and changing room renewals	R	113	355	355	355	355	-	-	-	355	-						
CE10030 - Building renewals parks and open spaces	R	124	1	1	1	1	-	-	-	1	16						
CE10031 - Sports area renewals	R	1,668	1,483	1,483	1,483	1,323	-	-	-	1,323	242						
CE10032 - Parks and open spaces assets and playgrounds renewals	R	1,850	3,282	3,282	3,282	3,282	(200)	-	-	3,082	(216)						
CE15024 - Hamilton Park cemetery, burial and ash lawn extension	G	97	97	97	97	97	-	-	-	97	-						
CE15033 - Land purchase future reserves	G	-	406	406	406	406	(406)	-	-	-	-						
CE15035 - Rotoruna Park development	G	699	731	731	731	731	-	-	-	731	32						
CE15036 - Playground development programme	LOS	700	-	-	-	-	-	-	-	-	(7)						
CE17004 - River Plan	LOS	935	902	902	902	902	-	-	-	902	(32)						
CE19001 - Hamilton Park cemetery accessible toilet block	LOS	-	-	-	-	-	-	-	-	-	-						
CE19002 - Cemetery land acquisition	G	-	-	-	-	-	-	-	-	-	-						
CE19003 - Parks Toilets development/upgrade	LOS	2,068	2,303	2,303	2,303	2,303	-	-	-	2,303	159						
CE19004 - Destination Parks Renewals	R	4,426	4,454	4,454	4,454	4,454	-	-	-	4,454	428						
CE19005 - Sports Park development	G	2,166	2,163	2,163	2,163	1,363	-	-	-	1,363	(802)						
CE19006 - Te Rapa Sportsdrome building renewals	R	-	-	-	-	-	-	-	-	-	-						
CE19007 - Peacocke Parks development	G	9,994	10,004	10,004	10,004	10,004	(560)	-	-	9,443	(550)						
CE19009 - Rotoruna Parks development	G	-	-	-	-	-	-	-	-	-	-						
CE19010 - Te Manatu Park development	G	402	402	402	402	402	-	-	-	402	-						
CE19012 - Day's Park erosion remediation	LOS	-	-	-	-	-	-	-	-	-	-						
CE19013 - Pooches and Parks	LOS	95	87	87	87	87	-	-	-	87	(8)						
CE19014 - Waiwhakareke Natural Heritage Park development	LOS	-	5	5	5	5	-	-	-	5	5						
CE19022 - Alternative Weed Control	LOS	-	-	-	-	-	-	-	-	-	-						
CE19071 - Sports Park Drainage	LOS	1,361	1,318	1,318	1,318	1,478	-	-	-	1,478	(135)						
Total Parks and Recreation		27,901	29,360	29,370	29,370	28,659	(1,211)	-	-	27,447	(806)	-	-	-	-	-	-
Rubbish and Recycling																	
CE10054 - Replacement of closed landfill assets	R	1,144	1,143	1,143	1,143	1,143	-	-	-	1,143	(2)						
CE10056 - Replacement of RTS & HOC assets	R	239	300	300	300	280	-	-	-	280	62						
CE15055 - Closed landfill management	LOS	77	80	80	80	80	-	-	-	80	3						
CE19027 - Refuse drop off points	G	43	43	43	43	43	-	-	-	43	-						
Total Rubbish and Recycling		1,503	1,567	1,567	1,567	1,547	-	-	-	1,547	64	-	-	-	-	-	-

LIST OF CAPITAL PROJECTS

For the 2020-21 Financial Year

		2020-21 Annual Plan	2020-21 Forecast Changes as at 31	2020-21 Forecast Changes as at 30	2020-21 Forecast Changes as at 31	2020-21 Forecast Changes as at 31	2020-21 Forecast Changes as at 30 April 2021				Deferral/Brought Forward Offsets						
Type		Annual Plan 2020/21	Revised Budget as at 31 October 2020	Revised Budget as at 30 November 2020	Revised Budget as at 31 January 2021	Revised Budget as at 31 March 2021	Deferrals and B/fwds	Approved Changes	Savings	Revised Budget as at 30 April 2021	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2026/28
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000							
Sewerage																	
CE10100 - Replacement of wastewater pump stations	R	806	816	816	816	816	-	-	-	816	-	-	-	-	-	-	-
CE10101 - Replacement of wastewater assets	R	4,751	4,693	4,693	5,293	5,193	-	-	-	5,193	-	-	-	-	-	-	-
CE10115 - Replacement of wastewater treatment plant assets	R	2,042	1,779	1,779	1,779	1,779	(535)	-	-	1,244	(58)	(798)	-	-	-	-	-
CE15103 - Increase capacity of wastewater pump stations	LOS	1,473	1,657	1,657	1,706	1,706	-	-	-	1,706	184	-	-	-	-	-	-
CE15104 - Wastewater pipe upgrade - growth	G	325	632	632	632	632	(464)	-	-	168	(157)	-	-	-	-	-	-
CE15105 - Increase capacity of wastewater network - Rototuna	G	625	733	628	628	281	-	-	(98)	183	(344)	-	-	-	-	-	-
CE15106 - Wastewater network upgrades to allow development	G	87	119	119	119	119	(119)	-	-	-	(87)	-	-	-	-	-	-
CE15107 - Increase capacity of network in Rotokauri stage 1	G	949	834	834	1,854	1,854	-	(657)	-	1,197	(116)	-	-	-	-	-	-
CE15109 - Increase capacity of network in Peacocke stage 1	G	559	449	449	449	449	-	-	-	449	(111)	-	-	-	-	-	-
CE15111 - Increase capacity of network throughout the city	G	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CE15117 - Upgrade wastewater treatment plant (Pukete 3)	G	8,170	7,595	7,595	7,595	7,595	-	-	-	7,595	(1,048)	-	-	-	-	-	-
CE15120 - Wastewater treatment plant compliance	LOS	3,253	3,472	3,472	3,472	3,472	(80)	-	-	3,392	139	-	-	-	-	-	-
CE15121 - Wastewater customer connections to the network	G	54	54	54	54	54	-	-	-	54	-	-	-	-	-	-	-
CE15160 - Wastewater model	R	623	1,051	1,051	1,051	1,051	(1,106)	-	-	(55)	(678)	-	-	-	-	-	-
CE15161 - Wastewater master plan	G	163	140	140	140	140	-	-	-	140	(22)	-	-	-	-	-	-
CE19029 - Wastewater seismic strengthening	LOS	108	138	138	138	138	-	-	-	138	30	-	-	-	-	-	-
CE19040 - Increase capacity network Peacocke Stage 2	G	13,022	12,933	12,933	12,933	12,933	-	-	-	12,933	(89)	-	-	-	-	-	-
CE19041 - Increase capacity WW far east network	G	2,956	-	-	-	-	-	-	-	-	(2,956)	-	-	-	-	-	-
CE19042 - Increase capacity WW south network	G	10,283	6,798	6,798	6,798	6,798	-	-	-	6,798	(3,485)	-	-	-	-	-	-
CE19043 - Increase capacity WW west network	G	11,285	11,006	11,006	9,039	8,293	(97)	32	(941)	7,287	(965)	-	-	-	-	-	-
CE19044 - Increase capacity WW east network	G	3,085	3,063	3,063	1,278	660	(341)	(32)	-	288	(4,050)	-	-	-	-	-	-
CE19050 - Increase capacity WW central network	G	1,935	1,913	1,913	2,413	2,413	-	-	(72)	2,341	(22)	-	-	-	-	-	-
CE19072 - Increase capacity of network in Te Rapa	G	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Sewerage		66,553	59,874	59,769	58,187	56,376	(2,742)	(657)	(1,111)	51,867	(14,621)						
Stormwater																	
CE10058 - Replacement of stormwater assets	R	587	633	633	2,120	1,820	-	(498)	-	1,322	46	-	-	-	-	-	-
CE15059 - Rototuna stormwater infrastructure	G	3,691	3,437	40	40	40	-	-	(40)	-	(3,651)	-	-	-	-	-	-
CE15060 - Rotokauri stormwater infrastructure stage 1	G	773	773	773	2,093	1,685	(365)	(1,738)	-	(418)	(773)	-	-	-	-	-	-
CE15062 - Peacocke stormwater infrastructure stage 1	G	927	702	702	702	702	-	-	-	702	(225)	-	-	-	-	-	-
CE15063 - Peacocke stormwater infrastructure stage 2	G	8,277	9,993	9,993	9,993	9,993	-	-	-	9,993	1,715	-	-	-	-	-	-
CE15064 - Stormwater pipe upgrade - growth	G	163	319	319	319	319	(40)	-	-	279	116	-	-	-	-	-	-
CE15066 - Existing network improvements in new areas	G	114	195	195	195	195	(15)	-	-	180	67	-	-	-	-	-	-
CE15067 - Comprehensive stormwater consent implementation	LOS	74	81	81	130	130	-	-	-	130	7	-	-	-	-	-	-
CE15068 - Stormwater customer connections to the network	G	54	54	54	54	54	-	-	-	54	-	-	-	-	-	-	-
CE15162 - Integrated catchment management plan	G	951	762	762	762	762	-	-	-	762	(189)	-	-	-	-	-	-
CE19026 - Erosion control works	LOS	2,200	2,732	6,466	6,466	5,466	-	-	(170)	5,296	3,866	-	-	-	-	-	-
Total Stormwater		17,811	19,680	20,017	22,874	21,166	(420)	(2,236)	(210)	18,301	979						
Transport																	
CE10069 - Resurfacing off street carparks	R	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CE10070 - Replacement of parking enforcement equipment	R	414	440	440	440	440	-	-	-	440	27	-	-	-	-	-	-
CE10071 - Parking building renewal	R	60	379	379	379	379	-	-	-	379	306	-	-	-	-	-	-
CE10072 - Replacement of footpath	R	5,079	5,543	5,543	5,543	5,543	-	-	-	5,543	465	-	-	-	-	-	-
CE10074 - Replacement of drainage (kerb and channel)	R	1,708	857	857	857	857	-	-	-	857	(851)	-	-	-	-	-	-
CE10075 - Replacement of road base	R	1,330	1,789	1,789	1,789	1,789	-	-	-	1,789	459	-	-	-	-	-	-
CE10076 - Road resurfacing	R	5,563	6,620	6,620	6,620	6,620	-	-	-	6,620	1,057	-	-	-	-	-	-
CE10077 - Replacement of bridges and culverts	R	2,548	2,894	2,894	2,894	2,894	-	-	-	2,894	346	-	-	-	-	-	-
CE10080 - Replacement of lighting	R	2,860	2,327	2,327	2,327	2,327	-	-	-	2,327	(532)	-	-	-	-	-	-
CE10081 - Replacement of traffic equipment	R	402	305	305	305	305	-	-	-	305	(97)	-	-	-	-	-	-
CE10098 - Building and property renewals	R	13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CE15085 - Minor improvements to transport network	LOS	2,166	2,882	2,882	2,882	2,882	-	-	-	2,882	(395)	-	-	-	-	-	-
CE15086 - Bus stop infrastructure	LOS	704	1,060	1,060	1,060	1,060	-	-	-	1,060	356	-	-	-	-	-	-
CE15087 - Network upgrades to allow new development	G	190	238	238	238	68	(50)	-	-	18	(172)	-	-	-	-	-	-
CE15088 - Roading upgrades and development in Peacocke stage 1	G	2,907	1,701	1,701	1,701	3,201	-	2,900	-	6,101	(1,205)	-	-	-	-	-	-
CE15089 - Roading upgrades and development in Peacocke stage 2	G	25,742	23,708	23,708	23,708	23,708	2,500	(2,900)	-	23,308	1,966	-	-	-	-	-	-
CE15090 - Roading upgrades and development in Rotokauri stage 1	G	12,659	9,174	8,627	8,433	8,085	(145)	370	(317)	7,993	(1,578)	-	-	-	-	-	-
CE15092 - Roading upgrades and development in Rototuna	G	11,899	14,463	10,591	9,694	9,251	(347)	-	(88)	8,816	(2,473)	-	-	-	-	-	-
CE15093 - Roading upgrades and development in Ruakura	G	8,854	8,238	8,238	10,007	537	-	-	-	537	(6,996)	-	-	-	-	-	-
CE15095 - Integrated transport initiatives	G	2,475	2,805	2,805	2,805	2,805	-	-	-	2,805	330	-	-	-	-	-	-
CE15096 - Cross city connector	G	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CE15097 - Northern river crossing	G	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CE19036 - Ring Road	G	13,977	13,156	13,156	13,156	13,156	-	-	-	13,156	(1,387)	-	-	-	-	-	-
CE19037 - Hamilton transport model	G	500	500	500	500	500	-	-	-	500	-	-	-	-	-	-	-
CE19038 - Rotokauri rail platform	G	500	7,090	7,090	7,090	7,090	-	-	-	7,090	-	-	-	-	-	-	-
CE19052 - Intersection safety upgrade programme	LOS	1,881	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CE19054 - Bridge safety improvements	LOS	3,764	3,763	3,763	3,763	3,763	-	-	-	3,763	(1)	-	-	-	-	-	-
CE19057 - Biking plan implementation	G	10,450	10,747	10,747	10,747	8,397	(1,500)	-	-	6,897	(3,553)	-	-	-	-	-	-
CE19058 - Mass transit	G	5,877	5,278	5,278	5,278	5,278	-	-	-	5,278	(12)	-	-	-	-	-	-
CE19062 - Bridge resilience programme	LOS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CE19063 - Intersection capacity upgrade programme	G	452	1,175	1,175	1,175	1,175	-	-	-	1,175	(47)	-	-	-	-	-	-

LIST OF CAPITAL PROJECTS

For the 2020-21 Financial Year

		2020-21 Annual Plan	2020-21 Forecast Changes as at 31	2020-21 Forecast Changes as at 30	2020-21 Forecast Changes as at 31	2020-21 Forecast Changes as at 31	2020-21 Forecast Changes as at 30 April 2021				Deferral/Brought Forward Offsets						
Type		Annual Plan 2020/21	Revised Budget as at 31 October 2020	Revised Budget as at 30 November 2020	Revised Budget as at 31 January 2021	Revised Budget as at 31 March 2021	Deferrals and B/fwds	Approved Changes	Savings	Revised Budget as at 30 April 2021	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2026/28
CE19064 - Transport Centre rejuvenation		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	(1,259)						
CE19065 - Modal access on bridges programme		1,407	1,448	148	148	148	-	-	-	148	-						
		-	-	-	-	-	-	-	-	-	-						
Total Transport		126,380	128,580	122,861	123,540	112,259	458	370	(405)	112,682	(15,247)	-	-	-	-	-	-
											-						
Venues Tourism and Major Events																	
CE10040 - Business administration plant and equipment		33	74	74	74	74	-	-	-	74	41						
CE10041 - Claudelands plant and equipment		503	423	423	423	423	-	-	-	423	(79)						
CE10042 - Seddon Park plant and equipment		-	-	-	-	-	-	-	-	-	-						
CE10043 - Waikato Stadium plant and equipment		356	416	416	416	416	-	-	-	416	60						
CE10044 - Turf services plant and equipment		54	54	54	54	54	-	-	-	54	-						
CE10046 - Seddon Park property renewals		314	851	851	851	810	-	(400)	-	410	(3)						
CE10047 - Waikato Stadium property renewals		579	634	634	634	924	-	509	-	1,433	56						
CE10048 - Stadia building renewals		1,319	1,383	1,383	1,383	1,403	-	400	-	1,803	361						
CE10049 - Claudelands building renewals		774	571	571	571	571	-	-	-	571	39						
CE15050 - Claudelands capital improvement programme		49	204	204	204	204	-	-	-	204	155						
CE15051 - Stadia capital improvement function		429	818	818	818	839	-	-	-	839	272						
CE19031 - i-Site building renewals		-	-	-	-	-	-	-	-	-	-						
CE10013 - Technical services equipment renewals		422	467	467	467	467	-	-	-	467	45						
											-						
Total Venues Tourism and Major Events		4,830	5,428	5,895	5,895	6,185	-	509	-	6,694	903	-	-	-	-	-	-
											0						
Visitor Attractions											0						
CE10008 - Museum asset renewal		52	22	22	22	222	-	-	-	222	(31)						
CE10009 - ArtsPost earthquake strengthening		-	-	-	-	-	-	-	-	-	21						
CE10010 - Public art support fund		132	99	99	99	99	(226)	-	-	(127)	(226)						
CE10011 - Museum activity building renewals		533	893	893	893	893	-	-	-	893	264						
CE10015 - Zoo animal enclosure renewals		312	559	559	559	559	-	-	-	559	72						
CE10016 - Zoo building renewals		13	21	21	21	21	-	-	-	21	30						
CE10017 - Property renewals		18	40	40	40	40	-	-	-	40	14						
CE10020 - Zoo animal replacement		161	102	102	102	102	-	-	-	102	1						
CE10026 - Hamilton Gardens renewals		168	180	180	180	180	(20)	50	-	210	(9)						
CE10028 - Hamilton Gardens building renewals		12	112	112	112	112	-	-	-	112	54						
CE19018 - Museum loading bay		-	-	-	-	-	-	-	-	-	-						
CE19019 - Zoo safety improvements		1,014	981	981	981	981	-	-	-	981	(33)						
CE19020 - Hamilton Zoo improvement programme		81	-	-	-	125	-	-	-	125	34						
CE19021 - Water and stormwater reticulation		193	207	207	207	207	(200)	-	-	7	(187)						
CE19023 - Hamilton Gardens development		3,014	3,138	1,988	1,988	2,068	(80)	-	-	1,988	(1,026)						
CE19028 - Collection acquisition fund		97	130	130	130	130	-	-	-	130	-						
CE19030 - Zoo and Waipahakareke Entrance Precinct		5,477	4,587	4,587	4,587	2,387	-	-	-	2,387	(3,089)						
											-						
Total Visitor Attractions		11,278	11,071	9,921	9,921	8,126	(526)	50	-	7,650	(4,112)	-	-	-	-	-	-
											-						
Water Supply											-						
CE10123 - Replacement of watermain		2,292	1,888	1,888	2,488	5,338	-	(550)	-	4,788	(404)						
CE10124 - Replacement of water meters, valves and hydrants		2,097	2,647	2,647	2,647	197	-	-	-	197	550						
CE10138 - Replacement of treatment plant and reservoir assets		2,969	2,943	2,943	2,943	2,653	(750)	(29)	-	1,873	(777)						
CE10145 - Tools of trade renewals		54	74	74	74	74	-	-	-	74	20						
CE15126 - Upgrade or build new watermain in Rototuna		1,526	1,528	1,402	1,251	1,152	-	-	(500)	652	(97)						
CE15127 - Water pipe upgrade - growth		325	631	631	1,366	1,366	(50)	(150)	-	1,166	256						
CE15128 - Upgrade/build new watermain in Rotokauri stage 1		61	61	61	61	61	-	-	-	61	-						
CE15130 - Upgrade/build new watermain in Peacocke stage 1		-	-	-	-	-	-	-	-	-	-						
CE15132 - Water network upgrades to allow new development		87	164	164	164	164	-	-	-	164	77						
CE15133 - Water demand management - network water loss		-	-	-	952	952	-	(485)	-	467	-						
CE15134 - Water demand management - Puketere reservoir zone		-	-	-	-	-	-	-	-	-	-						
CE15135 - Upgrade/build distribution watermain in Peacocke		623	577	577	577	577	-	-	-	577	(46)						
CE15137 - Water demand management - Newcastle reservoir zone		2,313	2,282	2,282	2,282	2,282	(1,231)	-	-	1,051	(1,262)						
CE15139 - Water treatment plant compliance - minor upgrades		2,089	2,238	2,238	2,238	2,238	(70)	-	-	2,168	189						
CE15141 - Water demand management - Hillcrest reservoir zone		-	256	256	256	256	-	-	-	256	256						
CE15144 - Upgrade water treatment plant		2,058	1,979	1,979	1,979	2,289	-	29	-	2,318	(189)						
CE15146 - Water customer connections		54	54	54	54	54	-	-	-	54	-						
CE15148 - Upgrade or build new watermain in Ruakura		217	-	-	-	-	-	-	-	-	-						
CE15158 - Water model		585	597	597	597	597	-	-	-	597	12						
CE15159 - Water master plan		-	27	27	27	27	-	-	(27)	-	27						
CE16004 - Eastern Bulk Main Slip		658	978	978	978	978	-	-	-	978	319						
CE19045 - Ruakura reservoir & associated bulk mains		2,486	1,419	1,419	761	761	-	-	-	761	(1,726)						
CE19046 - Upgrade/build new watermain in Peacocke Stage 2		1,272	1,280	1,280	1,280	1,280	-	-	-	1,280	8						
CE19047 - Water Demand Management - Maeroa reservoir zone		-	-	-	-	-	-	-	-	-	-						
CE19048 - Water Demand Management - Hamilton South reservoir zone		-	-	-	-	-	-	-	-	-	-						
CE19049 - Water Demand Management - Fairfield reservoir zone		-	-	-	-	-	-	-	-	-	-						
CE19073 - Upgrade/build new watermain in Te Rapa		-	-	-	-	-	-	-	-	-	-						
											-						
Total Water Supply		21,768	21,625	21,499	22,976	23,297	(2,101)	(1,185)	(527)	19,484	(2,785)	-	-	-	-	-	-
											-						

LIST OF CAPITAL PROJECTS

For the 2020-21 Financial Year

		2020-21 Annual Plan	2020-21 Forecast Changes as at 31	2020-21 Forecast Changes as at 30	2020-21 Forecast Changes as at 31	2020-21 Forecast Changes as at 31	2020-21 Forecast Changes as at 30 April 2021				Deferral/Brought Forward Offsets						
		Annual Plan 2020/21	Revised Budget as at 31 October 2020	Revised Budget as at 30 November 2020	Revised Budget as at 31 January 2021	Revised Budget as at 31 March 2021	Deferrals and B/fwds	Approved Changes	Savings	Revised Budget as at 30 April 2021	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2026/28
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000							
Renewals and Compliance Movements - will be found through programme reprioritisation by 30 June 2021*	R	-	(4,709)	(4,709)	(5,171)	(5,585)	-	4	-	(5,581)							
Grand Total		302,844	290,275	283,380	286,810	268,942	(6,542)	(3,654)	(2,253)	256,494	(47,922)	-	-	-	-	-	-

Note numbers correspond to explanatory comments. These are found following this statement.

*The renewals and compliance programme is being managed as a 3 year programme. This approach allows staff to activity manage the required works and where appropriate undertake projects previously not part of the programme. The \$4.7m represents the value of new projects undertaken in the previous year, this balance will need to be found from savings throughout the remainder of 2020-21.

Council Report

Item 7

Committee: Finance Committee

Date: 15 June 2021

Author: Tracey Musty

Authoriser: David Bryant

Position: Financial Controller

Position: General Manager People and Organisational Performance

Report Name: Annual Monitoring Report to 30 April 2021

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

1. To inform the Finance Committee on Council's financial performance for the ten months ended 30 April 2021.

Staff Recommendation - *Tuutohu-aa-kaimahi*

2. That the Finance Committee receives the report.

Executive Summary - *Whakaraapopototanga matua*

3. This report is to be read in conjunction with the:
 - 30 April 2021 (15 June 2021 meeting) Capital Portfolio Monitoring Report
 - 30 April 2021 (15 June 2021 meeting) Financial Strategy Monitoring Report
4. The 30 April 2021 financial results show a positive variance against the year to date (YTD) budget in the accounting result and a favourable balancing the books result.
5. Forecast adjustments have been brought in to reflect our anticipated year end position.
6. There continues to be positive results in fees and charges, due to both increased consenting and an increased number of visitors to Council's visitor destinations.
7. Development Contribution (DC) revenue is continuing to track favourably against budget. The domestic housing market bounce back has resulted in Council reforecasting the year end result in line with the 2018-28 LTP budget.
8. Additional operational revenue received offsets the overspend in expenditure across projects such as the Te Awa cycleway remediation, and in planning, where fees and charges offset increased expenditure on personnel and consultants.
9. Unbudgeted water reform stimulus projects are being funded by the Department of Internal Affairs (DIA), which offsets the expenditure.
10. An increase in forecast personnel costs, as a result of the Te Awa Cycleway remediation, is offset by the increased forecast operational contributions from the Ministry of Business, Innovation and Employment.

11. A key area to note is a change in the forecast of administration expense. \$12M of the Waikato Regional Theatre grant has been re-phased to years 2022 and 2023 as part of the draft 2021-2031 Long Term Plan.
12. Depreciation is favourable against budget as work has progressed on capitalising projects that have been completed. A favourable forecast of \$1.3M is due to a delay in the completion of the transportation revaluation.
13. Finance costs have been reforecast to better reflect the impact of reduced interest rates and the fact that debt is lower than budgeted. A saving of \$1.8M is expected in this area.
14. Council's treasury position remains favourable. There has been no need for further borrowing and debt remains well below budget. This is a result of the favourable cash position held at the end of the last financial year and the increase in the DC and fees and charges area.
15. Council's fixed rate hedging has increased to 43% as of 30 April 2021. This is due to a new swap that was transacted in April 2021. This has ensured that Council meets the minimum limit of 40% as set out in the Investment and Liability Management Policy.
16. Council continues to see gains on the revaluation of our swaps. This is not a cash gain, but rather an accounting/book entry and reflects the market swap rate movement as reflected in **Attachment 3**. This reflects the benefits of the hedging decisions made over the last few years.
17. The counterparty credit limit with the BNZ was breached at 30 April 2021. This is due to the addition of the new swap (as noted in paragraph 15 of this report) which is with BNZ. We are fully compliant at 31 May 2021.
18. Staff consider the matters in this report have low significance and that the recommendations comply with Council's legal requirements.

Discussion - *Matapaki*

Operating Results

The accounting results

19. The Statement of Comprehensive Revenue and Expense discloses the accounting result in accordance with accounting standards.
20. The accounting result for the ten months ended 30 April 2021 is a surplus of \$112.2M. This is \$49.7M favourable against the YTD budget surplus of \$62.5M.

Accounting Result		
YTD Actual	YTD Budget	Variance
\$112.2M	\$62.5M	\$49.7M

21. The Annual Forecast has been adjusted.

Annual Accounting Result		
Annual Forecast	Annual Budget	Variance
\$107.8M	\$66.1M	\$41.7M

Balancing the books result

22. The balancing the books result for the ten months ended 30 April 2021 is \$7.4M. This is \$10M favourable against a YTD budget deficit of \$2.6M.

Balancing the Books		
YTD Actual	YTD Budget	Variance
\$7.4M	(\$2.6M)	\$10M

23. The annual forecast is favourable to budget by \$3M. Detail on this to follow under the Operating Expenditure section of this report.

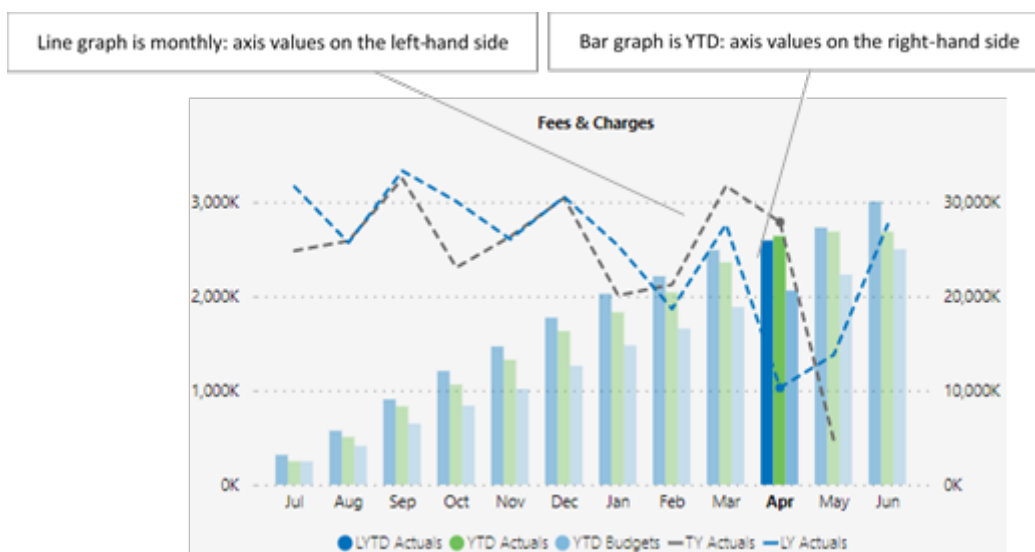
Annual Balancing the Books		
Annual Forecast	Annual Budget	Variance
(\$1.4M)	(\$4.4M)	\$3M

Understanding material variances

24. The Statement of Comprehensive Revenue and Expense is contained in **Attachment 1**.
25. Individual Everyday Revenue and Expense statements for each of the Council's activities are contained in **Attachment 2**.
26. A reconciliation of the accounting result to the balancing the books result is provided after the Statement of Comprehensive Revenue and Expense.

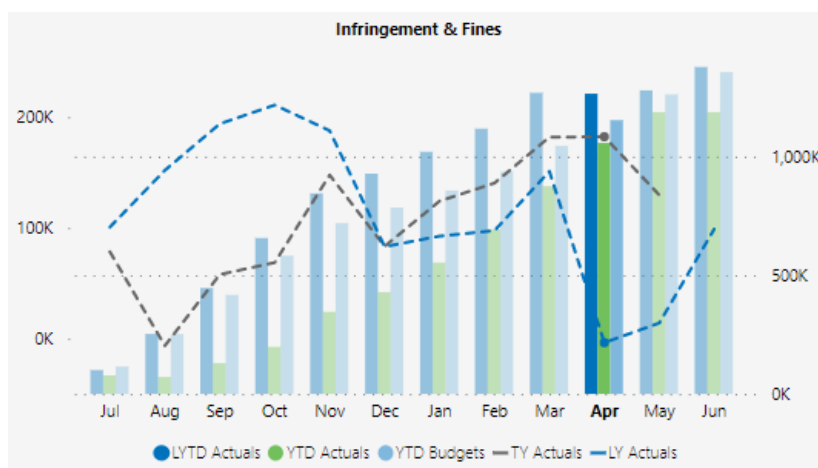
Operating Revenue

27. Total Operating Revenue is \$10.7M higher than YTD budget.
28. Rates revenue is favourable to YTD budget by \$0.4M. This is due to the Covid-19 rebate that was budgeted for, but not taken up.
29. Fees & Charges contribute the largest share of the favourable variance in Operating Revenue and exceeds YTD budget by \$10.4M.



The bar chart compares Last Year to Date Actuals (LYTD Actuals), Year to Date Actuals (YTD Actuals) and Year To Date Budgets (YTD Budgets). These values are reflected on the vertical axis to the right-hand side. The line chart above compares This Year Actuals (TY Actuals) and Last Year Actuals (LY Actuals) at each month. These values are reflected on the vertical axis to the left-hand side.

30. At 30 April 2021, the YTD actual for Fees & User Charges was \$36.9M which tracked above the YTD budget by \$10.4M (above last year actuals by \$4.5M). This favourable result is due to increased event activity in Venues, Tourism and Major Events and attractive visitor numbers at Council's visitor destinations. Revenue from building consents has remained consistent despite an anticipated downturn as reflected in the budget.
31. Operating contributions contributed \$4.0M towards the favourable variance in Fees & Charges. This is due to an unbudgeted grant received from the Ministry of Business, Innovation and Employment (MBIE) for the shovel ready project upgrade of the Te Awa Cycleway. This revenue offsets the cost of the project as the expenditure is incurred. Funds received from the Department of Internal Affairs (DIA) are also included, and offset expenditure on the Water Reform Stimulus projects.
32. Other Revenue is favourable by \$0.2M. The favourable variance of Rental income and Petrol Tax income is offset by an unfavourable variance in Infringement & Fines. Infringement & Fines revenue tracks below YTD budget and shows an increase on monthly revenue compared to last year (line graph), as reflected:



33. The YTD actual for Infringement & Fines at 30 April 2021 was \$1.1M. This remains below a YTD budget of \$1.2M, and a YTD comparable for last year of \$1.3M. The Covid-19 impact was felt in this area where the issuing of fines for traffic infringements only resumed in October 2020.
34. Please refer to the activity statements (**Attachment 2**) for material variance explanations.

Capital Revenue

35. Total Capital Revenue is \$25.2M favourable to budget.
36. DCs are ahead of budget by \$5.6M. Large developments (especially residential subdivisions and non-residential) do not pay required DCs in a smooth, linear fashion but in large amounts when development milestones are met. DCs have been reforecast in line to better reflect the improvement in the domestic housing market.
37. Capital subsidies and contributions are favourable to budget by \$20M. Projects attracting NZTA subsidies have progressed faster than anticipated and resulted in a favourable variance to budget of \$14.7M. The favourable variance in capital contributions of \$5.3M is due to NZTA contributing to the construction cost of the Ring Road, DIA funding for Water Reform Stimulus project and Council receiving capital contributions for the instalment of new water and wastewater connections.

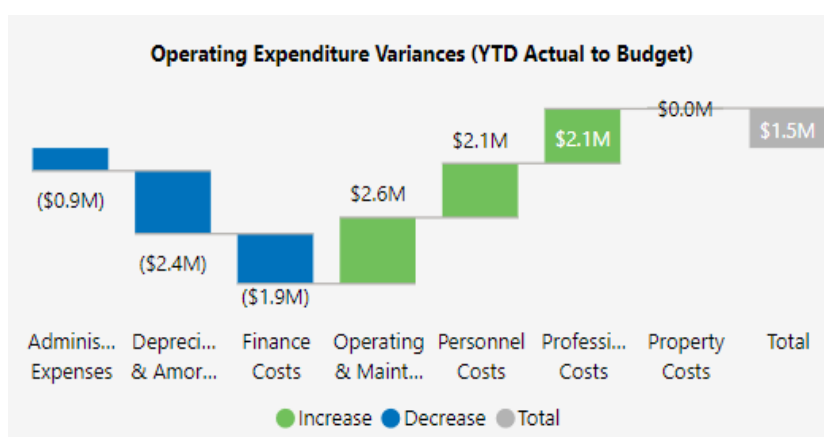
38. Vested assets are unfavourable to budget by \$0.4M.
39. The addition of vested assets increases the operating and maintenance costs for Council, as well as depreciation. An estimate of operating and maintenance costs and depreciation expense has been made in the 10-Year Plan to support the annual vested assets budget.

Asset class	YTD Actual \$000	Annual Budget \$000	Life Range (Years)	Estimated Annual Depreciation \$000
Wastewater	2,100	3,287	15-100	26
Stormwater	4,152	5,508	30-100	52
Water Supply	1,132	1,920	50-80	14
Roading	8,123	21,764	12-140	162
Parks and Recreation	343	-		-
Land – Under Roads	6,138	-		-
Land – Recreation Reserve	872	-		-
Land - Infrastructure	3,762	-		-
Total	26,622	32,479		254

40. Through the 2018-28 10-Year Plan, increased funding was made available for maintenance on new vested assets for three waters and transportation activities. The nature of vested infrastructure assets are that they have a long useful life and generally do not require significant direct maintenance in the first 10 years of operation.

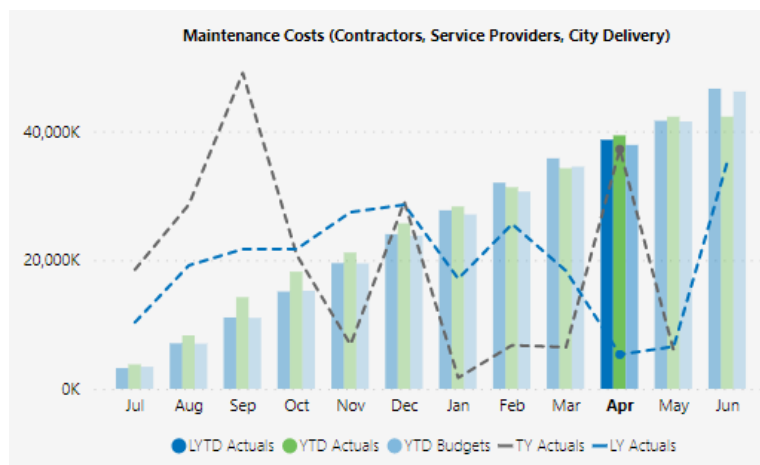
Operating Expenditure

41. Total Operating Expenditure is unfavourable to budget by \$1.5M. Unfavourable variances are due to Personnel Costs, Operating & Maintenance Costs and Professional Costs as explained below. Unfavourable variances are offset by favourable variances in Administration Expenses, Finance costs and Depreciation.



42. Personnel Costs are unfavourable to budget by \$2.1M. This is mainly due to recruitment and other personnel costs being unfavourable to budget by \$0.5M. Staff remuneration budgets of \$0.5M relating to the Te Awa Cycleway project is offset by funding received from the Ministry of Business, Innovation and Employment (MBIE).

43. Operating & Maintenance Costs are unfavourable to budget by \$2.6M. Increased expenditure on contractors as reflected:



44. The YTD actual for Contractors and Service Providers is \$35.6M. This is \$1.4M unfavourable against a YTD budget of \$34.2M. This is due to unbudgeted expenditure incurred on the Te Awa Cycleway remediation and water reform stimulus projects, which is funded by the MBIE and DIA. This is offset by the revenue as mentioned in paragraph 31.
45. Professional Costs are unfavourable to budget by \$2.1M. Part of this consists of an overspend in the Planning Guidance Unit related to an increase in workload. This is offset by an underspend in Personnel Costs in Planning & Development. Unbudgeted Water reform stimulus projects makes up \$1.6M of the spend to date. This is offset by contributions received from the Department of Internal Affairs (DIA).
46. Operational expenditure forecasts include:
- the annual forecast for Professional Costs increased by \$4.5M to allow for additional expenditure on expert consultants and additional legal fees. This is due to the Development Contributions Judicial Review and the additional expenditure on the water reform stimulus projects, which is offset by increased Fees & Charges forecast;
 - \$0.6M of funding for the Wastewater Metro Spatial Plan project was initially made available through the re-prioritisation of 2019/20 consultation budgets, however this project will now be funded by the Water Reform Stimulus grant. These funds can now be repurposed to the Transportation activity to assist with the Transportation Metro Spatial Plan business case;
 - the Waikato Theatre Grant has been re-phased to align with the funding deed, which was approved by Council in February 2021; and
 - finance costs reflect the effect of reduced interest rates as well as lower than budgeted debt.
47. Please refer to the activity statements (**Attachment 2**) for material variance explanations.

Gains and Losses

48. The 30 April 2021 adjustment on non-cash revaluation of Council's Financial borrowing instruments resulted in a \$18.9M gain. See **Attachment 3** for swap interest rate movement.

Treasury Management

49. Council's compliance with its treasury policy measures at 30 April 2021 is as follows:

Counterparty credit risk	max	\$75m per bank	Not achieved	✗
Liquidity ratio	min	110%	126%	✓
Funding maturity	0 - 3 years	15% - 60%	46%	✓
	3 - 5 years	15% - 60%	20%	✓
	5 years +	10% - 60%	34%	✓
Fixed rate debt maturity	All years	Within annual parameters	Achieved	✓

Item 7

50. Our Treasury Management Policy sets out counterparty credit limits which are spread amongst several counterparties to avoid concentrations of credit exposure. At 30 April 2021 we breached our limit with the BNZ by \$2.5M. This is due to the new \$20M swap with BNZ. We are fully compliant at 31 May 2021.

Interest Rate Risk Management

51. The movement on interest rate swaps relates to valuations completed at a point in time. These are based on Council's total external debt and the difference between current market interest rates and the fixed rates that Council has locked in. They are unrealised because on maturity of each interest rate swap contract no interest gain or loss eventuates.
52. At 30 April 2021 Council's fixed rate hedging is 43%. This falls within our debt interest rate policy parameters which requires a minimum fixed rate of 40% and a maximum fixed rate of 95%.
53. Our gross cost of funds over a 12-month rolling average is 2.3%.

Debt and Cash Investments

54. The Debt Forecast and the Debt to Revenue ratio form part of our Financial Strategy and is addressed within the Financial Strategy Monitoring Report.

Treasury Performance			
	YTD Actual	Annual Budget	Variance
Cash Investments	\$140.2M	\$86.1M	\$54.1M
Total External Debt	\$575M	\$716.8M	(\$141.8M)
Finance Cost on Borrowings	\$10.4M	\$14.6M	(\$4.2M)

Legal and Policy Considerations - Whaiwhakaaro-aa-ture

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

Wellbeing Considerations - Whaiwhakaaro-aa-oranga tonutanga

56. 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').
57. The subject matter of this report has been evaluated in terms of the 4 wellbeings during the process of developing this report.
58. The recommendations set out in this report are consistent with that purpose.
59. Economic wellbeing is managed through the efficient monitoring of Council's financial results. Diligent management of Council's budget and regular review of forecasts is required to ensure Council is operating effectively and policy compliance is met.

60. The environmental, social and cultural wellbeings are not directly impacted by the annual monitoring report. However, the efficient review and management of Council's financial position supports the wider business in their delivery of key objectives that enhance these wellbeings.

Risks - *Tuuraru*

61. There are no known risks associated with the decisions of this report.

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

Significance

Having considered the Significance and Engagement Policy, staff have assessed that the matters in this report have low significance.

Engagement

63. Given the low level of significance determined, the engagement level is low. No engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Statement of Comprehensive Revenue and Expense 30 April 2021

Attachment 2 - Council Activities 30 April 2021

Attachment 3 - Treasury Position 30 April 2021 .

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE
FOR THE MONTH ENDED 30 APRIL 2021

Attachment 1

\$000		\$000		\$000		\$000		\$000		\$000	
YTD 2019/20		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent		Annual Forecast	Annual Variance Fav/(Unfav)		
Operating Revenue											
158,257	Rates	165,328	164,963	365	200,066	83%		200,066			
32,387	Fees & Charges	36,911	26,524	10,387	32,260	114%		44,446	12,186		
8,632	Subsidies & Grants	5,769	5,900	(131)	7,227	80%		7,227			
1,299	Interest Revenue	971	1,042	(70)	1,250	78%		1,250			
6,684	Other Revenue	6,781	6,615	166	10,298	66%		10,317	19		
207,259	TOTAL OPERATING REVENUE	215,761	205,044	10,717	251,101	86%		263,305	12,204		
Capital Revenue											
26,989	Development Contributions	24,337	18,755	5,582	22,504	108%		29,909	7,405		
33,815	Capital Revenue	52,069	32,022	20,046	58,634	89%		62,047	3,413		
35,660	Vested Assets	26,622	27,068	(446)	32,479	82%		32,479			
96,464	TOTAL CAPITAL REVENUE	103,027	77,845	25,182	113,617	91%		124,435	10,818		
303,723	TOTAL REVENUE	318,788	282,889	35,900	364,717	87%		387,740	23,022		
Expenditure											
69,253	Personnel Costs	71,934	69,830	(2,104)	83,802	86%		86,132	(2,330)		
42,308	Operating & Maintenance Costs	45,895	43,326	(2,569)	52,927	87%		55,862	(2,935)		
9,903	Professional Costs	11,228	9,114	(2,114)	13,820	81%		18,337	(4,517)		
16,907	Administration Expenses	13,951	14,738	787	36,367	38%		26,706	9,661		
8,943	Property Costs	8,537	8,514	(23)	10,017	85%		10,201	(184)		
15,216	Finance Costs	10,531	12,565	2,034	17,124	61%		15,263	1,861		
57,362	Depreciation & Amortisation Expense	59,837	62,281	2,443	74,727	80%		73,431	1,296		
219,892	TOTAL EXPENDITURE	221,913	220,368	(1,545)	288,785	77%		285,932	2,853		
83,831	OPERATING SURPLUS/(DEFICIT)	96,875	62,520	34,355	75,932	128%		101,808	25,875		
Gains and Losses											
(11,634)	Net gain/(loss) on revaluation of interest rate swaps	18,912		18,912				18,912	18,912		
	Gain on fair value of investment properties				593	0%		593			
(2,952)	Property, plant and equipment net gain/(loss)	(3,621)		(3,621)	(10,457)	35%		(13,490)	(3,033)		
(14,586)	TOTAL GAINS AND LOSSES	15,291		15,291	(9,864)	(155%)		6,015	15,879		
69,245	TOTAL SURPLUS/(DEFICIT)	112,166	62,520	49,646	66,068	170%		107,823	41,754		

Refer to Activity Statements for variances against budget.

Item 7

Attachment 1

BALANCING THE BOOKS RESULT FOR THE MONTH ENDED 30 APRIL 2021

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
YTD 2019/20		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
69,245	Surplus/(Deficit)	112,166	62,520	49,646	66,068	170%	107,823	41,754
	Remove capital revenue							
(35,660)	Vested assets	(26,622)	(27,068)	446	(32,479)	82%	(32,479)	
(21,918)	Part of Development and Financial contributions	(17,773)	(12,191)	(5,582)	(14,627)	122%	(22,032)	(7,405)
(21,431)	Capital Subsidy (excluding subsidy on transport renewals)	(32,425)	(18,489)	(13,936)	(37,736)	86%	(39,049)	(1,313)
(6,146)	Other Capital Contributions	(11,579)	(6,222)	(5,357)	(12,496)	93%	(14,596)	(2,100)
(471)	Other items not considered everyday operating revenue	(1,330)	(1,521)	191	(4,217)	32%	(4,217)	
	Remove (gains)/losses							
14,586	All Gains/(Losses)	(15,291)		(15,291)	9,864	(155%)	(6,015)	(15,879)
	Remove other expenses							
103	Other items not considered everyday operating expenses	241	340	(99)	21,189	1%	9,189	(12,000)
(1,693)	EVERYDAY SURPLUS/(DEFICIT)	7,387	(2,630)	10,017	(4,433)	(167%)	(1,376)	3,057

LOCAL GOVERNMENT BALANCING THE BOOKS MEASURE FOR THE MONTH ENDED 30 APRIL 2021

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
YTD 2019/20		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
69,245	Surplus/(deficit)	112,166	62,520	49,646	66,068	170%	107,823	41,754
	Adjustments for the Local Government Regulations measure							
	Gains excluding gains on investment properties				(593)	0%	(593)	
11,634	Net (Gain)/Loss on derivative financial instruments	(18,912)		(18,912)	0		(18,912)	(18,912)
(26,989)	Development and Financial contributions	(24,337)	(18,755)	(5,582)	(22,504)	108%	(29,909)	(7,405)
(35,660)	Vested assets	(26,622)	(27,068)	446	(32,479)	82%	(32,479)	
(51,015)	Total adjustments	(69,871)	(45,823)	(24,048)	(55,576)		(81,893)	(26,317)
18,229	LG Regulations balancing the books surplus/(deficit)	42,295	16,698	25,598	10,493	403%	25,930	15,437

FOR THE MONTH ENDED 30 APRIL 2021

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
YTD 2019/20		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
158,257	Rates**	165,328	164,963	365	200,066	83%	200,066	
32,387	Fees & Charges	36,911	26,524	10,387	32,260	114%	44,446	12,186
8,632	Subsidies & Grants	5,769	5,900	(131)	7,227	80%	7,227	
1,299	Interest Revenue	971	1,042	(70)	1,250	78%	1,250	
6,684	Other Revenue	6,781	6,615	166	10,298	66%	10,317	19
207,259	Total Everyday Revenue	215,761	205,044	10,717	251,101	86%	263,305	12,204
Everyday Expenditure								
69,253	Personnel Costs	71,934	69,830	(2,104)	83,802	86%	86,132	(2,330)
42,308	Operating & Maintenance Costs	45,895	43,326	(2,569)	52,927	87%	55,862	(2,935)
9,903	Professional Costs	11,228	9,114	(2,114)	13,820	81%	18,337	(4,517)
16,907	Administration Expenses	13,951	14,738	787	36,367	38%	26,706	9,661
8,943	Property Costs	8,537	8,514	(23)	10,017	85%	10,201	(184)
15,216	Finance Costs**	10,531	12,565	2,034	17,124	61%	15,263	1,861
57,362	Depreciation & Amortisation Expense**	59,837	62,281	2,443	74,727	80%	73,431	1,296
14,586	Gains & Losses	(15,291)		15,291	9,864	(155%)	(6,015)	15,879
234,478	Total Everyday Expenditure	206,622	220,368	13,746	298,649	69%	279,917	18,732
(27,220)	Everyday Surplus/(Deficit)*	9,139	(15,325)	24,463	(47,548)	(19%)	(16,612)	30,936
Capital Revenue								
26,989	Development Contributions**	24,337	18,755	5,582	22,504	108%	29,909	7,405
33,815	Capital Revenue	52,069	32,022	20,046	58,634	89%	62,047	3,413
35,660	Vested Assets**	26,622	27,068	(446)	32,479	82%	32,479	
96,464	Total Capital Revenue	103,027	77,845	25,182	113,617	91%	124,435	10,818
69,245	Operating Surplus/(Deficit)	112,166	62,520	49,646	66,068	170%	107,823	41,754

Material variances as explained below:

Finance Costs:** \$2,034k favourable.

Overall finance cost (interest expense) for Council is favourable. This is due to the debt being lower than budget.

Depreciation & Amortisation Expense:** \$2,443k favourable.

The favourable result relates to capital projects still to be fully capitalised.

Development Contributions:** \$5,582k favourable.

Large developments do not pay required DC's in a smooth, linear fashion, but in large amounts when development milestones are met. This is why the quantum of DC's will vary significantly quarter by quarter. During the first quarter of the year two retirement home developments and a large residential subdivision paid significant DC's.

Vested Assets:** (\$446k) unfavourable.

Vested assets are tracking close to budget. Forecast to meet budget at financial year end.

The comments below explain the material variance between annual approved budget and annual forecast.

Finance Costs:** \$1,861k favourable.

Finance cost on external debt for Council is favourable. This is due to the debt being lower than budget.

Depreciation & Amortisation Expense:** \$1,296k favourable.

The favourable variance is due to the postponement of the Transportation valuation from 1 July 2020 to 30 June 2021 during this financial year.

Development Contributions:** \$7,504k favourable.

The budget for the current financial year was adjusted to include the impact of Covid-19. The domestic housing market has proven to be stronger than anticipated and, as a result, DC revenue is tracking ahead of budget. We forecast our DC revenue to be in line with the original 2018-28 LTP budget at year end.

Attachment 2

DEMOCRACY

Governance and Public Affairs | Partnership with Māori

FOR THE MONTH ENDED 30 APRIL 2021

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
YTD 2019/20		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
2,381	Rates**	2,490	2,490	()	3,021	82%	3,021	
166	Fees & Charges	5	2	3	2	220%	2	
	Subsidies & Grants							
	Interest Revenue							
()	Other Revenue							
2,547	Total Everyday Revenue	2,495	2,492	3	3,023	83%	3,023	
Everyday Expenditure								
343	Personnel Costs	381	574	193	696	55%	696	
57	Operating & Maintenance Costs	29	34	5	41	71%	41	
858	Professional Costs	321	341	20	402	80%	402	
1,244	Administration Expenses	1,335	1,411	77	1,693	79%	1,693	
	Property Costs							
	Finance Costs**							
	Depreciation & Amortisation Expense**							
	Gains & Losses							
2,502	Total Everyday Expenditure	2,065	2,360	295	2,832	73%	2,832	
45	Everyday Surplus/(Deficit)*	430	132	298	191	225%	191	
Capital Revenue								
	Capital Revenue							
	Total Capital Revenue							
45	Operating Surplus/(Deficit)	430	132	298	191	225%	191	

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:

Personnel Costs: \$193k favourable.

The favourable variance is due to a vacancy held in the Mayoral Support Services Office and an underspend on Elected Members' training and development budget.

Attachment 2

VISITOR ATTRACTIONS

Hamilton Gardens | Waikato Museum | Hamilton Zoo

FOR THE MONTH ENDED 30 APRIL 2021

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
YTD 2019/20		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
12,439	Rates**	13,036	13,012	24	15,787	83%	15,787	
2,231	Fees & Charges	2,885	1,381	1,504	1,563	185%	3,263	1,700
85	Subsidies & Grants	67	71	(3)	85	80%	85	
12	Interest Revenue	9	10	(1)	12	71%	12	
130	Other Revenue	97	73	25	87	111%	87	
14,897	Total Everyday Revenue	16,094	14,546	1,548	17,534	92%	19,234	1,700
Everyday Expenditure								
7,084	Personnel Costs	7,351	7,011	(340)	8,407	87%	8,757	(350)
2,318	Operating & Maintenance Costs	2,105	2,199	93	3,068	69%	3,068	
259	Professional Costs	246	187	(59)	231	107%	231	
477	Administration Expenses	382	471	89	565	68%	565	
375	Property Costs	367	401	33	471	78%	471	
133	Finance Costs**	91	111	20	133	69%	118	15
1,725	Depreciation & Amortisation Expense**	1,838	1,832	(5)	2,199	84%	2,389	(190)
9	Gains & Losses	20		(20)				
12,379	Total Everyday Expenditure	12,400	12,212	(188)	15,073	82%	15,599	(525)
2,518	Everyday Surplus/(Deficit)*	3,693	2,334	1,360	2,461	150%	3,636	1,175
Capital Revenue								
	Capital Revenue	159	145	14	1,000		620	(380)
	Total Capital Revenue	159	145	14	1,000	16%	620	(380)
2,518	Operating Surplus/(Deficit)	3,853	2,479	1,374	3,461	111%	4,256	795

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:

Fees & Charges: \$1,504k favourable.

One of the assumptions included in the 2020/21 budget was that Council facilities would remain at Covid-19 level 2 until December 2020. Revenue budgets were reduced accordingly. An earlier than expected exit from level 2 to level 1 has resulted in Visitor Attractions revenue tracking well in advance of budget.

Personnel Costs: (\$340k) unfavourable.

Staff vacancies are below levels experienced in previous years. The workforce has been more stable than envisaged and savings from vacancies will not be achieved.

The comments below explain the material variance between annual approved budget and annual forecast.

Fees & Charges: \$1,700k favourable.

Higher income received due to an earlier exit from Covid-19 level 2 to level 1 than expected.

Personnel costs: (\$350k) unfavourable.

Staff vacancies are below levels experienced in previous years. The workforce has been more stable than envisaged and savings from vacancies will not be achieved.

Capital Revenue - (\$380k) Unfavourable

Zoo Waiwhakareke Entrance third party contributions of \$900k will be received 2021/22, as work will not be completed this year. This is partially offset by \$400k contributions received for the Hamilton Gardens Summer House and \$120k for the Tuatara House at the Zoo.

Attachment 2

VENUES, TOURISM AND MAJOR EVENTS

Claudelands | FMG Stadium Waikato | Seddon Park | i-SITE | Tourism and Events Funding

FOR THE MONTH ENDED 30 APRIL 2021

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
YTD 2019/20		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
12,343	Rates**	12,907	12,922	(15)	15,664	82%	15,664	()
5,336	Fees & Charges	4,094	2,409	1,684	2,803	146%	5,392	2,589
4	Subsidies & Grants							
127	Interest Revenue	94	66	28	79	119%	79	
683	Other Revenue	680	639	41	742	92%	761	19
18,492	Total Everyday Revenue	17,775	16,036	1,740	19,288	92%	21,896	2,608
Everyday Expenditure								
5,020	Personnel Costs	4,689	4,783	93	5,731	82%	5,731	
4,492	Operating & Maintenance Costs	3,799	2,592	(1,207)	3,067	124%	5,301	(2,235)
116	Professional Costs	97	238	141	296	33%	266	30
1,594	Administration Expenses	1,454	1,595	142	1,793	81%	1,793	
892	Property Costs	912	754	(158)	886	103%	1,070	(184)
1,475	Finance Costs**	1,012	1,231	218	1,477	69%	1,312	165
4,468	Depreciation & Amortisation Expense**	4,354	4,570	217	5,480	79%	5,456	24
4	Gains & Losses	330		(330)			330	(330)
18,062	Total Everyday Expenditure	16,647	15,762	(885)	18,729	89%	21,259	(2,530)
430	Everyday Surplus/(Deficit)*	1,128	274	855	560	202%	637	78
Capital Revenue								
	Capital Revenue	59		59	200	30%	296	96
	Total Capital Revenue	59		59	200	30%	296	96
430	Operating Surplus/(Deficit)	1,188	274	914	760	156%	934	174

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:

Fees & Charges: \$1,684k favourable.

A continued favourable variance due to a conservative budget as a result of the Covid-19 environment. Event activity remains better than expected year to date. This favourability will continue through to financial year end.

Operating & Maintenance Costs: (\$1,207k) unfavourable.

An unfavourable variance due to an increase in cost of sales. The cost of sales increase is relative to the additional revenue gained by better than expected event activity. An increase in maintenance costs will continue to be challenged.

Professional Costs: \$141k favourable.

Favourable variance due to tight management of costs in this area to drive savings. Forecasting to have savings in this area at year end.

Administration Expenses: \$142k favourable.

A favourable variance due to the timing of event activation funding being released. On track to spend in the fourth quarter.

Property Costs: (\$158k) unfavourable.

Venue electricity budgets were reduced as part of the Covid-19 revised budget. Expected downtime did not eventuate due to better than expected event activity.

Gains & Losses: (\$330k) unfavourable.

An unfavourable variance related to the loss on disposal of carpet at Claudelands and loss on disposal on the passenger lift at FMG Stadium. The carpet was replaced as part of the renewals and compliance programme. Further work is required to line asset valuations up with replacement programmes.

The comments below explain the material variance between annual approved budget and annual forecast.

Fees & Charges: \$2,589k favourable.

Higher than expected event activity given Covid-19 environment.

Operating & Maintenance: (\$2,235k) unfavourable.

Additional costs incurred in correlation with higher than expected event activity.

Property Costs: (\$184k) unfavourable

Property costs were reduced as part of the Covid-19 revised budget.

Gains & Losses: (\$330k) unfavourable

Losses incurred due to earlier than expected disposal.

Attachment 2

ARTS AND COMMUNITY

Libraries | Community Development | Arts Promotion | Theatres

FOR THE MONTH ENDED 30 APRIL 2021

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
YTD 2019/20		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
13,737	Rates**	14,370	14,356	14	17,424	82%	17,424	
402	Fees & Charges	546	418	129	501	109%	651	150
1	Subsidies & Grants	26	2	24	2	1300%	2	
	Interest Revenue		55	(55)	66	0%	66	
	Other Revenue	1		1				
14,140	Total Everyday Revenue	14,944	14,830	114	17,992	83%	18,142	150
Everyday Expenditure								
4,776	Personnel Costs	5,118	4,864	(254)	5,828	88%	6,108	(280)
592	Operating & Maintenance Costs	626	760	134	1,041	60%	941	100
362	Professional Costs	154	165	10	191	81%	191	
2,159	Administration Expenses	3,661	3,758	98	23,932	15%	11,932	12,000
257	Property Costs	215	235	20	279	77%	279	
3	Finance Costs**	2	2		3	69%	3	
2,292	Depreciation & Amortisation Expense**	2,305	2,422	117	2,906	79%	2,715	191
3	Gains & Losses	37		(37)				
10,444	Total Everyday Expenditure	12,117	12,206	89	34,180	35%	22,169	12,011
3,696	Everyday Surplus/(Deficit)*	2,827	2,624	203	(16,188)	(17%)	(4,027)	12,161
3,696	Operating Surplus/(Deficit)	2,827	2,624	203	(16,188)	(17%)	(4,027)	(12,161)

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:**Fees & Charges: \$129k favourable.**

Contributions received include \$50k from WEL energy trust to increase the payment to Waikato Lands Trust. The Ministry of Business Innovation have contributed \$50k to fund the Welcoming Communities project that will commence 2020/21. Any unspent portion will be held over to meet expenditure occurring 2021/22.

Operating & Maintenance Costs: \$134k favourable.

The 2020/21 budget included \$100k to cope with cleaning of facilities expected due to Covid-19. This amount is no longer required due to earlier exit from levels 3 and 2.

Personnel Costs: (\$254k) unfavourable.

Staff vacancies are below levels experienced in previous years. The workforce has been more stable than envisaged and savings from vacancies will not be achieved.

The comments below explain the material variance between annual approved budget and annual forecast.**Fees & Charges: \$150k favourable.**

Third party contributions received in Community Development to fund the Welcoming Communities project, and to fund an increase in the payment to Waikato Lands Trust.

Personnel costs: (\$280k) unfavourable.

Staff vacancies are below levels experienced in previous years. The workforce has been more stable than envisaged and savings from vacancies will not be achieved.

Operating and Maintenance Costs, \$100k favourable.

The 2020/21 budget included \$100k to cope with cleaning of facilities expected due to Covid-19. This amount is no longer required due to earlier exit from levels 2 and 3.

Administration Expenses: \$12,000k favourable.

The deferral of part of the Waikato Regional Theatre grant is recognised in the revised forecast. The grant has been re-phased as part of the draft 2021-2031 Long Term Plan.

Attachment 2

PARKS AND RECREATION

Community Parks | Natural Areas | Streetscapes | Sports Parks | Playgrounds | Cemeteries and Crematorium | Pools | Indoor Recreation

FOR THE MONTH ENDED 30 APRIL 2021

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
YTD 2019/20		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
23,201	Rates**	24,133	24,158	(25)	29,325	82%	29,325	
5,434	Fees & Charges	7,077	5,355	1,721	6,297	112%	7,997	1,700
3	Subsidies & Grants	6	6		7	87%	7	
148	Interest Revenue	111	119	(8)	142	78%	142	
171	Other Revenue	140	64	76	76	183%	76	
28,956	Total Everyday Revenue	31,466	29,701	1,765	35,848	88%	37,548	1,700
Everyday Expenditure								
10,314	Personnel Costs	11,274	10,214	(1,059)	12,257	92%	13,357	(1,100)
5,824	Operating & Maintenance Costs	7,039	6,229	(810)	7,579	93%	8,379	(800)
722	Professional Costs	685	456	(228)	726	94%	826	(100)
528	Administration Expenses	529	496	(33)	697	76%	697	
811	Property Costs	812	885	72	1,051	77%	1,051	
1,738	Finance Costs**	1,193	1,448	255	1,738	69%	1,544	194
4,736	Depreciation & Amortisation Expense**	5,082	4,956	(126)	5,947	85%	6,348	(401)
147	Gains & Losses	1,707		(1,707)			1,707	(1,707)
24,821	Total Everyday Expenditure	28,322	24,685	(3,637)	29,994	94%	33,908	(3,914)
4,135	Everyday Surplus/(Deficit)*	3,144	5,016	(1,872)	5,854	54%	3,639	(2,214)
Capital Revenue								
1,034	Development Contributions**	1,173	997	176	1,196	98%	1,590	394
14	Capital Revenue	195	100	95	100	195%	372	272
	Vested Assets**	1,708		1,708				
1,049	Total Capital Revenue	3,076	1,097	1,979	1,296	237%	1,962	666
5,184	Operating Surplus/(Deficit)	6,219	6,113	107	7,150	87%	5,602	(1,548)

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:

Fees & Charges: \$1,721k favourable.

Third party contributions have been received from the Ministry of Business, Innovation and Employment (MBIE) to upgrade the Te Awa Cycleway.

Personnel Costs: (\$1,059k) unfavourable.

Costs associated with the Te Awa Cycleway construction that are funded by the Ministry of Business, Innovation and Employment (MBIE) \$800k. Aquatics \$259k unfavourable due to the workforce has been more stable than envisaged.

Operating & Maintenance Costs: (\$810k) unfavourable.

The unfavourable Parks variance includes Te Awa Cycleway costs that are funded by the Ministry of Business, Innovation and Employment (MBIE). The unfavourable Aquatics variance includes \$300k required to remedy plant defects, part of which will be recovered from Council's insurer.

Professional Costs: (\$228k) unfavourable.

The unfavourable Parks variance includes Te Awa Cycleway costs that are funded by the Ministry of Business, Innovation and Employment (MBIE). Expenditure at Waterworld tracks \$105k ahead of YTD budget and includes costs to remedy plant defects, part of which will be recovered from Council's insurer.

Gains & Losses: (\$1,707k) unfavourable.

\$1.2m of the unfavourable variance is the writedown of the Stadium Bowling Club buildings which have been gifted to Kaute Pasifika. The remainder of the variance is due to the disposal of various assets.

The comments below explain the material variance between annual approved budget and annual forecast.

Fees & Charges: \$1,700k favourable.

Third party contributions received from the Ministry of Business, Innovation and Employment (MBIE) to upgrade the Te Awa Cycleway.

Personnel Costs: (\$1,100k) unfavourable.

It is forecast that the unfavourable variance in personnel costs will continue for the remainder of the financial year.

Operating & Maintenance Costs: (\$800k) unfavourable.

Te Awa Cycleway costs that are funded received from the Ministry of Business, Innovation and Employment.

Gains & Losses: (\$1,707k) unfavourable.

\$1.2m of the unfavourable variance is the writedown of the Stadium Bowling Club buildings which have been gifted to Kaute Pasifika. The remainder of the variance is due to the disposal of various assets.

Capital Revenue: \$272k favourable

2020/21 Deferrals have resulted in a revised forecast. Refer to Capital Monitoring Report.

Attachment 2

SAFETY

Animal Education and Control | Environmental Health | Alcohol Licensing | Public Safety | Civil Defence

FOR THE MONTH ENDED 31 AUGUST 2020

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
YTD 2019/20		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
3,188	Rates**	3,334	3,334	1	4,047	82%	4,047	
1,953	Fees & Charges	1,949	1,768	181	1,938	101%	1,938	
41	Subsidies & Grants	42	44	(2)	53	80%	53	
	Interest Revenue							
30	Other Revenue	58	25	32	31	190%	31	
5,213	Total Everyday Revenue	5,383	5,171	212	6,068	89%	6,068	
Everyday Expenditure								
3,423	Personnel Costs	3,381	3,341	(40)	4,004	84%	4,004	
798	Operating & Maintenance Costs	868	992	123	1,238	70%	1,238	
89	Professional Costs	102	81	(21)	97	105%	97	
301	Administration Expenses	225	244	19	293	77%	293	
31	Property Costs	22	27	5	33	68%	33	
	Finance Costs**							
53	Depreciation & Amortisation Expense**	68	58	(10)	70	97%	85	(15)
	Gains & Losses							
4,694	Total Everyday Expenditure	4,666	4,743	77	5,735	81%	5,750	(15)
519	Everyday Surplus/(Deficit)*	717	428	290	333	215%	318	(15)
Capital Revenue								
	Capital Revenue							
	Total Capital Revenue							
519	Operating Surplus/(Deficit)	717	428	290	333	215%	318	(15)

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:**Fees & Charges: \$181k favourable.**

Revenue is higher than budget in the Environmental Control and Liquor Licensing units due to increases in demand. Specifically there have been more applications for manager certificates and remote liquor licenses. The increase in remote liquor licenses is a result of the Covid-19 lockdowns and businesses reshaping how they operate in order to continue operations through lockdowns.

Operating & Maintenance Costs: \$123k favourable.

A large portion of this favourable variance is due to underspend in the Waikato Regional Council Civil Defence and Emergency Management contract areas. There are also a number of smaller underspends across Animal Control and City Safety Operations.

Attachment 2

PLANNING AND DEVELOPMENT

City Planning | Planning Guidance | Building Control

FOR THE MONTH ENDED 30 APRIL 2021

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
YTD 2019/20		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
4,745	Rates**	4,956	4,954	2	6,010	82%	6,010	
9,153	Fees & Charges	9,708	6,867	2,842	8,474	115%	10,074	1,600
	Subsidies & Grants	70						
47	Interest Revenue	35	25	11	30	120%	30	
10	Other Revenue	1		1				
13,956	Total Everyday Revenue	14,770	11,845	2,926	14,513	102%	16,113	1,600
Everyday Expenditure								
7,252	Personnel Costs	7,714	8,575	861	10,272	75%	10,272	
353	Operating & Maintenance Costs	170	340	169	408	42%	408	
2,811	Professional Costs	2,756	1,863	(893)	2,236	123%	2,236	
1,005	Administration Expenses	950	1,061	111	1,378	69%	5,278	(3,900)
67	Property Costs	37	53	16	64	58%	64	
554	Finance Costs**	380	463	82	555	69%	493	62
	Depreciation & Amortisation Expense**	3		(3)				
	Gains & Losses							
12,041	Total Everyday Expenditure	12,011	12,355	345	14,912	81%	18,750	(3,838)
1,915	Everyday Surplus/(Deficit)*	2,760	(510)	3,270	(399)	(692%)	(2,637)	(2,238)
Capital Revenue								
	Capital Revenue							
	Total Capital Revenue							
1,915	Operating Surplus/(Deficit)	2,760	(510)	3,270	(399)	(692%)	(2,637)	(2,238)

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:**Fees & Charges: \$2,842k favourable.**

This is due to higher than budgeted levels of activity in the Planning Guidance and Building Control units.

Revenue from building and planning has been difficult to predict since the Covid-19 lockdown as the reality of the economic situation evolves. The budget was set to reflect the Treasury forecasted downturn. While revenue in the planning guidance area continued to increase last month, revenue in the building consenting area stabilised. It is unclear when a level of certainty and predictability will return to this market.

Personnel Costs: \$861k favourable.

Holding funds from City Planning restructure while these roles are repurposed to deliver the District Plan Change work. Recruitment of senior planning staff for Planning Guidance is proving challenging and the work is currently being sent out to consultants.

Operating & Maintenance Costs: \$169k favourable.

A large portion of this underspend is due to the drive for savings in digitisation in the Building Control unit. The unit has been encouraging online consent applications over hard copy, which saves in scanning and documentation management. Covid-19 also contributed to more online applications. Additionally the unit has recently moved more of their processes online, such as Code of Compliance Certificate applications. The budget for digitisation has been decreased in the 2021-31 LTP to reflect the above savings.

Additionally there was budget in the 2020/21 financial year for further improvements to the building control online system. This has been put on hold due to resourcing constraints.

Professional Costs: (\$893k) unfavourable.

This is due to overspend in the Planning Guidance unit. This overspend is offset by an underspend in Personnel Costs and is related to the increase in workload which is evidenced by a higher than budgeted level of revenue.

There has also been a higher than budgeted spend in Building Control's legal expenses due to ongoing legal claims.

Administration Expenses: \$111k favourable.

Higher than budgeted internal recoveries in the Planning Guidance unit for Resource Consents issued internally.

The comments below explain the material variance between annual approved budget and annual forecast.**Fees & Charges: \$1,600k favourable.**

Revenue from building and planning has been reforecast to reflect the higher levels of activity in this area.

FOR THE MONTH ENDED 30 APRIL 2021

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
YTD 2019/20		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
23,143	Rates**	23,992	23,754	238	28,695	84%	28,695	
158	Fees & Charges	640	(129)	769	(155)	(413%)	1,617	1,772
	Subsidies & Grants	(0)		(0)				
281	Interest Revenue	249	182	67	218	114%	218	
25	Other Revenue							
23,607	Total Everyday Revenue	24,881	23,807	1,074	28,758	87%	30,530	1,772
Everyday Expenditure								
2,811	Personnel Costs	2,796	2,425	(372)	2,904	96%	2,904	
2,237	Operating & Maintenance Costs	2,172	2,772	599	3,332	65%	3,332	
268	Professional Costs	912	832	(80)	1,024	89%	2,796	(1,772)
72	Administration Expenses	58	57	(1)	68	85%	68	
1,678	Property Costs	1,649	1,701	53	1,974	83%	1,974	
3,007	Finance Costs**	2,066	2,513	447	3,016	69%	2,680	336
7,612	Depreciation & Amortisation Expense**	6,954	7,085	132	8,502	82%	8,400	102
454	Gains & Losses	338		(338)			253	(253)
18,139	Total Everyday Expenditure	16,945	17,386	440	20,821	81%	22,408	(1,587)
5,468	Everyday Surplus/(Deficit)*	7,935	6,421	1,514	7,938	100%	8,122	184
Capital Revenue								
5,967	Development Contributions**	5,620	3,632	1,988	4,359	129%	5,793	1,434
544	Capital Revenue	1,531	45	1,486	54	2829%	1,354	1,300
1,748	Vested Assets**	1,110	1,600	(490)	1,920	58%	1,920	
8,259	Total Capital Revenue	8,261	5,278	2,983	6,333	130%	9,067	2,734
13,727	Operating Surplus/(Deficit)	16,197	11,699	4,498	14,270	113%	17,189	2,918

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:

Fees & Charges: \$769k favourable.

The favourable variance is due to funds received from the Department of Internal Affairs for the Water Reform Stimulus project to offset operational expenditure, including professional costs and personnel costs.

Operating & Maintenance Costs: \$599k favourable.

The favourable variance is predominantly due to less reactive maintenance works than expected on the water reticulation network and the Water Treatment Plant to date. This favourable variance will partly offset the unfavourable variance in the wastewater activity resulting from a higher level of reactive maintenance work required on the wastewater network and plant.

Gains & Losses: (\$338k) unfavourable.

Unfavourable variance is due to the disposal of various assets.

Capital Revenue: \$1,486k favourable.

Contributions toward new water connections exceed budget due to increased applications. This revenue will offset capital installation costs.

The comments below explain the material variance between annual approved budget and annual forecast.

Fees & Charges: \$1,772k favourable

Unbudgeted funding received from the Department of Internal Affairs (DIA) for operational projects related to water reform stimulus.

Professional Costs: (\$1,772k) unfavourable

Unbudgeted expenditure fully funded by the DIA relating to the water reform stimulus projects underway.

Capital Revenue: \$1,300k favourable

Unbudgeted funding received from the Department of Internal Affairs (DIA) for capital projects related to water reform stimulus. Refer to Capital Monitoring Report.

Gains & Losses: (\$253k) unfavourable

Losses incurred due to earlier than expected disposal.

Attachment 2

WASTEWATER

Wastewater Collection | Wastewater Treatment | Wastewater Disposal

FOR THE MONTH ENDED 30 APRIL 2021

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
YTD 2019/20		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
24,209	Rates**	25,267	25,249	17	30,639	82%	30,639	
3,897	Fees & Charges	4,901	4,281	619	5,546	88%	7,385	1,838
	Subsidies & Grants	(0)		(0)				
289	Interest Revenue	216	226	(10)	271	80%	271	
	Other Revenue							
28,394	Total Everyday Revenue	30,383	29,757	627	36,456	83%	38,295	1,838
Everyday Expenditure								
4,802	Personnel Costs	4,947	4,898	(49)	5,959	83%	5,959	
4,502	Operating & Maintenance Costs	5,121	4,260	(860)	5,231	98%	5,231	
391	Professional Costs	1,561	771	(790)	2,318	67%	3,496	(1,178)
165	Administration Expenses	168	156	(12)	200	84%	200	
1,727	Property Costs	1,687	1,792	105	2,087	81%	2,087	
3,386	Finance Costs**	2,326	2,830	504	3,396	69%	2,918	479
9,525	Depreciation & Amortisation Expense**	9,817	10,603	787	12,723	77%	11,848	875
649	Gains & Losses	182		(182)			164	(164)
25,147	Total Everyday Expenditure	25,810	25,310	(499)	31,914	81%	31,903	11
3,248	Everyday Surplus/(Deficit)*	4,574	4,446	127	4,542	101%	6,392	1,850
Capital Revenue								
10,649	Development Contributions**	8,653	6,149	2,504	7,378	117%	9,806	2,428
940	Capital Revenue	1,616	45	1,571	54	2986%	131	77
4,942	Vested Assets**	3,598	2,739	859	3,287	109%	3,287	
16,531	Total Capital Revenue	13,867	8,933	4,934	10,719	129%	13,224	2,505
19,779	Operating Surplus/(Deficit)	18,441	13,380	5,061	15,261	121%	19,616	4,355

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:**Fees & Charges: \$619k favourable.**

The favourable variance is due to funds received from the Department of Internal Affairs for the Water Reform Stimulus project to offset operational expenditure including professional costs and personnel costs.

Operating & Maintenance Costs: (\$860k) unfavourable.

The unfavourable variance is predominantly due to increased frequency of reactive wastewater maintenance and inspections required to reduce the risk of overflows to sensitive environments. Costs partially offset by underspent in Water activities.

Professional Costs: (\$790k) unfavourable.

The unfavourable variance is due to Water Reform Stimulus projects underway and is 100% offset by funds received from the Department of Internal Affairs. (See Fees & Charges above)

Property Costs: \$105k favourable.

The favourable variance is due to lower than budgeted spend on electricity and gas charges.

Gains & Losses: (\$182k) unfavourable.

Unfavourable variance is due to the disposal of various assets.

Capital Revenue: \$1,571k favourable.

Contributions toward new wastewater connections exceed budget due to increased applications. This revenue will offset capital installation costs. Funds received from the DIA to offset Water Reform Stimulus capital expenditure is also part of the favourable variance.

The comments below explain the material variance between annual approved budget and annual forecast.**Fees & Charges: \$1,838k favourable**

Unbudgeted funding received from the Department of Internal Affairs (DIA) for operational projects related to water reform stimulus.

Professional Costs: (\$1,178k) unfavourable

An unfavourable variance of \$1,777k in unbudgeted expenditure, which has been fully funded by the DIA, relates to the water reform stimulus project. This is slightly offset by a favourable variance of \$660k in funding for the Wastewater Metro Spatial Plan project (unfunded).

FOR THE MONTH ENDED 30 APRIL 2021

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
YTD 2019/20		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
5,435	Rates**	5,685	5,681	4	6,897	82%	6,897	
196	Fees & Charges	503	225	278	289	174%	1,125	836
	Subsidies & Grants	(0)		(0)				
79	Interest Revenue	59	97	(37)	116	51%	116	
	Other Revenue							
5,711	Total Everyday Revenue	6,247	6,003	244	7,301	86%	8,138	836
Everyday Expenditure								
1,637	Personnel Costs	1,637	1,641	4	1,965	83%	1,965	
731	Operating & Maintenance Costs	495	214	(281)	312	158%	312	
186	Professional Costs	280	242	(38)	458	61%	1,294	(836)
34	Administration Expenses	36	34	(2)	41	88%	41	
445	Property Costs	418	346	(72)	374	112%	374	
925	Finance Costs**	636	774	138	928	69%	824	104
7,988	Depreciation & Amortisation Expense**	8,242	8,127	(115)	9,752	85%	9,725	27
267	Gains & Losses	579		(579)			579	(579)
12,214	Total Everyday Expenditure	12,322	11,377	(945)	13,829	89%	15,114	(1,285)
(6,503)	Everyday Surplus/(Deficit)*	(6,075)	(5,373)	(702)	(6,528)	93%	(6,977)	(449)
Capital Revenue								
1,241	Development Contributions**	2,043	2,378	(335)	2,854	72%	3,793	939
288	Capital Revenue	402	87	315	104	386%	839	735
4,964	Vested Assets**	6,202	4,590	1,612	5,508	113%	5,508	
6,494	Total Capital Revenue	8,647	7,056	1,591	8,466	102%	10,140	1,674
(9)	Operating Surplus/(Deficit)	2,572	1,682	890	1,938	133%	3,163	1,225

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:

Fees & Charges: \$278k favourable.

The favourable variance is due to funds received from the Department of Internal Affairs for the Water Reform Stimulus project. This offsets operational expenditure for approved projects and costs including professional services costs.

The favourable variance is also due to funds received from the Waikato Regional Council to offset additional expenditure on stream maintenance.

Operating & Maintenance Costs: (\$281k) unfavourable.

The unfavourable variance is predominantly due to additional works completed for stream maintenance as part of the Project Watershed programme. The cost is recoverable from the Waikato Regional Council and is offset by a favourable variance in Fees & Charges.

Gains & Losses: (\$579k) unfavourable.

The unfavourable result is due to a developer initiated replacement of the stormwater assets to accommodate increased run off from the area. While the write off is significant Council will be receiving a greater valued asset as a result of the upsize.

Capital Revenue: \$315k favourable.

Contributions towards new stormwater connections exceed budget due to higher than budgeted applications. This revenue will offset capital installation costs. Funds received from the DIA to offset Water Reform Stimulus capital expenditure is also part of the favourable variance.

The comments below explain the material variance between annual approved budget and annual forecast.

Fees & Charges: \$836k favourable

Unbudgeted funding received from the Department of Internal Affairs (DIA) for operational projects related to water reform stimulus.

Professional Costs: (\$836k) unfavourable

Unbudgeted expenditure fully funded by the DIA relating to the water reform stimulus projects underway.

Capital Revenue: \$735k favourable

Unbudgeted funding received from the Department of Internal Affairs (DIA) for capital projects related to water reform stimulus. Refer to Capital Monitoring Report.

Gains & Losses: (\$579k) unfavourable

Losses incurred due to earlier than expected disposal.

Attachment 2

TRANSPORT

Transport Network | Transport Centre | Parking Management

FOR THE MONTH ENDED 30 APRIL 2021

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
YTD 2019/20		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
28,065	Rates**	29,362	29,353	9	35,634	82%	35,634	
2,679	Fees & Charges	3,785	3,113	672	4,016	94%	4,016	
7,776	Subsidies & Grants	5,028	5,195	(167)	6,498	77%	6,498	
335	Interest Revenue	251	260	(10)	312	80%	312	
2,451	Other Revenue	2,222	2,163	58	2,568	87%	2,568	
41,305	Total Everyday Revenue	40,648	40,085	563	49,027	83%	49,027	
Everyday Expenditure								
4,522	Personnel Costs	3,968	4,172	204	5,281	75%	5,281	
13,543	Operating & Maintenance Costs	11,144	10,745	(399)	12,910	86%	12,910	
752	Professional Costs	814	872	58	1,183	69%	1,843	(660)
1,114	Administration Expenses	697	611	(86)	716	97%	716	
1,880	Property Costs	1,783	1,753	(29)	2,120	84%	2,120	
3,922	Finance Costs**	2,695	3,278	584	3,934	69%	3,495	438
14,285	Depreciation & Amortisation Expense**	16,104	18,101	1,997	21,719	74%	20,160	1,559
1,503	Gains & Losses	225		(225)	10,457	2%	10,457	
41,521	Total Everyday Expenditure	37,428	39,533	2,104	58,321	64%	56,984	1,337
(216)	Everyday Surplus/(Deficit)*	3,219	552	2,667	(9,294)	(35%)	(7,957)	1,337
Capital Revenue								
8,194	Development Contributions**	6,848	5,598	1,250	6,717	102%	8,927	2,210
32,029	Capital Revenue	48,106	31,600	16,506	57,122	84%	58,434	1,313
24,005	Vested Assets**	14,004	18,138	(4,134)	21,764	64%	21,764	
64,228	Total Capital Revenue	68,958	55,336	13,621	85,602	81%	89,125	3,523
64,011	Operating Surplus/(Deficit)	72,177	55,888	16,289	76,309	95%	81,168	4,860

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:**Fees & Charges: \$672k favourable.**

The favourable result is due to the higher than expected offstreet parking income. Revenue from vehicle crossing inspections is favourable due to increased demand for inspections.

Subsidies & Grants: (\$167k) unfavourable.

The unfavourable variance is as a result of Road Safety Promotion and Travel Demand Management projects not progressing as planned due to the impacts of Covid-19 on event and education programme delivery.

Personnel Costs: \$204k favourable.

The favourable variance is mainly due to short term staff vacancies.

Operating & Maintenance Costs: (\$399k) unfavourable.

The unfavourable variance is mainly due to previous year capital projects in Rototuna not progressing and the cost was reclassified as operational expenditure.

Capital Revenue: \$16,506k favourable.

Revenue from NZTA subsidies are tracking above budget due to projects progressing faster than anticipated.

The comments below explain the material variance between annual approved budget and annual forecast.**Professional Costs: (\$660k) unfavourable**

\$660k of funding for the Wastewater Metro Spatial Plan project was initially made available through the re-prioritisation of 2019/20 consultation budgets, however this project will now be funded by the Water Reform Stimulus grant. The \$660k of re-prioritised funding will now be utilised within the Transportation activity for the Metro Spatial Plan.

Capital Revenue - \$1,313k favourable

Unbudgeted funding received from the Ministry of Business, Innovation and Employment (MBIE) for capital projects related to the Te Awa Cycleway and Ruakura stage 1. Refer to Capital Monitoring Report.

RUBBISH AND RECYCLING
 Refuse Collection | Waste Minimisation | Landfill Site Management
FOR THE MONTH ENDED 30 APRIL 2021

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
YTD 2019/20		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
5,675	Rates**	5,935	5,931	4	7,200	82%	7,200	
(131)	Fees & Charges	(99)	(57)	(42)	(69)	144%	(69)	
647	Subsidies & Grants	529	583	(54)	583	91%	583	
6	Interest Revenue	5	3	1	4	123%	4	
425	Other Revenue	331	370	(39)	444	74%	444	
6,623	Total Everyday Revenue	6,700	6,830	(130)	8,162	82%	8,162	
Everyday Expenditure								
955	Personnel Costs	1,080	1,145	65	1,371	79%	1,371	
4,198	Operating & Maintenance Costs	6,190	6,938	748	8,213	75%	8,213	
252	Professional Costs	241	252	11	293	82%	293	
56	Administration Expenses	33	64	30	(1,152)	(3%)	(2,713)	1,561
47	Property Costs	35	49	14	57	62%	57	
73	Finance Costs**	50	61	11	339	15%	269	69
463	Depreciation & Amortisation Expense** Gains & Losses	461	470	9	564	82%	564	
6,045	Total Everyday Expenditure	8,092	8,979	887	9,686	84%	8,056	1,630
577	Everyday Surplus/(Deficit)*	(1,392)	(2,149)	758	(1,524)	91%	106	1,630
Capital Revenue								
	Capital Revenue							
	Total Capital Revenue							
577	Operating Surplus/(Deficit)	(1,392)	(2,149)	758	(1,524)	91%	106	1,630

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:

Operating & Maintenance Costs: \$748k favourable.

The favourable result is due to a slightly lower costs than expected with Waste Management during their contract extension. Kerbside refuse tonnage is lower than modelled for the new service, bin maintenance costs are lower than modelled and some billing was delayed due to contractor processes.

The comments below explain the material variance between annual approved budget and annual forecast.

Administration Expenses: \$1,561k favourable

The forecasted favourable variance is due to closed landfill costs budgeted in the LTP 21-31 being lower than previously budgeted.

Finance costs: \$69k favourable

The favourable variance is due to adjustment in future costs for the closed landfills and a slight increase in interest rates for the next 30+ years.

Attachment 2

OVERHEADS

CE's Office | Corporate | Strategy and Communications | Strategic Property

FOR THE MONTH ENDED 30 APRIL 2021

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
YTD 2019/20		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
(274)	Rates**	(212)	(230)	18	(277)	77%	(277)	
913	Fees & Charges	918	892	27	1,055	87%	1,055	
76	Subsidies & Grants							
	Interest Revenue							
1,880	Other Revenue	1,854	1,691	163	2,029	91%	2,029	
2,594	Total Everyday Revenue	2,560	2,352	208	2,808	91%	2,808	
Everyday Expenditure								
17,136	Personnel Costs	17,599	17,022	(577)	20,405	86%	21,005	(600)
2,665	Operating & Maintenance Costs	6,136	6,130	(6)	7,539	81%	7,539	
2,836	Professional Costs	3,060	3,231	171	4,865	63%	4,865	
8,343	Administration Expenses	4,598	4,697	99	6,066	76%	6,066	
732	Property Costs	597	518	(79)	621	96%	621	
42	Finance Costs**	20	58	38	70	29%	70	
4,214	Depreciation & Amortisation Expense**	4,610	4,600	(10)	5,520	84%	5,741	(221)
(83)	Gains & Losses	204		(204)	(593)	(34%)	(593)	
35,884	Total Everyday Expenditure	36,824	36,256	(567)	44,494	83%	45,315	(821)
(33,289)	Everyday Surplus/(Deficit)*	(34,263)	(33,905)	(359)	(41,686)	82%	(42,507)	(821)
Capital Revenue								
	Capital Revenue							
	Total Capital Revenue							
(33,289)	Operating Surplus/(Deficit)	(34,263)	(33,905)	(359)	(41,686)	82%	(42,507)	(821)

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:**Other Revenue: \$163k favourable.**

Other Revenue represents Rental Revenue on the Council's Investment Property portfolio which is currently favourable to budget. The favourable variance is due to the budget being adjusted to reflect uncertainty as a result of Covid-19.

Personnel Costs: (\$577k) unfavourable.

Personnel costs are unfavourable due to expenditure on externally contracted staff to cover vacancies and deliver organisation wide projects. Additionally, the workforce has been more stable and therefore savings from vacancies are not being achieved.

Gains & Losses: (\$204k) unfavourable.

Unfavourable variance is due to the disposal of various assets.

The comments below explain the material variance between annual approved budget and annual forecast.**Personnel Costs: (\$600k) unfavourable.**

It is forecast that the unfavourable variance in personnel costs will continue for the remainder of the financial year.

FOR THE MONTH ENDED 30 APRIL 2021

\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000
YTD 2019/20		YTD Actual	YTD Budget (Approved)	YTD Variance Fav/(Unfav)	Annual Approved Budget	% Annual Budget Spent	Annual Forecast	Annual Variance Fav/(Unfav)
Everyday Revenue								
(29)	Rates**	75		75				
	Fees & Charges							
	Subsidies & Grants							
(25)	Interest Revenue	(57)		(57)				
877	Other Revenue	1,396	1,590	(194)	4,321	32%	4,321	
823	Total Everyday Revenue	1,413	1,590	(177)	4,321	33%	4,321	
Everyday Expenditure								
	Personnel Costs		(835)	(835)	(1,000)	0%	(1,000)	
	Operating & Maintenance Costs		(877)	(877)	(1,052)	0%	(1,052)	
	Professional Costs		(417)	(417)	(500)	0%	(500)	
	Administration Expenses		(167)	(167)	(200)	0%	(200)	
	Property Costs							
(41)	Finance Costs**	58	(205)	(263)	1,535	4%	1,535	
	Depreciation & Amortisation Expense**		(545)	(545)	(654)	0%		(654)
11,634	Gains & Losses	(18,912)		18,912			(18,912)	18,912
11,592	Total Everyday Expenditure	(18,854)	(3,045)	15,809	(1,871)	1008%	(20,129)	18,258
(10,769)	Everyday Surplus/(Deficit)*	20,267	4,635	15,632	6,192	327%	24,450	18,258
Capital Revenue								
(95)	Development Contributions**							
	Capital Revenue							
	Vested Assets**							
(95)	Total Capital Revenue							
(10,864)	Operating Surplus/(Deficit)	20,267	4,635	15,632	6,192	327%	24,450	18,258

* Everyday surplus/(deficit) excludes overhead allocation. Refer to Overheads activity statement for overhead results and variance explanations

** Rates Revenue, Finance Costs, Depreciation & Amortisation Expenses, Development Contribution and Vested Assets variances are explained in the Council activity statements

Material variances as explained below:

Gains & Losses: \$18,912k favourable.

Movement in market interest rates have resulted in a gain in the fair value of interest rate swaps.

Note: negative budgets

The negative budgets are due to CEO savings target which is set to the whole organisation. This nets out across the Council.

The comments below explain the material variance between annual approved budget and annual forecast.

Gains & Losses: \$18,912k favourable.

Forecast movement in fair value of interest rate swaps aligned with movement in market interest rates.

TREASURY REPORT

Year to date 30 April 2021

Attachment 3

Investment and Cash Position

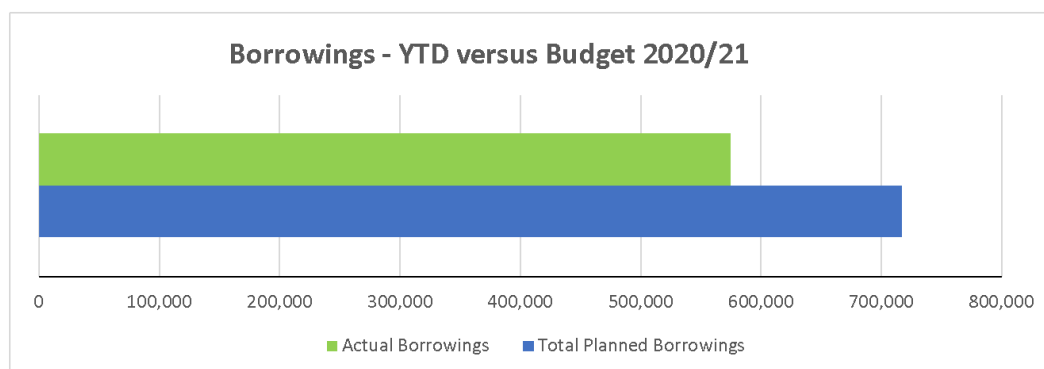
Treasury cash investments consist of:

Cash Investments	Actual \$000 Apr-21	Budget \$000 Jun-21	Variance \$000 Fav/ (Unfav)
Cash on call	50,975	not apportioned	not apportioned
Term deposit	80,000	not apportioned	not apportioned
Closing bank balances	315	not apportioned	not apportioned
LGFA borrower notes	8,930	not apportioned	not apportioned
Total cash investments	140,220	86,144	54,076

The Council's investments are managed on a regular basis, with sufficient minimum immediate cash reserves maintained. To best manage funding gaps, Council's financial investment maturities are matched with Council's forecast cash flow requirements.

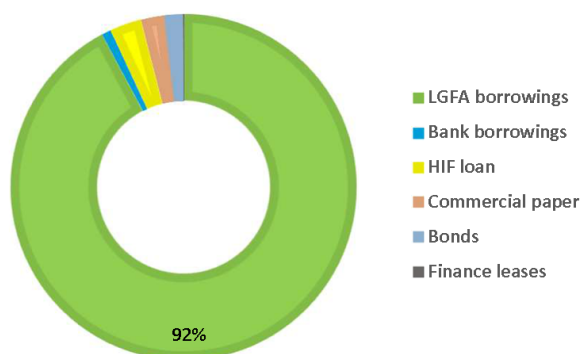
Borrowing Position

Council borrowings is the external portion of debt held with the Local Government Funding Agency (LGFA), banks, Ministry of Business, Innovation and Employment and finance lease liabilities.



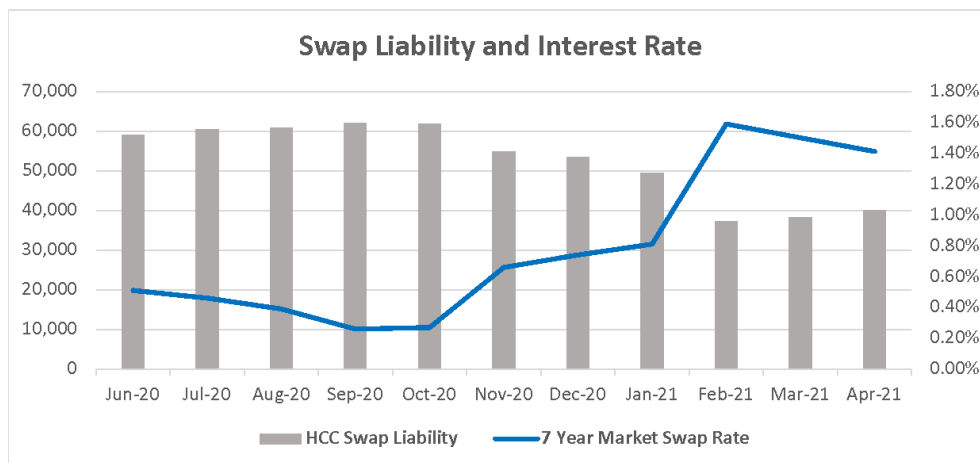
Borrowing debt remains unchanged at 30 April 2021. Loan repayments to the LGFA of \$50M were due on 15 May 2021. This repayment was covered by a term deposit with maturity dates set a few days prior to the 15 May 2021 debt maturities.

The LGFA remains our most favoured and low cost source of funding.



Interest Rates

Council manages interest rate risk to reduce uncertainty relating to interest rate fluctuations through fixing of interest costs. The exposure to interest rate risk is managed and mitigated through the risk control limits as set out in the Investment and Liability Management Policy.



There is an inverse relationship between the HCC swap liability and the market swap interest rate. As the market swap interest rate increases the HCC swap liability decreases and a gain is then recognised on the interest rate swap. Conversely, a decrease in the market swap interest rate results in an increase in the HCC swap liability and a loss is then recognised on the interest rate swap.

The effect of the change in the 7 year market swap rate on the monthly movement of the HCC swap liability is indicated below:

Month	7 Year Market Swap Rate	Movement in Swaps \$000 Fav/ (Unfav)
Jun-20	0.51%	(545)
Jul-20	0.46%	(1,479)
Aug-20	0.39%	(432)
Sep-20	0.26%	(1,152)
Oct-20	0.27%	204
Nov-20	0.66%	6,968
Dec-20	0.74%	1,378
Jan-21	0.81%	4,069
Feb-21	1.59%	12,251
Mar-21	1.50%	(948)
Apr-21	1.41%	(1,948)

Council Report

Committee: Finance Committee

Date: 15 June 2021

Author: Candice Swanepoel

Authoriser: David Bryant

Position: Business Performance Accountant

Position: General Manager People and Organisational Performance

Report Name: Financial Strategy Monitoring Report

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

1. To inform the Finance Committee on the status of the 2018-28 10-Year Plan Financial Strategy at 30 April 2021.
2. To seek a recommendation from the Finance Committee that the Council approves the capital movement as set out in the Capital Portfolio Monitoring Report and the significant forecast adjustments as set out in the Annual Monitoring Report.

Staff Recommendation - *Tuutohu-aa-kaimahi (Recommendation to the Council)*

3. That the Finance Committee receives the report.
4. That the Finance Committee recommends that the Council:
 - a) approves the capital movement as identified in paragraph 21 of the 15 June 2021 Capital Portfolio Monitoring Report;
 - b) approves the significant forecast adjustments as set out in paragraphs 19 and 20 of this report; and
 - c) approves the revised Financial Strategy position for Debt to Revenue, Net Debt and Balancing the Books as set out in paragraphs 22 to 24 of this report.

Executive Summary - *Whakaraapopototanga matua*

5. This report is to be read in conjunction with the:
 - 30 April 2021 (15 June 2021 meeting) Annual Monitoring Report; and
 - 30 April 2021 (15 June 2021 meeting) Capital Portfolio Monitoring Report.
6. This report provides a forecast update of the key 10-Year Plan Financial Strategy metrics.
7. Forecasting changes made since the adoption of the 10-Year Plan show an improvement in the Financial Strategy measures.
 - i. Debt to revenue is 185% and favourable against a budget of 229%
 - ii. Net debt is \$591M and favourable against a budget of \$684M
 - iii. Balancing the books is (\$1M) and is in line with budget.

8. Staff consider the matters in this report have low significance and that the recommendations comply with Council's legal requirements.

Background - *Koorero whaimaarama*

Financial Strategy

9. One key goal of the 10-Year Plan Financial Strategy is to maintain or better the balancing the books result, so the need to borrow to fund everyday expenses is eliminated. Not borrowing to fund everyday expenses maintains Council's borrowing capacity to fund investment in community and infrastructure initiatives.
10. The Financial Strategy (pages 67-71, 2018-28 10-Year Plan) is designed to:
 - a) fund everyday expenses from everyday revenues;
 - b) maintain service levels and assets;
 - c) create surpluses to repay debt;
 - d) support investment in community, infrastructure and growth initiatives; and
 - e) fund investments from debt.
11. The key outcomes are:
 - a) balancing the books in 2023/24 (this was updated in the 2020/21 Annual Plan);
 - b) maintaining a Debt to Revenue Ratio of less than 230%; and
 - c) setting rates increases for existing ratepayers at 9.7% (2018/19) and 3.8% per annum thereafter for existing ratepayers.

Significant Forecasting assumptions

12. Any changes in significant forecasting assumptions (pages 72-81, 2018-28 10-Year Plan) will result in changes to the Financial Strategy outcomes.
13. The following forecasting assumptions directly impact the Financial Strategy:
 - a) **Growth:** revenue budgets for rates, development contributions, building and resource consents are linked to growth assumptions based on the National Institute of Demographic and Economic Analysis (NIDEA) Low projections;
 - b) **Interest on borrowing;** and
 - c) **Inflation:** forecast by Business and Economic Research Ltd (BERL) under contract to SOLGM, with a modification for the Waikato. Waikato is experiencing higher inflation on capital projects than is being experienced across the rest of New Zealand.
14. These assumptions will be considered and, if necessary, adjusted in each Annual Plan.

Financial Strategy Significant Forecast Adjustments

15. This report forecasts the debt to revenue measure and balancing the books measure compared with the 10-Year Plan budget.
16. The forecast takes account of changes:
 - a) to capital budgets approved by the Capital Investment Board, under delegation;
 - b) to operating expenditure approved by staff under delegation;
 - c) by Council decision; and
 - d) recommendations by other Council Committees to the Council, that are not yet approved.

Discussion – *Matapaki*

17. Significant forecasting adjustments since the 13 May 2021 Council meeting, outlined below, as compared to the 10-Year Plan budget.
18. Numbers in brackets represent an adverse outcome.
19. Capital revenue, capital savings, re-phasing, and delay deferrals from 2020/21 to future years as detailed in the Capital Portfolio Monitoring Report, paragraph 20.

Capital Adjustments – Financial Strategy Impact								
\$000	2021	2022	2023	2024	2025	2026	2027	2028
Balancing the Books	53	56	59	62	63	66	69	73
Net Debt	1,134	1,190	1,249	1,310	1,373	1,439	1,509	1,582

20. Favourable forecast adjustments to operating revenue and expenditure as detailed in Attachment 2 of the Annual Monitoring Report.

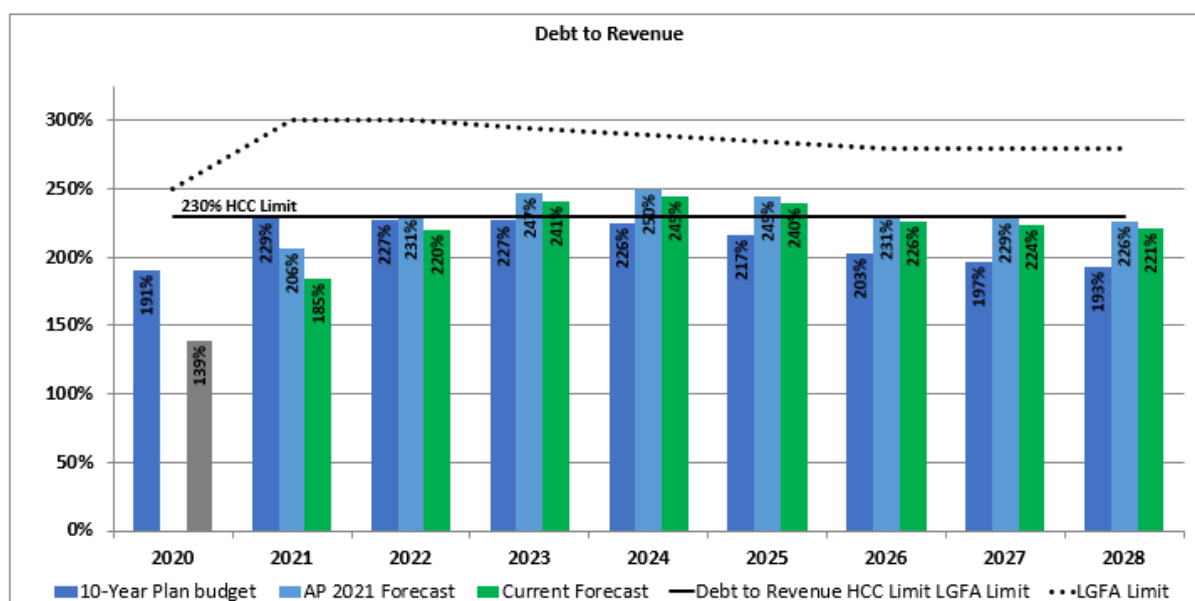
Operating Adjustments – Financial Strategy Impact								
\$000	2021	2022	2023	2024	2025	2026	2027	2028
Balancing the Books	(1,028)	(100)	(105)	(110)	(113)	(118)	(124)	(130)
Net Debt	(2,028)	(2,128)	(2,233)	(2,343)	(2,456)	(2,575)	(2,699)	(2,829)

Financial Strategy Graphs

21. The following graphs show the 10-Year Plan budgets, annual plan forecast, the total of all Council approved changes listed in **Attachment 1** and the significant forecast adjustments as set out in paragraph 19 and 20. These significant forecast adjustments are subject to decision by the Finance Committee or Council.

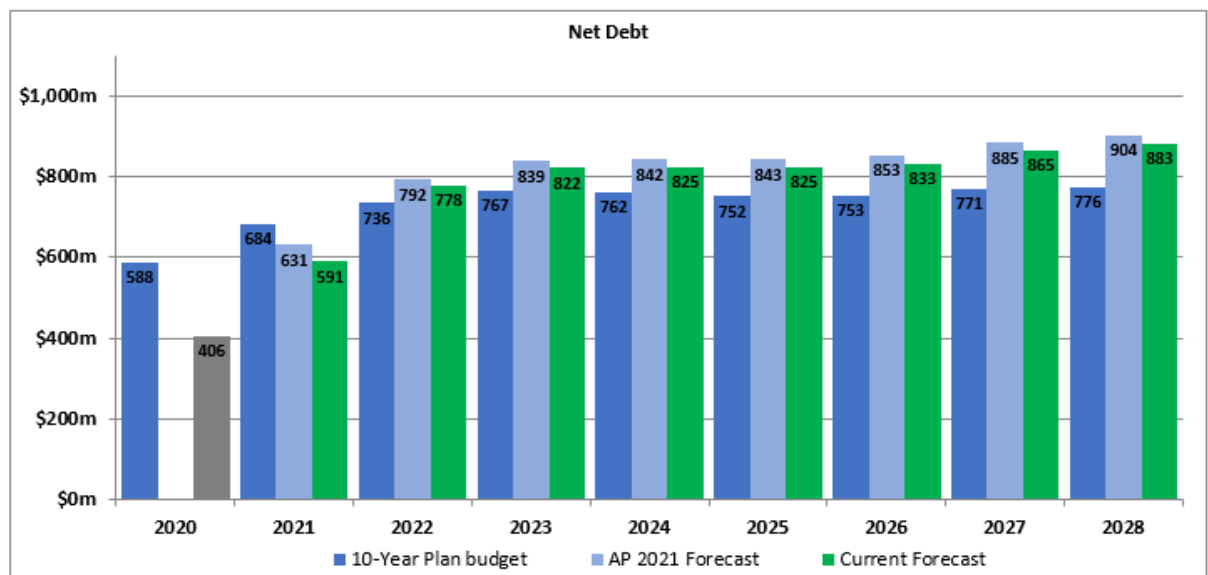
Debt to Revenue

22. The Debt to Revenue graph includes all adjustments identified in this report and shows that the forecast debt to revenue of 185% is favourable against the 10-Year Plan budget of 229%.



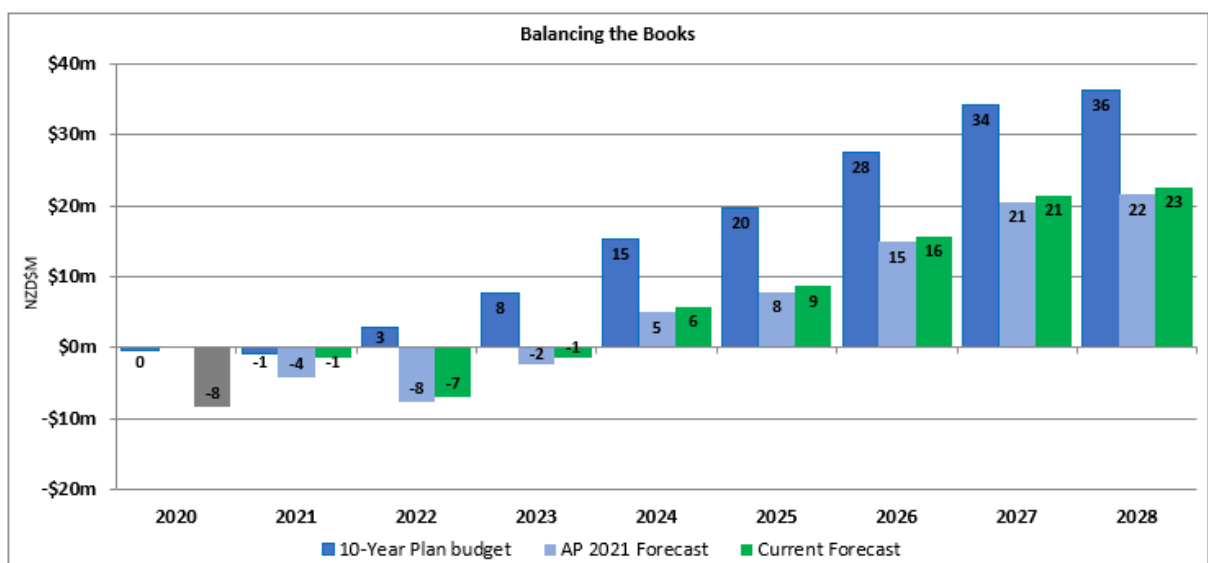
Net Debt

23. The Net Debt graph shows a decrease in net debt against the 10-Year Plan. Net debt for 2020/21 is forecast at \$591M.



Balancing the Books

24. The 2020/21 forecast balancing the books result is unfavourable at (\$1M). Forecast shows to balance the books in 2023/24.



Risks to the Financial Strategy

25. The debt to revenue margin on debt capacity has built up some resilience since the national lockdown period. Annual plan budgets for 2020/21 included the anticipated impacts of Covid-19 which have not been as severe as expected. It should be considered in the context of the extent of change that has occurred already since the plan was adopted, the impact on expected revenue and the amount of spending budgeted to occur.

Emerging Issues

26. The Annual and Capital Portfolio Monitoring Report lists emerging issues that could impact the capital portfolio and consequently debt and the balancing the books result across the remainder of the 10-Year Plan.

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

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

Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga*

28. 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 well-beings').
29. The subject matter of this report has been evaluated in terms of the 4 well-beings during the process of developing this report.
30. The recommendations set out in this report are consistent with that purpose.
31. This report addresses matters of financial sustainability. No other considerations have been identified relevant to the matters in this report.

Risks - *Tuuraru*

32. There are no risks associated with the recommendations in this report, noting the recommendations are based on decisions that have been made in the context of assumptions that may change.

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

Significance

33. 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 low level of significance.

Engagement

34. Given the low level of significance determined, the engagement level is low. No engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Register of Significant Forecast Changes .

Register of Significant Forecast Changes

The following significant forecasting changes have previously been approved.

\$'000's

BB = Balancing the books impact

Numbers in brackets have an adverse impact.

ND = Net Debt impact

Date	Change	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
2018/19 Financial Year	Balancing the books	11,551	(4,596)	(4,875)	(5,236)	(1,589)	1,587	2,533	2,969	1,575	(485)
	Net Debt	95,525	65,083	29,322	34,362	40,886	45,823	50,346	54,953	59,596	64,160
Date	Change	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
2019/20 Financial Year	Balancing the books	-	4,736	3,561	(466)	(1,473)	(1,806)	(2,100)	(2,442)	(2,903)	(3,237)
	Net Debt	-	116,725	85,362	6,756	(13,763)	(19,904)	(25,722)	(32,048)	(40,928)	(48,069)
Date	Change	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
23-Jul-20	Annual Plan Budget Adjustments	BB	-	-	(17,201)	3,099	(1,359)	(4,715)	(5,943)	(6,703)	(4,185)
		ND	-	-	(32,528)	(38,173)	(43,223)	(48,559)	(54,138)	(60,034)	(66,259)
	Infrastructure Operations Staff Remuneration - additional resources	BB	-	-	(1,337)	(1,354)	(1,359)	(1,454)	(1,655)	(1,768)	(1,888)
		ND	-	-	(1,337)	(2,691)	(4,050)	(5,504)	(7,052)	(8,708)	(10,475)
	Infrastructure Operations Staff Remuneration - revenue recovery	BB	-	-	427	464	491	525	559	598	639
		ND	-	-	427	895	1,376	1,901	2,460	3,058	3,697
	Growth Programmes Funding	BB	-	-	(575)	(28)	(30)	(31)	(32)	(34)	(35)
		ND	-	-	(575)	(604)	(634)	(665)	(697)	(730)	(766)
	Living Wage	BB	-	-	(387)	(467)	(500)	(536)	(571)	(610)	(652)
		ND	-	-	(387)	(854)	(1,354)	(1,890)	(2,461)	(3,071)	(3,723)
	Suburban Response Team Funding	BB	-	-	(260)	(13)	(13)	(14)	(14)	(15)	(16)
		ND	-	-	(260)	(273)	(286)	(300)	(315)	(330)	(346)
	Council owned dwellings	BB	-	-	(55)	(3)	(3)	(3)	(3)	(3)	(3)
		ND	-	-	(55)	(58)	(60)	(63)	(66)	(70)	(73)
	Community welfare package	BB	-	-	(483)	(3)	(3)	(3)	(3)	(3)	(4)
		ND	-	-	(60)	(62)	(66)	(69)	(72)	(76)	(79)
	Rent relief to community groups	BB	-	-	(79)	(4)	(4)	(4)	(4)	(5)	(5)
		ND	-	-	(79)	(83)	(87)	(91)	(96)	(100)	(105)
	Rate relief to community groups	BB	-	-	(35)	(2)	(2)	(2)	(2)	(2)	(2)
		ND	-	-	(35)	(37)	(39)	(41)	(42)	(45)	(47)
	Business response centre	BB	-	-	(110)	(5)	(6)	(6)	(6)	(7)	(7)
		ND	-	-	(110)	(115)	(121)	(127)	(133)	(139)	(146)
	Business support fund	BB	-	-	(274)	(14)	(14)	(15)	(15)	(16)	(17)
		ND	-	-	(274)	(288)	(302)	(317)	(332)	(348)	(365)
	Capital Programme deferrals	BB	-	-	2,740	460	563	703	751	1,029	1,008
		ND	-	-	58,306	9,778	11,981	14,956	16,318	22,369	21,910
	Postpone Municipal Pool demolition by one year	BB	-	-	658	(640)	1	1	1	1	1
		ND	-	-	658	18	19	20	21	22	23
	Close public display houses at Hamilton Garden Nursery	BB	-	-	88	4	5	5	5	5	6
		ND	-	-	88	92	97	101	106	111	117
	Stop digitisation of Library heritage collection	BB	-	-	274	14	14	15	15	16	17
		ND	-	-	274	288	302	317	332	348	365
	CBD parking trial to cease from 1 January 2021	BB	-	-	438	22	23	24	24	26	27
		ND	-	-	438	460	483	507	531	557	583
	Extend resourcing for civic/city events	BB	-	-	(44)	(2)	(2)	(2)	(2)	(3)	(3)
		ND	-	-	(44)	(46)	(48)	(51)	(53)	(56)	(58)
Date	Change	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
11-Aug-20	Capital Deferrals and NZTA capital subsidy deferred	BB	-	-	(12)	(175)	(184)	(193)	(198)	(208)	(218)
		ND	-	-	(263)	(3,733)	(3,917)	(4,111)	(4,309)	(4,517)	(4,734)
	Forecast changes from Annual Monitoring report	BB	-	-	89	94	98	103	106	111	116
		ND	-	-	1,902	1,996	2,095	2,198	2,304	2,415	2,531
Date	Change	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
6-Oct-20	Capital Deferrals and NZTA capital subsidy deferred	BB	-	-	49	(71)	(75)	(78)	(81)	(84)	(88)
		ND	-	-	(1,446)	(1,517)	(1,592)	(1,670)	(1,751)	(1,835)	(1,923)
	Forecast changes from Annual Monitoring report	BB	-	-	-	-	-	-	-	-	-
		ND	-	-	-	-	-	-	-	-	-
Date	Change	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
2-Dec-20	Capital Deferrals and NZTA capital subsidy deferred	BB	-	-	1,043	(14)	49	52	53	56	58
		ND	-	-	22,194	(300)	1,049	1,101	1,154	1,209	1,268
	Forecast changes from Annual Monitoring report	BB	-	-	(1,014)	(50)	(52)	(55)	(56)	(59)	(62)
		ND	-	-	(1,014)	(1,064)	(1,116)	(1,171)	(1,228)	(1,287)	(1,346)
	Municipal Endowment Fund	BB	-	-	(1,834)	(1,924)	(2,019)	(2,118)	(2,219)	(2,323)	(2,430)
		ND	-	-	(39,013)	(40,937)	(42,956)	(45,074)	(47,248)	(49,526)	(51,914)
Date	Change	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
16-Feb-21	Capital Deferrals and NZTA capital subsidy deferred	BB	-	-	235	247	259	271	278	292	306
		ND	-	-	4,999	5,245	5,504	5,776	6,054	6,346	6,652
Date	Change	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
23-Mar-21	Capital Deferrals and NZTA capital subsidy deferred	BB	-	-	465	469	513	558	552	579	607
		ND	-	-	9,911	10,400	10,913	11,451	12,003	12,582	13,189
	Forecast changes from Annual Monitoring report	BB	-	-	25,713	1,491	1,564	1,642	1,684	1,765	1,850
		ND	-	-	30,229	31,720	33,284	34,926	36,610	38,375	40,225
Date	Change	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
13-May-21	Capital Deferrals and NZTA capital subsidy deferred	BB	-	-	881	925	970	1,018	1,044	1,095	1,148
		ND	-	-	18,748	19,673	20,643	21,661	22,706	23,800	24,948
	Forecast changes from Annual Monitoring report	BB	-	-	703	15	15	16	17	17	19
		ND	-	-	299	314	329	346	362	380	398
	Change	2021	2022	2023	2024	2025	2026	2027	2028		
20/20/21	Balancing the books	10,100	2,546	(1,060)	(4,318)	(5,563)	(6,096)	(5,173)	(3,642)		
	Net Debt	70,995	(9,965)	(11,777)	(14,444)	(19,033)	(19,299)	(26,457)	(32,076)		

Council Report

Committee: Finance Committee **Date:** 15 June 2021
Author: Katy Nudd **Authoriser:** Sean Hickey
Position: Business Planning Analyst **Position:** General Manager Strategy and Communications
Report Name: Non-Financial Service Performance Report Quarter three 2018-28 Long Term Plan

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

1. To inform the Finance Committee of the quarter three (January 2021 – March 2021) Non-Financial Service Performance results related to year three of the 2018-28 10-Year Plan.

Staff Recommendation - *Tuutohu-aa-kaimahi*

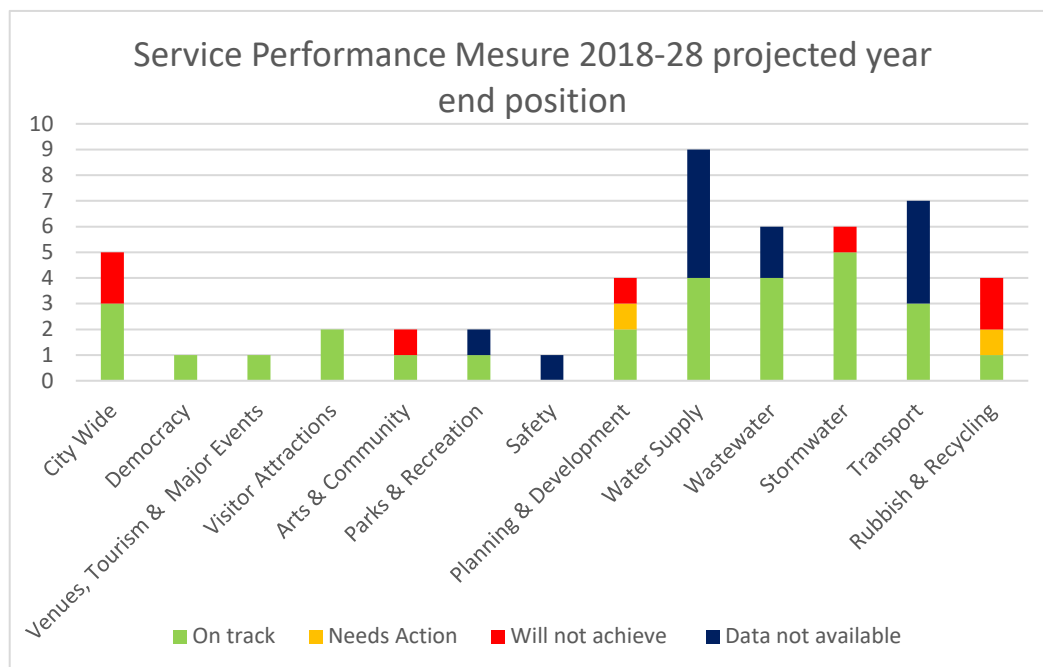
2. That the Finance Committee receives the report.

Executive Summary - *Whakaraapopototanga matua*

3. The Service Performance Measures (KPIs) are set in the 2018-28 10-Year Plan and are reported against for three years.
4. This report is to update the Finance Committee on the results from year three quarter two of the Service Performance Measures.
5. The quarters are:
 - Quarter one: July 2020 – September 2020;
 - Quarter two: October 2020 – December 2020;
 - Quarter three: January 2021 – March 2021; and
 - Quarter four: April 2021 – June 2021.
6. Each measure is assigned a status and commentary in relation to current performance year-to-date, and status and commentary for its expected year-end position. Status options include, 'on track' (green), 'needs action' (yellow), 'off track' (red), and 'data not available' (blue).
7. Based on the year to date position:
 - i. 29 measure are on track;
 - ii. 1 measure needs corrective action
 - iii. 6 measures are off track; and
 - iv. 8 measures have no data available
 - v. 6 measures are under investigation and data is not available

8. A summary of the projected year end position by activity is shown below:

- i. 28 measure are on track;
- ii. 2 measure needs corrective action;
- iii. 7 measures are will not achieve; and
- iv. 13 measures have no data available.



9. Of the 13 measures with no data available, six are new this quarter and have arisen from a data integrity issue in the Water Supply and Wastewater areas. We are currently unable to report on median attendance and resolution times for urgent and non-urgent call-outs. The measures are required by the Department of Internal Affairs. In late February 2021, Council staff identified a data issue while undertaking a spot check of data, as part of our ongoing quality assurance processes. The attendance and resolution times being recorded in IPS (via data entry from the field devices) did not adhere to Department of Internal Affairs reporting requirements.
10. An investigation is being undertaken to understand the extent of the issues and what, if any, steps can be taken to correct the historical data. A wider review of reporting processes will see the implementation of increased checks and balances to enable the early identification of potential data quality issues in the future.
11. The report period includes two movements into Covid-19 Alert Levels for Hamilton. The Covid-19 Alert Level changes were handled well with processes being well established now.

4 February 2021	3 new cases of COVID-19 are recorded in the community.
17 February 2021	Auckland moves to Alert Level 2 at 11:59pm. The rest of New Zealand moves to Alert Level 1.
22 February 2021	Auckland moves to Alert Level 1 at 11:59pm. All of New Zealand is now at Alert Level 1.
28 February 2021	Auckland moves to Alert Level 3 at 6am. The rest of New Zealand move to Alert Level 2
7 March 2021	Auckland moves to Alert Level 2 at 6am. The rest of New Zealand moves to Alert Level 1.
12 March 2021	Auckland moves to Alert Level 1 at midday. All of New Zealand is now at Alert Level 1.

12. Staff consider the matters in this report have medium significance due to the possibility of a modified Audit opinion in the Annual Report based on the issue identified with the six KPIs across water supply and wastewater for median attendance and resolution times for call-outs. The recommendations comply with Council's legal requirements.

Discussion - *Matapaki*

13. There are 50 measures contained in the 2018-28 10-Year Plan.
14. The structure of the report has been set to provide an overview of each activity, the community focused non-financial service performance measures and key highlights for each activity.
15. Following a staff internal data assurance audit, an issue with data has been identified that has a potential impact on the six KPIs across water supply and wastewater for median attendance and resolution times for call-outs.
16. We are unable to report on median attendance and resolution times for urgent and non-urgent call-outs. In late February 2021, Council staff identified a data issue while undertaking a spot check of data as part of our ongoing quality assurance processes. The attendance and resolution times being recorded in IPS (via data entry from the field devices) did not adhere to Department of Internal Affairs reporting requirements.
17. **Attendance time:**
The Department of Internal Affairs defines attendance time as the time it takes from first being notified of an issue to the point at which service personnel arrive on site – Instead of using the 'start time' field on their devices to record when they arrived on site and therefore attended the callout, staff had begun using the 'start time' field on their devices to record the time they entered their vehicles to drive to the site. This error has meant that we were reporting a more favourable attendance time in quarter one and two.
18. **Resolution time:**
The Department of Internal Affairs defines resolution time as the time from first being notified of an issue to the point at which service personnel confirm the fault or interruption has been resolved – instead of using the 'job completed' field on their devices to record when the fault or interruption had been resolved staff had begun using the 'job completed' field to record when they had resolved the issues, tidied up the site and were ready to leave for the next job. This error has meant that we were reporting a less favourable resolution time in quarter one and two.
19. This change in process occurred due to a change in time-sheeting processes and the aim to more fully understand the time take on each job. Staff were not aware of the other ways in which the attendance and resolution time data was being used and reported.
20. Due to the issue no result has been reported for this quarter. Audit NZ have been verbally advised of the data issues and will be working with Council staff to understand the extent of the issues and what is being done to address them.
21. An investigation is being undertaken to understand the extent of the issues and what, if any, steps can be taken to correct the historical data. A wider review of reporting processes will see the implementation of increased checks and balances to enable the early identification of potential data quality issues in the future.
22. 25 March 2020 New Zealand entered COVID-19 Alert Level Four, quarter three (January - March) 2020 does not include a significant period of COVID-19 lockdown and is a valid comparison to quarter three 2021.

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

Staff confirm that the Non-Financial Service Performance Report, complies with Council's legal and policy requirements. **Wellbeing Considerations - *Whaiwhakaaro-aa-oranga tonutanga***

24. 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').
25. 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.
26. The recommendations set out in this report are consistent with that purpose.
27. Service Performance Measures contained in the Long-Term Plan include measures that monitor Social, Economic, Environmental, and Cultural wellbeing as linked to Council's levels of service.

Risks - *Tuuraru*

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

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

Significance

29. Having considered content of the Significance and Engagement Policy, staff have assessed that the report has a medium level of significance. This is due to the possibility of a modified Audit opinion in the Annual Report based on the issue identified with the six KPIs across water supply and wastewater for median attendance and resolution times for call-outs. The recommendations comply with the Council's legal requirements.

Engagement

30. Considering the medium level of significance determined, the engagement level is low. No engagement is required.

Attachments - *Ngaa taapirihanga*

Attachment 1 - Non-financial Service Performance Report Quarter three 2018-28 Long Term Plan .

DELIVERING ON OUR COMMUNITY OUTCOMES – CITY WIDE

All the activities we carry out contribute to the overall achievement of our community outcomes.

If we achieve all the expectations, we have set for our service delivery we will be making progress on achieving all three outcomes.

OUR COMMUNITY OUTCOMES

A GREAT RIVER CITY: Our city embraces its natural environment and has green spaces, features and community facilities that make it a great place to live, work, play and visit.





A CITY THAT EMBRACES GROWTH: Our city has infrastructure that meets our current demands, supports growth and helps build a strong economy.

A COUNCIL THAT IS BEST IN BUSINESS: Our council is customer focused, financially sustainable and has the best people delivering the best outcomes for the city.

SERVICE PERFORMANCE MEASURES

KEY: On track | Needs action | Off track | No data

We want to know what Hamiltonians think of our city. We survey our residents every two years to find out what they think.

Measure	2020/21 target	YTD result	Forecast year-end position
Percentage of residents who think Hamilton is a great place to live.	Maintain or increase from the previous rating (75%)	88% 	
Percentage of residents who are proud of how Hamilton looks and feels.	Maintain or increase from the previous rating (53%)	64% 	
What's behind the results			
We ask our communities these questions in our two-yearly Quality of Life Survey , a survey of metro Councils to gain an understanding of communities' perception of their quality of life.			

The most recent survey completed between September – November 2020. Of those surveyed 88% agree or strongly agree that Hamilton is a great place to live up from 75% in 2018.

The top reasons people agreed Hamilton was a great place to live are:



- Good/improved amenities 20%
- Good recreation facilities/lots to do 20%
- Good maintenance of public amenities 17%

Of those surveyed 64% agree or strongly agree that they are proud of how Hamilton looks and feels up from 53% in 2018. More Hamiltonian's feel pride than Auckland or the average of the 8 cities surveyed.

The top reasons people disagree that Hamilton is a great place to live are:

- More traffic/congestion 29%
- Homeless/lack of suitable affordable housing 25%
- Crime/crime rate has increased 18%



We are putting infrastructure in place to grow as a city. The Gross Domestic Product (GDP) tells us about our city's economy.

Measure	2020/21 target	YTD result	Forecast year-end result
The annual average percentage change in the GDP growth for Hamilton.	Positive growth – 2019/19 result = 1.9%	-1.60% 	
What's behind the results			
While annual GDP remains negative, there has been some bounce back in economic activity in Hamilton. In the December quarterly GDP was up 3.7%, the highest for all major cities in NZ.			
This is a lag indicator and reflects the economic growth for the 12-month period ending December 2020. The lockdown in the June quarter will continue to pull down the annual value of GDP in coming quarters.			
Below are comparative GDP figures for the December 2020 quarter. Rural economies were less impacted by the public health restrictions, particularly during lockdown. Cities were the worst hit, with most businesses closed throughout the lockdown. Cities have been doing better post-lockdown, although the CBDs of Auckland and Wellington have struggled with the number of people continuing to work from home.			
New Zealand: -2.6%			
Auckland: -4.3%			
Wellington: -3.2%			
Christchurch: -3.2%			
Waikato District: -1.0%			
Tauranga: -0.4%			
Waipa: 0.5%			

We will be financially responsible.

Measure	2020/21 target	YTD result	Forecast year-end result
We will stay within the debt and rating limits, as described in the Financial Strategy.	Achieve	149.44% 	149.44% 
What's behind the results			
Our 2018-28 10-Year Plan's financial strategy states that our annual average rates increase for existing ratepayers for 2020/21 would be 3.8%. This was reduced to 2.8% during our Annual Plan process.			
Our 2018-28 10-Year Plan's financial strategy also states that our net debt to revenue ratio will remain below 230%. Our budgeted net debt to revenue ratio for 2020/21 (as set in the Annual Plan) is 206%. Our net debt ratio for the third quarter is 149.44%. This is an increase since the last quarter from 145.80% but is still well within our net debt limit of 230%.			

We aim to be best in business in our interactions with customers at our reception, call centre and facilities (excluding Claudelands and stadia).

Measure	2020/21 target	YTD result	Forecast year-end result
We are rated positively when asked how easy we are to do business with.	42%	35% 	35% 
What's behind the results			
The ease of business score is based on the perceived level of effort required. The surveys span 6 areas: customer services, building consents, animal control, environmental health, liquor licencing and public places permits.			
The percentage of people who chose 'less or much less effort than expected' this quarter was 29% reduction from 38% last quarter and 41% for the same period last year.			
In March, Customer Services answered 16,850 calls, replied to 3,600 emails, responded to 316 direct messages on Facebook, spoke with 3212 people face to face and received 161 LIM applications.			

DEMOCRACY SERVICES



Local democracy is about providing Hamiltonians with excellent governance and sound leadership for the city.

SERVICE PERFORMANCE MEASURES

KEY: On track | Needs action | Off track | No data

You can expect: Timely and open access to public information.

We want to engage with the community to inform our decision making. We survey our residents every two years to find out what they think.

Measure	2020/21 target	YTD result	Forecast year-end result
The percentage of residents who believe we make decisions that are in the best interests of the city.	Maintain or increase from the previous rating (25%)	41% 	
What's behind the results			
We ask our communities these questions in our two- yearly Quality of Life Survey , a survey of metro Councils to gain an understanding of communities' perception of their quality of life. The most recent survey completed between September - November 2020.			
Hamilton was rated the highest out of the eight cities surveyed when asked if the Council makes decision that are in the best interest of the city with, 41% of respondents agreeing or strongly agreeing an increase from 25% in 2018.			

QUARTERLY HIGHLIGHTS

Consultation with the community on the draft 2021-31 Long-Term Plan got underway in March with an extensive calendar of promotional events, social media activity and targeted engagement. The Consultation Document was ordered by Council's five priorities and discussed the key projects under each priority, and options for proposals that Council was seeking community views on. In addition to feedback on the proposals, the community was also encouraged to provide feedback to Council on other projects under each of the priorities. Council received an unprecedented level of response from the community with 5692 submissions on the draft 2021-31 Long-Term Plan. Consultation concluded in April.

The Council has been accepted into the Immigration New Zealand Welcoming Communities programme after applying last year. The programme, which now includes 13 councils across nine regions, aims to promote diversity and inclusion.

A legislation change in February 2021 which removed the referendum mechanism for Maaori wards provided an opportunity for the Council to look at reviewing its current Maaori representation arrangements. This began in February 2021 and was led by the Governance Team in conjunction with the Strategy and Communication Team.



VENUES, TOURISM AND MAJOR EVENTS

Venues, Tourism and Major Events is about showcasing and leveraging Hamilton's event venues, visitor attractions and services. It includes Claudelands, FMG Stadium Waikato, Seddon Park and tourism and events funding.

SERVICE PERFORMANCE MEASURES

KEY: On track | Needs action | Off track | No data

You can expect: Our venues are place you want to visit.

Measure	2020/21 target	YTD result	Forecast year-end result
The number of people attending events at the stadia (FMG Stadium Waikato and Seddon Park) and Claudelands.	441,000	332,128 	
What's behind the results			
We remain conservative around any further impacts of COVID-19 and the market which also remains cautious. Assuming no further major COVID-19 related event restrictions through the rest of the year, we expect to achieve above target with a full year forecast of 485,000 attendees at year end.			

QUARTERLY HIGHLIGHTS

H3 venues held 260 separate events, which included two periods in COVID-19 Alert Level 2 in February-March. The moves to Alert Level 2 (and corresponding Alert Level 3 in Auckland) resulted in the rescheduling of a number of events to take place later in the year. In total 111,860 people attended events at H3 venues. Claudelands had 86,838 people attend events and our Stadia welcomed 25,022 patrons.

A small example of the events held included: Hamilton Collectables Market, 4 and Rotary Nationals 2021, Russel Howard, SIX60 Saturdays concert, Chiefs vs Highlanders, The Great Kiwi Beer Festival, Wintec Graduation ceremonies, NZ School of Tourism Graduations, Hamilton City Council Citizenship Ceremony, Crowded House in concert, Super Smash domestic cricket & Ford Trophy cricket matches, Blackcaps T20 match v Bangladesh, White Ferns v Australia plus numerous smaller meetings, conferences, functions and private or non-ticketed events.

Hamilton City Council provides funding for the promotion of Hamilton via it's major event sponsorship fund. The fund focuses on larger event opportunities where exposure will reach well beyond Hamilton, delivering high profile coverage and where it will attract significant numbers of visitors, plus deliver community participation.

In quarter three, two sponsored events took place in Hamilton supported by Council as a funding partner: Hamilton Gardens Arts Festival Feb 2021 and Balloons over Waikato March 2021.

Two sponsored events due to take place this quarter advised Council of changes to their events that will result in underspend of the budget at year-end: Boon: Hamilton Street Art Festival 2021 - Changed event date from March to November due to the impact of COVID-19 Alert Level restrictions on event planning.

Waikato River Festival He Piko He Taniwha 2021 - cancelled their March event due to the impact of COVID-19 Alert Level restrictions on event planning.





VISITOR ATTRACTIONS

Visitor Attractions are about providing our community and visitors with memorable experiences. Visitor Attractions includes the Hamilton Gardens, Waikato Museum and Hamilton Zoo.

SERVICE PERFORMANCE MEASURES

KEY: On track | Needs action | Off track | No data

You can expect: Our premium attractions (Hamilton Gardens, Waikato Museum and Hamilton Zoo) are places you want to visit.

Measure	2020/21 target	YTD result	Forecast year-end result
Maintain or increase visitation to the Hamilton Enclosed Gardens.	At least 418,258	405,749 	
What's behind the results			
<p>Visitation to the Enclosed Gardens was up 9% this quarter with 181,051 visitors compared to 165,704 for the same period last year. Year to date the gardens has achieved 97% of the targeted visitation despite COVID-19 restrictions on international travel.</p> <p>The warm weather over the summer holiday period, Anniversary Weekend and Waitangi Weekend contributed to high visitation. Sunday 31 January recorded the highest visitation day ever with over 7,400 visits, approximately 1,000 people per hour during peak times.</p>			
Measure	2020/21 target	YTD result	Forecast year-end result
Maintain or increase visitation to the Waikato Museum and Hamilton Zoo.	At least 250,000	200,952 	
What's behind the results			
<p>This quarter Waikato Museum's visitation was 19,852 a 31% decrease on the same period last year, this brings their year to date total to 73,871 this compares to 85,598 the same period last year.</p> <p>Visitation in the summer quarter is affected by fine weather enticing people to outside activities. The 'Galileo - Scientist, Astronomer, Visionary' exhibit opened in mid-February and has been very popular with 1,500 visitors in the first 6 weeks. Unfortunately the move to COVID-19 Alert Level 2 in February meant the cancellation of the Children's Day event which is traditionally very well attended.</p>			

This quarter Hamilton Zoo's visitation was 39,777 bringing their year to date total to 127,081 which is an increase of over 22,000 visitors compared to the same period last year. Promotional efforts and great summer weather have contributed to the visitation numbers. The reopened chimpanzee and fishing cat exhibits have been popular.

The education team met with 538 students from 10 schools in March after schools returned in February.

Domestic tourism continues to be positive and the opening of several renewed exhibits over the remainder of the year will help Zoo visitor numbers as work commences on the Shared Entry Precinct. Similarly, the blockbuster exhibition, Galileo (world premiere) and other exhibitions should help bolster Museum numbers. Strong visitation at the Zoo is off-setting below-forecast Museum visitor numbers.

QUARTERLY HIGHLIGHTS

February saw the Hamilton Gardens Arts Festival hold their annual event with bookings across the Gardens. Unfortunately, the last day of the event was affected by changes to COVID-19 Alert Level changes.

The COVID-19 Alert Level changes during the quarter were handled well with processes being well established now. Level 2 requires physical distancing protocols and opening hours to the Enclosed Gardens are reduced to restrict the cross over between public and staff access.

The Museum's School Holiday Programme in January was successful with a 10% increase in participation, students were involved in creating tree houses, clay art pieces and curating their own mini exhibition. Exhibitions featuring prints from Robin White (Ngaati Awa) and the 'unique photographic project, Where Children Sleep' drew attention of the public and generated many positive conversations.

The Zoo celebrated a birth with Chimpanzee Sanda's newborn baby arriving just 24 hours after the Chimp troop were re-introduced to their outdoor enclosure. Nearly 400 entries were received in the naming competition for the baby chimpanzee with Kendi selected as the winning entry.

In addition to the opening of renewed exhibits, physical works have started on the Shared Entry Precinct between the Zoo and Waiwhakareke National Heritage Park. The windows to view the site are attracting plenty of curiosity amongst visitors.

Social media efforts have generated an increase in engagement on both Facebook and Instagram. The Zoo ran a teaser competition asking participants to guess the new animals (cheetah) arriving which attracted nearly 100 entries.

Border restrictions continue to impact i-Site, visitor numbers for this quarter are similar to those seen last quarter. Sales compared to the same period last year are down 50%. As previously noted, the domestic tourism increases experienced by other Visitor Destinations has less impact on i-SITE. Staff expect to see some

benefit from the travel bubble with Australia, however, the phased approach means no immediate impact is anticipated.



ARTS AND COMMUNITY

Arts and Community is about providing community facilities and development assistance. This activity includes Community Development, Libraries, Arts promotion and Theatre.



SERVICE PERFORMANCE MEASURES

KEY: On track | Needs action | Off track | No data

You can expect: To be satisfied with our libraries.

Measure	2020/21 target	YTD result	Forecast year-end result
The percentage of customers satisfied with libraries.	At least 89%	92% 	
What's behind the results			
The Libraries continue strong performance in this quarter. The general themes from customer's positive comments include accessibility to the spaces and good service received from the staff.			
Overall target is expected to be achieved for the year.			

You can expect: We will provide facilities and spaces that encourage the community to come together.

Measure	2020/21 target	YTD result	Forecast year-end result
The percentage of residents who feel a sense of community with others in their neighbourhood.	Maintain or increase from the previous rating (48%)	47% 	
What's behind the results			
We ask our communities these questions in our two- yearly Quality of Life Survey , a survey of metro Councils to gain an understanding of communities' perception of their quality of life.			
The most recent survey completed between September - November 2020. Of those surveyed 47% strongly agree or agree they experience a sense of community, this is a 1% decrease on the 2018 result of 48%. The average of the eight cities surveyed was 50%.			

QUARTERLY HIGHLIGHTS

New programmes have been introduced across the Libraries including a Lego club at Hillcrest, Reading Buddies at St Andrews, L1 Steamers at Dinsdale and workshops at Auaha Makerspace. Mandarin Storytime was also relaunched at Chartwell library, which had over 90 attendees.

Funding from National Libraries New Zealand Libraries Partnership Programme has enabled the recruitment of three Engagement and Activation Librarian roles. These will support community recovery and bolster reading, digital literacy and learning activity.

The Great New Zealand Tiki Tour, the summer reading programme, was a success with 610 children participating, an increase of 20% on the same programme last year. Children read for more than 6,000 hours during the programme. Regionally themed activities were planned at the libraries in which the children 'toured' the country, there was a finale at the Hamilton Gardens to celebrate their achievements with a kiwi backyard picnic and old-fashioned games.

Lingogo was launched and added to the eCollections. This is a library app designed for people to improve their Maaori language skills through reading and listening to interactive stories.

The Community and Social Development Team worked with the Communication and Engagement Team to promote and support He Pou Manawa Ora and the Long-Term Plan consultations. This activity included visits to local schools, dedicated disability workshops, local community events and working directly with community partners to engage their people.

PARKS AND RECREATION

Parks and Recreation is about ensuring access to a wide range of recreational and leisure activities and attractive outdoor spaces for all Hamiltonians to enjoy. This activity includes community parks, natural areas, streetscapes, sports parks, cemeteries and crematorium, pools, and indoor recreation.



SERVICE PERFORMANCE MEASURES

KEY: On track | Needs action | Off track | No data

You can expect: Access to a park or open space in your neighbourhood.

Measure	2020/21 target	YTD result	Forecast year-end result
Percentage of households that have access to a neighbourhood park or open space within 500 metres walking distance.	At least 76%	Data is next expected in June 2021	
What's behind the results			
Each year we calculate the percentage of households that have access to a neighbourhood park or open space within 500 metres walking distance by GIS spatial mapping. This is a yearly calculation and will next be completed in June 2021.			
The result reported in the 2019/20 Annual Report was 78.3%.			

You can expect: To be satisfied with our community facilities (pools and community facilities).

Measure	2020/21 target	YTD result	Forecast year-end result
The percentage of customers satisfied with pools and community facilities.	80%	80% 	
What's behind the results			
This reflects the score of pools only (Waterworld and Gallagher Aquatic Centre). Community facilities surveys were stopped in December 2019 as the community halls are now leased to a single occupier.			

The satisfaction score is a 2% increase on the same period last year, with service from staff and accessibility of the space being the reason for high satisfaction. Customers continue to comment on the booking and point of sale system requiring improvement. Staff are currently scoping software system options to enable this.

We expect to meet the year end target.

QUARTERLY HIGHLIGHTS

In January the Melville Park Skatepark Upgrade Project was awarded the Sport Waikato Outstanding Active Space Initiative award. The award celebrates unique use of spaces, places and facilities in ways that support increased participation in sport and active recreation.

In January the Central City jetty at Ferrybank reopened to the public and is a regular stop for the Waikato River Explorer. The jetty gives us a canvas to celebrate the history of the hapuu, acknowledge our city's Maaori heritage and create a welcoming and attractive new inner-city entrance for locals and visitors alike.

During this quarter work began on renewals and upgrade projects at Glenview Park, Hayes Paddock and Tauhara Park playgrounds.

In March there was a community focused celebration for the new neighbourhood park in the Peacocke area. More than 200 members of the neighbourhood, including tangata whenua, residents, developers, elected members, and Hamilton City Council staff, gathered to celebrate Te Inuwai Park which was opened in August last year. A pou carved by students from Ngā Taiātea Wharekura in Rotokauri was unveiled at the event. Students chose patterns that represented both the history of the area as a food bowl, and its new role as a playground for children and their families. BestStart Dixon Heights was also acknowledged as kaitiaki or guardians for the park and community gardens in the playground. The pre-school children help plant, water and gather the kai grown in the planter boxes for the wider community to enjoy.

Waterworld hosted to several swimming events during this quarter; 'Summer Meet', a large swimming event with Swim Waikato. The event was well attended, although the Sunday of the event had to be cancelled due to the COVID-19 Alert Level changes in February.

Aquaknights, organized by Swimming NZ had more than 300 competitors and 1172 spectators from all over NZ participated. This event was an overall success and had great feedback from the participants and the organisers.

Lido pool was also popular this summer due to the warm weather, resulting in more leisure swimmers coming in as a family/group.

Alert level variations require management of visitor numbers which can be challenging for the Pool operations. The response plan has been refined to support staff with communicating protocols and processes.

SAFETY

Safety is about ensuring Hamilton is a place where people feel safe and are protected from risks to their health and wellbeing. This activity includes public safety, animal education and control, environmental health, alcohol licensing and civil defence.

SERVICE PERFORMANCE MEASURES

KEY: **On track** | **Needs action** | **Off track** | No data

You can expect: We work with partner organisations and the community to improve safety.

Measure	2020/21 target	YTD result	Forecast year-end result
The percentage of central city users surveyed who feel very safe or reasonably safe in the central city during daytime.	At least 80%	Data is next expected in June 2021	
What's behind the results			
This measure indicates the community's perception of safety during the day. The survey will be undertaken in May 2021.			
The result reported in the 2019/20 Annual Report was 89%.			

QUARTERLY HIGHLIGHTS

A successful security system was developed and implemented for the Te Huia train. The system uses an innovative system that is based on concentric rings of security involving radar, CCTV, thermal imaging, and interactive speakers.

This quarter Tag busters removed 2687 incidents of graffiti covering 10,684 square metres. 100% of the reports were responded to with 1,683 graffiti removal jobs completed within 2 working days.

Of the 2171 number of noise control complaints received 1945 or 90% were attended within 30 minutes. We received 44 urgent requests for dog control this quarter, 43 of which were responded to within 15 minutes and one within 30 minutes.



PLANNING AND DEVELOPMENT


Planning and Development is about city planning that supports the growth of the city while ensuring Hamilton's unique environment is protected. This activity includes city planning, planning guidance and building control.

SERVICE PERFORMANCE MEASURES



KEY: On track | Needs action | Off track | No data

You can expect: A sufficient supply of land for housing and business.



Measure	2020/21 target	YTD result	Forecast year-end result
There will be at least three years capacity of residential zoned land supplied with development infrastructure in the city.	Achieved	3.5 years 	
What's behind the results			
<p>Council is working to ensure there is a plentiful supply of land, serviced by infrastructure, for residential development so that land availability is not limited by delays in coming to the market. A plentiful supply of land promotes competition in the market and can help play a part in keeping house price growth down. It is estimated that there is currently 3.5 years of capacity for residential land zoned and supplied with development infrastructure in place.</p> <p>The Government has announced housing policy that is designed to slow house price growth. At this stage it has been suggested that new builds will be exempt from these changes, so demand is expected to remain. Population growth remains well below pre-COVID levels and is expected to stay this way until our borders reopen. Through the Long Term Plan process, Council is looking at land supply and providing infrastructure to service future growth. The 2021 capacity assessment is underway as part of the National Policy Statement - Urban Development.</p>			

Measure	2020/21 target	YTD result	Forecast year-end result
There will be at least three years capacity of business zoned land supplied with development infrastructure in the city.	Achieved	Data is next expected in June 2021	
What's behind the results			
This measure is reported 6 monthly. Data is next expected in June 2021.			
The result reported in quarter two was 2.5 years and the forecasted year end result was that we would not achieve the three years of capacity of business zoned land supplied with development infrastructure in the city.			
Development of the Ruakura inland port and surrounding logistics and industrial precinct has been accelerated by central government funding. The funding from the Provincial Growth Fund and "shovel ready" projects is anticipated to bring forward the opening of the first stage to mid-2022. This will provide additional development ready industrial land. The 2021 capacity assessment is underway as part of the National Policy Statement – Urban Development.			

You can expect: We will support the delivery of safe, sustainable and attractive development.

Measure	2020/21 target	YTD result	Forecast year-end result				
Average processing days for building consents. ¹	18 working days	17.70 days 					
What's behind the results							
There was a slight decrease in number of building consents granted in this quarter with 453 granted, with an average processing time of 17.7 days. This is compared to 595 in quarter two and 557 in quarter one. Compared to the same period last year, is an increase in volume and an increase in processing time where we granted 444 consents with an average processing time of 15.82 days.							
In comparison to previous years, we've had the highest number of building consents lodged for January and February for the last 7 years.							
	2015	2016	2017	2018	2019	2020	2021
January	79	99	119	102	102	108	155
February	103	106	146	148	151	160	164

¹ "Average processing days" is the average number of working days used in processing consents, which excludes all stop clock days. A working day means any day except for a weekend day, public holiday, and those days between 20 December and 10 January. The processing clock may be stopped at any point should we require further information from the applicant.

Measure	2020/21 target	YTD result	Forecast year-end result
Average processing days for non-notified land use and subdivision resource consents. ¹	18 working days	18.80 days 	
What's behind the results			
<p>A total of 236 resource consents were granted taking on average 18.8 days compared to 145 for the same period last year. The number of consents is an increase on quarter one (July - September 2020) where 170 resource consents were granted taking on average 19.5 days, and quarter 2 (October - December 2020) with 210 consents and an average processing time of 18.9 working days. The reduction in processing time is a reflection of the on-going work to reduce timeframes.</p> <p>We have put in place an application processing matrix to triage applications and use minimal statutory days in the consent process. This will ensure that planners get the maximum days possible to process consents which should reduce the average processing time. Applications remain under the statutory timeframe of 20 days.</p>			

QUARTERLY HIGHLIGHTS

We granted 296 lots this quarter which is an increase of 70 compared to the same period last year. The residential sector remains strong however the non-residential sector continues to be hesitant to invest in large scale development as economic uncertainty around the pandemic remains.

Engagement has continued for the Peacocke Plan Change with staff working with landowners and developers. Pest and predator control is underway and the lizard restoration work has started with 5000 plants in the ground and another 6500 to be planted this coming season.





WATER SUPPLY

Water Supply is about providing Hamilton residents and businesses with a reliable, high quality and safe treated water supply. This activity includes water treatment and storage, and water distribution.

SERVICE PERFORMANCE MEASURES

KEY: On track | Needs action | Off track | No data

You can expect: The water we supply is safe to drink.



Measure	2020/21 target	YTD result	Forecast year-end result
Water quality complies with the drinking water standards for (a) bacteria and (b) protozoa.*	a) Achieve compliance	On track 	
	b) Achieve compliance	On track 	
What's behind the results			
Based on an internal assessment of Waioira Treatment Plant data and Laboratory DWSNZ monitoring results, Hamilton City Council met the quarterly requirements of the Drinking Water Standards for bacterial and protozoa compliance for quarter three.			
Based on internal assessment, Hamilton City Council is on track to achieve annual compliance with the Drinking Water Standards for period 1 July 2020-30 June 2021. Annual compliance will be formally assessed by the Drinking-Water Assessor (DWA) in September/October 2021.			

*Measures required by the Department of Internal Affairs

You can expect: Our water network is managed in a way that minimise the loss of water.

Measure	2020/21 target	YTD result	Forecast year-end result
The percentage of real water loss from the water network infrastructure in the city.*	No more than 16%	Data is next expected in June 2021	
What's behind the results			
<p>This measure is undertaken annually and reported in June. It covers the preceding April-March period and is undertaken using the standard NZ Benchloss guidelines and methodology. The percentage water loss measure estimates how much water is lost to leakage throughout the network.</p> <p>We continue to implement Water Supply Zones and Distinct Metered Areas (DMAs) to better monitor water consumption as well as target water conservation measures and leak detection investigations. The intention is to create three more Water Supply Zones by the end of the 2020/21 financial year. Part of the Central Government Water Stimulus Package funds are being used to conduct water leak detection and repairs to reduce water losses from the network, focussing on older areas of the city.</p>			
The result reported in the 2019/20 Annual Report was 13.2%.			

You can expect: We will work with the community to sustainably manage the supply and use of water.



Measure	2020/21 target	YTD result	Forecast year-end result
The average use of drinking water per Hamilton resident, per day.*	No more than 400 litres per resident, per day	345 litres 	
What's behind the results			
<p>We provide a sustainable water supply and this is achieved through water conservation campaigns that educate the community on sustainable water use and efficient management of the water network. This measure is an indicator of the success of these campaigns and programmes of work.</p> <p>The average daily water use per Hamilton resident for this quarter was 368 litres per person per day, with average consumption for the year to date increasing from 333 to 345 litres.</p> <p>The average daily water use between January and March was lower than the same period last year, with 405 litres per person in 2019/20. This is partially</p>			

reflective of the latest summer being wetter than the previous year where water usage was at a record high. The Water Alert Level was increased from 1 to 2 as part of the Smart Water programme on 4 February 2021. After consumption reduced in March, all Water Alert Level restrictions were lifted on 19 March 2021.

Quarterly result:

Q1	Q2	Q3	Q4	Average YTD
317 litres	346 litres	368 litres		345 litres

You can expect: To be satisfied with the clarity, taste, odour, continuity and pressure of the water supply.

Measure	2020/21 target	YTD result	Forecast year-end result
The number of complaints relating to drinking water about clarity, taste, odour, pressure, continuity of supply and complaints about our response to any of these issues.*	No more than 5 complaints per 1,000 connections	3.31 per 1,000 connections 	

What's behind the results

During quarter three there were a total of 84 complaints received. Of these, 32 related to lack of supply, 14 related to clarity of the supply, six related to water pressure, and 32 were general customer complaints that did not fit a particular category.





The discoloured water complaints from the previous quarter in the Rototuna Zone have been resolved. A programme of flushing and modifications to the network were undertaken in response to the complaints and any underlying issues have now been fixed.





Further work is being completed on processes related to connection of new water mains to minimise complaints about water supply going forward. We remain on track to meet the end of year target.

Quarterly result:

Q1	Q2	Q3	Q4	Cumulative YTD
0.61 per 1,000 connections	1.33 per 1,000 connections	1.38 per 1,000 connections		3.31 per 1,000 connections

You can expect: A timely response and a timely resolution if there is a problem with the water supply.

Measure	2020/21 target	YTD result	Forecast year-end result
The median attendance time for urgent call-outs, from the time that we received notification to the time that our service personnel reach the site.*	No more than 60 minutes	Data is currently unavailable	
The median resolution time of urgent call-outs, from the time that we received notification to the time that our service personnel confirm the fault or interruption has been resolved.*	No more than 5 hours	Data is currently unavailable	
The median attendance time, in working days, for non-urgent call-outs, from the time that we received notification to the time that our service personnel reach the site.*	No more than 5 days	Data is currently unavailable	
The median resolution time, in working days, of non-urgent call-outs, from the time we received notification to the time that our service personnel confirm the fault or interruption has been resolved.*	No more than 10 days	Data is currently unavailable	
What's behind the results			
<p>We are unable to report on median attendance and resolution times for urgent and non-urgent call-outs. In late February 2021, Council staff identified a data issue while undertaking a spot check of data as part of our ongoing quality assurance processes. The attendance and resolution times being recorded in IPS (via data entry from the field devices) did not adhere to Department of Internal Affairs reporting requirements.</p> <p>Attendance time:</p> <p>The Department of Internal Affairs defines attendance time as the time it takes from first being notified of an issue to the point at which service personnel arrive on site - Instead of using the 'start time' field on their devices to record when they arrived on site and therefore attended the callout, staff had begun using the 'start time' field on their devices to record the time they entered their</p>			

Measure	2020/21 target	YTD result	Forecast year-end result
vehicles to drive to the site. This error has meant that we were reporting a more favourable attendance time in quarter one and two.			
Year to date results reported in quarter two.			
Measure	2020/21 target	YTD result as reported in Quarter two	
The median attendance time for urgent call-outs, from the time that we received notification to the time that our service personnel reach the site.*	No more than 60 minutes	42 minutes 	
The median attendance time, in working days, for non-urgent call-outs, from the time that we received notification to the time that our service personnel reach the site.*	No more than 5 days	2 days 	
Resolution time:			
The Department of Internal Affairs defines resolution time as the time from first being notified of an issue to the point at which service personnel confirm the fault or interruption has been resolved – instead of using the ‘job completed’ field on their devices to record when the fault or interruption had been resolved staff had begun using the ‘job completed’ field to record when they had resolved the issues, tidied up the site and were ready to leave for the next job. This error has meant that we were reporting a less favourable resolution time in quarter one and two.			
Year to date results reported in quarter two.			
Measure	2020/21 target	YTD result as reported in quarter two	
The median resolution time, in working days, of non-urgent call-outs, from the time we received notification to the time that our service personnel confirm the fault or interruption has been resolved.*	No more than 10 days	3 days 	
The median resolution time of urgent call-outs, from the time that we received notification to the time that our service personnel confirm the fault or interruption has been resolved.*	No more than 5 hours	3 hours 	
This change in process occurred due to a change in timesheeting processes and the aim to more fully understand the time take on each job. Staff were not			

Measure	2020/21 target	YTD result	Forecast year-end result
<p>aware of the other ways in which the attendance and resolution time data was being used and reported.</p> <p>Due to the issue no result has been reported for this quarter. Audit NZ have been verbally advised of the data issues and will be working with Council staff to understand the extent of the issues and what is being done to address them.</p> <p>An investigation is being undertaken to understand the extent of the issues and what, if any, steps can be taken to correct the historical data. A wider review of reporting processes will see the implementation of increased checks and balances to enable the early identification of potential data quality issues in the future.</p>			

QUARTERLY HIGHLIGHTS

In December 2020, the Health Select Committee sought submissions on the Water Services Bill. The Bill is part of a broader package of reform that includes the establishment of Taumata Arowai – the Water Services Regulator – which will be responsible for administering the proposed regulatory regime. The Bill also responds to many of the outcomes of the Havelock North Drinking Water Inquiry, and comprehensively reform the drinking water regulatory system, with targeted reforms to improve the regulation and performance of wastewater and stormwater networks. Hamilton City Council provided our submission to the Health Select Committee in March 2021. Once enacted the Bill will replace Part 2A of the Health Act 1956 and will be a standalone Act to regulate water services.

On 12 February 2021, Hamilton City Council was notified that Watercare had lodged their water take application for 150 million litres per day from the Waikato river for municipal water supply purposes. It covers water permits, land use consents (in relation to activities on the bed of the Waikato River), and discharge permits. Hamilton City Council has since completed a submission to the Board of Inquiry conditionally opposing the application due to concerns about how the water take might affect our own ability to accommodate the future projected growth within Hamilton. This position may change to neutral or supportive if a series of issues are resolved during the Board of Inquiry process.



WASTEWATER

Wastewater is about providing our city with reliable and sustainable wastewater services to protect both the health of our people and our waterways. This activity includes wastewater collection and wastewater treatment and disposal.



SERVICE PERFORMANCE MEASURES

KEY: On track | Needs action | Off track | No data





You can expect: Our wastewater system is designed and maintained to minimise harm to the community and environment.

Measure	2020/21 target	YTD results	Forecast year-end result										
The number of overflows in dry weather.*	No more than 5 overflows per 1,000 connections	0.63 per 1,000 connections 											
What's behind the results													
<p>The number of dry weather overflows recorded for this quarter was nine, bringing the year to date total to 41. Of the nine overflows that occurred in the network between, six were attributed to fat build-up within the network, the cause of one overflow could not be determined, and there were two dry weather overflow events that occurred from wastewater pumping stations.</p> <p>One of the pumping station overflows was due to an un-notified power outage and the second was due to a school swimming pool being emptied at higher than the agreed rate. The school has been advised to ensure they meet the limits on rate of discharge when emptying the pool as per the Trade Waste Bylaw.</p> <p>We are on track to achieve the end of year target.</p> <p>Quarterly result:</p> <table><tr><th>Q1</th><th>Q2</th><th>Q3</th><th>Q4</th><th>Cumulative YTD</th></tr><tr><td>0.32 per 1,000 connections</td><td>0.18 per 1,000 connections</td><td>0.15 per 1,000 connections</td><td></td><td>0.63per 1,000 connections</td></tr></table>				Q1	Q2	Q3	Q4	Cumulative YTD	0.32 per 1,000 connections	0.18 per 1,000 connections	0.15 per 1,000 connections		0.63per 1,000 connections
Q1	Q2	Q3	Q4	Cumulative YTD									
0.32 per 1,000 connections	0.18 per 1,000 connections	0.15 per 1,000 connections		0.63per 1,000 connections									

You can expect: We operate and maintain the wastewater system to minimise odour and blockages.

Measure	2020/21 target	YTD results	Forecast year-end result										
The number of complaints about wastewater odour, system faults or blockages and complaints about our response to issues with the wastewater system.*	No more than 25 complaints per 1,000 connections	8.94 per 1,000 connections 											
What's behind the results													
<p>The number of complaints provides an indication of the quality of the service provided. This measure also provides data that highlights problems requiring attention, such as the need for maintenance, renewals, upgrades, or new wastewater infrastructure.</p> <p>We received a total of 165 complaints during this quarter which is equivalent to 2.7 complaints per 1,000 connections. Of the complaints received, 108 were related to overflows and blockages within the reticulated network, and 17 related to odour from the system. The remaining complaints related to issues such as wastewater line damage, missing lids, and manhole repairs.</p> <p>We are on track to achieve the end of year target.</p> <p>Quarterly result:</p> <table><tr><th>Q1</th><th>Q2</th><th>Q3</th><th>Q4</th><th>Cumulative YTD</th></tr><tr><td>2.79 per 1,000 connections</td><td>2.65 per 1,000 connections</td><td>2.7 per 1,000 connections</td><td></td><td>8.94 per 1,000 connections</td></tr></table>				Q1	Q2	Q3	Q4	Cumulative YTD	2.79 per 1,000 connections	2.65 per 1,000 connections	2.7 per 1,000 connections		8.94 per 1,000 connections
Q1	Q2	Q3	Q4	Cumulative YTD									
2.79 per 1,000 connections	2.65 per 1,000 connections	2.7 per 1,000 connections		8.94 per 1,000 connections									

You can expect: We operate and maintain the wastewater system to minimise the impact on the environment.

Measure	2020/21 target	YTD results	Forecast year-end result
The number of abatement notices, infringement notices, enforcement orders and convictions issued for spillage from the wastewater system.*	No more than 1 abatement action	0 	
	0 infringement, enforcement or conviction actions	0 	
What's behind the results			
On the 28 January 2021, pursuant to s324 of the Resource Management Act 1991, Waikato Regional Council issued Hamilton City Council with an			



abatement notice relating to two wastewater overflow events from separate manholes in the Ranfurly Gully. Waikato Regional Council formally cancelled the abatement notice on 30 March 2021 following a letter sent to them outlining our position.

We did not contest that the wastewater discharge events occurred but raised concerns that the notice had been issued despite our investing and initiating a number of significant actions to try and install a permanent solution to mitigate repeated future discharge events (along with operational actions to minimise the frequency of discharge events). Letters and educational material have been sent to every household in the catchment surrounding Ranfurly Gully reminding them of their responsibility to not flush items that can create blockages, and the frequency of the clean programme for this section of the wastewater network has been increased from six monthly to three monthly. Work is currently underway to understand the safety implications of installing sensors with overflow alarms for the relevant wastewater manholes. A report has also been commissioned to consider all available remedial options from replacing assets like for like through to redirecting the wastewater network out of the gully.

No infringement notices, enforcement orders or convictions were issued to Hamilton City Council for spillage from the wastewater system during quarter three.

We are on track to achieve the end of year target.

You can expect: A timely response and resolution if there is an urgent problem with the wastewater system.

Measure	2020/21 target	YTD result	Forecast year-end result
The median attendance time for call-outs, from the time that we received notification to the time that our service personnel reach the site.*	No more than 60 minutes	Data currently unavailable	
The median resolution time of call-outs, from the time that we received notification to the time that our service personnel confirm the fault or interruption has been resolved.*	No more than 5 hours	Data currently unavailable	

What's behind the results

We are unable to report on median attendance and resolution times for urgent and non-urgent call-outs. In late February 2021, Council staff identified a data issue while undertaking a spot check of data as part of our ongoing quality assurance processes. The attendance and resolution times being recorded in IPS (via data entry from the field devices) did not adhere to Department of Internal Affairs reporting requirements.

Attendance time:

The Department of Internal Affairs defines attendance time as the time it takes from first being notified of an issue to the point at which service personnel arrive on site - Instead of using the 'start time' field on their devices to record when they arrived on site and therefore attended the callout, staff had begun using the 'start time' field on their devices to record the time they entered their vehicles to drive to the site. This error has meant that we were reporting a more favourable attendance time in quarter one and two.


Year to date results reported in quarter two.

Measure	2020/21 target	YTD result as reported in quarter two
The median attendance time for call-outs, from the time that we received notification to the time that our service personnel reach the site.*	No more than 60 minutes	21 minutes 

Resolution time:

The Department of Internal Affairs defines resolution time as the time from first being notified of an issue to the point at which service personnel confirm the fault or interruption has been resolved - instead of using the 'job completed' field on their devices to record when the fault or interruption had been resolved staff had begun using the 'job completed' field to record when they had resolved the issues, tidied up the site and were ready to leave for the next job. This error has meant that we were reporting a less favourable resolution time in quarter one and two.

Year to date results reported in quarter two.

Measure	2020/21 target	YTD result as reported in quarter two
The median resolution time of call-outs, from the time that we received notification to the time that our service personnel confirm the fault or interruption has been resolved.*	No more than 5 hours	2.35 hours 

This change in process occurred due to a change in timesheeting processes and the aim to more fully understand the time take on each job. Staff were not aware of the other ways in which the attendance and resolution time data was being used and reported.

Due to the issue no result has been reported for this quarter. Audit NZ have been verbally advised of the data issues and will be working with Council staff to understand the extent of the issues and what is being done to address them.

An investigation is being undertaken to understand the extent of the issues and what, if any, steps can be taken to correct the historical data. A wider review of reporting processes will see the implementation of increased checks and balances to enable the early identification of potential data quality issues in the future.

QUARTERLY HIGHLIGHTS

In February 2021, major upgrades to the Hillsborough wastewater pump station located on Grantham Street (next to Victoria Bridge) were completed. The complex upgrade increases the size and capacity of the pump station, allowing for future growth and protecting the awa. With the completion of the newly built retaining wall on Grantham Street, Hamilton City Council has taken the opportunity to transform it into a piece of art that enhances the unique Waikato River experience. After more than 200 hours of preparation and painting, the banks of the Waikato River now display Hamilton's newest mural, Teena Koorua. Inspired by the story of Te Winika (an ancient waka that was once dismantled, partially buried and left to deteriorate), the mural explores the connections with taatou tuupuna (our ancestors) and the knowledge passed down through the generations. Local artist Gemma Yiannoutsos worked with local iwi to finalise the design and completed the piece of art in mid-February 2021.







STORMWATER

Stormwater is about providing our city with services that protect people and properties from flooding and manage the quality of our stormwater. This activity covers the stormwater network including collection, conveyance, treatment and discharge services.

SERVICE PERFORMANCE MEASURES





KEY: On track | Needs action | Off track | No data

You can expect: Our stormwater system is designed and maintained to minimise the likelihood of stormwater entering habitable buildings.



Measure	2020/21 target	YTD result	Forecast year-end result
The number of flooding events ² that occur within the city. *	No more than 1 flooding event	0 	
For each flooding event, the number of habitable floors ² affected.*	No more than 1 per 1,000 properties	0 per 1,000 properties 	
What's behind the results			
A total of 209 reports of flooding incidents were recorded this quarter. The majority of incidents reported were due to flooding of roads and blocked catchpits, however none of these incidents resulted in an event where stormwater entered a habitable building.			
Continued implementation of preventative maintenance programmes and compliance with the Regional Infrastructure Technical Specifications for construction of new stormwater infrastructure will ensure that the stormwater system is constructed, operated, and maintained to minimise flooding events.			
The annual target of no more than one flooding event that results in stormwater entering a habitable building is expected to be achieved.			

² A flooding event means an overflow of stormwater from our stormwater system that enters a habitable floor (meaning a building, including a basement, but does not include ancillary structures such as stand-alone garden sheds or garages)



You can expect: We will comply with our resource consent conditions and minimise the impact of our stormwater on the environment.

Measure	2020/21 target	YTD result	Forecast year-end result
The number of abatement notices, infringement notices, enforcement orders and convictions related to the management of the stormwater system.*	No more than 1 abatement action	0 	
	0 infringement, enforcement or conviction actions	0 	
What's behind the results			
No abatement notices were issued to Hamilton City Council in relation to the management of the stormwater system during quarter three.			
No infringement, enforcement or conviction actions have been taken against Hamilton City Council in relation to the management of the stormwater system during quarter three.			
We are on track to achieve the end of year target.			

You can expect: A timely response if there is a problem with the stormwater system or flooding of a habitable building.

Measure	2020/21 target	YTD result	Forecast year-end result	
The median response time, from the time that we received notification to the time that our service personnel reach the site of the flooding event.*	No more than 60 minutes	0 minutes 		
What's behind the results				
A total of 209 reports of flooding incidents were recorded this quarter. The majority of incidents reported were due to flooding of roads and blocked catchpits, however none of these incidents resulted in an event where stormwater entered a habitable building.				
We are on track to achieve the end of year target.				
Quarterly result:				
Q1	Q2	Q3	Q4	Median YTD
0 minutes	0 minutes	0 minutes		0 minutes

You can expect: We will operate and maintain the stormwater system to minimise flooding.

Measure	2020/21 target	YTD result	Forecast year-end result
The number of complaints received about the performance of the stormwater system. *	No more than 10 complaints per 1,000 properties connected	11.11 per 1,000 properties connected 	

What's behind the results

A total of 315 complaints in relation to the performance of the stormwater system were received this quarter, which equates to 5.2 complaints per 1,000 properties connected. Of the complaints received, the most common were for blocked catchpits (121) and road flooding (88). The increase in volume of complaints has meant we have now exceeded the annual target of no more than 10 complaints per 1,000 properties, with a total of 677 complaints for the year to date.

The significant number of complaints received is the result of extreme weather events experienced during March 2021. MetService shows 172mm of rainfall occurred in March, with the biggest event seeing 80mm of rainfall on Tuesday 30 March - which is higher than the historical average of 60.5mm rainfall for the entire month of March.

A review of road flooding reports for March did not highlight any particular suburb in Hamilton that was impacted more than any other. Since the extreme rainfall events in March, staff have been formulating an improved process to ensure catchpits and stormwater mains at potential hotspots are proactively cleared and maintained. This will involve multiple water services and transportation teams working together to minimise flooding events across the city, particularly where heavy rain is being forecasted.

The target of on more than 10 complaints per 1,000 properties will not be achieved.

Quarterly result:

Q1	Q2	Q3	Q4	Cumulative YTD
1.62 per 1,000 properties connected	2.71 per 1,000 properties connected	5.17 per 1,000 properties connected		11.11 per 1,000 properties connected

QUARTERLY HIGHLIGHTS

On 3 March 2021, the Hamilton Stormwater Bylaw Engagement Report was presented to the Hearings and Engagement Committee. The purpose of the report was to inform the committee on the submissions received in response to the publicly notified "Statement of Proposal Hamilton Stormwater Bylaw" review. 18 written submissions were received from the public, with two individuals completing verbal submissions at the hearings. Key themes that emerged from engagement and hearings included contaminant control, erosion, ecological protection, responsibility, costs and practicality, and the need for further education. A report is to be presented to the Infrastructure Operations Committee on 27 April 2021 seeking a recommendation to the Council for the adoption of the revised Hamilton Stormwater Bylaw 2021. Once adopted the changes would take effect from 1 October 2021 to allow for staff to develop the necessary processes to implement the Bylaw.

TRANSPORT

Transport is about Hamilton being a city that is easy to get around. This activity includes the transport network and parking management.

SERVICE PERFORMANCE MEASURES

KEY: On track | Needs action | Off track | No data

You can expect: Predictable vehicle travel times for peak time trips.

Measure	2020/21 target	YTD result	Forecast year-end result
The percentage of extra time taken for vehicles to travel key routes in the city during peak travel times compared to non-peak.	No more than 50%	Data is next expected in June 2021	
What's behind the results			
This measure is surveyed twice a year, in November and May. The measure indicates how effectively we manage peak hour traffic during peak hour traffic flows. When then take the average of the two results.			
In quarter two a result of 47% was reported. The result is based on assessments of travel time undertaken in November 2020. The next result will be available at the end of the financial year after the May 2021 assessment is completed.			



You can expect: Alternative transport options for getting into the central city.

Measure	2020/21 target	YTD results	Forecast year-end result
The number of cyclists biking into the central city.	At least 1,700 on the day of survey	Data is next expected in June 2021	
What's behind the results			
This is a measure that is completed annually, the result will be reported in quarter four.			
Data is typically collected in March every year and the survey normally involves a manual count of selected points on the perimeter of the central city. The count is carried out at set times in the morning (7:00am to 9:00am) and afternoon (4:30pm to 6:00pm), and only cyclists are included.			
Due to weather conditions, the survey for 2020/21 was delayed until 7 April 2021. Cameras will be used at some sites as the research company has been unable to recruit sufficient staff to cover all the locations. The data will be			



collated from reviewing the camera footage and will be reported consistent to prior years.

We were unable to report a result in the 2019/20 Annual Report due to COVID-19. The result reported in the 2018/19 Annual Report was 1,238.

You can expect: Our transport network is safe to use.

Measure	2020/21 target	YTD results	Forecast year-end result																								
The change from the previous financial year in the number of fatalities and serious injury crashes on Hamilton’s local road network.	Decrease from previous year	31 incidents 																									
What’s behind the results																											
<p>Safety is a top priority as we create the future transport system for Hamilton. We have a safety vision goal (Vision Zero) that states there will be a decreasing trend of serious injuries and no deaths on our transport system by 2028/29. We aim to achieve this by delivering projects that improve the safety of pedestrian and biking facilities and intersections. The measure is an indication of the impact of safety improvements on reducing death and serious harm on Hamilton roads.</p> <p>The interim result at the end of this quarter shows there has been 31 crashes (three fatal and 28 serious injury) for the year to date, resulting in three deaths and 31 people being seriously injured. The result for the same period last year was 33 crashes (zero fatal and 33 serious injury), resulting in 34 people being seriously injured.</p> <p>Numbers of fatalities and serious injuries on Hamilton’s local road network:</p> <table><tr><th></th><th>2020/21 YTD</th><th>2019/20</th><th>2018/19</th><th>2017/18</th><th>2016/17</th></tr><tr><td>Fatalities</td><td>3</td><td>2</td><td>5</td><td>4</td><td>1</td></tr><tr><td>Serious injuries</td><td>31</td><td>37</td><td>52</td><td>52</td><td>47</td></tr><tr><td>Total</td><td>34</td><td>39</td><td>57</td><td>56</td><td>48</td></tr></table>					2020/21 YTD	2019/20	2018/19	2017/18	2016/17	Fatalities	3	2	5	4	1	Serious injuries	31	37	52	52	47	Total	34	39	57	56	48
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Total	34	39	57	56	48																						



You can expect: Roads to be kept in good condition.

Measure	2020/21 target	YTD result	Forecast year-end result
The average smooth travel exposure rating across the sealed road network.*	At least 86% smooth travel exposure	Data is next expected in June 2021	
What's behind the results			
The smooth travel exposure (STE) assesses the quality of the ride, with a higher percentage indicating more roads providing a smooth ride.			
The work to keep our sealed roads in good condition is delivered through the annual reconstruction programme and regular maintenance activities. The annual survey will be completed in May 2021 with the results being available for reporting in quarter four.			
The result reported in the 2019/20 Annual Report was 85.3%.			
Measure	2020/21 target	YTD result	Forecast year-end result
The percentage of Hamilton's sealed local road network that is resurfaced each year.*	At least 4%	3.2% 	
What's behind the results			
The resurfacing programme for 2020/21 (including asphalt and chipsealing) began in earnest in January 2021. Year to date 3.2% of the network has been resurfaced with 3.1% carried out between January and March 2021. Year to date, 191,232 metres squared of carriageway has been resurfaced.			
Based on the programme of work for the rest of the year, we expect to achieve the target of 4%.			

You can expect: Foothpaths to be kept in good condition.

Measure	2020/21 target	YTD result	Forecast year-end result
The percentage of footpaths that fall within the service standard for the condition of footpaths as set out in the Transport Activity Management Plan.*	At least 97%	Data is next expected in June 2021	
What's behind the results			
We aim to provide footpaths that are well maintained. Our target is at least 97% of footpaths have less than five faults identified per 100m. Data is next expected in June 2021.			
We record faults with different priority levels for action, ranging from monitoring-only (to check for further deterioration) to immediate repair. There is a high volume of faults that require monitoring only - which were identified in a 2018/19 audit. These faults are programmed into future renewal works, and earlier intervention is taken if the condition of any of the faults deteriorates.			
We expect an improvement on the prior year's result due to progress with the footpath renewals programme and our responsiveness to faults that require active intervention. To date there has been 25,563 metres squared of footpath renewals completed.			
The result reported in the 2019/20 Annual Report was 78%.			

You can expect: A timely response to road and footpath service requests.

Measure	2020/21 target	YTD result	Forecast year-end result
The percentage of customer service requests relating to roads and footpaths responded to within five working days.* ³	At least 96%	99.06% 	
What's behind the results			
Of the 1,750 service requests received during this quarter, we responded to 1,718 within five working days - a quarterly result of 98.2%. A commitment to processes and transparent oversight of all requests has ensured continued strong performance.			

³ Working days are Monday to Friday, excluding public holidays. If notification is received on the weekend or public holiday the timeframe starts from the next working day.

End of year target is expected to be achieved with continued execution of processes relating to customer service levels.

QUARTERLY HIGHLIGHTS

Several safety improvement projects were completed as part of the national 'Safer Journeys' and 'Road to Zero' strategies between January and March 2021. These included a new roundabout at the intersection of Comries Road and Bankwood Road, four kea crossing upgrades to include raised safety platforms near schools (Forest Lake Primary, Saints Peter Chanel Catholic School, and Vardon School); and a new raised safety platform was added to the existing signalised pedestrian crossing outside Awatere Retirement Village on Victoria Street. The installation of raised safety platforms at these locations will help to reduce vehicle speeds, making it easier for pedestrians to cross and creating safer environment for vulnerable road users around schools and high traffic density streets. The design for the roundabout at Comries Road and Bankwood Road also provides less confident cyclists with the option to use a new shared path to avoid any interactions with vehicles.

Work was completed in March 2021 to improve cycling safety and connectivity. Cycle wands and additional green cycle lane markings were installed at Pukete Road (between Vickery Street and Te Rapa Road) and Clyde Street (with the eastbound approach to Wairere Drive). These changes will keep vehicles out of cycle lanes and provide safe spaces for our biking community.

The connection between Claudelands Bridge and Victoria Street has been improved too. Sharrows and advanced stop boxes installed on the south end of Victoria Street allow people on bikes to feel more confident occupying the same space as motorists.

Hamilton City Council formally marked the completion of the Rotokauri Transport Hub in January 2021 with a blessing of the new facility and unveiling of a new link road named Kiriwai Drive. Iwi representatives and members of mana whenua group Te Haa o te Whenua o Kirikiriroa were joined by dignitaries, Council staff and key partners from the rail governance working group to formally bless the new hub. Now officially open, the Rotokauri Transport Hub will be a major connection point for buses, as well as providing a rail station for the Waikato to Auckland passenger rail service Te Huia.

Public transport studies into the Comet and Meteor bus routes began in quarter three. The overall objective of these studies is to identify specific network issues and infrastructure opportunities that will help improve service reliability and attract more patrons. The studies will help inform the long-term future planning for public transport along these key corridors. Final reports are expected to be delivered by 30 June 2021.





RUBBISH AND RECYCLING

Rubbish and Recycling is about protecting the health of Hamiltonians and the environment by providing a reliable kerbside rubbish and recycling collection service, and promoting waste minimisation and resource recovery. This activity includes landfill site management, refuse and recycling collection and waste minimisation.

SERVICE PERFORMANCE MEASURES

KEY: On track | Needs action | Off track | No data

You can expect: We will promote and encourage waste reduction, reuse and recycling.

Measure	2020/21 target	YTD result	Forecast year-end result
The percentage of waste recovered for recycling through the kerbside collection.	At least 45%	49.91% 	
What's behind the results			
<p>The period from January to March 2021 is the second full quarter of data reported under the new rubbish and recycling service with food waste collection and expanded recycling collection options.</p> <p>58% of waste was recovered for recycling through the kerbside collection during the latest quarter, lifting the result for the year to date to 49.91%. This is an improvement on the same time last year where 32% of waste was being recovered for recycling. The result reflects the success of the new service in achieving the targets set out in the business case of reducing kerbside refuse and increasing kerbside recycling.</p> <p>This result is expected to exceed the end of year target of 45%, and is reflective of the success of the additional food waste stream and additional recycling options that are part of the new service.</p>			
Measure	2020/21 target	YTD result	Forecast year-end result
The amount of waste received at Council operated waste facilities that is diverted from landfill.	At least 16,000 tonnes per annum.	10,128 tonnes 	



What's behind the results

The 10,128 tonnes of waste that have been diverted from landfill between July 2020 and March 2021 is below where we would expect to be in order to achieve the year end target of 16,000 tonnes. The amount reported for the year to date is slightly less than the 10,873 tonnes that had been diverted from Council operated waste facilities at the same time last year.

The end of year target looks difficult to achieve at this point in time. The delay in the start of the new service by two months due to COVID-19 has contributed to lower than anticipated volumes of waste diversion. Additional upgrades along with minor changes to the Lincoln Street Resource Recovery Centre started in March and will continue through to April, which are anticipated to improve performance for the rest of the year - particularly with an increased uptake of new diversion streams such as e-waste and greenwaste expected at the facility.



Additional discussions are being held with EnviroWaste to identify further opportunities for recycling and reuse activities at the Resource Recovery Centre on Lincoln Street. Further work will be required in the last three months of the financial year to achieve the 16,000 tonnes of diversion per annum.

You can expect: We will collect your rubbish and recycling.

Measure	2020/21 target	YTD result	Forecast year-end result
The number of weeks where there are more than 20 complaints about uncollected kerbside rubbish and recycling.	0 weeks	31 weeks 	
What's behind the results			
<p>Due to the challenges experienced as a result of the implementation of the new kerbside rubbish and recycling contract, the annual target for 2020/21 of zero weeks with more than 20 complaints about uncollected kerbside rubbish and recycling will not be met. For context, there are slightly under 60,000 households who receive a kerbside collection on a weekly basis with multiple collections streams per household. Based on the number of missed collections recorded since the new service started, approximately 1% of households are making a complaint about uncollected kerbside rubbish and recycling on a weekly basis.</p> <p>Complaints about missed collections continue to remain higher than desired, although the number of reported missed collections reported on a daily basis is slightly lower between January and March 2021 compared with the previous three-month period. Further work is required to ensure all bins are being emptied on the scheduled collection day by EnviroWaste. An additional vehicle is being added to the food waste collection in April 2021 to balance out the routes. This will provide an even distribution across the different collection routes on any given day, with the expected outcome being a reduction in the</p>			

risk of error and ensuring all food waste collections are completed within the required timeframe.

You can expect: A timely response if there is a problem with rubbish and recycling.

Measure	2020/21 target	YTD result	Forecast year-end result
The percentage of customer complaints about uncollected kerbside rubbish and recycling resolved within 24 hours.	At least 95%	51.87% 	
What's behind the results			
<p>September 2020 saw the implementation of the new rubbish and recycling service with EnviroWaste. After a challenging first month of the new service, where only 20% of missed collections were resolved on time, there has been a steady improvement in response times for missed collections. During the period between January and March 2021, 76% of missed collections were resolved on time - an increase on the result of 64% achieved between October and December 2020. The increased percentage of missed collections being resolved on time is due to fewer collections being missed by the contractor along with further optimisation of the service.</p> <p>The service specification for the new contract requires EnviroWaste to collect any missed collections no later than the end of the next business day from the point in time at which they are notified. This enables complaints to be resolved outside the 24-hour timeframe that is specified for this measure that was set in 2018.</p>			

QUARTERLY HIGHLIGHTS

Works commenced in March 2021 to improve safety and traffic flow at the Lincoln Street Resource Recovery Centre in Frankton. The improvements to be made over a three-week period will maximise the space inside the recycling drop-off area to make it safer and easier for customers to drop-off recycling and visit the Habitat For Humanity Re-use Store.

The new kerbside collection service continues to deliver positive results. A high proportion of waste is being recovered for recycling - 58% over the first seven months of the new service between September 2020 and March 2021. High presentation rates for the food scraps bin continue to be a contributing factor to our ability to minimise the amount of waste going to landfill. Based on formal feedback received via a variety of sources, residents also appear to be satisfied with the impact on street amenity with fewer animal strikes and less windblown litter.

At the end of March 2021, an audit was undertaken of Hamilton's kerbside bins to understand what residents are putting into landfill. The data from the audit

will help inform staff about where further education needs to be targeted to improve residents' recycling behaviours. Alongside the audit, a survey of more than 600 Hamilton residents was conducted via phone and email. This survey follows on from a similar survey conducted prior to the roll out of the new service and will provide valuable insight on what is working well and where potential areas for improvement could be. A formal report on the performance of the new service will be provided to Council later in 2021 after the kerbside service has been operating for one year.

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 Finance Committee Public Excluded Minutes of 13 May 2021) Good reason to withhold) information exists under) Section 7 Local Government) Official Information and) Meetings Act 1987)	Section 48(1)(a)
C2. Report on overdue debtors as at 30 April 2021 and Debt write-offs 2020/21		
C3. Contract 00000267/2020 Facilites Fire Systems Service - Contract Award		
C4. Renewal and Maintenance Contract Awards		
C5. Techonology Service Contract Renewal		

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 protect the privacy of natural persons to maintain the effective conduct of public affairs through protecting persons from improper pressure or harassment	Section 7 (2) (a) Section 7 (2) (f) (ii)
Item C3.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h) Section 7 (2) (i)
Item C4.	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)
Item C5.	to enable Council to carry out negotiations	Section 7 (2) (i)