

Notice of Meeting:

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

Date: Thursday 23 April 2015
Time: 1.30pm
Meeting Room: Council Chamber
Venue: Municipal Building, Garden Place, Hamilton

Richard Briggs
Chief Executive

Finance Committee OPEN AGENDA

Membership

Chairperson	Cr R Pascoe
Deputy Chairperson	Cr G Mallett
Members	Her Worship the Mayor J Hardaker Cr G Chesterman Cr M Forsyth Cr M Gallagher Cr K Green Cr A King Cr D Macpherson Cr A O'Leary Cr L Tooman Cr E Wilson Cr P Yeung

Quorum: A majority of members (including vacancies)

Meeting Frequency: Six weekly

Leaney Preiss
Committee Advisor

16 April 2015
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Terms of Reference:

- To monitor the Council's financial and non-financial performance against the Long Term Plan and Annual Plan.
- To monitor the delivery of key projects.
- To approve and monitor contracts.
- To approve acquisition or sale or lease of properties owned by the Council, or owned by the Municipal Endowment Fund and the Domain Endowment Fund with reference to the strategy developed by the Business and Investment Sub-committee, for any endowment properties.
- To consider and approve deferred capital expenditure.
- To approve changes to projects resulting from staff recommendations within the Key Projects monitoring report.
- To consider and approve business cases referred by the Senior Leadership Team.

Power to act:

- Write off outstanding accounts greater than \$10,000 (in accordance with the Debtor Management Policy).
- To approve all contractual and other arrangements for supply and services and revenue generating contracts where the term of the contract (including renewal periods) and the total value of the contract is within limits set and delegated by Council.
- To approve contracts and other arrangements where the amount of work involved in a decision not to go to public tender exceeds \$100,000 (GST excluded) or in accordance with Council's Procurement Policy.
- To approve all other matters in accordance with the terms of reference of this committee.

Sub-committees:

This Committee will be supported in its work by the:

- Events Sponsorship Sub-committee.
- External Funding Sub-committee.
- Council Controlled Organisations (CCO) Sub-committee.

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1 Apologies

2 Confirmation of Agenda

The Committee to confirm the agenda.

3 Declaration of Interest

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

4 Public Forum

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

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

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

If you have any questions regarding Public Forum please contact Democracy by telephoning 07 838 6772.

Committee: Finance Committee

Date: 23 April 2015

Report Name: Finance Committee - Open
Minutes - 19 February 2015

Author: Leaney Preiss

Status	<i>Open</i>
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Recommendation

That the Committee confirm and adopt as a true and correct record the Open Minutes of the Finance Committee Meeting held on 19 February 2015.

1. Attachments

- Attachment 1 - Finance Committee - Open Minutes - 19 February 2015

Finance Committee 19 FEBRUARY 2015 - OPEN



Finance Committee

OPEN MINUTES

Minutes of a Meeting of the Finance Committee held in Council Chamber, Municipal Building, Garden Place, Hamilton on Thursday 19 February 2015 at 01.30pm.

PRESENT

Chairperson	Cr R Pascoe
Deputy Chairperson	Cr G Mallett
Members	Her Worship the Mayor J Hardaker
	Cr G Chesterman
	Cr M Forsyth
	Cr M Gallagher
	Cr K Green
	Cr A King
	Cr D Macpherson
	Cr A O'Leary
	Cr L Tooman
	Cr E Wilson

In Attendance: Chief Executive (CE), Chief Financial Officer (CFO), General Manager Organisational Development, General Manager Community, General Manager Performance, General Manager City Infrastructure, General, General Manager Customer Relationships, General Manager Events and Economic Development, City Environments Group Business Manager, City Waters Unit Manager, Revenue Manager, Accounting Unit Manager, Accounting Team Leader, Project Manager Information Services, Strategic Property Unit Manager, Parks and Open Spaces Manager, Project Development Manager, Project Engineer, City Development Manager , 3 x Group Accountants, Senior Strategic Policy Analyst, Strategic Policy Analyst, Water Operations Manager, Community Occupancy Advisor, Team Leader Planning and Assets, Development Contribution Officer, Communications Unit Manager, Senior Communications Advisor, 3 x Communications Advisors, and Hamilton Gardens Manager.

Committee Advisors: Mrs J Pani, Ms B Brooke and Ms L Preiss

Finance Committee 19 FEBRUARY 2015 - OPEN

1. Apologies

Resolved: (Crs Pascoe/Wilson)

That the apologies from Crs Yeung, Mallett (for leaving early) and Forsyth (for leaving early) be received and accepted.

2. Confirmation of Agenda

Resolved: (Crs Pascoe/Wilson)

That the Agenda be confirmed.

3. Declarations of Interest

No members of the Committee declared a Conflict of Interest.

4. Public Forum

Two speakers spoke in the Public Forum:

John Gallagher, Gallagher Charitable Trust spoke in relation to Public Excluded Item C6- Gallagher Drive Intersection

Mr Gallagher gave a brief overview and background of the Gallagher Charitable Trust's history with the intersection, noting that the Gallagher Trust had previously contributed funds towards an upgrade of the intersection. He included a focus on the vast growth and expansion of buildings and businesses over the years and commented that safety was now a major concern at the intersection.

Mr Gallagher noted that the plans addressing the Gallagher Drive Intersection had been on the books for several years and urged Council to work closely with NZ Transport Agency and other interested parties, including Bunnings, to urgently action an upgrade to the intersection.

David Boersen, Bunnings Property and Store Development Manager spoke in relation to Public Excluded Item C6 - Gallagher Drive Intersection

Mr Boersen spoke about the safety and undesirable service level concerns in relation to the Gallagher Drive Intersection. He stated that to allow for economic growth in the area, sufficient infrastructure upgrade was required at the intersection.

Mr Boersen urged Council and NZ Transport Agency to work together in upgrading the intersection.

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5. Finance Committee Minutes - Open - 4 December 2014

Committee Members requested that an update on Finance System Implementation Project be noted in the Action List, outlining that the project was still in progress at a cost to the vendor in terms of implementing fixes and carrying out testing. The testing was due to be completed in April 2015 and would then go live.

Resolved: (Crs Mallett/Tooman)

That Committee confirm and adopt as a true and correct record the Open Minutes of the Finance Committee Meeting held 4 December 2014.

6. Finance Committee Action List - Open - 19 February 2015

Committee Members requested further information be provided concerning the process and outcome of the Commissioner's Decision for the Waiwhakareke Smart Subdivision, particularly around zoning other planning matters.

Committee Members also requested clarification on when a six monthly Subcommittee Chair's Report would come to the Finance Committee. Staff advised that a six monthly Subcommittee Chair's Report would be coming to the Finance Committee but that the timing of this report was unknown at this stage. CFO to advise timing once confirmed.

Resolved: (Crs Pascoe/Chesterman)

That the Report be received.

7. Recommended dates for reports to be presented to Finance Committee

Resolved: (Her Worship the Mayor Hardaker/Cr Tooman)

That the Report be received.

8. 10-Year Plan Monitoring Report

The CFO spoke to the Report, highlighting that the Council was reporting a positive result for the six months ending 31 December 2014 and was in a favourable position in relation to both the balancing of the books and overall debt targets.

Staff responded to questions from the Committee Members concerning the following:

- The increase in personnel costs of around 10% from \$27.8m to \$30.6m. It was noted that redundancy costs of \$172,000 were high, and it was suggested that this was in part due to actual costs versus forecasted costs. Staff advised that the goal was to have the right people in the right positions and that although there were currently high redundancy costs due to restructuring, there would ultimately be further savings in the following years. Further investigation was needed to account for the increase in personnel costs and redundancy costs. Staff were asked to provide further analysis around this issue in the next 10 Year Plan Monitoring Report to the Finance Committee. Committee Members also asked that the Report cover mitigation strategies in place to ensure that Council was on track for staying within budget and outline whether this issue needed to be on the Risks and Opportunities Register.
- Development Contributions. Staff advised that Development Contributions were forecasted at an annual amount of \$10m. Estimates of Development Contributions were noted to be a floating matter with timing differences to be considered. It was confirmed that any favourable impact from Development Contributions were used to reduce debt as per the current Development Contributions Policy.
- Water revenue variance. It was explained that there had been issues with the performance of the previous contractor. A review had been initiated to look at the current processes in place. A new contractor had been appointed for water meter readings and other actions and fixes had also been put in place since the review to ensure the issue did not happen again. As a consequence of these action it is now a matter of time to get billing back on track.
- The Financial System IT Implementation Project. Staff advised that this project needed further monitoring past the December 2014 due date outlined in the Action List. The delay in the completion of the project was due to fixes and testing needing to be done at the vendor's cost. The testing was due to be completed by April 2015 and the system would then go live. The project was to be delivered on budget in terms of any financial impact to Council.
- Overheads noted on page 59 of the Agenda were reported as being significantly up. Staff advised that although overheads were up, revenue was also up. The significance of the revenue increase was negated, as it reflected mostly 'internal customers' and internal charging. It was requested that further information be provided to Committee Members to clarify internal versus external revenue streams.

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- Deferred Capital Expenditure. Two Capital Expenditure Projects were signalled as being deferred (Hamilton Ring Road and the Rototuna Reservoir). Committee Members were concerned about the deferred projects. Staff advised that the number of deferred projects had significantly reduced from previous years and that deferrals occurred for a number of reasons, including reliance on third parties and seasonality issues. Staff assured Committee Members that they were constantly looking at ways to reduce deferred capital expenditure and reminded Members that they could approve or not approve any carryover of Capital Project deferrals.
- Variances outlined on page 49 of the Agenda (City Prosperity). Committee Members requested that more information be provided in future Reports to better explain variances and deficits in this area.

It was noted that, where appropriate, graphs should be used to illustrate information represented in reports; particular mention was made in reference to the overall debt information.

Resolved: (Crs Pascoe/Chesterman)

That the Report be received and that the Risk and Opportunities Schedule be received.

9. IS Programme of Work Update

The General Manager Organisational Development spoke to the report, introducing the Information Services Project Manager. He noted that the Financial Management Project was due to go live on 1 July 2015.

Committee Members requested clarification on the table shown on page 111 and 112 of the Agenda, concerning the current and approved budget expenditure. The table provided details as to the current year's expenditure and other financial years' expenditure, but no details could be provided as to the total expenditure on projects. Staff were asked to bring an updated table to the next IS Programme of Work Update Report to the Finance Committee Meeting in May 2015.

Resolved: (Crs Chesterman/Tooman)

That the Report be received.

Cr Forsyth retired from the Meeting at 3:01pm during the above item. She was not present when the matter was voted on.

10. Community Occupancy Applications

The General Manager Community spoke to the Report. He explained the reasoning behind the staff recommendations for both of the Community Occupancy Applications as highlighted in the Report. Staff responded to questions from Committee Members concerning:

Hamilton City Bowling Club Incorporated:

- A two year term was recommended as the club was in negotiations with the squash club next door for potential joint use of facilities and this needed to be further explored. It was noted that the site is a prime location and that staff needed to keep on top of discussions and try to get the best outcome financially in terms of public perspective.

New Zealand Riding for the Disabled Association (Waikato Group) Incorporated (RDA):

- RDA applied for exceptional circumstances and staff did a comprehensive analysis on what recommendation to make to Council. Further information on their financial position was tabled at the Meeting, indicating that RDA was currently operating at a loss.
- RDA success in obtaining grants. Staff were unable to provide information around this.
- Comparison to other Councils in terms of rent charged to RDAs. Staff advised that it was difficult to compare what other Councils charged due to differences in policies and historical agreements in place.
- Other applications received in the past for remissions. Staff advised that Council had previously received an application from the Croquet club.

Staff were complimented on the high standard of the report as well as the work involved and the process followed.

Motion: (Crs Pascoe/ Her Worship the Mayor Hardaker)

That:

- a) the Report be received,
- b) following Section 54(1)(b) of the Reserves Act 1977, Council approves the granting of a new community group lease to the **Hamilton City Bowling Club Incorporated** for premises at Hinemoa Park as outlined in Attachment 1, being Section 1 SO Plan 57622, subject to the following terms and conditions:
 - (i) Term - Two years commencing 19 February 2015;
 - (ii) Rent - \$9,380.00 plus GST per annum in accordance with 5.6 of the Community Occupancy Policy;
 - (iii) All other terms and conditions in accordance with the Community Occupancy Policy and Community Occupancy Guidelines, and

The Motion was declared carried on the voices.

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Further Motion: (Crs Pascoe/Mallett)

That:

In accordance with Section 5.6(iv) of the Community Occupancy Policy, Council adopts rent of **\$4019.35** plus GST per annum for **New Zealand Riding for the Disabled Association (Waikato Group) Incorporated** at Hamilton Park Cemetery, subject to annual CPI adjustments and a further review in 2018.

Amendment: (Crs Gallagher/Wilson)

That:

In accordance with Section 5.6(iv) of the Community Occupancy Policy, Council adopts rent of **\$2,187** plus GST per annum for **New Zealand Riding for the Disabled Association (Waikato Group) Incorporated** at Hamilton Park Cemetery, subject to annual CPI adjustments and a further review in 2018.

The Amendment was then put.

Those for the Amendment: Councillors Gallagher, Green, Tooman, Wilson, Macpherson and Chesterman.

Those against the Amendment: Her Worship the Mayor Hardaker, Councillors Mallett, King, O'Leary, and Pascoe.

The Amendment was declared carried.

The Amendment became the Substantive Motion and was then put.

Those for the Motion: Councillors Mallett, Gallagher, Green, Tooman, Wilson, Macpherson and Chesterman.

Those against the Motion: Her Worship the Mayor Hardaker, Councillors King, O'Leary and Pascoe.

The Motion was declared carried.

The Meeting adjourned from 3:40pm to 3:56pm.

Crs Mallett, Macpherson and O'Leary retired from the Meeting during the adjournment.

11. Business Case for Rototuna Reservoir and Bulk Water Mains

General Manager City Infrastructure spoke to the Report, introducing the Project Manager and outlining that the Report was seeking approval for the business case to construct a new water storage reservoir and installation of associated bulk water supply and distribution mains in Rototuna.

The reservoir was needed to support existing city needs and enable city growth. Further deferral of the project would create a high risk to the city.

Staff responded to questions from Committee Members concerning the potential impact on the construction and ownership of a reservoir should Council choose to go in the direction of a Council Controlled Organisation (CCO) for water and associated infrastructure in the future. Staff advised that this would depend on the structure and set up of a potential CCO and that speculation at this point was not relevant as Council would decide any terms and conditions by way of a memorandum of understanding at the time of forming a CCO.

Resolved: (Crs King/Chesterman)

That:

- a) the report be received,
- b) the business case attached to this report for a new Rototuna reservoir and bulk water mains be approved,
- c) the Committee agrees to proceed with the project recommended in the business case, and
- d) that the project be monitored regularly through the Key Projects Report to the Finance Committee.

12. Business Case for New Structure to Extract Water from the Waikato River

The General Manager City Infrastructure spoke to the Report, introducing the Project Development Manager. He highlighted that the Report was to seek approval for the business case to construct and implement an interim structure to assist with abstracting water from the Waikato River for the treatment plants during periods of low river flow.

It was also noted that there were indications that the river could be getting to a critical point this summer. Staff recommended putting in place a sustainable solution in order to support a growing city and manage risk appropriately

The report recommendations were in line with current extraction consents which had been cleared with Iwi.

It was noted that paragraph 33 on page 185 of the Agenda should refer to option 1 not option 3.

Staff responded to questions concerning:

- Risk. It was noted that this was an area of risk for the city and that the current contingency plan for low water levels covered some aspects, but did not appropriately mitigate risk in terms of the frequency with which it was now required. At the moment Council relied on third parties and the recommendation was provided to decrease such reliance on third parties and to meet growth demands over the next 10 – 15 years.
- The adequacy of the skills and expertise of Council Staff in providing the right solution based on

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the complicated nature of the City's needs. Assurance was given that Council staff had the appropriate skills needed to make the recommendations and where further expertise was needed, it was sought.

- Coverage of the plan and financials involved. Staff advised that this was a \$2.34m project and covered not only the physical equipment required, but also looked toward resilience plans, automation, alarms and other backups needed to ensure smooth operation. These things were currently not available or not in use by Council.

Resolved: (Her Worship the Mayor Hardaker/Cr Chesterman)

That:

- the report be received,
- the business case attached to this report (with a capital expenditure sum of \$2,34m) for a new structure to abstract water from the Waikato River in periods of low river level be approved,
- Committee agrees to proceed with the project recommended in the business case, and
- a completion Report will be provided to the Finance Committee when the project is completed.

13. Wastewater Treatment Plant Upgrade Project Close Out Report

The General Manager City Infrastructure spoke to the Report, signalling that there had been a small cost overrun of \$17,000 over the course of the project due to the re-scope as part of the 10 Year Plan process. Overall, the project had been highly successful and had delivered on all objectives.

The Committee complimented the team on the success of this project.

Resolved: (Crs Pascoe/Chesterman)

That the Report be received.

14. Resolution to Exclude the Public

Resolved: (Crs Pascoe/Chesterman)

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.

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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. Finance Committee Minutes - Public Excluded - 4 December 2014) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C2. Finance Committee Action List - Public Excluded - 19 February 2015		
C3. Report on overdue debtors as at 31 December 2014 & Bad Debts Writeoffs 2014/15		
C4. Development Contributions Report		
C5. Hamilton Gardens Cafe Lease		
C6. Gallagher Drive Intersection		

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 prevent the disclosure or use of official information for improper gain or improper advantage	Section 7 (2) (j)
Item C3.	to protect the privacy of natural persons	Section 7 (2) (a)
Item C4.	to protect the privacy of natural persons	Section 7 (2) (a)
	to maintain legal professional privilege	Section 7 (2) (g)
Item C5.	to maintain legal professional privilege	Section 7 (2) (g)
Item C6.	to enable Council to carry out commercial activities without disadvantage	Section 7 (2) (h)
	to enable Council to carry out negotiations	Section 7 (2) (i)

The Meeting moved into Public Excluded at 4.30pm.

The Meeting was declared closed at 5:46pm.

Committee: Finance Committee

Date: 23 April 2015

Report Name: Finance Committee - Open
Action List - 23 April 2015

Author: Leaney Preiss

Status	<i>Open</i>
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Recommendation

That the Report be received.

1. Attachments

2. Attachment 1 - Finance Committee Action List - Open - 23 April 2015

Finance Committee - Action List - Open

D-1385914					
Meeting Date	Item #	Item	GM Responsible	Action	Status
24-Sep-13	15	Waiwhakareke Smart Subdivision – Retention or Disposal Options Current options for retention and disposal presented to Council on 29 May 2014. Council resolved to continue to manage the land status quo and deferred a decision on the disposal or inclusion of the land in Waiwhakareke Natural Heritage Park until the costs and timing of required network infrastructure upgrades, that would allow development of the land to occur, are known.	GM Community & City Environments	Commissioners released their decision to apply a residential zoning to the Smart Subdivision site on 18 February 2015. The network infrastructure upgrades needed to facilitate the development of the Smart Subdivision are being considered within Council's draft LTP. Upon adoption of the LTP later this year, the consequential development options will be reported back to council.	Elected Members notified of commissioners decision on 17 February 2015. Report back to Council once the LTP is finalised.
03-Jul-14	15	Reserve Land Purchases	GM Community	Staff to come back to the Finance Committee in September 2014 with a full report identifying Council obligations from Resource Consents regarding purchasing land. 4 December 2014 Finance Committee Meeting - Report to come back to the 23 April 2015 Finance Committee Meeting. Report to include comprehensive timeline.	To be reported on at 23 April Meeting.
02-Oct-14	10	Hamilton Ring Road Quarterly Update	GM Infrastructure	Staff to bring a macro scope of the Cobham Dr/Cambridge Rd intersection project to 26 May 2015 Strategy and Policy Committee Meeting outlining the best options available.	In Progress
19-Feb-15	6	Subcommittee Chairs' Report	CFO	CFO confirmed Subcommittee Chair's six monthly reports will be tabled at the 23 April 2015 Finance Committee Meeting	To be reported on at 23 April Meeting.
19-Feb-15	8	10-year Plan Monitoring Report	CFO	<ul style="list-style-type: none"> ▪ Staff to provide an analysis of personnel and redundancy costs in the 23 April 2015 Monitoring Report. Analysis to include mitigation strategies to stay on budget and whether this should be placed on Risks and Opportunities Register. ▪ Staff to provide further information on overheads, in particular internal vs. external revenue streams. ▪ Staff to provide information be provided in relation to the variances and deficits outlined in 'City Prosperity' in future reports. 	To be reported on at 23 April Meeting.
19-Feb-15	9	IS Programme of Work Update	GM Organisational Development	Staff to provide an updated table to also show total expenditure on projects to 21 May 2015 Finance Committee.	In progress
19-Feb-15	11	Rototuna Reservoir and Bulk Water Mains Project	GM City Infrastructure	This project to be monitored through the Key Projects Report to future Finance Committee meetings.	Noted
19-Feb-15	12	Business Case for New Structure to Extract Water from the Waikato River	GM City Infrastructure	Upon completion of the project a Completion Report will be provided to the Finance Committee.	Noted

Committee: Finance Committee

Date: 23 April 2015

Report Name: Recommended dates for reports to be presented to Finance Committee

Author: Kay Lindsay

1. Purpose of the report

2. This report provides detail of the regular reports that will be presented to this committee as well as estimated timing. Any new reports requested can be added to the attached list.

3. Recommendation

That the Report be received.

4. Attachments

5. Attachment 1 - Recommended dates for reports to Finance Committee

Signatory

Authoriser	Paul Conder, Chief Financial Officer
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Reports to Finance and Monitoring Committee	Frequency/Timing 2015								
	January Q1 14/15	April Q3 14/15	May	July EY 14/15	August	October Q1 15/16	November	December	Comments
Standard Monitoring Reports									
List of standard monitoring reports		x	x	x	x	x	x	x	
Financial Summary			x		x		x	x	
Key Projects Status Report			x		x		x	x	
Quarterly/Six Monthly Reports (Internal)									
Quarterly Financial and Non-financial Report, Key Projects Report (end of Q). Includes Open Development Contributions commentary	Dec-14	Mar-15		Jun-15		Sep-15			
IS Programme Update (Quarterly)			x		x		x		
Procurement Report (Quarterly)		x		x		x			
Ring Road Progress Report (Quarterly)			x		x		x		
Weathertight Buildings Update (Six monthly)		x				x			
Confidential Reports									
Overdue Debtors/Bad Debt Writeoffs		x	x	x	x	x	x	x	
Development Contributions Remissions (aligned with Q-reporting)		x		x		x			

Committee: Finance Committee

Date: 23 April 2015

Report Name: 10-Year Plan Monitoring Report

Author: Raniel Prasad

Report Status	<i>Open</i>
Strategy, Policy or Plan context	<i>2012-22 10-Year Plan 2014/15 Annual Plan</i>
Financial overview	<i>Included in the report</i>

1. Purpose of the Report

2. To provide Council with quarterly progress reporting on the financial and non-financial commitments contained in the 2014/15 Annual Plan. Specifically, this report includes the following components:
 - **Finances:** The finance section includes commentary on:
 - Financial results for the nine months ended 31 March 2015.
 - A summary of the projected financial risks and opportunities for the nine months ended 31 March 2015.
 - **Key Projects and Business Cases:** A brief overview of business case reporting and monitoring; and an overview of the key projects for the Council for the March 2015 reporting period.
 - **Services:** Results for the 10-Year Plan service performance measures for the period January – March 2015.
 - **Other 10-Year Plan Commitments:** A status update, as at 31 March 2015, on the list of additional work streams agreed to as part of the 10-Year Plan process.

3. Executive Summary

4. Council has a \$4.7m 'Balancing the Books' surplus for the nine months ended 31 March 2015, which is \$7.1m positive against the predicted budget deficit of \$2.5m. This has improved by \$2.9m since the December quarter which was reported to the committee in February 2015. Refer paragraph 16.
5. The Accounting Result, the Surplus / (Deficit) before Tax after accounting for the non cash effect of revaluing interest rates swaps, is a surplus of \$5.8m. This has improved by \$1.1m since the December quarter report. Refer paragraph 20.
6. Like all large and complex organisations, Council actively manages its finances to achieve both its 'Balancing the Books' and Accounting Result targets. The year-to-date favourable results reflect the complexity of Council and the intentional actions taken to deliver services in the context of these targets.

7. Council reports at 31 March 2015 a current debt to revenue ratio of 199% compared with the 2014/15 limit of 235%. Total 'Overall Debt' (paragraph 24) as at 31 March 2015 is \$374.2m (December 2014 \$378.3m) which is \$43.1m favourable against the year end target of \$417.3m. The debt reduction has resulted from good financial performance (paragraph 14), asset sales (paragraph 67) and capital expenditure deferrals (paragraph 74).
8. The Risks and Opportunities Schedule shows improving overall financial performance and the year end forecast (paragraph 26) reflects this.
9. There are nine key projects currently included in this report. Six are on track for the March 2015 reporting period. Three projects need to be monitored.
10. There are 86 service performance measures contained in the 10-Year Plan:
 - 49 measures (57%) are reported as 'on track to achieve this year's target'.
 - 7 measures (8%) are reported as 'corrective action needed to meet this year's target, plan in place'.
 - 9 measures (11%) are reported as 'off track to meet this year's target'.
 - 21 measures (24%) do not have data available for the quarter.
11. There are 34 "Other 10-Year Plan Commitments" of which 24 (71%) have been completed, eight (23%) are in progress, and two (6%) are on hold.

12. Recommendation from Management

That the Report and the Risk and Opportunities Schedule be received.

13. Attachments

Attachment 1 - Dashboard Summary

Attachment 2 - Statement of Comprehensive Income

Attachment 3 - Statement of Activity (Summary)

Attachment 4 - Statement of Financial Position

Attachment 5 - Statement of Cashflows

Attachment 6 - Risk and Opportunities Schedule

Attachment 7 - Treasury Summary Report

Attachment 8 - Capital Expenditure

Attachment 9 - Individual Activity Statements

Attachment 10 - Key Projects Monitoring Status Summary Report

Attachment 11 - Service Performance Measures

Attachment 12 - Other 10-Year Plan Commitments

14. Key Financial Strategy Measures

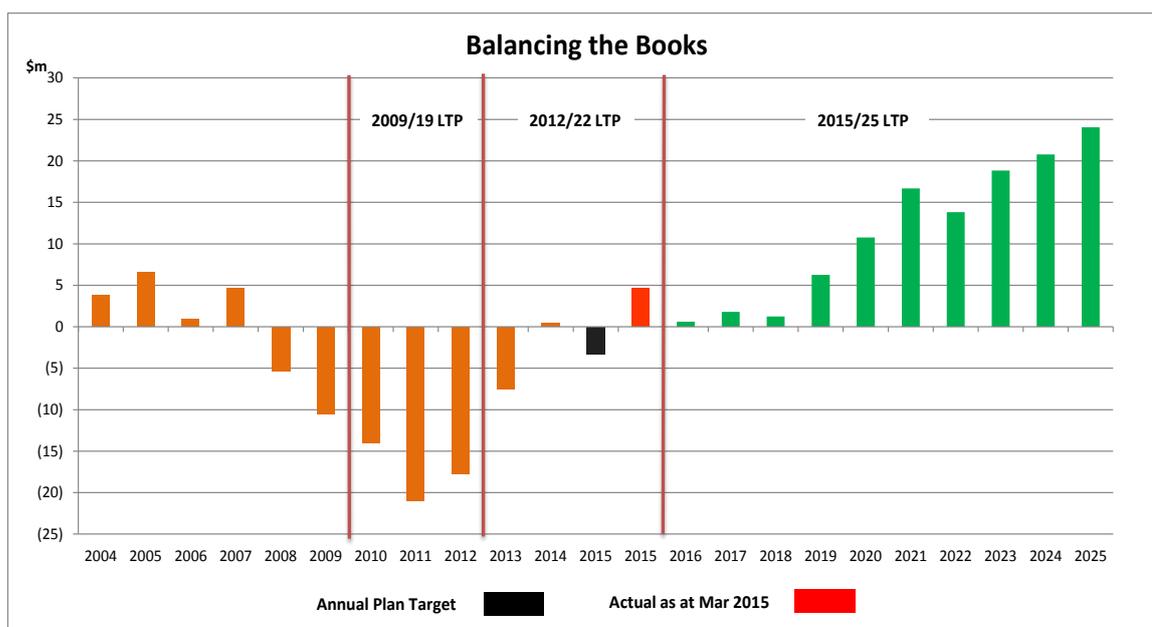
15. This report is for the first nine months of the 2014/15 financial year. Council's financial performance is primarily measured against its 2012-22 Financial Strategy and the 2014/15 Annual Plan, using the 'Balancing the Books' and the 'Debt to Revenue ratio' targets. The Financial Strategy was developed in the 2012-22 10 Year Plan and the 2014/15 Annual Plan is

the third year of implementing this strategy. The financial report includes attachments 2-9 listed in paragraph 13.

16. Balancing the Books

17. Council has planned to balance the books from 2017. The Balancing the Books measure is more conservative than a traditional accounting surplus/(deficit) as it excludes non cash items such as gains or losses from the valuation of financial instruments, vested assets and capital subsidies on the Ring Road. The annual plan target for 2014/15 is a deficit of \$3.3m and Management are actively working to deliver an improved result for the year by seeking additional efficiencies.

Balancing the Books for the nine months to 31 March 2015	\$000s
Actual year to date is a surplus/(deficit) of	4,666
Budget year to date is a surplus/(deficit) of	<u>(2,464)</u>
This result is favourable / (unfavourable) Year to date by	<u>7,130</u>



18. The key drivers for the positive Balancing the Books result are:

	\$000s
Rates revenue	483
Targeted rates for commercial water	(636)
Other Revenue	1,168
Personnel costs	(1,556)
Other expenses	1,099
Subtotal for Operating activities	558
Subsidies and grants	(3,180)
Development contributions	4,422
Finance costs	1,100

19. These are addressed in the variance analysis see paragraph 36.

20. Accounting Result

21. Council complies with Tier 1 Public Benefit Entity accounting standards which include the requirement to report the Surplus / (deficit) before tax. This measure is less conservative than the Balancing the Books target as it includes revenue from non-cash items such as assets vested in Council from developers, the revaluation of interest rate swaps and gains/(losses) on the sale of properties.

22. The Accounting Result is as follows:

Surplus / (deficit) before tax for the nine months to 31 March 2015	\$000s
Actual year to date is a surplus/(deficit) of	5,778
Budget year to date is a surplus/(deficit) of	8,359
This result is favourable / (unfavourable) by	<u>(2,581)</u>

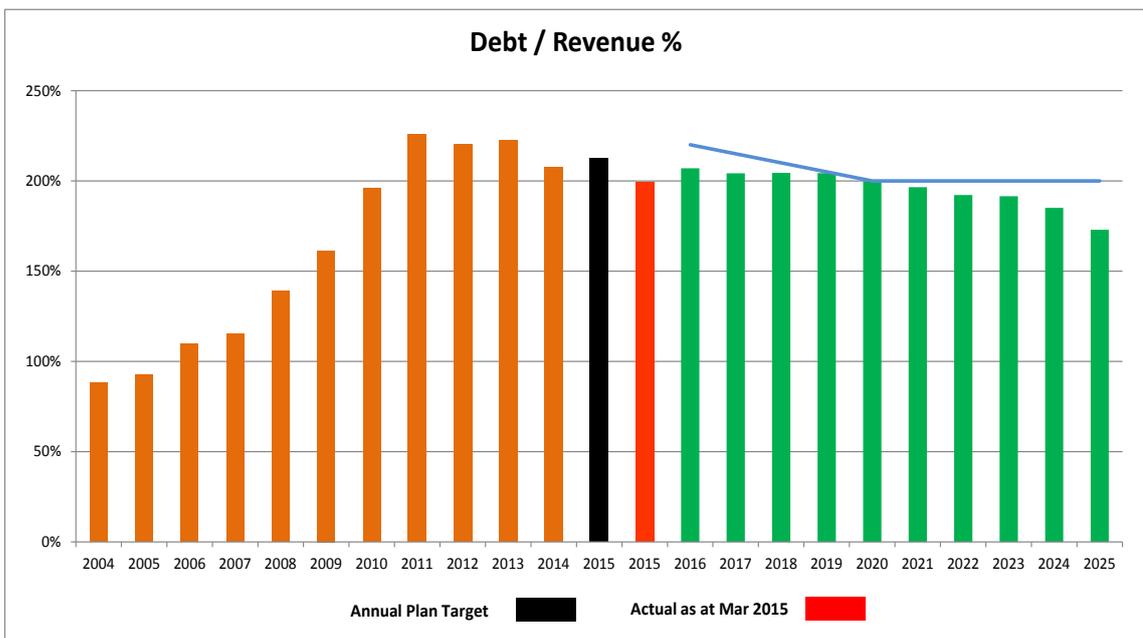
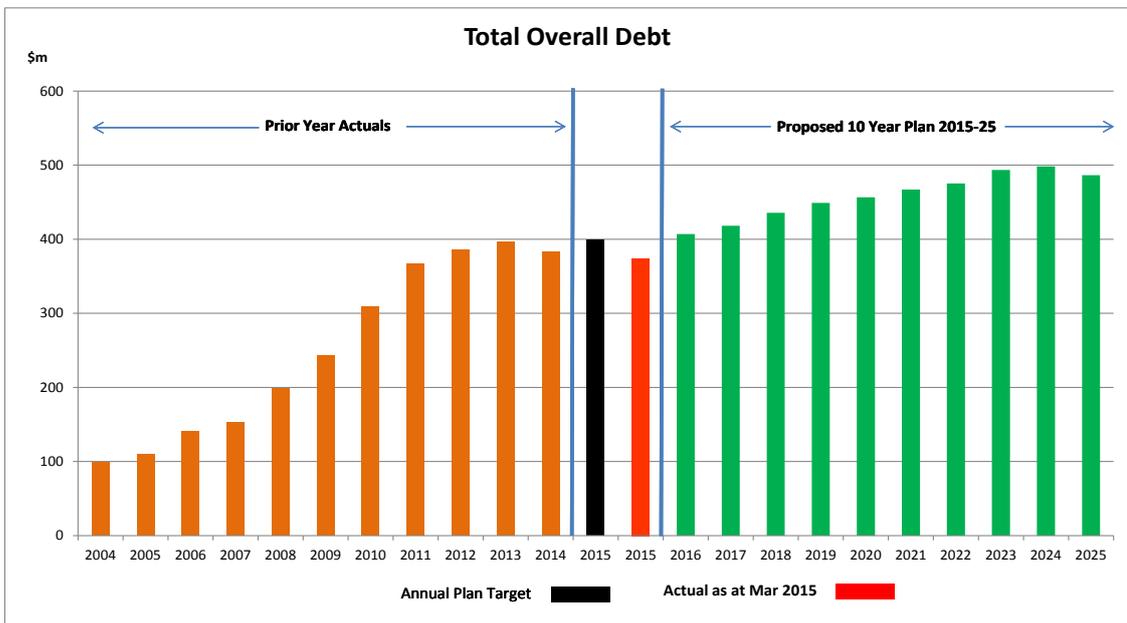
23. The key contributors to the Operating Result year to date variance in addition to the explanations included in paragraph 18 are:

- a) Losses on Non-cash items is unfavourable by \$14.8m due to the unrealised loss on the fair value revaluation of interest rate swaps (refer paragraph 66).
- b) Vested Assets Revenue is \$6.7m favourable. This is a reflection of the high level of growth the city is experiencing.

24. Debt Management

25. 'Total Overall Debt' is currently \$374.2m, which is \$43.1m less than Council's year end budget target of \$417.3m. Good financial performance, assets sales and capital expenditure deferrals have contributed to this improvement. Total overall debt is calculated as follows:

As at 31 March 2015 Council's total overall debt is calculated as following:	\$m
Total external debt	414.1
plus cash backed reserves	35.6
less cash investments	75.5
'Total Overall Debt' as at 31 March 2015	374.2



26. Year End Forecast

27. The Risks and Opportunities (R&O) Schedule (attachment 6) reflects changes in priorities, financial assumptions or unplanned works, and other events that impact the financial forecasts estimated in the Annual Plan and advises Council of the actions taken to resolve them. The process being that all items included on the R&O Schedule must have a report outlining how the item has arisen and action to resolve the issues along with the approval of the CFO.
28. This is a forecast of the financial outcome of Council for the year ended 30 June 2015. The forecast uses data as at 31 March 2015.
29. The attached R&O Schedule currently projects a net favourable position against the balancing the books measure of \$1.5m in the operating activities. These have been noted in the report as controllable or uncontrollable, an example of uncontrollable is the impact of the sale of the BNZ building.
30. This is before allowance for favourable movements in Development Contributions (DC) revenue, interest cost, and depreciation. Any favourable impact from interest and DC revenue will be used to reduce debt. The reason these are excluded from the operating activities is because any favourable impact from interest and DC revenue cannot be used within the operating areas of Council.
31. The Accounting Result is further impacted by non-cash items. The unfavourable unrealised loss on interest rate swaps \$14.8m, the delay in \$4.4m capital subsidies are partially offset by the favourable movement in vested assets \$6.7m.
32. A summary of Attachment 5 detailing the Financial estimates for Operating Risks and Opportunities at 31 March 2015 is:

Risks and opportunities estimated impact on year end result (\$000s)	Balancing the Books	Accounting Result
Surplus / (Deficit) from Annual Plan	(3,266)	11,508
Operating activities - Controllable	2,007	2,007
Operating activities - Uncontrollable	(530)	(4,930)
DC revenue, interest and depreciation	5,370	5,370
Unrealised gains/(losses) on interest rate swaps	-	(14,843)
Vested Assets	-	6,731
Total Movement Positive/(Negative)	6,847	(5,665)
Projected Surplus / (Deficit) as at 31 March 2015	3,581	5,543

33. The capital expenditure activities' report a favourable variance of \$11.8m
34. Included above are three budget transfers where expenditure has been reclassified between operating or capital. The overall impact on funding is NIL, but operating costs are increased and capital costs decreased each, by \$380,000. Budgets have not been changed and the actual transactions will be treated correctly. In doing so this creates a known variance to both the operating and capital budgets.
35. Management are working to ensure that by the end of the financial year the R&O Schedule balances to NIL.

36. Variance Analysis (Attachment 2)

37. As noted in paragraph 6, Council actively manages its finances to achieve both its 'Balancing the Books' and Accounting Result targets, and where possible improve its actual results against these targets. The year-to-date favourable results reflect the intentional actions taken by Management to deliver all services while improving Council's overall financial performance.

38. Year-to-date revenue is \$9.1m ahead of budget and expenses are \$934,000 better than budget.

39. Material variances are:

40. Revenue

41. Year to date rates revenue is \$483,000 favourable due mainly to more revenue received from penalties \$211,000 and rates remissions being \$93,000 less than expected.

42. Targeted rates for water supply is unfavourable \$636,000 (December \$931,000). Of this \$450,000 is related to consumption by the high water user group and the remaining \$186,000 relates to unfavourable timing of water meter billing which will be rectified by the end of this financial year. Finance Committee were advised in November 2014 when the unfavourable variance first started appearing that a full review of water revenue had been instigated. The review was completed in December and management have been implementing the recommendations over the last three months. Refer paragraph 92 for more information.

43. Trade Waste Water revenue is unfavourable by \$685,000 due to reductions in tanker waste which was prohibited from waste water plant to protect it during the biological breakdown event and from reductions in trade waste revenue from two significant customers, one which has closed down and the other which is not discharging to the expected levels.

44. Subsidies and Grants are \$3.2m unfavourable due to the deferral of the completion of the Hamilton Ring Road with Year-to-date \$3.8m subsidies not received as a result (see paragraph 80). The total subsidy of \$4.4m will be received when the project is completed in 2015/16. Other subsidies and grants are ahead of budget.

45. Council collected \$10.1m in Development and Financial Contributions (DC) revenue for the nine months ended 31 March 2015 (See paragraph 70). This is ahead of the \$9.3m collected for the same period last year. The annual budget for 2014/15 is \$7.6m and was exceeded by December 2014.

46. Expenses

47. Both interest and depreciation are favourable by \$1.1m and \$291,000 respectively.

48. Other Expenses are unfavourable by \$457,000 (December \$696,000 unfavourable) and this is offset by increased revenue. Management continue to target an improved year end result overall as outlined in paragraph 6.

49. **City Environment Group** has an unfavourable personnel variance of \$419,000. This is due to extra staff being employed to meet consenting demand. Employing staff for most roles is more cost effective than contract arrangements and as a user's pays activity the costs are fully recoverable from the consenting revenue. After balancing the consenting costs and revenue, the City Environment Group has an overall favourable variance of \$523,000, largely driven by Proposed District Plan timing and favourable appeal negotiations.

50. **City infrastructure Group** has a favourable personnel variance of \$594,000, this relates to unfilled vacancies. The Group is managing the vacant positions through consultants. After excluding the impact of the Ring Road deferral the group has an overall unfavourable variance of \$292,000.
51. The **Community Group** has an overall favourable variance of \$494,000. Within this is an unfavourable personnel variance of \$425,000 due to higher personnel cost at the Museum, libraries and Aquatic Facilities. These costs are being off-set by increased revenue and other cost savings.
52. **Customer Relationships Group** has an unfavourable personnel variance of \$222,000. This is due to increased permanent replacements in the call centre, and extra casual staff to cover peak periods. There were also additional costs for contract staff and consultants to cover vacancies in other areas of the Group and to complete project work. The Group is managing the variance by making significant operational adjustments and holding all vacancies until the end of the financial year. The Customer Relationships Group has an overall unfavourable variance of \$228,000.
53. **Events and Economic Development Group** has an unfavourable personal variance of \$444,000. This has been driven by a number of factors including the need for staff positions to conduct economic development work; increased event activity at the stadia and Claudelands; two extraordinary world cup events in the latter half of the year and the implementation of the upgrade operating system at H3. A range of additional cost cutting measures have been put in place for the balance of the year including the non-replacement of up to eight vacant positions at H3 and reductions in contract staffing. The Events and Economic Development Group has an overall unfavourable variance of \$617,000.
54. The **Performance Group** has an overall favourable variance of \$242,000 including a favourable personnel variance of \$19,000, fuel, insurance and maintenance savings.
55. The **Organisational Development Group** has an overall favourable variance of \$546,000 including a favourable variance in Support and Licence Agreements of \$405,000 and personnel of \$50,000.
56. **Finance Group** has an unfavourable personnel variance of \$86,000. This is due to the requirement of an additional role in the Development Contributions team (segregation of duties as required by internal audit), additional staff resource for the 10 year plan and back filling of roles for the AX implementation (July to October). Legal and consulting costs associated with Development Contributions revenue have been higher than expected. The Group is attempting to manage the variance from additional external revenue and efficiencies in other expenditures. Finance has an overall unfavourable variance of \$164,000.
57. The annual leave accrual is unfavourable \$269,000. As management actively monitors annual leave, the balance is expected to be back to budget by the end of the financial year.
58. Management continue to search for new efficiencies and as a result there have been reviews within H3, Community Services, City Infrastructure and the Performance Groups. This has lead to \$317,000 in redundancy costs and severance payments. The detail of this item has been reviewed by the Chair and Deputy Chair of the finance committee but as individuals could be identified the detail is not disclosed in this report.
59. Net consultants and legal cost are favourable \$912,000. The main contributors are Strategy and Research, City Planning, Transportation and City Waters.

- 60. Utility Costs are favourable \$430,000. This is due to reduced electricity demand as a result of a Council wide project and utility costs at the water treatment plant.
- 61. Security costs are favourable \$356,000. There has been a change in the service delivery model within the Community Group resulting in savings which have been included on the R&O Schedule. The remainder in City Safety is the result of changes in timing of service and will correct by year end.
- 62. Advertising and Marketing costs are favourable \$349,000. The main contributor to this is within the H3 activity. This is the result of H3 endeavouring to offset the impact of additional staff costs.
- 63. Grants are currently favourable by \$357,000, though these are expected to be fully expended by year end.
- 64. Recruitment costs are unfavourable \$289,000. Council does not budget for recruitment as it expects these cost to be covered by matching savings in staff costs. The main contributors are CEO, Building Control and Finance.
- 65. Rates paid to external parties for properties outside Hamilton City boundaries and Waikato Regional Council rates are unfavourable \$162,000.
- 66. For the nine months ended 31 March 2015 there have been unrealised losses of \$14.8m against financial instruments (interest rate swaps). This has an unfavourable impact on the Accounting Result but has no impact on the Balancing the Books result.

67. Impact from Asset Sales

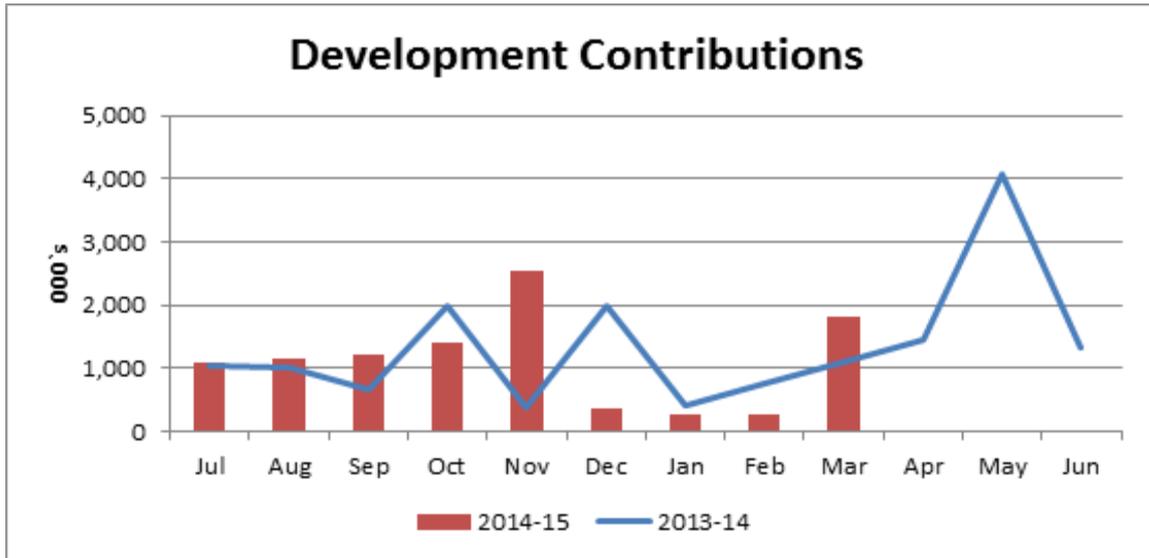
- 68. Recent asset sales including Knox St Carpark, ANZ Building and BNZ Building were not budgeted and have resulted in an impact on the results year to date.
- 69. The sales impact is as follows:

\$000`s	YTD	Year end Estimate
Loss of rental revenue	(522)	(1,114)
Reduced direct expenditure	101	178
Reduction in Depreciation	49	86
Reduction in Interest	206	450
Net Impact on Operating Result	<u>(166)</u>	<u>(400)</u>

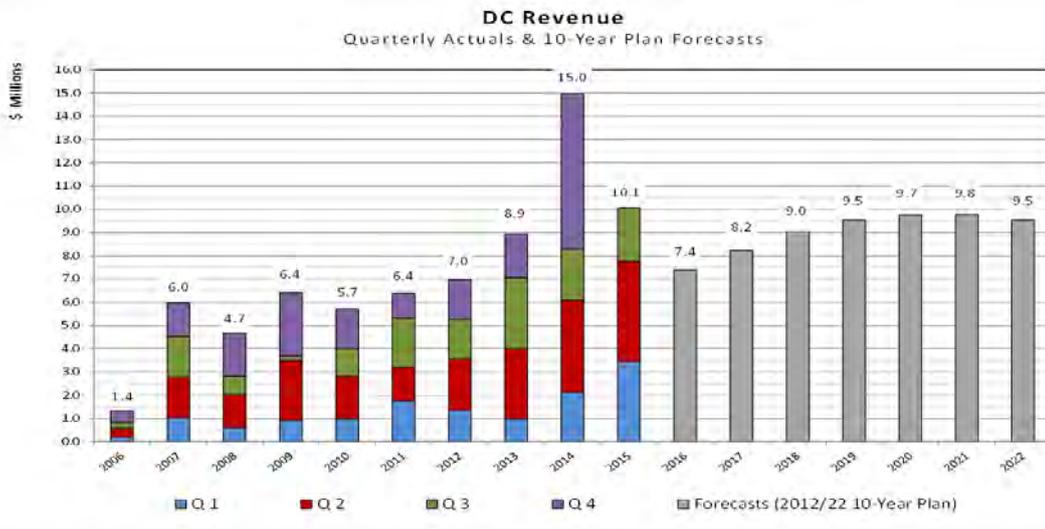
70. Development and Financial Contributions

- 71. The table and graph below shows the DC revenue collected month by month beginning from July 2013.

(000's)	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
2013-2014	1,025	1,006	668	1,977	367	1,992	401	760	1,091	1,440	4,060	1,316	16,103
2014-2015	1,072	1,163	1,211	1,397	2,547	369	259	277	1,780				10,075



- 72. Staff continue to monitor and review the annual forecast for DC revenue, based on actual amounts for the nine months ended 31 March 2015 along with an assessment of the next three months. The forecast has been revised upwards to \$11.5m (previously \$10.5m), this is an additional \$3.9m and is included on the R&O Schedule.
- 73. The following graph shows the revenue from development contributions (excluding financial contributions under the Resource Management Act) for the last nine years with the 2014-15 year to March 2015 (last quarter) and the 2012-22 LTP DC revenue estimates. The 2015-25 year plan (yet to be finalised) includes increased DC revenue estimates for 2015-25.



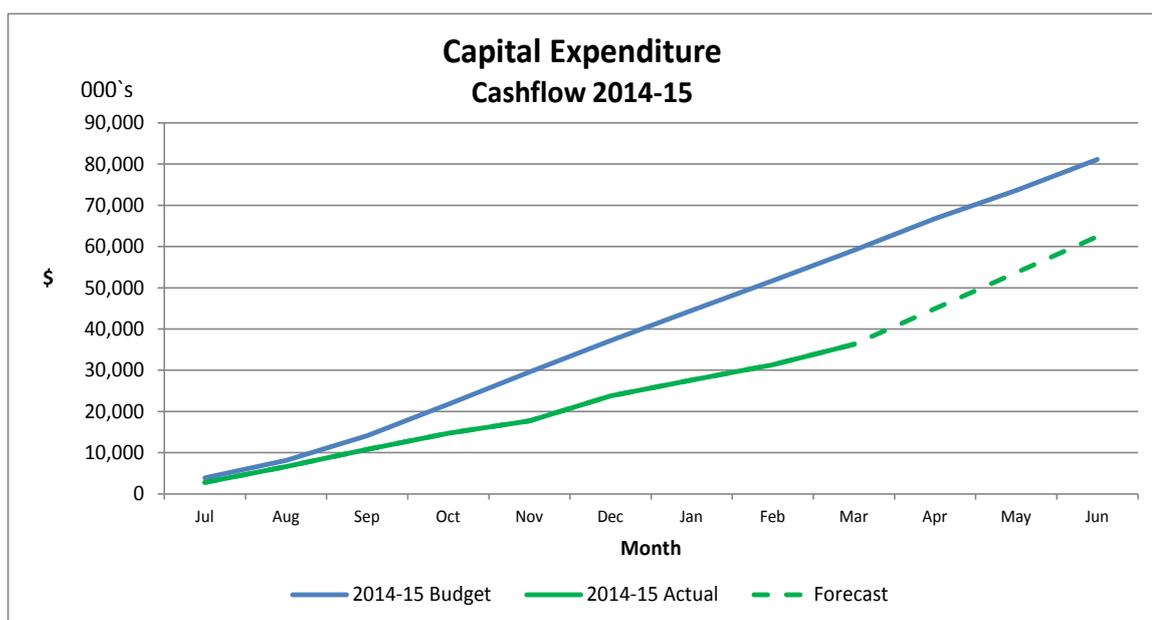
74. Capital Expenditure and Deferred Capital Expenditure

The capital programme for the 2014/15 financial year is:	\$m
Approved Annual Plan	67.9
plus Approved Deferred Projects	13.2
Total Capital Programme for 2014-15	81.1

75. For the nine months ended 31 March 2015 Capital Expenditure of \$36.3m (December \$23.7m) has been expended. This represents 44% of the total programme and is \$22.8m behind budget expectation. It is now estimated that total capital expenditure of \$61.70m will be expended by 30 June 2015. The reduction of 19.1m is made of \$18.7m in deferrals (last year \$13.2m) and net savings of \$0.7m from the R&O Schedule.
76. Five large capital programmes account for over half the year to date variance:

Project	Reason	Impact (\$m)
Hamilton Ring Road	Proposed as a deferral	11.0
Rototuna Reservoir and Bulk Water Main	Deferral approved – business case confirmed project timing	4.0
Dewatering Facility at the Water Treatment Station	now not proceeding and that the funding is being allocated to other more urgent priorities	2.8
Structure to extract water from the Waikato River	Project saving identified through procurement process	0.9
Refuse Transfer Renewals	Project saving identified through procurement process	0.4
		19.1

77. Council has a policy of ‘just in time’ construction for new growth infrastructure related to growth developments and as a result is dependent on developers deciding on proceeding. This can make it difficult to estimate the exact timing for some capital projects, however Council needs to provide in its 10 year and Annual Plans for these projects.
78. The following graph shows the total capital expenditure cash flow against the YTD actual result. Note while each individual project is cash flowed to reflect the expected spend, when the Councils entire programme is consolidated the cash flow appears even. A forecast line has been added, this takes into account the effect of removing the value of the proposed deferred projects.



Budget includes approved deferrals.

79. After nine months, eight projects have been identified that will not be complete by the end of the year.

	Approved	\$m
Rototuna Reservoir and Bulk Water Mains	19 February 2015	4.0
Hamilton Ring Road completion*		11.0
Peacocke Wastewater*		0.4
Rototuna Roding*		1.1
Integrated Catchment Management Plans		0.8
New Structure to extract water from the Waikato River		1.2
Water Treatment Plant Equipment (Scrubber)		0.1
Hamilton Zoo Siamang Exhibit		0.1
Total Deferred Expenditure (see paragraph 75)		18.7
External subsidy (Ring Road)		4.4
Net Deferral		14.3

* Timing of these projects is dependent on Third party agreements being signed.

80. The Ring Road deferral, previously noted in the December report to the Finance Committee, is the final stage of the project and the form of the intersection on Cobham Drive is still to be agreed. This stage of the project is funded by the New Zealand Transport Agency (NZTA) through an advanced funding agreement. As such any deferral has no impact on Council's borrowing requirements.
81. Integrated Catchment Management Plans (ICMP's) are now a necessary requirement of development that allow sensible co-ordination of stormwater, water and wastewater services. The exact form of an ICMP is being developed with stakeholders, including the Waikato Regional Council and the land developers. This engagement has meant that the programme of work has not proceeded as quickly as anticipated. There is no new funding in the 2015-25 10 Year Plan to complete the current priority ICMP's and deferrals of capital will be requested.
82. There are a number of Projects in the current 2014/15 Annual Plan that contribute to the development of ICMP's in Rotokauri and Rototuna and from which the capital deferral request will be based including;
- Project 12018- Stormwater catchment assessment (\$415k)
 - Project 12059- Rotokauri Stormwater (\$100k)
 - Project 12068- Waste water network in Rotokauri (\$75k)
 - Project 12077- Water mains in Rotokauri (\$100k)
83. Peacocke Wastewater- Council has now entered into an agreement with a developer in the Peacockes stage 1 area to build a new waste water pump station. To work effectively as the development fills up the existing waste water pipes will need to be upsized. This work was put on hold while the agreement for the wastewater pump station was developed. This delay has

meant that the pipe upgrade has to be deferred until after winter to avoid deep trenching in the sensitive Mangatukutuku catchment (project 12071).

84. Rototuna Roothing (project 12003) has been dependant on third party agreements with the Ministry of Education and Ryvington Holdings to develop roads in the Rototuna area that have been agreed by Council. The lateness of receiving signed agreements has meant that not all works will be completed this financial year.
85. In addition to the projects above, the following projects have been identified as at risk of potential deferral. Both projects are third party dependant where it had been anticipated that developers of Peacockes stage 1 would partner with Council to build a stormwater facility. Council's contribution could be by way of land purchase. These projects are being monitored by management.

Project	Reason	\$whole
Peacocke Stormwater	Completion is dependent on third party agreement with developer.	\$375,000
Stormwater Local Growth	Completion is dependent on third party agreement with developer.	\$100,000

86. Treasury Management

87. There is currently one breach of the Treasury Policy, the breach has occurred in the "Counterparty Credit Risk" measure. Counterparty credit risk is the risk of losses (realised or unrealised) arising from a counterparty (lending institution) defaulting on a financial instrument where the Council is a party. Limits should be spread amongst a number of counterparties to avoid concentrations of credit exposure.
88. The breach has occurred due to Council having to pre-fund (hold cash now) to repay a Local Government Funding Agency debt maturity on the 15 April 2015. The effect of the pre-fund is that Council holds larger amounts of cash and as the cash is held with a lending institution it results in a breach. To recognise this issue going forward the new Treasury Policy recommends the Counterparty Risk limit is raised to \$75m per lending party (currently \$50m).
89. Council will be back within policy limits on 15 April 2015 when maturing term deposits will be used to repay an LGFA debt maturity.
90. Council is compliant with all other Treasury Policy measures.
91. The current 12 month weighted average interest rate applicable to Council debt is 5.80%. This has increased very slightly over recent months along with market interest rate increases. Council has 87% of debt at fixed interest rates meaning that any future increases or decreases of interest rates will not have a significant impact in the short term.

92. Commercial Water by Meter

93. Hamilton has 3,457 water customers that pay for water through meters and they fall into seven different categories including.

User Category	Billing Cycle	Budget Revenue (\$000)	Customer Numbers
High User	monthly	3,003	27
Waikato District Council	monthly	924	1
Rateable City	6-monthly	3,031	2,100
Non-rateable City	6-monthly	715	425
Outside City boundary	6-monthly	18	14
Restricted supply in City	6-monthly	179	250
Commercial without meters	annual	249	640
Total		\$8,119	3,457

94. The high user revenue is currently below budget largely due to a large customer not requiring water in the quantities expected after refurbishing their own independent water plant and two other high water users who have ceased operation. The revenue losses from these three customers have been partially offset by some other high users using more than expected. This budget is unlikely to be reached and \$450,000 has been included on the R&O Schedule.
95. The December review indicated a number of deficiencies in the end to end process including significant shortcomings of the meter reading contract, the management of that contract and poor systems used to manage water billing.
96. While the matters are complex a simplified version is that each time a route is read there are a number of meter readings that are questionable and these are put to one side for further investigation while the remainder of the meters in that route are billed. If the system had been working efficiently these questionable readings would have been investigated and solutions identified in time for the current billing period or by the time of the next reading, within 12 months, and the billing resumed. Most of these questionable readings haven't been addressed within the six months and a small number within 12 months. The breakdowns meant that the questionable readings were not being managed and the numbers were growing. The problem was identified early enough to rectify before year end and corrective action taken to ensure that most of the billing only missed one billing cycle as indicated later in this report.
97. The problems occurred at a time when the meter contract was being tendered and a new meter reading contractor is about to be appointed. The new contract has improved provisions and this together with improved management practices including new reporting will reduce any billing shortcomings in the future. The city is divided into 40 different meter reading routes which are read by this water meter contractor on a rolling cycle. The readings are then passed onto City Infrastructure staff for billing in accordance with the cycle indicated in the table at paragraph 54.
98. The previously read routes from November 2014 have now been addressed. As the cycle continues, any questionable readings are being investigated and actual consumption is being billed. It would be disruptive to analyse each of the routes out of sequence but all routes will

be addressed by June 2015. To date \$366,000 of an estimated \$428,000 from the December review has been back billed to 204 customers for water consumption, with \$63,000 still to be paid. Of these 204 customers, 160 received bills which missed a six month cycle (\$211,073), 40 missed for two six month cycles (\$140,252) and two missed three six month cycles (\$15,330).

99. A significant action currently underway is to carry out a full Lean Business review of the end to end process, supported by the Kaizan Institute from the time a new building is consented that requires a water meter through to the final water billing. This review includes a number of units in Council and could recommend that some parts of the water meter revenue process are transferred to Finance.

100. Rates and Debtors

101. The following tables present a high level summary of the invoicing and collection of rates, rating statistics, and an aged debtors summary as at 31 March 2015.

102. Table1 – **Total Rates**

Whole Dollars	Mar-15		Mar-14	
	\$	%	\$	%
Rates brought forward as at 1 July includes credit balances	1,612,313		1,792,766	
Instalments to date	115,477,997		109,936,153	
Penalties, Adjustments & Postponed	773,967		680,658	
Rates Receipts	-117,440,007	99.64%	112,101,818	99.73%
Outstanding Balance	424,271	0.36%	307,759	0.27%

103. Table 2 – **Rates Arrears**

	Mar-15		Mar-14	
	\$	%	\$	%
Arrears brought forward as at 1 July 2014	3,322,738		3,194,265	
Collected to Date	3,136,614	94.40%	2,999,395	93.90%
Outstanding Balance	186,124	5.60%	194,870	6.10%

104. Table 3 and 4 – **Sundry Debtors total debt expressed in dollars and percentage.**

	Total	Current	0 - 30 Days	30 -60 Days	60 -90 Days	>90 Days
Debtors	3,269,180	2,346,473	242,737	105,260	401,080	173,631
Rentals	406,741	97,721	9,977	2,233	-634	297,443
Total	3,675,922	2,444,195	252,714	107,493	400,446	471,074

	Total	Current	0 - 30 Days	30 -60 Days	60 -90 Days	>90 Days
% (this year)	100%	66%	7%	3%	11%	13%
% (last year)	100%	33%	12%	6%	41%	8%

105. Table 5 - **Water by Meter**

Whole Dollars	Mar-15		Mar-14	
	\$	%	\$	%
Current	895,825	87.05%	737,480	89.39%
Past Due date	133,240	12.95%	87,489	10.61%
Outstanding Balance	1,029,065	100.00%	824,969	100.00%

106. Budget Transposition error

107. As part of preparing the 2015-25 Draft Budget, variances were identified between the underlying activity and unit budgets and the Prospective Financial Statements used in the 2014/15 Annual Plan. While these had an overall neutral effect on the budget's bottom line the errors had the effect of understating detailed lines of revenue, personnel costs and other expenditure in the Prospective Financial Statements and the Funding Impact Statements. The overall effect is neither favourable nor unfavourable.

108. In summary the comparison of the Forecast Financial Statements (FFS) in the Annual Plan with the amounts are as follows:

\$000s	2014/15		2014/15
	Annual Plan	Correct	Variance
Total Revenue	215,099	219,385	4,286
Total Expenditure	203,591	207,877	(4,286)
Operating Surplus / (deficit)	11,508	11,508	-

109. To ensure this transposition error does not reoccur a reconciliation process is included in all future 10-Year Plan and Annual Plan processes with these to be reviewed by the Chief Financial Officer.

110. Key Projects and Business Cases

111. The Senior Leadership Team received and approved the following business cases since December 2014

- New Structure to extract water from Waikato River – City Waters (full business case)
- Rototuna Reservoir and Bulk Water Mains development – City Development (full business case)
- Installation of a chlorine scrubber at the Water Treatment Plant – City Waters (full business case)

112. PMO related business case activity since the last quarterly report

- Reviewed and approved for SLT consideration, as above

113. The following key project is due to commence reporting from April 2015

- Rototuna Reservoir and Bulk Watermains – City Development

114. The following key project commenced reporting from January 2015

- Sub-Regional Waters Business Case

115. The following key project was successfully completed in January 2015

- H3 – Event Booking Management System

116. Risks specific to projects are identified and highlighted in the attached report.

117. PWC have reviewed progress on the actions being undertaken to implement the recommendations arising from PWC’s review of the Council’s Project Management Framework. It is understood PWC’s detailed review report will be released to the Audit and Risk Committee in due course. Progress to date is summarised in the following table.

One recommendation fully closed (Item 3) PMO Cost recoverability has been removed as it is complete. Seven remaining recommendations have been well progressed to date

Issue/PWC comment	Progress to 23 April 2015	Resolution date
1. No Project Portfolio management framework is in place	<p>A project portfolio management framework is under development with PMO for approval by SLT May 2015</p> <p>A project management reporting tool is being developed as part of an overarching reporting tool development project currently underway for business plans and quarterly reporting purposes</p> <p>Following the establishment of an approved PMO framework it is anticipated SLT will establish bi monthly meetings to review and establish project priorities</p>	First quarter 2015/16 Financial Year(FY)
2. Maturity of PM practices requires improvement	<p>A single project lifecycle is reflected in HCC PM Policy documentation</p> <p>PM Community of Practice (CoP) is established and meeting monthly (monthly newsletter is also circulated)</p> <p>PM training (3 module approach) continues to be provided</p> <p>PM Governance training has commenced – with a focus on UM attendance</p> <p>Benefits Management Excellence Training is about to be piloted (April/May)</p> <p>PMO is providing buddying services but expectations are that CoP members will be able to provide more capacity over time</p>	First quarter 2015/16 FY
4. The PMO does not have oversight of all HCC programmes/projects	<p>Action being taken under Item 1 will result in further addressing this issue.</p> <p>Key Projects Report moving to simplified format with detail for exception reporting only (full report remains available if required)</p>	First quarter 2015/16 FY
5. Reporting of Project Progress requires improvement	<p>New reporting tool as referenced for Point 1 above will assist with fully implementing this recommendation.</p> <p>As for point 4 – Format of the Key Projects report has been further refined for the Finance Committee</p>	<p>First quarter 2015/16 FY</p> <p>Completed (April 2015)</p>
6. Early project controls are not broadly implemented	<p>All Business Case related findings were fully implemented in association with this comment.</p> <p>Stage Gate documents have been developed by PMO and internally peer reviewed – this has resulted in the need to</p>	Completed (September 2014)

Issue/PWC comment	Progress to 23 April 2015	Resolution date
	<p>make a number of changes to accommodate helpful feedback from users. The ability to capture smaller (price, risk and impact) projects is also being addressed through this process.</p> <p>PMO have a benefits tracking process and report to SLT on benefits in relation to projects</p> <p>Benefits Management training is scheduled for staff (Pilot) with a view to providing on going capability building</p>	First quarter 2015/16 FY
7. Project Resourcing Processes are inadequate	<p>Specific HCC related PM training, PMO buddying and HCC PM orientation is all being provided</p> <p>Under action, and associated with item one. It is anticipated the broader issues associated with resourcing will begin to be more effectively addressed through the implementation of action item 1 – appointment of a resourcing manager as recommended by PWC would be influenced by the outcome of the Support Services Review process (currently underway)</p>	First quarter 2015/16 FY
8. Sub-optimal PM System and Tools	<p>As per item 1 – a project reporting tool is currently under development as part of the wider reporting tool (Business Plans and Quarterly Reports) development project</p> <p>MS Project is available to all staff under a Citrix login</p> <p>PMO managed PM templates continue to be effectively provided and maintained.</p>	First quarter 2015/16 FY

118. Services

119. The 10-Year Plan and 2014/15 Annual Plan contain 86 performance measures across Council's 12 service groups. These are the service performance measures that will be reported in Council's Annual Report.
120. Performance results are collected on a quarterly basis.
121. This report includes a high level graph of the results in the summary dashboard, and an exceptions report that provides more detail for the measures that are reported as 'corrective action needed to meet this year's target, plan in place' and 'off track to meet this year's target'.
122. For a full list of the performance measures, please see the 2014/15 Annual Plan, <http://www.hamilton.govt.nz/annualplan>
123. The results for quarter three show 21 measures (24%) do not have data available for the quarter. Some of these performance measures use data that is only produced annually.

124. Other 10-Year Plan Commitments

- 125. From the 10-Year Plan process, a number of separate work streams were identified for further action.
- 126. Those that were completed during quarter three, are in progress, programmed or on hold are listed in an attached report along with their status and comments.
- 127. Completed items from previous quarters are not included in this report.

Signatory

Authoriser	Paul Conder, Chief Financial Officer
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FINANCIAL STATEMENT MEASURES (ATTACHMENT 2-9)

ACCOUNTING RESULT *Council's operating result*

\$5.8m

\$2.6m unfavourable

Against a year to date budget of \$8.4m



DEVELOPMENT CONTRIBUTIONS *Received from developers to contribute to city growth*

\$10.1m

\$4.4m favourable

Against a year to date budget of \$5.7m



CAPITAL EXPENDITURE *To provide new and replacement assets*

\$36.3m

\$22.8m favourable

Against a year to date budget of \$59.1m



TOTAL EXTERNAL DEBT *Total borrowings from external institutions*

\$414.1m

\$15.1m favourable

Against a year end budget of \$429.2m



KEY 10-YP MEASURES

BALANCING THE BOOKS *Living within our means*

\$4.7m

\$7.1m favourable

Against a year to date budget of (\$2.4m)



TOTAL OVERALL DEBT *Council's net debt position*

\$374.2m

\$43.1m favourable

Against a year end budget of \$417.3m

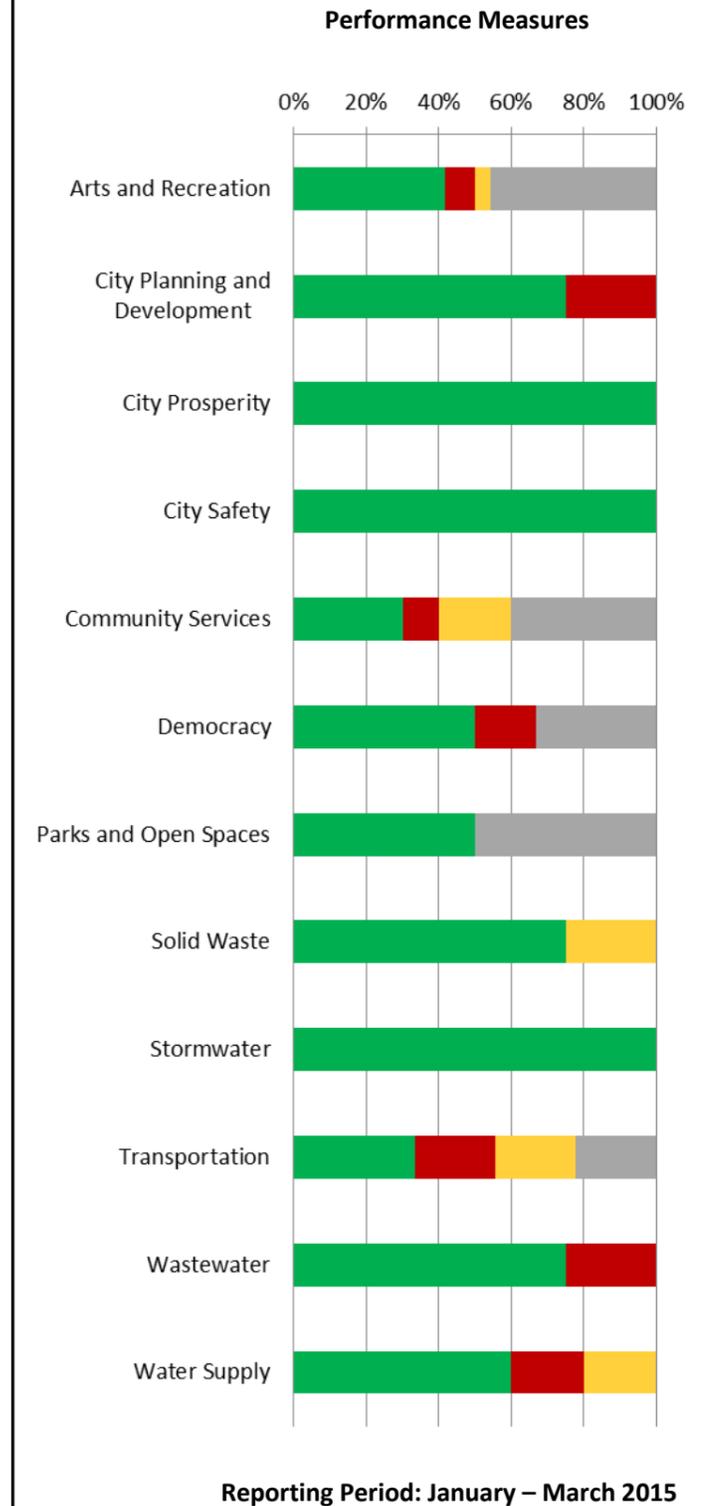


Reporting Period: July – March 2015

KEY FOR FINANCES & SERVICES

- On track to meet this year's target
- Corrective action needed to meet this year's target, plan in place
- Off track to meet this year's target
- No data available this quarter

SERVICES (ATTACHMENT 10)



CAPITAL PROJECTS (ATTACHMENT 7)

Status	Actuals YTD	Approved Budget	% of Total Programme
On track for completion by year end	\$30.2m	\$62.4m	48%
On track but potential carryover	\$6.1m	\$18.7m	32%
Off track and needs attention	-	-	-

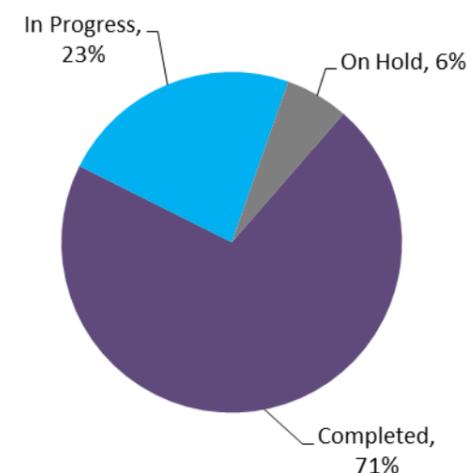
Reporting Period: July – March 2015

KEY PROJECTS (ATTACHMENT 9)

Reporting Period: Month of March 2015

Project Name	Status
2015-25 10-Year Plan Project	Needs to be monitored
Financial System IT Implementation	Needs to be monitored
Hamilton Ring Road Upgrade and Extension	Needs to be monitored
Asset Management System – Hansen 8	On Track
District Plan Review - Phase VIII	On Track
Hamilton Gardens Development	On Track
Rototuna Town Centre - New Agreement Phase	On Track
Southern Links - Designation as part of the Peacocke Structure Plan	On Track
Sub-regional waters business case	On Track

OTHER 10-YP COMMITMENTS (ATTACHMENT 11)



Reporting Period: As at March 2015

STATEMENT OF COMPREHENSIVE INCOME AND EXPENSE FOR THE NINE MONTHS ENDED 31 MARCH 2015

	Note	Council					
		Actual YTD	AX Budget YTD	Variance YTD (AX Budget)	Annual Budget 2015	Annual AX Budget 2015	Actual YTD March 2014
		\$000			\$000		\$000
Revenue							
Rates, excluding targeted water supply rates	1	99,583	99,100	483	132,404	132,404	94,673
Targeted rates for water supply	2	5,628	6,264	(636)	8,121	8,121	5,838
Revenue from activities		32,673	32,506	167	41,280	44,793	32,566
Subsidies and grants	3	8,140	11,320	(3,180)	14,582	15,355	6,513
Development and financial contributions	4	10,100	5,678	4,422	7,571	7,571	9,284
Other revenue	5	16,961	9,062	7,899	11,141	11,141	9,172
Total revenue		173,085	163,930	9,155	215,099	219,385	158,046
Expenses							
Depreciation and amortisation		41,930	42,221	291	56,295	56,295	39,820
Finance costs		17,566	18,666	1,100	24,887	24,887	17,128
Other expenses		48,644	49,743	1,099	66,225	66,744	47,274
Personnel costs		46,497	44,941	(1,556)	56,184	59,951	41,958
Total expenses		154,637	155,571	934	203,591	207,877	146,180
Operating surplus (deficit)		18,448	8,359	10,089	11,508	11,508	11,866
Gains	6	2,173	-	2,173	-	-	10,319
Losses	7	(14,844)	-	(14,844)	-	-	(263)
Share of associates' surplus/(deficit)		-	-	-	-	-	-
Surplus (deficit) before tax		5,777	8,359	(2,582)	11,508	11,508	21,922
Income tax expense		-	-	-	-	-	-
Surplus (deficit) after tax		5,777	8,359	(2,582)	11,508	11,508	21,922
Other comprehensive revenue and expense							
Gain/(loss) on property revaluations		-	-	-	143,967	143,967	-
Fair value through other comprehensive revenue and expense		-	-	-	-	-	-
Share of associates' other comprehensive revenue and expense		-	-	-	-	-	-
Other comprehensive revenue and expense for the period		-	-	-	143,967	143,967	-
Total comprehensive revenue and expense for the period		5,777	8,359	(2,582)	155,475	155,475	21,922

BALANCING THE BOOKS MEASURE FOR THE NINE MONTHS ENDED 31 MARCH 2015

	Note	Council					
		Actual YTD	AX Budget YTD	Variance YTD (AX Budget)	Annual Budget 2015	Annual AX Budget 2015	Actual YTD March 2014
		\$000			\$000		\$000
Total comprehensive revenue and expense for the period		5,777	8,359	(2,582)	155,475	155,475	21,922
Adjustments for balancing the books measure							
Gains		2,173	-	2,173	-	-	10,319
Losses		(14,844)	-	(14,844)	-	-	(263)
(Loss) gain on property revaluations		-	-	-	143,967	143,967	-
Vested assets (included in Other revenue)		13,041	6,310	6,731	8,414	8,415	6,889
Ring Road subsidy (included in Subsidies and grants)		741	4,513	(3,772)	6,360	6,360	1,339
Total adjustments		1,111	10,823	(9,712)	158,741	158,742	18,284
Balancing the books surplus (deficit)		4,666	(2,464)	7,130	(3,266)	(3,267)	3,638

Notes

- Rate penalties \$211k, Rates remissions \$93k and Rates on HCC properties \$174 are all favourable to budget.
- Timing difference between actual and budget as targeted rates are invoiced six monthly in arrears.
- Capital subsidies revenue is unfavourable due to the timing of the Ring Road project and NZTA subsidies received.
- Development contributions continue to trend higher than budget.
- Revenue recognised for vested assets is favourable to budget by \$6.731m.
- Gains on the disposal of investment properties and property, plant and equipment.
- Fair value loss on the revaluation of Interest Rate Swaps (refer Para 27).

STATEMENT OF ACTIVITY (SUMMARY)
FOR THE NINE MONTHS ENDED 31 MARCH 2015

Activity	Operating surplus/(deficit)			Annual Budget 2015	Actual YTD March 2014
	Actual YTD	Budget YTD	Variance YTD		
	\$000	\$000	\$000	\$000	
Arts and Recreation	(18,732)	(19,111)	380	(25,777)	(17,700)
City Planning and Development	(3,029)	(3,607)	578	(4,810)	(3,431)
City Prosperity	(14,521)	(14,346)	(175)	(18,726)	(14,040)
City Safety	(747)	(1,030)	283	(1,679)	(1,335)
Community Services	(3,069)	(3,580)	511	(4,771)	(2,978)
Democracy	(3,705)	(3,895)	190	(5,261)	(3,551)
Parks and Open Spaces	(9,963)	(10,685)	722	(14,370)	(9,229)
Solid Waste	(3,927)	(4,344)	417	(5,791)	(4,205)
Stormwater	(5,611)	(5,937)	325	(7,914)	(5,764)
Transportation	(18,467)	(15,496)	(2,972)	(19,738)	(18,626)
Wastewater	(14,295)	(13,903)	(393)	(18,692)	(13,743)
Water Supply	(6,917)	(7,038)	121	(9,670)	(6,373)
Total	(102,984)	(102,971)	(14)	(137,199)	(100,974)
Reconciliation to Statement of Comprehensive Revenue and Expense					
Direct					
Revenue	48,014	51,755	(3,741)	108,860	73,753
Expenditure	86,550	86,660	109	103,361	103,361
Direct surplus/(deficit)	(38,536)	(34,905)	(3,631)	(35,292)	(29,608)
Indirect					
Corporate overheads	15,285	16,488	1,203	21,984	14,150
Asset costs (depreciation)	32,534	33,919	1,385	56,235	40,193
Net finance expense	16,629	17,658	1,029	23,687	16,982
	64,448	68,066	3,618	101,906	71,325
Operating surplus/(deficit) from Activities	(102,984)	(102,971)	(14)	(137,199)	(100,933)
Items not included in the Activities					
Rates, excluding targeted water supply rates	100,045	99,736	309	133,247	95,183
Development and financial contributions	10,096	5,678	4,418	7,571	9,285
Vested assets	13,041	6,310	6,731	8,414	6,889
Rates paid to Waikato District Council	(395)	(394)	(1)	(525)	(394)
Interest on internal borrowings	817	0	817	0	0
Miscellaneous revenue	0	0	0	0	0
Unrealised (Loss) Gain On Revaluation of Interest Rate Swaps	(14,843)	0	(14,843)	0	10,056
Actuals previously not recorded directly against activities					1,847
Operating surplus/(deficit)	5,777	8,360	(2,583)	11,508	21,933
Total comprehensive revenue and expense for the period	5,777	8,360	(2,582)	11,508	21,933
Variance	0	0	(0)	0	(0)

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015

	Note	Council		
		Actual \$000	Annual Budget \$000	Prior YTD \$000
Assets				
Current assets				
Cash and cash equivalents	1	71,948	25,000	10,887
Debtors and other receivables		13,048	17,661	12,166
Prepayments		1,416	-	1,224
Inventory		294	533	356
Other financial assets	5	580	242	-
Derivative financial instruments		-	-	-
Non-current assets held for sale		-	-	-
Total current assets		87,286	43,436	24,633
Non-current assets				
Property, plant and equipment	2	3,200,940	3,901,574	3,097,088
Intangible assets	3	13,912	9,090	10,314
Investment property	4	24,308	57,326	41,652
Investment in associates		7,430	7,430	13,430
Other financial assets		8,419	9,765	17,731
Investment in subsidiaries	5	10,150	1	1
Total non-current assets		3,265,159	3,985,186	3,180,216
Total assets		3,352,445	4,028,622	3,204,849
Liabilities				
Current liabilities				
Employee entitlements		6,227	6,177	4,921
Creditors and other payables		16,799	18,183	16,644
Borrowings	6	87,311	107,744	60,537
Derivative financial instruments		449	-	52
Provisions		1,724	2,024	2,151
Total current liabilities		112,510	134,128	84,305
Non-current liabilities				
Employee entitlements		746	1,917	1,177
Borrowings	6	326,743	321,446	338,007
Derivative financial instruments		26,401	-	11,621
Provisions		8,085	9,479	8,297
Total non-current liabilities		361,975	332,842	359,102
Total liabilities		474,485	466,970	443,407
Net assets		2,877,960	3,561,652	2,761,442
Equity				
Accumulated funds		1,606,716	1,611,984	1,606,062
Other reserves		1,271,244	1,949,668	1,155,380
Total equity attributable to Hamilton City Council		2,877,960	3,561,652	2,761,442
Total equity		2,877,960	3,561,652	2,761,442

Notes

- Council holds cash at different levels throughout the year to meet our debt and cash management requirements.
- Council had expected to undertake asset revaluations in the past two years, which would have seen asset values increase, these were not required. The annual budget has not been restated to reflect this.
- The annual budget has not been restated to reflect the investment in new software systems e.g. AX, Payroll
- Council sold investment properties in the 2012/13 financial year (32 Kaimiro Street - \$7.88m and 109 Ward Street - \$1.78m). The annual budget has not been restated to reflect these sales.
- The \$10.150m represents Council's 100% shareholding in Innovation Waikato Limited. This occurred in October 2013 when the Katolysz Group gifted their shares to Council.
- Total external debt comprises a current portion of \$87m that will mature in the next 12 months, while the non-current debt will mature beyond 12 months.

STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 31 MARCH 2015

	Council	
	Actual \$000	Annual Budget \$000
Cash flows from operating activities		
Cash was provided from:		
Rates revenue	107,642	140,525
Fees, rents and charges	28,384	41,280
Subsidies and grants	8,615	15,583
Other capital contributions	12,222	7,571
Interest received	1,455	1,200
Dividends received	132	100
Sundry revenue	706	426
	159,156	206,685
Cash was applied to:		
Salaries and wages	47,887	56,184
Payments for suppliers	54,335	64,368
Interest paid	17,431	24,887
Net GST paid	(3,237)	1,917
	116,416	147,356
Net cash flow from operating activities	42,741	59,329
Cash flows from investing activities		
Cash was provided from:		
Proceeds from reduction in other financial assets	-	-
Proceeds from sale of shares	-	-
Proceeds from sale of investment property	17,780	-
Proceeds from sale of property, plant and equipment	7,461	108
	25,241	108
Cash was applied to:		
Acquisition of investments	-	-
Purchase of investment property	-	-
Purchase of intangible assets	937	-
Purchase of property, plant and equipment	43,156	67,903
	44,093	67,903
Net cash flow from investing activities	(18,852)	(67,795)
Cash flows from financing activities		
Cash was provided from:		
Loans raised	15,000	25,618
Finance leases raised	417	-
	15,417	25,618
Cash was applied to:		
Loan repayments	10,000	17,152
Finance lease repayments	325	-
	10,325	17,152
Net cash flow from financing activities	5,092	8,466
Net increase/(decrease) in cash held	28,981	-
Opening cash and cash equivalents balance	42,967	25,000
Closing cash and cash equivalents balance	71,948	25,000

Risks and Opportunities Schedule
for the year ended 30 June 2015
Summary

	Committee first reported	Operating Impact		Balance Sheet Impact		
		Balancing the books	Accounting Surplus	Capital Programme impact	Borrowing impact	Following Year
CITY ENVIRONMENTS						
Southern Links - Recovery of expenditure		292,000	292,000			
CITY ENVIRONMENTS TOTAL		292,000	292,000	0	0	0
COMMUNITY						
Gym revenue - is now estimated to be \$280,000 less than expected. This has improved from the \$371,000 originally advised to the finance committee.		(280,000)	(280,000)			
Pools expenditure - Additional staffing requirements over summer due to high visitor numbers and increased health and safety requirements and a high number of security incidents at Waterworld. Other variances include an increase in chemical costs (with the conversion from gas to liquid), and electricity.		(150,000)	(150,000)			
Hamilton Gardens - Personnel and cleaning budget understated, increased security costs over summer, purchase of new shop merchandise, development project feasibility study, and unfavourable venue hire. Increased maintenance costs due to paint and smaller works associated with \$60k underspend in renewals. The construction of the Fantasy Gardens was \$87k over budget and funded by contributions received from external parties. Net borrowing impact is the net of the \$87k Fantasy Garden overspend and the \$60k underspend on renewals		(273,000)	(273,000)	(27,000)	(27,000)	
Amenity Parks - contributions received and applied towards construction of WW1 Gardens and Minogue Park net ball courts.		195,000	195,000	(195,000)	(195,000)	
Museum - Operating savings from controlling costs.		75,000	75,000			
Nursery - unfavourable revenue due to less external funding being sourced as was originally forecast		(200,000)	(200,000)			
Rototuna Town Centre - the Rototuna Comprehensive Development Plan (including Area A Town Centre and Area P Sports Park) was originally to be completed 2013/14. Due to the complex nature of this work, it has taken significantly longer than anticipated and \$168k has fallen into 2014/15. No budget was allocated for this project in 2014/15.	Finance 13/11/14	(168,000)	(168,000)			
Bryce Street River Slip Remediation - Overall project cost is \$1.357m with \$301k carried forward from 13/14. The capital overspend of \$1.057m is offset by \$670k budgeted in operating and \$709k external funding. \$168k of the expected saving is available to offset work on the Rototuna Town Centre Comprehensive Development Plan.	Finance 13/11/14	1,379,000	1,379,000	(1,057,000)	(1,057,000)	
Land Purchase Rototuna West Sports Park - a settlement has been achieved on the purchase of the Rototuna West Sports Park land. The settlement will mean an additional payment by Council \$1.602 million (over and above what has been paid to date for the land). \$462k of funding is available from an approved deferred capital budget. The shortfall of \$1.140million is to be funded from debt as reported to Council as part of the 2014 Financial result.	Finance 3/5/12			(1,140,000)	(1,140,000)	
Sports Parks - \$96k capital contribution from Athletic Waikato for Porritt stadium track upgrade.		96,000	96,000			
Toilets - Savings in contract price.		40,000	40,000			
City Landscapes - reduced car park and fountain renewal budgets due to reprioritised work.				85,000	85,000	
Street and Parks - reduced tree replacement budgets due to reprioritised work.		40,000	40,000			
COMMUNITY TOTAL		754,000	754,000	(2,334,000)	(2,334,000)	0
CITY INFRASTRUCTURE						
Water revenue is expected to be \$450,000 less than budget due in part to a large customer not requiring water in the quantities expected after refurbishing their own independent water plant and two other high water users who have ceased operation.		(450,000)	(450,000)			
Wastewater revenue is expected to be \$654,000 less than budget. Trade waste revenue is expected to be \$540,000 less than budget due in part to a major customer who is no longer in operation (\$300,000) and another major customer not discharging as much as expected (\$240,000). Tankered waste is expected to be \$114,000 less than budget due to restrictions at the wastewater treatment plant to facilitate its recovery.		(654,000)	(654,000)			
Plants efficiencies - electricity, gas and chemicals are expected to be \$500,000 under budget due to a drier than expected winter, reduced tankered waste processing costs, and one-off reduced processing costs due to unexpected stability at the plant.		500,000	500,000			
Water supply expenditure is expected to be \$200,000 favourable by year end due to efficiencies in managing the water alert levels.		200,000	200,000			
Catchment management plans have been reclassified as capital expenditure. The total costs of the catchment management plan work is expected to be \$500k by the end of the year, which will be met within existing stormwater capital budgets.		500,000	500,000			
Closed landfill maintenance savings due to optimising the capital programme (instead of maintaining we have renewed).		220,000	220,000			
Plants recovery - operating costs associated with water and wastewater treatment plants recovery plan funded from PIF 12029 installation of dewatering facility at the water treatment plant.	Finance 14/08/14	(605,000)	(605,000)			
Water and Wastewater Treatment Plants - PIF 12029 Installation of dewatering facility at the water treatment plant has been reprioritised and the funding reallocated in order to fund higher priority projects that have emerged in 2014/15. The first priority is to fund the treatment plant recovery costs of \$1,235,000 (\$605k operating costs and \$630k capital costs). The Finance Committee agreed to allocate the remaining funding of PIF 12029 to off-set additional Health and Safety measures at the water treatment plant. This is expected to cost \$1,492,000 (down from an original estimate of \$1.7m)	Finance 14/08/14 Finance 14/08/14 Finance 14/08/14			2,807,000 (630,000) (1,492,000)	2,807,000 (630,000) (1,492,000)	
Water Supply funding for Carpark - PIF 9027 Replacement of water works during intersection upgrades has been reprioritized to fund the replacement of Garden Place Car Park access control system. Total cost of \$216,000 is no longer required and external funding of \$108,000 will not be received either and therefore the funds available to fund parking equipment is \$108,000.	Finance 14/08/14	(108,000)	(108,000)	216,000	216,000	
Parking Equipment - new parking Equipment and access control system for the Underground Car park as approved by the Finance Committee on 2 October 2014. This is funded by PIF 9027 and discretionary transport fund	Finance 2/10/14			(350,000)	(350,000)	
Discretionary Transportation Capital Fund - release of funds for the new Parking equipment for the Garden Place Underground Carpark.	Finance 2/10/14			242,000	242,000	
Paid connections revenue for wastewater connections and stormwater connections will be approximately \$240,000 less than budget. However, as this is a user pays services, this is offset by a corresponding decrease in capital expenditure of \$240,000 with a net cost to Council of zero.		(240,000)	(240,000)	240,000	240,000	
Sale of Knox Street Carpark - due to the sale of the Knox Street carpark, revenue is expected to be \$380,000 less than budget, direct expenditure is expected to be \$178,000 less than budget (net direct cost will be \$202,000 unfavourable), depreciation is expected to be \$86,000 less than budget, and interest from sale proceeds is expected to be \$150,000 favourable. This leaves a total net favourable variance of \$34,000.		34,000	34,000			
Claudlands Bridge abutment - protection works have been completed and the final cost of the works is \$212,000 (385,000 less a subsidy of \$173,000) from NZTA.				(212,000)	(212,000)	
New structure to extract water from the Waikato River (PIF 12031) - the total approved cost for this project will be \$900,000 less than the budget per the annual plan.	Finance 19/02/15			900,000	900,000	
Replacement of Refuse Transfer Station assets (PIF 9012) - final market is \$400,000 less than expected.	Finance 19/02/15			400,000	400,000	
Replacement of channel lining on the Waitawhiriwhiri Stream (PIF 9014) - this project is no longer required and funding is being released.	Finance 19/02/15			270,000	270,000	

	Committee first reported	Operating Impact		Balance Sheet Impact		
		Balancing the books	Accounting Surplus	Capital Programme Impact	Borrowing Impact	Following Year
Compassionate Property Purchases - purchase of two properties affected by roading designation on compassionate grounds. Council were advised in approving these purchases that the funding was unbudgeted and the costs would be managed from debt capacity through the Risks and Opportunities schedule. Costs are being charged to PIF 12001 New roading in Peacocke.	Finance 3/7/14			(980,000)	(980,000)	
Transportation - Budget surplus in PIF 12053 Rooding Upgrades in Rotokauri \$140,000				140,000	140,000	
Wastewater - Budget surplus in PIF 12067 and 12068 total \$179,000 less budget overspend in PIF 12009 Treatment Plant Upgrade \$117,000 as per Puketā 2 report.				62,000	62,000	
Water supply - budget surpluses in PIF 12027, 12077, 12079, 12080 total \$307,000				307,000	307,000	
Ring Road subsidy - due to delays in the project, a deferral of \$11.1m is required. This also results in a reduced subsidy of \$4.4m. Both items will occur in later years. As final timing is dependent on third party agreement this is uncontrollable.			(4,400,000)	11,100,000	11,100,000	(6,700,000)
CITY INFRASTRUCTURE TOTAL		(603,000)	(5,003,000)	13,020,000	13,020,000	(6,700,000)
CUSTOMER RELATIONSHIPS						
Unfavourable operating costs - personnel costs of \$222k due to permanent replacements in the call centre, and extra casual staff to cover peak periods. There was also additional costs for contract staff and consultants to cover vacancies with other areas of the group and to complete project work. This is offset by favourable variances at group level.		(150,000)	(150,000)			
EVENTS AND ECONOMIC DEVELOPMENT						
Lost rental revenue - Due to sale of the BNZ and the ANZ. This is \$734,000 less the partial offset by interest savings of \$300,000. This was approved by Council.		(434,000)	(434,000)			
Lost rental revenue - From the Beggs Wiseman building not achievable due to non tenancy.		(130,000)	(130,000)			
Operating Savings - Savings in Strategic Property and Economic Development from controlling costs.		255,000	255,000			
Revenue shortfall - driven by falling Theatres revenue.		(153,000)	(153,000)			
Structural assessment - Additional costs associated with Founders and Clarence St Theatre gifting.		(34,000)	(34,000)			
Legal costs - Associated with Waikato Shows Trust arbitration (Claudelands).	Finance 13/11/14	(120,000)	(120,000)			
Reduced revenue for the Zoo Strategic Plan - Expectation that the cost of the Zoo plan would be recovered.		(80,000)	(80,000)			
Lease Expense - Cost of (1) removal of abandoned tyres and (2) extension to term of lease from Kiwi Rail to allow sufficient time to remove the tyres. The tyres have been abandoned by a failed tenant and Council has a legal obligation to remove them prior to returning the site to Kiwi Rail		(290,000)	(290,000)			
EVENTS AND ECONOMIC DEVELOPMENT TOTAL		(986,000)	(986,000)	0	0	0
FINANCE						
Unfavourable operating costs - additional role required for the Development Contributions team (segregation of duties as required by Internal Audit). Legal and consulting costs related to Development contributions have also been higher than expected. Additional staff resources were also required for the ten year plan and back filling of roles for the financial system implementation.		(130,000)	(130,000)			
ORGANISATIONAL DEVELOPMENT						
Upgrades to Core Software Applications - includes Recoveries from another local authority (\$304k) and project and programme contingency not used				750,000	750,000	
Finance Lease for Infrastructure Equipment - As a result of extending the PC lease time from three to four years savings have been achieved.				190,000	190,000	
ORGANISATION DEVELOPMENT TOTAL		0	0	940,000	940,000	0
PERFORMANCE						
Insurance - the insurance programme has been placed through a LASS collective programme and has resulted in a reduction of insurance premiums.		50,000	50,000			
Shared Water Business Case - contribution to Water CCO business case project (50% share), along with Waikato and Waipa Councils. Estimated cost is \$325,000 less \$75,000 offset available funding in Performance Admin. This joint project was approved by Council.	Council 30/10/14	(250,000)	(250,000)			
Fuel - savings resulting from lower fuel prices due to the drop in global price of oil		100,000	100,000			
Major Painting - activity management plan work has identified major painting works have been incorrectly classified as capital expenditure. There will be a nil impact on overall cash flow.	Finance 13/11/14	(300,000)	(300,000)	300,000	300,000	
Pensioner Housing - revenue is ahead of budget and operating expenditure is lower than anticipated		100,000	100,000			
Art Gallery - contributions received towards the Art Gallery upgrade.		87,000	87,000	(87,000)	(87,000)	
Strategy - professional services are tracking lower than anticipated as various works have been completed in-house. Savings of \$177k have been achieved which is offset by an unfavourable personnel cost variance of (\$93k).		84,000	84,000			
Partnership with Maori - professional services lower than expected due to a delay in contract work with the service provider.		70,000	70,000			
PERFORMANCE TOTAL		(59,000)	(59,000)	213,000	213,000	0
COUNCIL WIDE						
ACC Levies - budget is higher than expected outcome by approximately \$200,000		200,000	200,000			
Gain on Sale - of various parcels of land and vehicles.		2,159,000	2,159,000			
COUNCIL WIDE TOTAL		2,359,000	2,359,000	0	0	0
Net Business Impact (after Debt Servicing, Development Contributions, Unrealised Gains/Losses and Non Cash Items)						
		1,477,000	(2,923,000)	11,839,000	11,839,000	(6,700,000)
DEBT SERVICING AND DEVELOPMENT CONTRIBUTIONS, UNREALISED GAINS/LOSSES, NON CASH ITEMS						
Development Levies and Financial Contributions - As at 31 March they are \$3.251 million ahead of budget and expected to total \$11.5 million by 30/6/15 and are exceed annual budget by \$3.729 million.		3,729,000	3,729,000			
Net interest cost has a favourable variance year to date for the following reasons: • Asset sales – these are generally not included in budgets, so when they occur the lower debt balance means lower interest costs • Interest rates – the interest rate that Council is paying is lower than the rate assumed when the budget was prepared • Timing – delayed spending on capital expenditure		1,350,000	1,350,000			
Vested assets - As at 31 March are \$6.731 million ahead of target.			6,731,000			
Depreciation - As at 31 March is \$291k favourable against budget.		291,000	291,000			
Unrealised loss on the revaluation of financial instruments - As at 31 March is \$14.843 million and we estimate the year end position to be similar. The unrealised gain last year was \$9.2 million.			(14,843,000)			
DEBT SERVICING AND DEVELOPMENT CONTRIBUTIONS, UNREALISED GAINS/LOSSES, NON CASH ITEMS		5,370,000	(2,742,000)	0	0	0
Net Business Impact (after Debt Servicing, Development Contributions, Unrealised Gains/Losses and Non Cash Items)						
		6,847,000	(5,605,000)	11,839,000	11,839,000	(6,700,000)

TREASURY - SUMMARY REPORT

31 March 2015

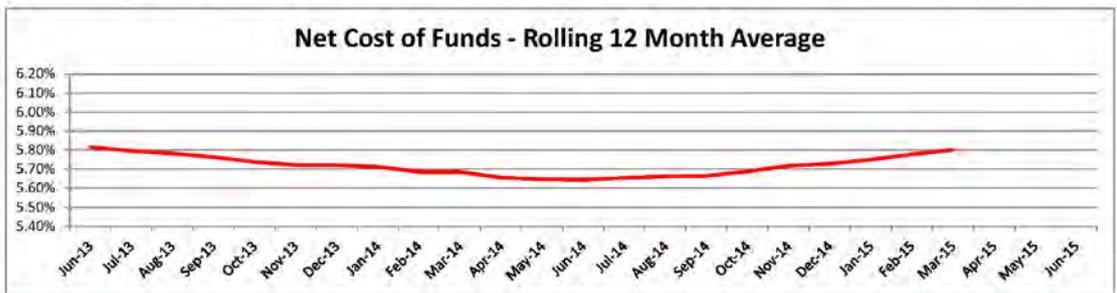
Policy Compliance		Policy	Result @ 31-Mar-15	Policy Compliance
Fixed debt parameters	fixed	50% - 95%	87%	✓
Fixed rate maturity	1 - 3 years	15% - 60%	16%	✓
	3 - 5 years	15% - 60%	33%	✓
	5 years plus	15% - 60%	51%	✓
Funding maturity	0 - 3 years	15% - 60%	59%	✓
	3 - 5 years	15% - 60%	18%	✓
	5 years plus	10% - 40%	23%	✓
Liquidity ratio	minimum	110%	119%	✓
Counterparty credit risk	maximum	\$50m per bank	ANZ & BNZ	✗

Comments on policy breaches

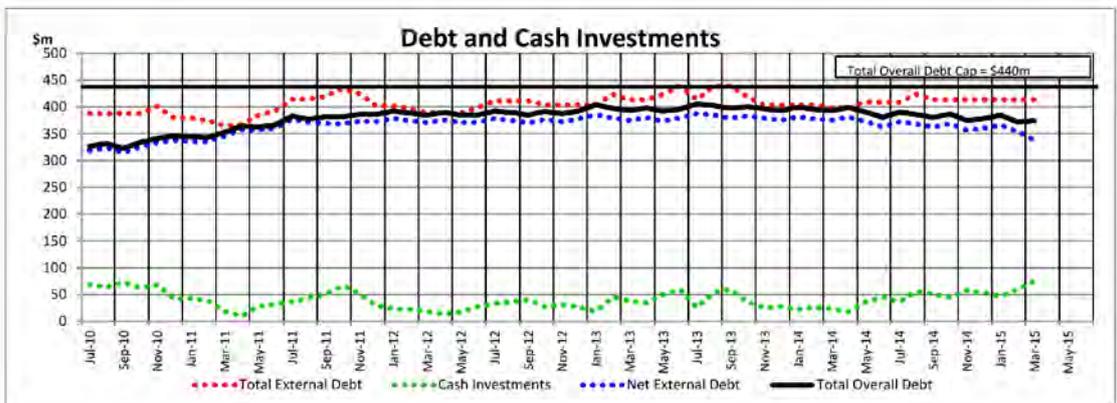
There are two breaches of the counterparty credit risk policy relating to the BNZ and ANZ.

Council will be back within policy on 15 April 2015 when maturing term deposits will be used to repay an LGFA debt maturity.

Finance Costs (\$'000's)	Result @ 31-Mar-15	Budget @ 31-Mar-15	Variance Fav. / (Unfav.)	Annual Budget
Interest and financing costs paid (net of interest paid to reserves)	17,567	17,857	290	23,809
less Interest received	(1,708)	(900)	808	(1,200)
Net finance costs	15,859	16,957	1,098	22,609
Weighted average net cost of funds (12 month rolling average)	5.80%	-	-	-



Debt and Cash Investments (\$'000's)	Result @ 31-Mar-15	Budget @ 30-Jun-15	Variance Fav. / (Unfav.)
External debt	414,055	429,190	15,135
less Cash investments	(75,464)	(29,300)	46,164
Net external debt	338,591	399,890	61,299
add Cash-backed reserves	35,625	17,368	(18,257)
Total overall debt	374,216	417,258	43,042



**CAPITAL EXPENDITURE
FOR THE NINE MONTHS ENDED 31 MARCH 2015**

STATUS KEY	
	Project on track or under budget
	Project over budget as per Risks and Opportunities Register
	Project deferral or potential deferral
	Funding reprioritised as per Risks and Opportunities Register

PIF	YTD Total Cost			Less YTD External Funding			YTD Net Cost			Annual Budget				Status	
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Approved 2014/15	Approved Deferred	Less External Funding	Net Cost		
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000		
ARTS AND RECREATION															
Funding for new Public Art	12037	1	0	(1)	10	0	10	(9)	0	9	50		0	50	
Te Rapa Sportsdrome	13005	113	114	1		0	-	113	114	1		114	0	114	
Replacement of Library Assets	9036	18	88	70		0	-	18	88	70	88		0	88	
Collection Purchases	9037	639	786	147		0	-	639	786	147	1,048		0	1,048	
Replacement of Sports Parks assets	9058	997	921	(77)		0	-	997	921	(77)	1,078		0	1,078	
Renewal of Waterworld Assets	9033	279	223	(56)	13	0	13	266	223	(43)	353	20	0	373	
Replacement of Gallagher Aquatic Centre Assets	9034	55	106	51		0	-	55	106	51	70	54	0	124	
Replacement of Fixed Equipment at Theatres	9041	50	52	3		0	-	50	52	3	70		0	70	
Replacement of Technical Equipment at Theatres	9042	72	95	22		0	-	72	95	22	126		0	126	
Replacement of Museum Assets	9035	65	111	45		0	-	65	111	45	108	25	0	133	
Hamilton Zoo Animal Enclosures Renewal	9043	66	105	39		0	-	66	105	39	140		0	140	
Replacement of Zoo Assets (Including Animals)	9044	84	106	22		0	-	84	106	22	101	30	0	131	
New Saimang Exhibit at Zoo	12046	35	304	269		0	-	35	304	269	405		0	405	
		2,473	3,010	536	(23)	-	23	2,451	3,010	559	3,637	243	-	3,880	
CITY PROSPERITY															
Replacement of Fixtures, Fittings and Equipment at Claudelands	9038	44	103	58		0	-	44	103	58	137		0	137	
Replacement of Furniture, Fixtures and Equipment Rentals at Stadia	9039	572	124	(448)	378	0	378	194	124	(70)	143		0	143	
Replacement of Turf Services Equipment at Stadia	9040	23	26	3		0	-	23	26	3	35		0	35	
Hamilton Organic Recycling Centre Wall		8	0	(8)		0	-	8	0	(8)			0	-	
		648	253	(395)	(378)	-	378	270	253	(17)	315	-	-	315	
CITY SAFETY															
Installation of Additional Security Cameras	12301	41	36	(5)		0	-	41	36	(5)	48		0	48	
		41	36	(5)	-	-	-	41	36	(5)	48	-	-	48	
COMMUNITY SERVICES															
Replacement of Furniture & Fittings at Community Facilities	9032		11	11		0	-	0	11	11	11		0	11	
Replacement of Cemeteries & Crematorium Assets	9031	83	120	37		0	-	83	120	37	167		0	167	
		83	131	48	-	-	-	83	131	48	178	-	-	178	
PARKS AND OPEN SPACES															
Replacement of Parks & Opens Spaces Assets	9030	444	1,073	629	6	0	6	438	1,073	635	1,103	196	0	1,299	
Acquisition of Parks	12012	2,136	1,124	(1,012)		0	-	2,136	1,124	(1,012)	556	781	0	1,337	
Memorial Gardens		8	0	(8)		0	-	8	0	(8)			0	0	
Hamilton Gardens Replace Fencing	13006	11	15	4		0	-	11	15	4		15	0	15	
Stabilise Riverbank Walkway	13007	1,340	301	(1,039)	408	0	408	931	301	(630)		301	0	301	
Upgrade of City Playgrounds	12036	335	332	(3)		0	-	335	332	(3)	370	149	0	519	
Planting & Track Construction at Waiwhakareke Natural Heritage Park	12133	2	30	28		0	-	2	30	28	54		0	54	
Completion of Fantasy Gardens at Hamilton Gardens	12124	337	181	(156)	87	0	87	250	181	(69)	216		81	135	
Hamilton Gardens Development (Targeted Rate)		57	0	(57)		0	-	57	0	(57)			0	0	
		4,670	3,056	(1,614)	(501)	-	501	4,168	3,056	(1,112)	2,299	1,442	(81)	3,660	

STATUS KEY	
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	Project deferral or potential deferral
	Funding reprioritised as per Risks and Opportunities Register

PIF	YTD Total Cost			Less YTD External Funding			YTD Net Cost			Annual Budget				Status	
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Approved 2014/15	Approved Deferred	Less External Funding	Net Cost		
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000		
SOLID WASTE MANAGEMENT															
Replacement of Closed Landfill Assets	9013	74	56	(18)	0	(0)	74	56	(18)	75		0	75		
Replacement of Refuse Transfer Station Assets	9012	395	451	56	0	-	395	451	56	810		0	810		
Closed Landfill Management	12016	46	204	158	0	-	46	204	158	161	89	0	250		
		516	712	196	0	-	(0)	516	712	195	1,046	89	-	1,135	
STORMWATER DRAINAGE															
Replacement of Channel Lining on the Waitawhiriwhiri Stream	9014		0	-	0	-	0	0	-	270		0	270		
Replacement of Stormwater Outfalls in Waikato River	9015	35	164	130	0	-	35	164	130	164		0	164		
Replacement of Stormwater Assets	9016	207	283	75	0	-	207	283	75	323		0	323		
Rototuna Stormwater	12058		349	349	0	-	0	349	349	215	241	0	456		
Treatment to Improve Stormwater Recovery	12017		66	66	0	-	0	66	66	66		0	66		
Stormwater Catchment Assessment for Intensification Areas	12018	109	518	409	0	-	109	518	409	270	474	0	744		
Stormwater Project Watershed Capital Works	12019	17	54	37	0	-	17	54	37	54		0	54		
Rotokauri Stormwater Infrastructure	12059	445	638	192	0	-	445	638	192	538	250	0	788		
Peacocke Stormwater Infrastructure	12060		268	268	0	-	0	268	268	22	373	0	395		
Local Growth Related Stormwater Projects	12061	5	95	89	0	-	5	95	89	108		0	108		
Ruakura Stormwater	12062	14	7	(8)	0	-	14	7	(8)		10	0	10		
Citywide Stormwater Upgrades	12094	290	367	77	0	-	290	367	77		551	0	551		
Stormwater Connections	12174	84	203	119	65	203	(139)	19	0	(19)	271	271	0		
		1,207	3,011	1,805	(65)	(203)	(139)	1,142	2,808	1,666	2,301	1,899	(271)	3,929	
TRANSPORTATION															
Replacement of Parking Equipment	9010	13	80	67	0	-	13	80	67	107		0	107		
Replacement of Footpaths	9001	1,375	1,334	(42)	3	0	3	1,372	1,334	(39)	1,780		0	1,780	
Replacement of Kerbs and Channels	9002	944	1,117	174	425	503	(78)	518	614	96	1,490	671	819		
Replacement of Road Base	9003	450	432	(18)	203	195	8	248	237	(10)	649	292	357		
Road Resurfacing	9004	2,596	2,865	269	1168	1289	(120)	1,428	1,576	148	4,344	1954	2,390		
Replace Bridges and Culverts	9005	244	0	(244)	171	0	171	72	0	(72)		0	0		
Replacement of Retaining Walls and Structures	9006		0	-	0	0	-	0	0	-	11	4	7		
Replacement of Street Lights	9017	199	377	178	90	170	(81)	109	207	98	503	227	276		
Replacement of Traffic Signals	9018	376	139	(238)	169	62	107	207	76	(131)	271	122	149		
Replacement of Street Signs	9019	1	41	40	0	19	(18)	1	23	22	55	25	30		
Replacement of Safety Barriers	9020	1	41	39	1	18	(17)	1	23	22	54	24	30		
New Roding in Peacocke	12001	1,308	449	(860)	4	0	4	1,304	449	(855)	200	471	671		
New Roding in Rototuna	12003	424	2,370	1,946	0	-	0	424	2,370	1,946	1,527	1,380	2,907		
Te Rapa Section of Waikato Expressway	12004	1	0	(1)	0	0	-	1	0	(1)		0	0		
Hamilton Ring Road Completion	12005	4,446	10,840	6,394	741	4513	(3,772)	3,705	6,327	2,622	11,135	4,227	6,275	9,087	
Minor Improvements to the Transport Network	12020	445	260	(185)	245	143	102	200	117	(83)	742	408	334		
Lower Speeds in Residential Streets	12021														
Bus Stop Infrastructure	12022	26	81	55	0	41	(41)	26	41	15	108	54	54		
Integration of Existing Areas with New Developments in the City	12051	104	142	37	0	0	-	104	142	37	189	0	189		
Roding Upgrades in Rotokauri	12053	20	293	272	0	0	-	20	293	272	390	0	390		
Transport Network Planning	12056	12	85	73	0	0	-	12	85	73	85	0	85		
Upgrade to City Directional Signage	12097	23	0	(23)	0	0	-	23	0	(23)		0	0		
Integration of New Transport Modes	12172	940	1,207	267	412	578	(166)	528	629	101	2,007	961	1,046		
Investment in Growth Infrastructure		1	0	(1)	0	0	-	1	0	(1)		0	0		
		13,952	22,152	8,200	(3,632)	(7,530)	(3,898)	10,319	14,621	4,302	25,647	6,078	(11,017)	20,708	

PIF	YTD Total Cost			Less YTD External Funding			YTD Net Cost			Annual Budget				Status
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Approved 2014/15	Approved Deferred	Less External Funding	Net Cost	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	
WASTEWATER														
Replacement of Wastewater Pump Station Assets	9022	584	666	82	0	-	584	666	82	888		0	888	
Replacement of Wastewater Assets	9023	3,432	2,620	(812)	0	-	3,432	2,620	(812)	3,493		0	3,493	
Upgrade Existing or Build New Wastewater Network in Rototuna	12008		188	188	0	-	0	188	188	27	241	0	268	
Treatment Plant Upgrade	12009	432	242	(190)	0	-	432	242	(190)		363	0	363	
Increase Capacity of Wastewater Pump Stations	12024/25	211	505	295	0	-	211	505	295	674		0	674	
Increase Capacity of Wastewater Network in Rototuna	12066		62	62	0	-	0	62	62	5	86	0	91	
Integrate Wastewater Network in New Areas with Existing Network	12067	11	60	49	0	-	11	60	49	87		0	87	
Increase Capacity of Wastewater Network in Rotokauri	12068	52	300	248	0	-	52	300	248	453		0	453	
Increase Capacity of Wastewater Network in Peacocke	12069	7	21	14	0	-	7	21	14	22	16	0	38	
Increase Capacity of Wastewater Network Throughout the City	12071	10	400	390	0	-	10	400	390	432		0	432	
Wastewater Connections	12175	158	203	46	139	203	(65)	19	0	(19)	271	271	0	
Replacement of Wastewater Treatment Plant Assets	9024	190	845	655	0	-	190	845	655	893		0	893	
Upgrade of Wastewater Treatment Plant Systems	12026	177	330	153	0	-	177	330	153	378		0	378	
		5,264	6,442	1,178	(139)	(203)	(65)	5,125	6,239	1,114	7,623	706	(271)	8,058
WATER SUPPLY														
Replacement of Water Mains	9025	1,819	2,205	386	0	-	1,819	2,205	386	2,938		0	2,938	
Replacement of Water Meter Valves and Hydrants	9026	132	221	89	0	-	132	221	89	293		0	293	
Replacement of Water Works During Intersection Upgrades	9027		216	216	108	(108)	0	108	108	216		108	108	
Software for Growth Planning	12027	70	198	128	0	-	70	198	128		396	0	396	
Upgrade or Build New Watermains in Rototuna	12073		0	-	0	-	0	0	-	49		0	49	
Additional Water Supply Storage in Rototuna	12074	267	3,700	3,433	0	-	267	3,700	3,433	4,857		0	4,857	
City Wide Upgrade of Water Pipes	12076		255	255	0	-	0	255	255	340		0	340	
Upgrade or Build New Water Mains in Rotokauri	12077	2	313	311	0	-	2	313	311	370	65	0	435	
Upgrade or Build New Water Mains in Peacocke	12079		69	69	0	-	0	69	69	16	80	0	96	
Integrate Water Mains in New Areas with Existing Network	12080	16	61	45	0	-	16	61	45	87		0	87	
Ruakura Water Growth	12081	(28)	11	39	0	-	(28)	11	39		16	0	16	
Assessment of Demand for Water and Water Loss in the Network	12173	402	322	(79)	0	-	402	322	(79)	430		0	430	
Water Connections	12176	267	203	(63)	240	203	37	26	0	(26)	271	271	0	
Replacement of Water Reservoir Assets	9028	5	38	33	0	-	5	38	33	162		0	162	
Replacement of Water Treatment Plant Assets	9029	329	303	(26)	0	-	329	303	(26)	523		0	523	
Installation of Dewatering Facility at the Water Treatment Plant	12029	0	2,105	2,105	0	-	0	2,105	2,105	2,807		0	2,807	
Upgrade of Water Treatment Plant Equipment	12030	392	310	(82)	0	-	392	310	(82)	810		0	810	
New Structure to Extract Water from the Waikato River	12031	134	3,140	3,006	0	-	134	3,140	3,006	3,240		0	3,240	
Chlorine Scrubber and Plant Recovery		188	0	(188)	0	-	188	0	(188)	0		0	0	
		3,994	13,671	9,676	(240)	(311)	(71)	3,754	13,360	9,605	17,409	557	(379)	17,587
SUPPORT SERVICES														
Extension of Events Booking Management System	12040	35	0	(35)	0	-	35	0	(35)			0	0	
Upgrade of Specialist Software Applications	9045	1	27	26	0	-	1	27	26	38		0	38	
Finance Lease Funding Infrastructure Equipment	12014	7	763	756	0	-	7	763	756	1,017		0	1,017	
Upgrade of Council's Core Software Applications	12015	1,140	1,341	201	0	-	1,140	1,341	201	584	1,500	0	2,084	
Development of Online Services & Mobile Applications	12049	203	417	214	0	-	203	417	214	640	625	0	1,265	
Management of IT Environment Including Security Software	12050	23	0	(23)	0	-	23	0	(23)	530		0	530	
Replacement of Property Assets	9046	1,712	2,875	1,163	76	0	76	1,636	2,875	1,239	3,122	69	0	3,191
Replacement of Pensioner Housing Assets	9047	55	508	452	0	-	55	508	452	566		0	566	
Replacement of Fleet Vehicles	9048	275	649	374	0	-	275	649	374	866		0	866	
Upgrade of Council Owned Buildings	12047	3	28	25	0	-	3	28	25	38		0	38	
		3,420	6,607	3,187	(76)	-	76	3,344	6,607	3,263	7,401	2,194	-	9,595
Total		36,268	59,080	22,813	(5,053)	(8,248)	(3,195)	31,215	50,832	19,618	67,904	13,208	(12,019)	69,093

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	Project deferral or potential deferral
	Funding reprioritised as per Risks and Opportunities Register

STATEMENT OF ACTIVITY (SUMMARY)
FOR THE NINE MONTHS ENDED 31 MARCH 2015

Activity	Operating surplus/(deficit)			Annual Budget 2015	Actual YTD March 2014
	Actual YTD	Budget YTD	Variance YTD		
	\$000	\$000	\$000	\$000	
Activity					
Arts and Recreation	(18,732)	(19,111)	380	(25,777)	(17,700)
City Planning and Development	(3,029)	(3,607)	578	(4,810)	(3,431)
City Prosperity	(14,521)	(14,346)	(175)	(18,726)	(14,040)
City Safety	(747)	(1,030)	283	(1,679)	(1,335)
Community Services	(3,069)	(3,580)	511	(4,771)	(2,978)
Democracy	(3,705)	(3,895)	190	(5,261)	(3,551)
Parks and Open Spaces	(9,963)	(10,685)	722	(14,370)	(9,229)
Solid Waste	(3,927)	(4,344)	417	(5,791)	(4,205)
Stormwater	(5,611)	(5,937)	325	(7,914)	(5,764)
Transportation	(18,467)	(15,496)	(2,972)	(19,738)	(18,626)
Wastewater	(14,295)	(13,903)	(393)	(18,692)	(13,743)
Water Supply	(6,917)	(7,038)	121	(9,670)	(6,373)
Total	(102,984)	(102,971)	(14)	(137,199)	(100,974)
Reconciliation to Statement of Comprehensive Revenue and Expense					
Direct					
Revenue	48,014	51,755	(3,741)	108,860	73,753
Expenditure	86,550	86,660	109	103,361	103,361
Direct surplus/(deficit)	(38,536)	(34,905)	(3,631)	(35,292)	(29,608)
Indirect					
Corporate overheads	15,285	16,488	1,203	21,984	14,150
Asset costs (depreciation)	32,534	33,919	1,385	56,235	40,193
Net finance expense	16,629	17,658	1,029	23,687	16,982
	64,448	68,066	3,618	101,906	71,325
Operating surplus/(deficit) from Activities	(102,984)	(102,971)	(14)	(137,199)	(100,933)
Items not included in the Activities					
Rates, excluding targeted water supply rates	100,045	99,736	309	133,247	95,183
Development and financial contributions	10,096	5,678	4,418	7,571	9,285
Vested assets	13,041	6,310	6,731	8,414	6,889
Rates paid to Waikato District Council	(395)	(394)	(1)	(525)	(394)
Interest on internal borrowings	817	0	817	0	0
Miscellaneous revenue	0	0	0	0	0
Unrealised (Loss) Gain On Revaluation of Interest Rate Swaps	(14,843)	0	(14,843)	0	10,056
Actuals previously not recorded directly against activities					1,847
Operating surplus/(deficit)	5,777	8,360	(2,583)	11,508	21,933
Total comprehensive revenue and expense for the period	5,777	8,360	(2,582)	11,508	21,933
Variance	0	0	(0)	0	(0)

ARTS AND RECREATION
for the nine months ended 31 March 2015

Prior YTD Actual 2014/14 \$000	Year to Date		Variance Favourable/ Unfavourable \$000	Annual Budget \$000
	Actual \$000	Budget \$000		
Direct				
5,038 Revenue	5,530	6,189	(659)	7,830
17,130 Expenditure	18,418	18,418	(0)	24,430
(12,091) Direct surplus/(deficit)	(12,888)	(12,229)	(660)	(16,600)
Indirect				
3,238 Corporate overheads	3,464	4,017	553	5,356
1,921 Asset costs (depreciation)	1,939	2,397	458	3,196
450 Net finance revenue (expense)	441	469	28	625
5,609	5,843	6,883	1,039	9,177
(17,700) Operating surplus/(deficit)	(18,732)	(19,111)	380	(25,777)

Variance explanation:

The Arts and Recreation activity comprises Theatres, The Zoo, Sports Parks, Libraries, Museum and Arts, Active Communities, Swimming and Recreation. The activity is showing \$659K unfavourable in revenue and a \$32K unfavourable in expenditure. This results in a net direct deficit of \$660K with the big variances explained as follows:

Hamilton theatres – net direct deficit \$223K unfavourable. Theatres have a revenue shortfall against budget of \$430K, this has been offset by decreased expenditure \$207K. This includes the unbudgeted cost associated with structural assessment for Founders and Theatres gifting \$34K. Forward bookings are as expected but will not improve the current under budget result.

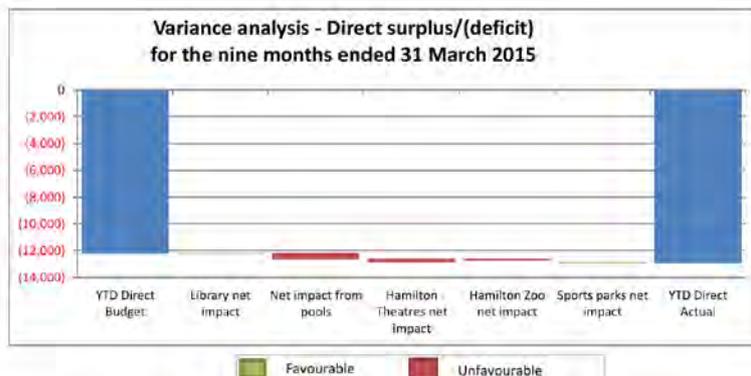
Hamilton Zoo - net direct deficit \$98K unfavourable. Revenue is behind budget targets by \$79K, revenue targets for this year included an additional \$80K to offset the cost of the Zoo Strategic Plan, this \$80K has been identified as a risk on the Risk and Opportunity Report dated 31 January 2015. Increased Zoo expenditure of \$19K is due to unbudgeted reactive maintenance required following damage to a window in the chimp enclosure and an increase in food cost for the zoo animals. Food costs have increased in part due to dry conditions but mostly due to animal feed concentrate costs increasing significantly. Hamilton Zoo will continue its tight cost containment.

Active communities - grants previously received and allocated to fund community based projects have been reduced by \$135k from previous years. Overall there is a nil impact on the bottom line as allocated expenditure is capped at the level of funding received.

Pools revenue is (\$171K) unfavourable against budget and includes Club Aqua gym income which is tracking better than the expected annual shortfall of (\$371k) previously reported to the Finance Committee. Membership has increased from 600 to 1000 members from 1 July. Gym expenditure is currently tracking \$75k favourable against budget. There is an overall net cash contribution towards pool operations of \$172k year to date from the gym activity.

Pools expenditure is (\$296k) unfavourable against budget. Salaries are \$167k over budget due to higher than usual summer staffing requirements. Additional staff were also required over a busy and challenging summer period. Other variances include chemicals, shop stock, and electricity. All efforts are being made to reduce costs.

Museum & Library - Unfavourable salary variances Museum (\$54k) and Library (\$87k) are offset by favourable revenue. Museum World War 1 exhibit costs are \$86k lower than the budget phasing anticipated.



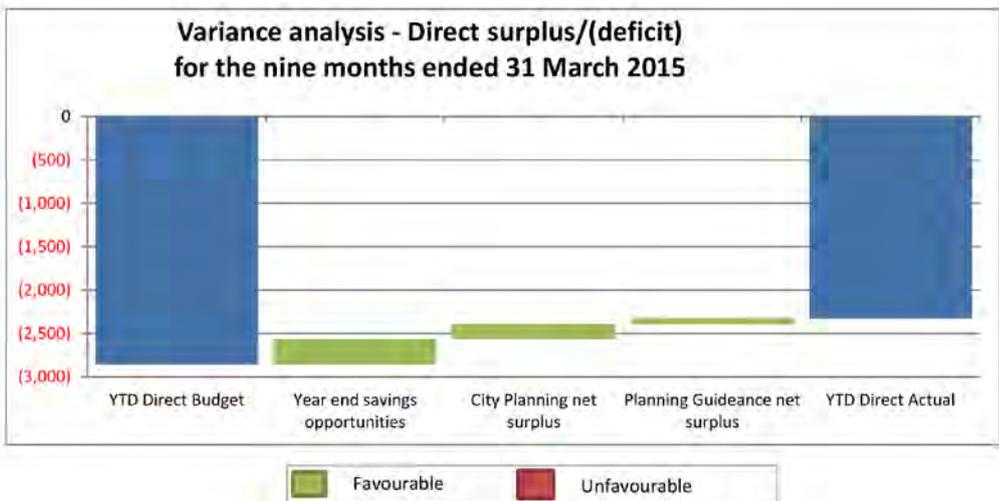
CITY PLANNING AND DEVELOPMENT
for the nine months ended 31 March 2015

Prior YTD Actual 2013/14 \$000	Year to Date		Variance Favourable/ (unfavourable) \$000	Annual Budget \$000
	Actual \$000	Budget \$000		
Direct				
1,254	1,294	839	454	1,119
4,079	3,623	3,696	73	4,928
(2,825)	(2,329)	(2,856)	527	(3,809)
Indirect				
606	700	751	51	1,001
0	0	0	0	0
0	0	0	0	0
606	700	751	51	1,001
(3,431)	(3,029)	(3,607)	578	(4,810)

Variance explanation:
The City Planning and Development activity comprises City Planning and Planning Guidance. The activity is showing a \$454K increase in revenue and a \$73K decrease in costs. This results in a net direct surplus of \$527K with key drivers of this variance explained as follows:

City Planning - net surplus \$466K favourable. Revenue is \$172K favourable YTD due to cost recovery. Expenditure is \$294K favourable YTD due to District Plan Review timing and progress in resolving the appeals. The appeals process is going well and future savings can be expected by year end if there are no unexpected changes - \$292K is identified as an opportunity and has been reported on Risk and Opportunities.

Planning Guidance - net surplus \$61K favourable. Revenue is \$282K favourable YTD, offsetting unfavourable expenditure of \$221K. The favourable revenue is due to the increase in resource consents processed and is the key driver for increased expenditure.



CITY PROSPERITY
for the nine months ended 31 March 2015

Prior YTD Actual 2013/14 \$000	Year to Date		Variance Favourable/ Unfavourable \$000	Annual Budget \$000
	Actual \$000	Budget \$000		
Direct				
7,518 Revenue	8,155	7,329	826	9,924
13,191 Expenditure	14,293	13,187	(1,106)	17,333
(5,673) Direct surplus/(deficit)	(6,138)	(5,858)	(280)	(7,409)
Indirect				
1,365 Corporate overheads	1,523	1,618	95	2,158
1,980 Asset costs (depreciation)	1,933	1,638	(295)	2,184
5,022 Net finance revenue (expense)	4,927	5,231	304	6,975
8,366	8,383	8,487	105	11,317
(14,040) Operating surplus/(deficit)	(14,521)	(14,346)	(175)	(18,726)

Variance explanation:

The City Prosperity activity comprises Economic Development, i-Site, Claudelands Event Centre, Stadia (Waikato Stadium and Seddon Park) and Strategic Property. The activity is showing a net direct deficit of \$280K with the big variances shown as follows:

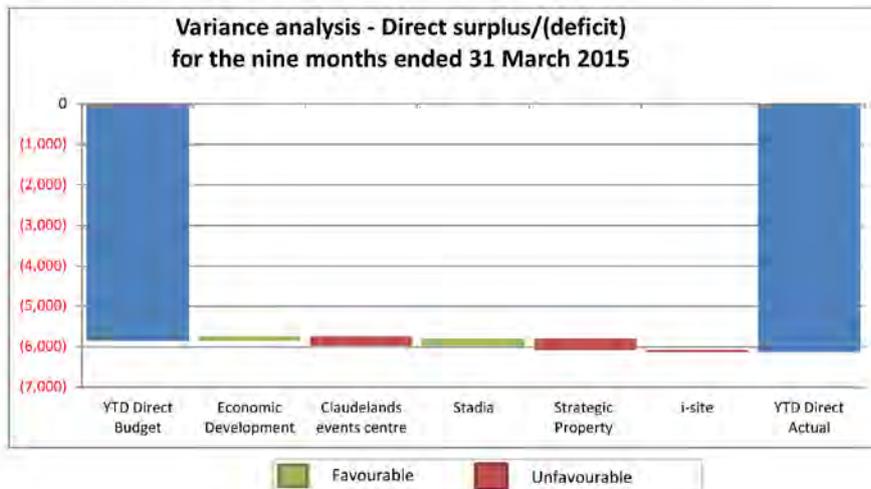
Economic Development - net surplus \$110K favourable. This is due to the timing of large events and sponsorships. Continued tight cost containment and the ceasing of temporary staffing in February 2015 are the drivers of the forecasted year end favourable variance of \$200K. This opportunity has been identified on Risk and Opportunities.

Claudelands Events Centre - net deficit \$221K unfavourable. Revenue is \$23K or 1% unfavourable and continues to trend close to budgeted revenue expectations. Claudelands expenditure is \$198K unfavourable, predominantly due to legal costs for the Waikato Shows Trust arbitration (refer Risk and Opportunity report) YTD spend \$73K and the cost of staff which is on par with 2013/14 actuals.

Stadia - net surplus \$172K favourable. Revenue \$1,102K favourable, Cricket World Cup achieved more revenue than the budget anticipated. Capital Contributions for Seddon Park also contribute \$378K to favourable revenue. Expenses \$929K unfavourable due to costs associated with running major sporting events predominantly associated with Cricket World Cup as well as reactive maintenance and an increase in temporary stand costs introduced this year by the supplier.

Strategic Property - net deficit \$277K unfavourable. Revenue \$223K unfavourable due to the continued non tenancy of the Beggs Wiseman building and the sale of investment properties. Commercial revenue is forecast to be down on budget target at year end by \$863K. Associated short term interest savings of \$300K will be achieved as a result of recent asset sales. No savings in depreciation to offset this as Council does not depreciate investment properties. Expenditure is \$56K unfavourable.

i-Site - net deficit \$62K unfavourable. Revenue \$34K unfavourable and expenditure \$28K unfavourable.



CITY SAFETY
for the nine months ended 31 March 2015

Prior YTD Actual	Year to Date		Variance Favourable/ (Unfavourable)	Annual Budget
	Actual	Budget		
\$000	\$000	\$000	\$000	\$000
Direct				
6,371 Revenue	6,406	5,791	614	7,457
6,654 Expenditure	6,117	5,498	(619)	7,372
(283) Direct surplus/(deficit)	289	294	(5)	86
Indirect				
979 Corporate overheads	971	1,265	294	1,687
46 Asset costs (depreciation)	38	29	(9)	39
28 Net finance revenue (expense)	27	29	2	39
1,052	1,037	1,324	287	1,765
(1,335) Operating surplus/(deficit)	(747)	(1,030)	283	(1,679)

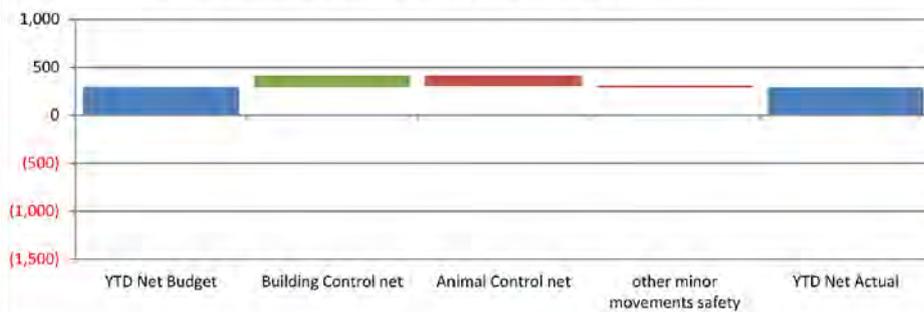
Variance explanation:

The City Safety activity comprises building control, animal control, city safe operations, food premises, public health, environmental control and liquor licensing. The activity is showing a \$614K increase in revenue and a \$619K increase in costs. This results in a net direct deficit of \$5K with key drivers of this variance explained as follows:

Building control's direct revenue is \$573K favourable YTD offsetting unfavourable expenditure of \$452K - a net favourable result of \$121K. Drivers of the unfavourable expenditure are personnel costs and contractors to meet building consent processing demand and statutory timeframes. The favourable result is being applied to speed up the digitisation of paper building records to allow the effective implementation of the Mobile solutions for inspectors in June 2015.

Animal Control direct revenue is \$4K favourable due to locating more dogs that have previously been unregistered and cost recovery of some vet fees. Direct expenditure is \$109K unfavourable - the three major contributors to the increased expenditure are legal fees associated with prosecutions, court fees and staff costs. Measures are being put in place to reduce legal fees by upskilling staff to process prosecutions in house. Staff budgets have historically not fully reflected actuals and this has been corrected through the LTP 2015-25.

Variance Analysis - Direct surplus/(deficit)
for the nine months ended 31 March 2015



Legend: ■ Favourable ■ Unfavourable

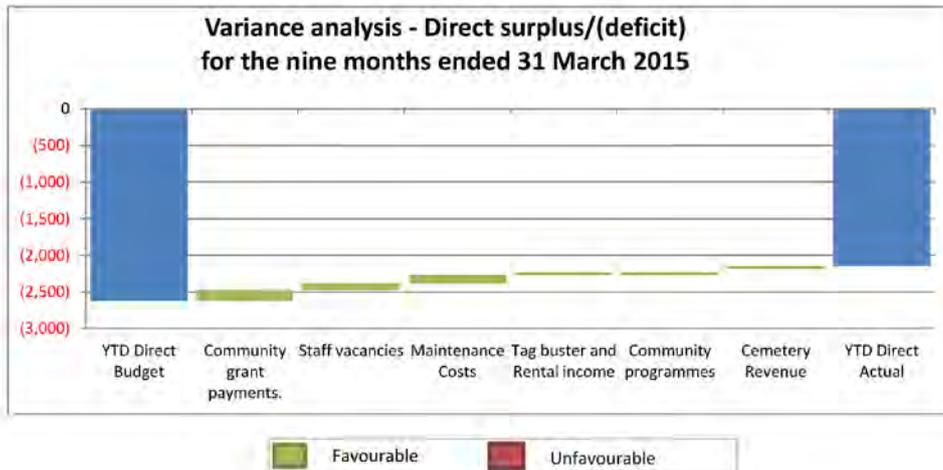
COMMUNITY SERVICES
for the nine months ended 31 March 2015

Prior YTD Actual \$000	Year to Date		Variance Favourable/ Unfavourable \$000	Annual Budget \$000
	Actual \$000	Budget \$000		
Direct				
2,810	2,851	2,723	128	3,698
4,920	4,996	5,342	346	7,187
(2,109)	(2,145)	(2,619)	474	(3,489)
Indirect				
714	783	789	6	1,051
89	78	104	26	139
67	64	68	4	91
869	924	961	37	1,281
(2,978)	(3,069)	(3,580)	511	(4,771)

Variance explanation:

Revenue - favourable variances of \$37k for Cemetery plot sales and burials, \$20k graffiti removal and \$71k rental of Community Centres and Pensioner Housing.

Expenditure is favourable as \$143k of multi-year community grant allocations have yet to be made. Other favourable variances include \$92k staff costs (the result of vacancies that existed earlier in the year) and \$111k lower than budgeted maintenance and programme works. The latter is expected to be favourable at year end.



DEMOCRACY
for the nine months ended 31 March 2015

Prior YTD Actual	Year to Date		Variance Favourable/ Unfavourable	Annual Budget
	Actual	Budget		
\$000	\$000	\$000	\$000	\$000
Direct				
210 Revenue	10	23	(13)	30
1,717 Expenditure	1,536	1,752	216	2,403
(1,507) Direct surplus/(deficit)	(1,526)	(1,729)	203	(2,373)
Indirect				
2,044 Corporate overheads	2,179	2,166	(12)	2,888
0 Asset costs (depreciation)	0	0	0	0
0 Net finance revenue (expense)	0	0	0	0
2,044	2,179	2,166	(12)	2,888
(3,551) Operating surplus/(deficit)	(3,705)	(3,895)	190	(5,261)

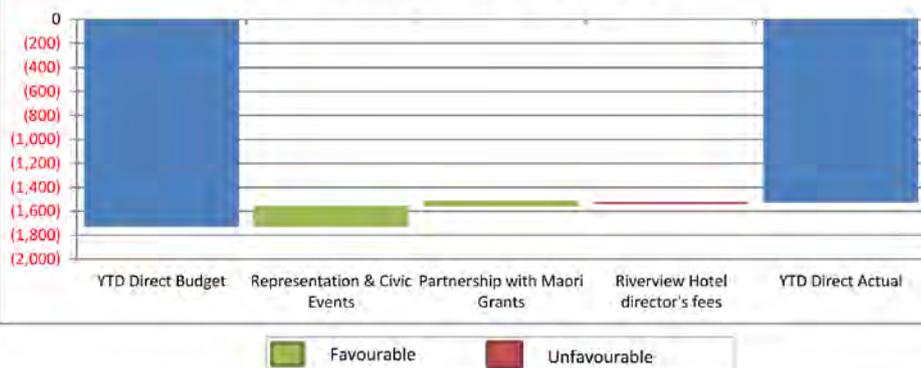
Variance explanation:

Unfavourable revenue of \$13k relates to the loss of the Riverview Hotel's directorship income as Council's interest in the venture has been sold.

Partnership with Maori - professional service costs favourable as the use of the new service providers has been less than expected. \$70k is included as a saving on the risk and opportunities report.

Representation and Civic Affairs. Various favourable variances including training, civic ceremony costs, photocopying and elected member remuneration. The latter is expected to be favourable at year end.

**Variance analysis - Direct surplus/(deficit)
for the nine months ended 31 March 2015**



PARKS AND OPEN SPACES
for the nine months ended 31 March 2015

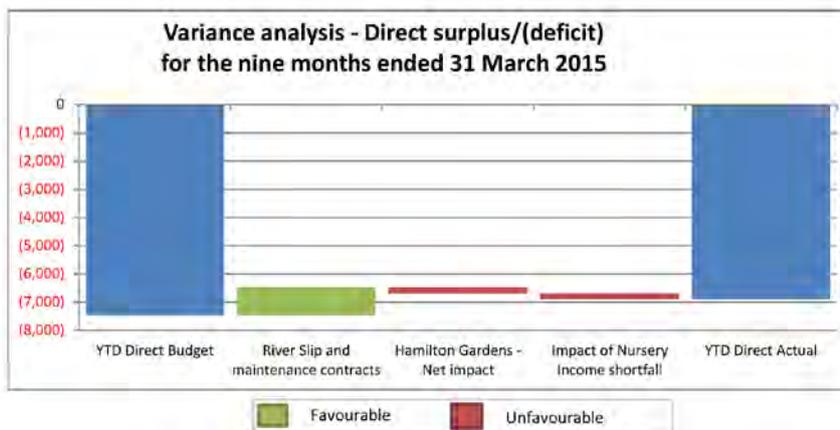
Prior YTD Actual 2013/14 \$000	Year to Date		Variance Favourable/ (Unfavourable) \$000	Annual Budget \$000
	Actual \$000	Budget \$000		
Direct				
861 Revenue	1,467	950	517	1,347
6,915 Expenditure	8,359	8,389	30	11,390
(6,054) Direct surplus/(deficit)	(6,892)	(7,439)	548	(10,043)
Indirect				
874 Corporate overheads	967	966	(1)	1,288
1,250 Asset costs (depreciation)	1,074	1,185	111	1,580
1,051 Net finance revenue (expense)	1,031	1,095	64	1,460
3,175	3,071	3,245	174	4,327
(9,229) Operating surplus/(deficit)	(9,963)	(10,685)	722	(14,370)

Variance explanation:

Parks and Open Spaces. Favourable revenue includes contributions received for Bryce Street Riverbank Slip remediation work \$408k. This has been included on the risk and opportunities report. Favourable expenditure as the project has been incorrectly budgeted as operating expenditure. The project value is \$670k is flat phased over the year and the overall impact is nil as any operating expenditure underspend will be offset by increased capital expenditure. The favourable variance is offset by charges from the Nursery. (Refer next item below)

Nursery revenue is \$213k below budget and as the Nursery is a Support Unit, the unfavourable variance is reflected in Parks & Open Spaces direct expenditure. A review of operations is in progress and the Committee will be advised of the outcome of the review.

Hamilton Gardens is (\$214k) unfavourable against budget forecast. Part of the variance relates to increased planned maintenance as items fell beneath the capitalisation threshold. Other unfavourable variances include personnel (\$116k), cleaning costs (\$62k). Also included are unbudgeted costs involved in the purchase of shop stock from the Friends of the Gardens. Unfavourable variances will be managed within existing budgets at group level. This is offset by favourable revenue - capital contribution towards gardens.



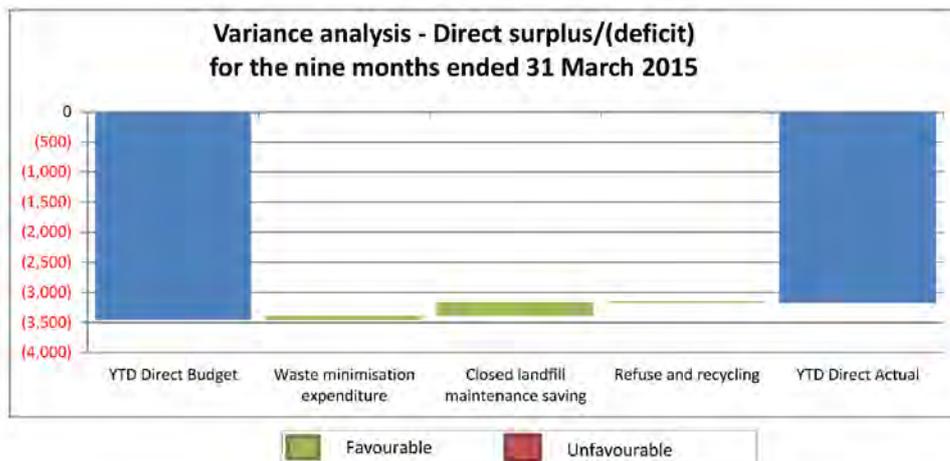
SOLID WASTE for the nine months ended 31 March 2015

Prior YTD Actual	Year to Date		Variance Favourable/ (Unfavourable)	Annual Budget
	Actual	Budget		
\$'000	\$'000	\$'000	\$'000	\$'000
Direct				
209 Revenue	569	566	3	755
3,666 Expenditure	3,725	4,018	293	5,358
(3,457) Direct surplus/(deficit)	(3,156)	(3,452)	297	(4,602)
Indirect				
438 Corporate overheads	486	484	(2)	646
204 Asset costs (depreciation)	180	296	116	395
106 Net finance revenue (expense)	105	111	6	148
748	771	891	120	1,189
(4,205) Operating surplus/(deficit)	(3,927)	(4,344)	417	(5,791)

Variance explanation:

The solid waste activity is showing a direct favourable variance of \$297k with the larger variances being:

Operating expenditure year to date is \$293k favourable due to \$60k of expenditure relating to the waste minimisation grant allocation process being completed later than planned and, \$220k of maintenance savings at our closed landfills due to optimising the capital programme (instead of maintaining we have renewed). This saving has been reported on the risks and opportunities register.



STORMWATER
for the nine months ended 31 March 2015

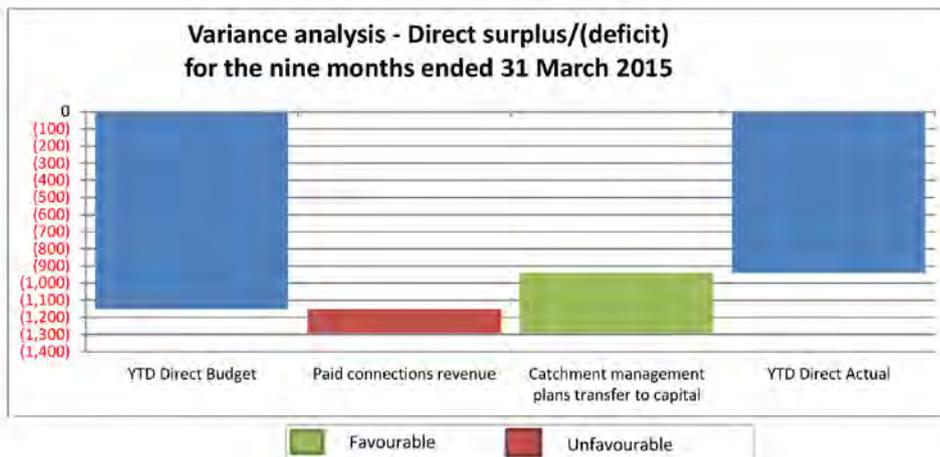
Prior YTD Actual	Year to Date		Variance Favourable/ Unfavourable	Annual Budget
	Actual	Budget		
\$000	\$000	\$000	\$000	\$000
Direct				
93 Revenue	290	429	(139)	574
1,239 Expenditure	1,229	1,580	351	2,107
(1,146) Direct surplus/(deficit)	(939)	(1,151)	212	(1,533)
Indirect				
189 Corporate overheads	210	209	(1)	279
4,144 Asset costs (depreciation)	4,183	4,280	97	5,706
285 Net finance revenue (expense)	280	297	17	396
4,618	4,673	4,786	113	6,381
(5,764) Operating surplus/(deficit)	(5,611)	(5,937)	325	(7,914)

Variance explanation:

The stormwater activity is showing a direct favourable variance of \$212k with the larger variances being:

Operating revenue year to date is \$139k unfavourable. Capital contributions for paid connections are \$139k below budget but as this is a user pays service this is offset by reduced capital expenditure. This unfavourable revenue won't be made up and is estimated to be \$170k by end of year (it is included on risks and opportunities together with other revenue implications from other connections).

Operating expenditure year to date is \$351k favourable due to catchment management plans being reclassified as capital expenditure. The total cost of the catchment management plan work is expected to be \$500k by the end of the year, which will be met within existing stormwater capital budgets. This leaves a forecast \$500k operational favourable variance, which has been reported on the risks and opportunities register.



TRANSPORTATION for the nine months ended 31 March 2015

Prior YTD Actual 2013/14 \$000	Year to Date		Variance Favourable/ Unfavourable \$000	Annual Budget \$000
	Actual \$000	Budget \$000		
Direct				
11,214	11,869	15,926	(4,057)	22,631
Revenue				
10,482	11,161	10,996	(165)	15,136
Expenditure				
<u>732</u>	<u>708</u>	<u>4,930</u>	<u>(4,222)</u>	<u>7,495</u>
Direct surplus/(deficit)				
Indirect				
1,979	2,148	2,186	39	2,915
Corporate overheads				
12,404	12,146	13,055	909	17,406
Asset costs (depreciation)				
4,974	4,883	5,185	302	6,912
Net finance revenue (expense)				
<u>19,358</u>	<u>19,176</u>	<u>20,426</u>	<u>1,250</u>	<u>27,233</u>
(18,626)	(18,467)	(15,496)	(2,972)	(19,738)
Operating surplus/(deficit)				

Variance explanation:

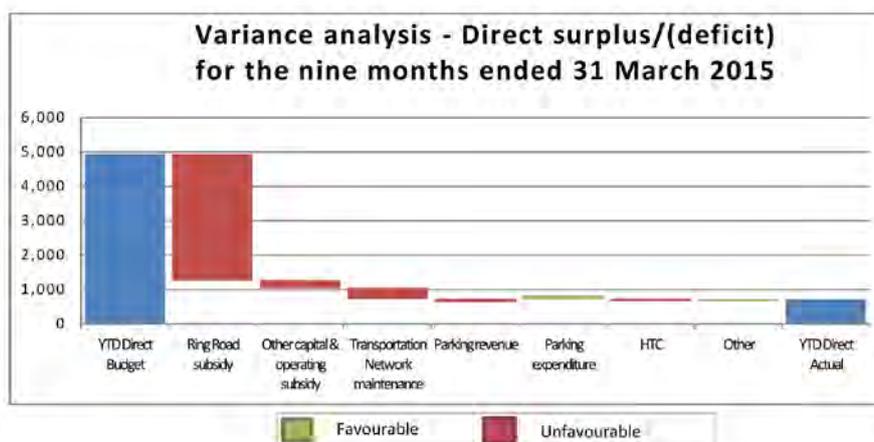
The transportation activity comprises Transportation Network (including Travel Demand Management), Parking, and Transport Centre. The transportation activity is showing a direct unfavourable variance of \$4,222k with the larger variances being:

Operating revenue year to date is \$4,057k unfavourable due to NZTA subsidy received for the Ring Road project being \$3,670k lower than expected due to delays in the project. As this project will now occur in 2015/16 this revenue will be collected then. The end of year revenue shortfall for the Ring Road will be \$4,400k and this is included on risks and opportunities.

Other capital and operating subsidy is \$225k below budget but this is offset by reduced subsidised expenditure.

Parking revenue is \$92k unfavourable due largely to the sale of Knox Street but offset by increased parking revenue elsewhere. Knox Street revenue is also offset by reduced expenditure, depreciation, and interest, which is reported on the risks and opportunities register.

Operating expenditure year to date is \$165k unfavourable due to \$307k of non-subsidised general maintenance work programmes being delivered earlier in the year than budgeted. This is partially offset by favourable doubtful debts related to parking of \$184k.



WASTEWATER
for the nine months ended 31 March 2015

Prior YTD Actual 2013/14 \$000	Year to Date		Variance Favourable/ Unfavourable \$000	Annual Budget \$000
	Actual \$000	Budget \$000		
Direct				
4,124 Revenue	3,486	4,170	(685)	5,402
8,620 Expenditure	8,124	8,476	353	11,299
(4,496) Direct surplus/(deficit)	(4,638)	(4,306)	(332)	(5,897)
Indirect				
956 Corporate overheads	1,079	1,096	18	1,462
5,454 Asset costs (depreciation)	5,794	5,543	(250)	7,391
2,837 Net finance revenue (expense)	2,785	2,957	172	3,943
9,247	9,657	9,596	(61)	12,795
(13,743) Operating surplus/(deficit)	(14,295)	(13,903)	(393)	(18,692)

Variance explanation:

The wastewater activity comprises wastewater and shared services. The wastewater activity is showing a direct unfavourable variance of \$332k with the larger variances being:

Operating revenue year to date is \$685k unfavourable due to reductions including trade waste (\$532k), tankered revenue (\$88k) and connections (\$65k).

Capital contributions for paid connections are \$65k below budget but as this is a user pays service this is offset by reduced capital expenditure. This unfavourable revenue won't be made up and is estimated to be \$70k by end of year (it is included on risks and opportunities together with other revenue implications from other connections).

\$654k is included on the risks and opportunities schedule to include:

- \$540k for trade waste revenue from 2 major customers, one which has closed (\$300k) and one which is not discharging as predicted (\$240k)
- \$114k from reductions in tankered waste, which was prohibited to protect treatment plant during breakdown event.

Unfavourable revenue is offset by corresponding favourable expenditure on consumables (power, gas, chemicals).

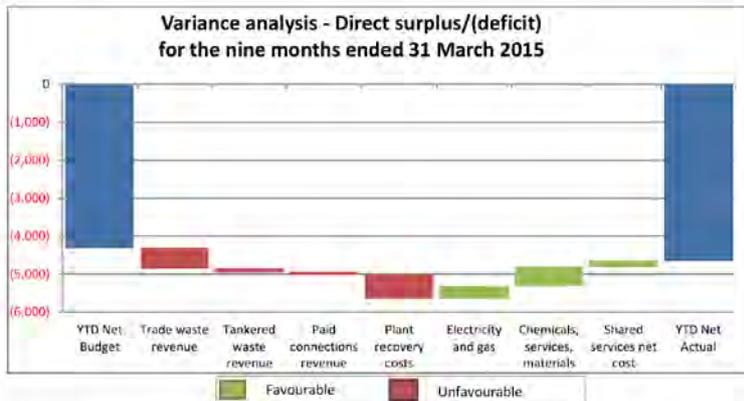
Operating expenditure year to date is \$353k favourable due largely to:

- \$373k unfavourable year to date plant recovery costs
- \$834k favourable year to date consumable and processing costs

The plant recovery costs are on track with \$633k spent year to date (\$260k capital expenditure, \$373k operating costs). Plant recovery operating costs are expected to be \$605k by the end of the year and this is reported on the risks and opportunities register. Plant recovery capital costs are expected to be \$630k by year end and this is reported on the risks and opportunities register.

The plant recovery costs are being offset by favourable variances on processing resources (e.g. electricity and gas \$334k, and chemicals, services and materials \$500k) due to one-off reduced processing costs due to stability at the plant, a drier than expected 2014 winter, and reduced tankered waste processing costs.

Operating expenditure is expected to be \$500k favourable by the end of the year allowing for increased seasonal consumables, which will help to offset unfavourable revenue, and this is reported on the risks and opportunities register.



WATER SUPPLY
for the nine months ended 31 March 2015

Prior YTD Actual 2013/14 \$000	Year to Date		Variance Favourable/ Unfavourable \$000	Annual Budget \$000
	Actual	Budget		
Direct				
6,383 Revenue	6,089	6,820	(731)	8,807
4,957 Expenditure	4,972	5,309	336	7,078
1,425 Direct surplus/(deficit)	1,117	1,511	(394)	1,729
Indirect				
767 Corporate overheads	777	941	164	1,254
4,905 Asset costs (depreciation)	5,170	5,392	222	7,190
2,126 Net finance revenue (expense)	2,087	2,216	129	2,955
7,798	8,034	8,549	515	11,399
(6,373) Operating surplus/(deficit)	(6,917)	(7,038)	121	(9,670)

Variance explanation:

The water activity is showing a direct unfavourable variance of \$394k with the larger variances being:

Operating revenue year to date is \$731k unfavourable due to water by meter revenue (\$635k), and a project with assumed subsidy not proceeding (\$108k).

Project 9027 to replace water mains during an intersection upgrade has not proceeded and has not received \$108k of assumed subsidy. The local share of funding has been reprioritised on risks and opportunities to fund the Garden Place car parking equipment.

Water by meter revenue is \$635k unfavourable due to:

- \$450k reductions in use by major customers with the biggest reduction from a customer who has completed their own private plant upgrades resulting in less water than expected from Council. Water revenue from high users is expected to be \$450k less than budget at year end and this has been reported on the risks and opportunities register.
- \$185k billing delays.

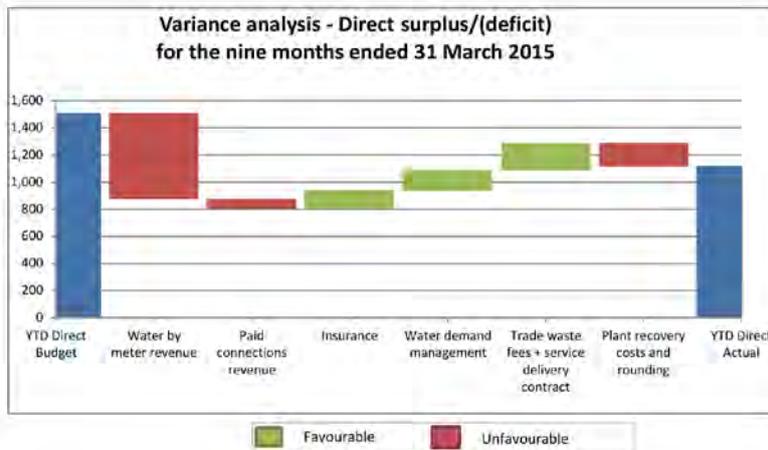
Operating expenditure year to date is \$336k favourable due largely to:

Insurance is \$134k favourable year to date due to the timing of the premium for insurance on underground assets and the total premium being less than expected. The savings component forms part of the overall insurance saving on the risks and opportunities register.

Water demand management expenditure is under budget by \$148k. Savings have been made in the water alert level campaign due to a shorter than expected alert period this summer and from only managing one alert level (i.e. we did not move from one alert level to another). Savings have also been achieved in the water demand management plan actions.

Trade waste fees and service delivery contract costs are \$200k favourable due to these costs being incurred later than expected.

Operating expenditure is expected to be \$200k favourable at year end, which will help to offset unfavourable revenue, and this has been reported on the risks and opportunities register.



OVERHEADS
for the nine months ended 31 March 2015

Prior YTD Actual	Year to Date		Variance Favourable/ Unfavourable	Annual Budget
	Actual	Budget		
\$000	\$000	\$000	\$000	\$000
Direct				
27,667 Revenue	28,109	29,464	(1,355)	39,285
19,791 Expenditure	20,844	20,907	64	28,132
7,876 Direct surplus/(deficit)	7,265	8,556	(1,291)	11,153
Indirect				
0 Corporate overheads	0	0	0	0
7,797 Asset costs (depreciation)	7,219	8,257	1,038	11,009
38 Net finance revenue (expense)	46	108	62	144
7,835	7,265	8,365	1,099	11,153
41 Operating surplus/(deficit)	0	192	(192)	(0)

Variance explanation:

Customer Services (\$164k) Unfavourable - Variance is due to recruitment and training of new call centre staff, timing of income and expenditure. Operational adjustments are being made to address the variance.

Customer Relationships (\$153k) Unfavourable. Variances include unbudgeted spend on business activities covered by contract staff and consultants which will be addressed through timing and phasing.

Communication and Marketing (\$61k) Unfavourable. Variances due to additional marketing expenditure during this period and timing with revenue income for sponsorship.

Strategy \$189k Favourable - professional service costs track lower than budget as various works have also been completed in-house. Savings of \$177k have been achieved which is offset by an unfavourable personnel cost variance of (\$93k). It is likely that further savings will follow and these will be advised in March.

Performance (\$115k) Unfavourable. Contribution to Water CCO business case project (50% share), along with Waikato and Waipa Councils. Total estimated cost HCC \$325,000 less \$75,000 available funding in Performance Admin. This item is included in the Waters Business Case report to full Council on 30 October 2014. This will be offset by savings from within the Performance group.

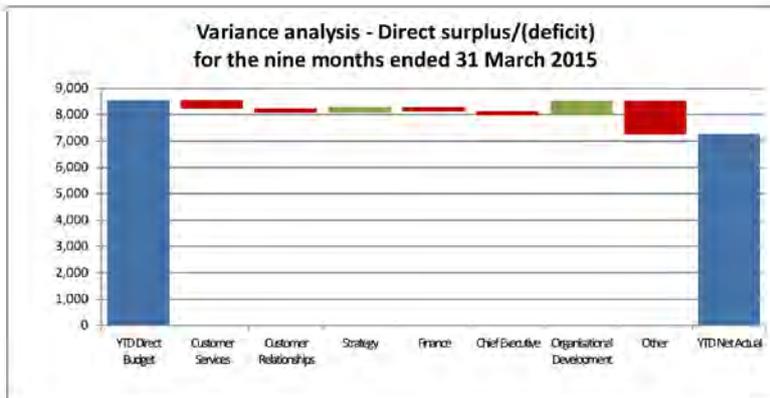
Portfolio Management (\$35k) Unfavourable. Variance relates to a revenue target that is unachievable. This has been corrected in the ten year plan and will be managed within existing budgets at Performance group level.

Property Management (\$43k) Unfavourable. Fleet revenue is (\$106k) unfavourable and offset by 75k Capital contributions for Museum art gallery upgrade. The unfavourable variance includes (\$266k) of painting work reclassified as operating expenditure to capital offset by favourable fuel and insurance variances. Items related to insurance, fuel and paint reclassification are included on the risk and opportunities report.

Finance (\$164k) Unfavourable. Variances due to costs associated with development levy support, external support for the ten year plan, and the recruitment of the interim Chief Financial Officer. Operating adjustments will be made to reduce the unfavourable variance.

Chief Executive (\$136k) Unfavourable. Variances due to the recruitment of Chief executive and increased personnel costs associated with the support services review.

Organisational Development \$545k Favourable. Variances include the timing of computer licence payments \$602k.



STATEMENT OF OVERHEADS (SUMMARY)
FOR THE NINE MONTHS ENDED 31 MARCH 2015

	YTD External Revenue	YTD Internal Revenue	Total YTD Revenue	Total YTD Expenditure	Net YTD Recovery	YTD Budget
Overhead Areas						
Approved Budget						
Chief Executive's Office	0	0	0	572	572	434
Finance	97	120	217	3,054	2,838	2,871
Performance Group	149	10,560	10,709	13,137	2,428	3,593
Organisation and Development Group	4	1,675	1,679	8,306	6,627	7,098
Customer Relationships	219	0	219	3,040	2,821	2,491
Total	469	12,355	12,824	28,109	15,285	16,488

The net recovery from the Overheads are allocated across the 12 Council activities.

Council Activities		
Arts and Recreation	3,464	4,017
City Planning	700	751
City Prosperity	1,523	1,618
City Safety	971	1,265
Community Services	783	789
Democracy	2,179	2,166
Parks and Open Spaces	967	966
Solid Waste	486	484
Stormwater	210	209
Transportation	2,148	2,186
Wastewater	1,079	1,096
Water Supply	777	941
	15,285	16,488

Key Projects Monitoring Status Summary Report - March 2015

Full report available in Trim [D-1736182](#)

Total Number of Projects	Count	Project Status	Risks
Project Status – On Track	6		Increased = ↑
Project Status – Needs to be Monitored	3		Unchanged = →
Project Status – Needs urgent management attention	0		Decreased = ↓

Project/Programme Name	Project Sponsor	Project Manager	Project Status	Project Exception Report	Risks
2015-25 10-Year Plan Project	Richard Briggs	Paul Gower and Sarah Ward		All time contingencies for the 10-Year Plan process to date have been used and key milestone dates have been missed. On this basis, this project will remain in an Amber status until it is completed in June 2015. Project timing is expected to be achieved.	
Financial System IT Implementation	Richard Briggs	Mark Donnelly		The timing has been exceeded for this project, therefore it will remain in an Amber status until completed. Following a change request, this project is now due to be completed in May 2015 instead of April 2015. No other project impact arising.	
Hamilton Ring Road Upgrade and Extension	Chris Allen	Chris Barton		There are current timing delays for this project in confirming the specimen design scope, this drives its Amber status. Resolutions are being sought prior to a full report to the Strategy and Policy Committee in May. Original project timing is expected to be achieved.	
Asset Management System – Hansen 8	Lance Vervoort	Susan Souren			→
District Plan Review – Phase VIII	Brian Croad	Luke O'Dwyer			→
Hamilton Gardens Development	Lance Vervoort	Mike Overwater			→
Rototuna Town Centre – New Agreement Phase	Lance Vervoort	Helen Paki			→
Southern Links – Designation as part of the Peacocke Structure Plan	Chris Allen	Tony Denton			→
Sub-regional waters business case	David Hall (External)	Peter Winefield (External)			→

D-1733991

1

2012-22 10-Year Plan

Performance Reporting - Year 3 (2014/15)

● No Data
 ● On track to meet this year's target
 ● Corrective action needed to meet this year's target, plan in place
 ● Off track to meet this year's target

#	LEVEL OF SERVICE	MEASURE	TARGET	YEAR TO DATE	QUARTER 1		QUARTER 2		QUARTER 3		
				Result	Result	Status	Result	Status	Result	Status	Comments
ARTS AND RECREATION											
1	Quality experiences for residents who use Council's arts and recreation facilities.	The number of visits to Waikato Museum each year.	118,000	75,802	26,434	●	23,704	●	25,664	●	Q3 target: 35,000 The result for Q3 was lower than anticipated. A new exhibition 'For Us they Fell' is expected to attract visitors in Q4. We are also reviewing current marketing strategies.
2	Facilities that support a range of activities and learning opportunities.	The number of people participating at education programmes at Waikato Museum.	8,000	2,976	1,150	●	1,272	●	554	●	A peer review has been completed by an independent reviewer to help increase education numbers. An action plan will be put in place, but is unlikely to see results to achieve target before year end.
3	Facilities that support a range of activities and learning opportunities.	The number of activities held at the theatres each year.	110*	70	28	●	30	●	12	●	Current booking levels for quarter 4 suggest that there may be 96-100 in total for the year. *The target for this measure has been revised to reflect that The Meteor Theatre was handed over to a community organisation in January 2014 (Reduced from 150 to 110).
CITY PLANNING AND DEVELOPMENT											
4	Applications to be processed within agreed timeframes.	The percentage of land use and subdivision consent applications processed within agreed timeframes.	100%	99.8%	100%	●	99%	●	100%	●	All land use and subdivision consent applications were processed within agreed timeframes during Q3. A complex consent was processed by an external consultant during Q2. It was not processed within agreed timeframes as additional time was required to ensure the correct environmental outcome was achieved. The year's target of 100% will not be able to be achieved because of this consent.
COMMUNITY SERVICES											
5	The cost of housing to be recovered through rents.	The percentage of annual costs of the housing activity recovered through rentals.	100%	93%	90%	●	90%	●	98%	●	Rents will be increased in 2015/16 to reflect increased costs (particularly depreciation) to achieve 100% cost recovery. There has been an increase in the percentage of annual costs recovered this quarter, attributable to a number of factors: - An increase in income due to higher occupation - Reduced costs during the sale process including a vacant full-time position, reduction in grounds maintenance and building maintenance costs.
6	Community spaces to be well used.	The percentage of bookable time that Enderley Community Centre is used by the community.	90%	67%	63%	●	64%	●	73%	●	A project to increase usage of centres is underway, and has started to take effect. In addition, staff have presented to elected members on Community Facilities and have been asked to produce further information prior to a decision being made on developing a Facilities strategic action plan.
7	Community spaces to be well used.	The percentage of bookable time that the Celebrating Age Centre is used by the community.	90%	67%	67%	●	68%	●	67%	●	A project to increase usage of centres is underway, and has started to take effect. In addition, staff have presented to elected members on Community Facilities and have been asked to produce further information prior to a decision being made on developing a Facilities strategic action plan.

#	LEVEL OF SERVICE	MEASURE	TARGET	YEAR TO DATE	QUARTER 1		QUARTER 2		QUARTER 3		
				Result	Result	Status	Result	Status	Result	Status	Comments
DEMOCRACY											
8	Timely and open access to public information.	The percentage of official information requests responded to within 20 working days.	100%	98%	98%		98%		100%		All requests received during Q3 were responded to within 20 working days. One request during Q2 was not responded to within 20 working days.
SOLID WASTE											
9	Council will promote and encourage recycling and reuse.	The percentage of waste recovered for recycling.	34%	30%	30%		30%		30%		The Waste Services Review has been completed and is included in the draft 2015-25 10-Year Plan.
TRANSPORTATION											
10	Roads, cycleways and footpaths will be kept in good condition.	The number of complaints about the "look and feel" of the network, including cleanliness and landscaping.	No more than 1550	1,274	328		440		506		In Q3 there was an increase in the number of complaints about the 'look and feel' of the network. Certain areas of the network, in particular Waiwera Drive landscaping, experienced high growth over the summer season, which is now expected to slow down. We will focus on a proactive maintenance programme for amenities in Q4.
11	A transport network that is safe to use.	The percentage of fatal and serious casualties in urban Hamilton that involve pedestrians, cyclists and motorcyclists	A steady or decreasing trend for the 5-year average results	59%					59%		There is a 3% increase from the previous 5 year trend data. 2010 -2014 = 59%; 2009-2013 = 56%; 2008-2012 = 57%; 2007-2010 = 54%; 2006-2010 = 49%
12	A transport network that is safe to use.	The percentage of fatal and serious casualties occurring as a result of crossing/turning crashes in urban Hamilton	A steady or decreasing trend for the 5-year average results	36%					36%		There is a 2% increase from the previous 5 year trend data. 2010 -2014 = 36%; 2009-2013 = 33%; 2008-2012 = 31%; 2007-2011 = 31%; 2006-2010 = 27%
13	Transport infrastructure and services that support sustainable travel choices.	The percentage of Hamilton primary schools with active school travel plans.	96%	89%	80%		80%		89%		32 out of 36 primary schools are now actively engaged. This is an increase of 4 schools. A new primary school opened in term one increasing the total number of schools.
WASTEWATER											
14	Reliable wastewater services.	The percentage of service interruptions to customers resolved within 8 hours.	100%	98%	97%		99%		100%		January - (33 of 33), February - (44 of 44), March - (35 of 35). All interruptions during Q3 were resolved within 8 hours. This measure is reported as off-track because in Q1 and Q2, 6 interruptions were not resolved within 8 hours, meaning the annual target of 100% will not be achieved.
WATER SUPPLY											
15	A reliable supply	The number of unplanned interruptions to service per year.	No more than 410	341	146		71		124		January - (42), February - (43), March - (39) A focus on results and interruptions to service will be needed during Q4 to achieve target.
16	Sustainable management of water resources.	Litres of water lost in the network through leaks per connection, per day.	Less than 110 litres	149 Litres	149		149		149		Assessments are carried out every three years. The first assessment was carried out in 2009/10 and the second in 2012/13. The result from both of these assessments was 149 litres of water lost. The next assessment is due in 2015/16. To meet the target a programme is underway to install additional bulk metres and valves to sectionise the network enabling a more comprehensive leak assessment to occur and is included in the draft 2015-25 10-Year Plan.

Other 10-Year Plan Commitments

Status Update as at March 2015

#	ITEM	DESCRIPTION	10-YP ACTIVITY	ORIGINAL TIMEFRAME	STATUS UPDATE 11 (AS AT MARCH 2015)	
					STATUS UPDATE 11	UPDATE 11 - COMMENTS
1	Review of sporting facilities including a focus on the equitable cost recovery for different types of sporting facilities and codes. NOTE: This is one component of the comprehensive review of Aquatic/Indoor and Outdoor Sporting Facilities	A sporting review has been completed, recommending a strategic plan be developed for the provision of sports across the city (aquatics, indoor recreation facilities and sports parks covering key matters including use, standards and facilities). A review of the equitable allocation of fees and charges will be implemented in 2012/13. Requests made for upgrades of facilities through the 10-Year Plan to be considered in review.	Parks and Open Spaces/Community Development and Leisure Facility	By June 2013	Completed	The Waikato Sports Facilities Plan was signed off by the Waikato Mayoral forum in November 2014. Staff have utilised the findings of the Plan to undertake more detailed analysis of indoor recreation, outdoor sporting and aquatic facility needs. Options for all areas were presented to Council as part of the organisational AMP and 10-Year Plan process. Note: While efforts were made to complete an equitable cost recovery analysis, data proved to be unreliable. Collecting accurate data would require intensive resourcing which is currently not available.
2	Collaborative approach for provision of social housing.	Investigate a collaborative approach to the provision of social housing with other providers (including Waikato Social Housing Interest Group) in 2012/13. Stakeholder engagement will be included as part of the review of the Social Wellbeing Strategy in 2012.	Community Development	Staff are aiming for the Social Well Being Strategy Action Plan to be reported to the first Strategy and Policy Committee of 2013.	In progress	A meeting being led by the third sector, to develop the social housing strategic plan, has been confirmed for May 2015. Feedback will be provided to Council later in the year. Senior staff have been appointed as Hamilton City Council representatives.
3	Investigate and consider upgrades required for long term operation of the Municipal Pool.	Undertake investigations on the leak from the Municipal pool and determine what capital expenditure would be required to fix the leak and bring pool to operational standard.	Community Development and Leisure Facility	Report Back by June 2013	In progress	Options for aquatic facilities have been prepared and presented for the draft 10-Year Plan (2015-2015). These include recommendations on the future of the Municipal Pool, based on the findings of the Waikato Regional Sports Facilities Plan and the Opus Aquatic Facility Report 2015. Council will consult on the Municipal Pool recommendation as part of the 10-Year Plan consultation process.
4	Sale of shareholdings in Council Controlled Organisations (CCOs) and Council Organisations (COs.)	Assess the strategic and short term value of Council's interests, re-define the clarity of Council's strategic objectives through these organisations, determine future direction for each. Investigate and pursue sale, exit strategy or need for new equity investment where appropriate (e.g. Hotel, Waikato Innovation Park Ltd (WIPL), Waikato Regional Airport Ltd (WRAL)).	Economic Development	Updates as appropriate through 2012/13 Reviewed as part of Economic Development Strategy and work programme in 2012/13	In progress	Ongoing assessment. Review of CCO shareholdings continues to be an item for consideration of the CCO Subcommittee.
5	Strategic review of swimming facilities. NOTE: This is one component of the comprehensive review of Aquatic/Indoor and Outdoor Sporting Facilities.	Evaluate the provision and accessibility of swimming facilities in the city (local/suburban accessibility vs. citywide accessibility), including benchmarking. Plan to undertake a swimming facilities footprint analysis in year 1 of the 10-Year Plan to determine long-term future needs for the city. This will be part of a sports facilities plan for the city which would include aquatics, indoor recreation facilities, and sports parks.	Community Development and Leisure Facility	By June 2013	In progress	Options for aquatic facilities have been prepared and presented for the draft 10-Year Plan (2015-2015). These include recommendations on the future of the Municipal Pool, based on the findings of the Waikato Regional Sports Facilities Plan and the Opus Aquatic Facility Report 2015. Further work has commenced on the benchmarking of aquatic facilities against similar facilities in NZ.
6	Consider development of recreation facility partnership policy. NOTE: This is one component of the comprehensive review of Aquatic/Indoor and Outdoor Sporting Facilities	Staff to investigate the development of a facility partnership policy.	Community Development and Leisure Facility	By June 2013	In progress	The draft Waikato Sports Facilities Plan was completed by Visitor Solutions in June 2014 and made available for public feedback, prior to being signed off by the Waikato Mayoral forum in November 2014. Staff have utilised the findings of the Plan to undertake more detailed analysis of Indoor and Aquatic Sports facility needs. There is potential for a joint venture with Ministry of Education and the Rototuna High School Board of Trustees for a new four court multi-Indoor Recreation facility on the High School site. A report is to be presented to Council on preferred location and feasibility study of indoor recreation centre by December 2015.

#	ITEM	DESCRIPTION	10-YR ACTIVITY	ORIGINAL TIMEFRAME	STATUS UPDATE 11 (AS AT MARCH 2015)		
					STATUS UPDATE 11	UPDATE 11 - COMMENTS	
7	Consider the possibility of a joint venture for the North East Sector Pool.	Work could be completed in year 1 of the 10-Year Plan.	Community Development and Leisure Facility			In progress	The draft Waikato Sports Facilities Plan was completed by Visitor Solutions in June 2014 and made available for public feedback, prior to being signed off by the Waikato Mayoral forum in November 2014. Staff have utilised the findings of the plan to undertake more detailed analysis of indoor and aquatic sports facility needs. Findings of a follow up Opus report indicate that a new facility in Rotorua is not required until after 2025 although there is a current short term need for increased leisure and Learn to Swim space. Future planning for an aquatic facility in Rotorua should include investigation of shared funding models with relevant Territorial Authorities and schools in the surrounding area that would benefit from such a facility.
8	Retention or disposal of Waiwhakareke Smart Subdivision land	The Strategy and Policy Committee considered this matter in March 2012, and resolved to hold the land in its current state until economic conditions improve and receive a report by October 2013 on all future options for the land (including sale, development, merge with adjacent park, status quo etc.).	Parks and Open Spaces (Strategic Property Unit)	By October 2013		In progress	Council resolved to revoke the previous Council's resolution in relation to the reserve status for the land that was known as the Smart Subdivision. Council also requested that the matter be returned to the RMA Commissioners to reconsider the zoning. The Commissioner's decision was released in February. The appeals period is closing in April. If no appeals are received the site will be confirmed as residential.
9	Sandford Park Management Plan and dog exercise area.	The Council has 15 dog exercise areas. Additional areas require a review of the Gully Reserves Management Plan and the Dog Control Policy and Bylaw. The Management Plan for Sandford Park is due to be reviewed in 2013, which will consider a dog exercise area on the park in consultation with the community. This review will be followed by the five yearly review of the Dog Control Policy in 2014.	Parks and Open Spaces	2014 year – in line with review of Dog Control Policy		In progress	The Dog Exercise plan was adopted in November 2014. The proposal for Horotiu and Sandford Park was reviewed as part of the Dog Exercise Area Plan, these areas were not included in the final plan. The Dog Control Policy and Bylaw is currently open for public consultation.
10	'Hamilton Card' for Hamilton Residents	Applicable for a variety of Community Development Services e.g. Libraries, pools, Hamilton Gardens, Zoo. Factor this into a number of the items where shared initiatives and sub-regional.	Community Group	By December 2013		On hold	An economic analysis undertaken by Horwarth does not support charging for the Hamilton Gardens suggesting that costs of charging to non-residents, and administering a non-resident card would likely outweigh potential revenue and would deter visitation. Further analysis will be undertaken following the Museum strategic planning process due for completion in December 2015.
11	Evaluation of options for an art gallery	Arts Forum to develop an action plan that includes consideration for the strategic objective 'Provide leadership to develop infrastructure to support a nationally recognised public art collection in Hamilton.'	Arts Promotion	Action Plan to be reported to 6 Dec Strategy and Policy Committee		On hold	The Arts Forum action plan was adopted in February 2013 and an Art Gallery Working Group was established. The task of the working group is to undertake a feasibility study on the development of an international standard contemporary public art gallery. The group held a workshop with key stakeholders in March 2014 to develop four art gallery models to be investigated. An application for funding for a pre-feasibility study has been on hold to enable the Creative Infrastructure Plan to be completed and received by Council. Workshop stakeholders have been notified.

Committee: Finance Committee

Date: 23 April 2015

Report Name: Procurement Report

Author: Scott Copeland

Report Status	<i>Open</i>
Strategy, Policy or Plan context	<i>Not Applicable</i>
Financial overview	<i>Not Applicable</i>

1. Purpose of the Report

- The purpose of this report is to provide the Finance Committee with information on a standard set of Council procurement metrics.

3. Executive Summary

- This report gives an overview of procurement activities for Hamilton City Council for the period 1st November 2014 to 31st March 2015.

5. Recommendation from Management

- That the Report be received.

7. Attachments

- Attachment 1 - Procurement KPI Dashboard
- Attachment 2 - Contracts Awarded By Council Between 1 November 2014 and 31 March 2015
- Attachment 3 - Contracts Currently Being Tendered Or Under Evaluation
- Attachment 4 - Professional Services Panel Instruction For Services Issued By Council Between 1 November 2014 and 31 March 2015
- Attachment 5 - Professional Service Spend by Financial Year

13. Key issues

- The Procurement KPI Statistics Dashboard is contained in Attachment One.
- The ten year forecast for procurement savings is contained within the Procurement KPI Statistics Dashboard. The ten year forecast for procurement savings is currently \$9.68 million. Savings are calculated from the contract start until the end of contract and are benchmarked against pre contract costs unless there is a reasonable expectation that these savings will continue post contract expiry. Savings are shown in the financial year they will fall.

- Attachment Two shows all contracts awarded by Council for the period between 1st November 2014 and 31st March 2015.
- Attachment Three shows all contracts currently being tendered or under evaluation.
- Attachment Four shows all Professional Service Panel Instruction for Services issued by Council for the period between 1st November 2014 and 31st March 2015.
- Attachment Five shows all Professional Service spend for Council by category for the last three financial years as well as spend by Professional Services Provider for the period 1st July 2014 to 31st March 2015.

14. Risks and legal implications

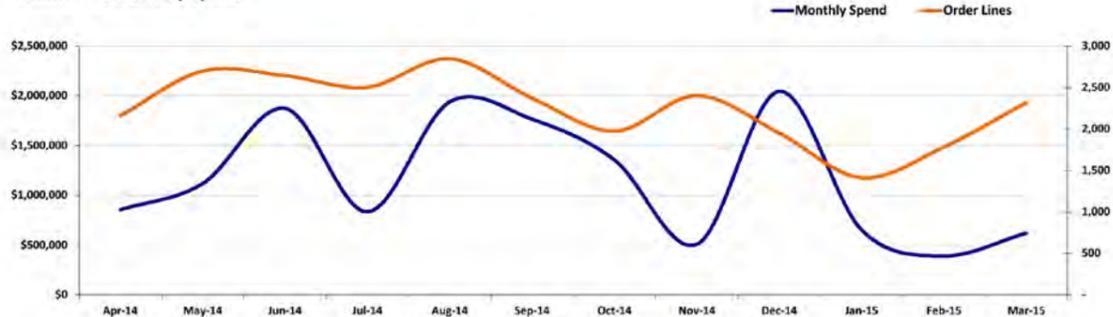
15. Not Applicable

Signatory

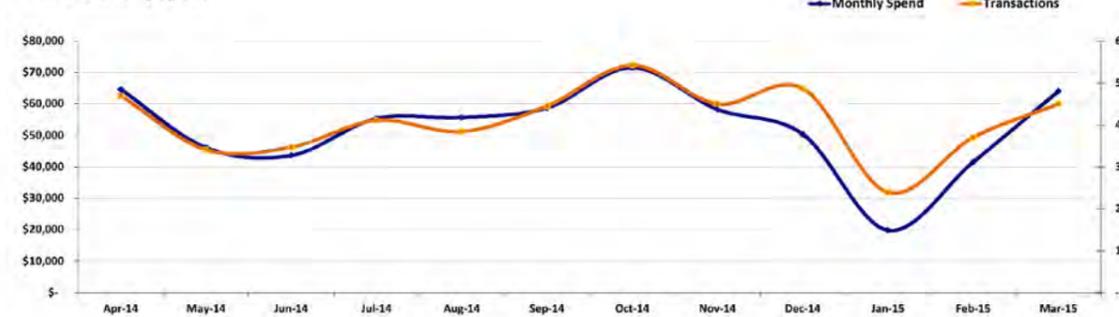
Authoriser	Paul Conder, Chief Financial Officer
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PROCUREMENT - KPI Statistics Dashboard

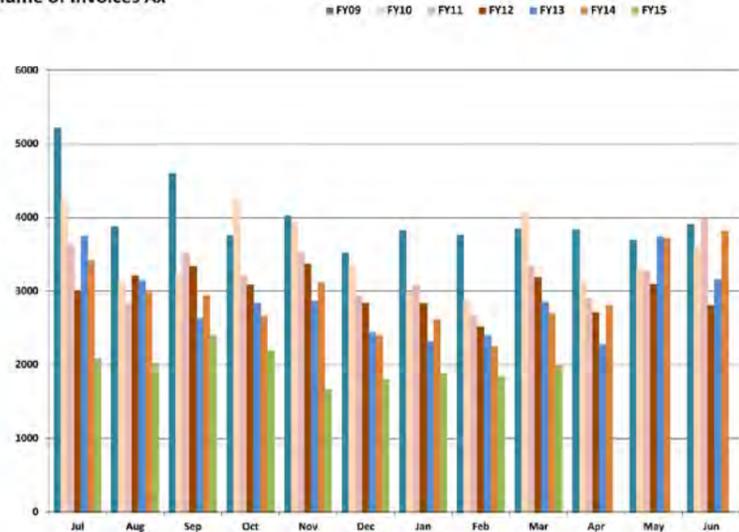
Unimarket Monthly Spend



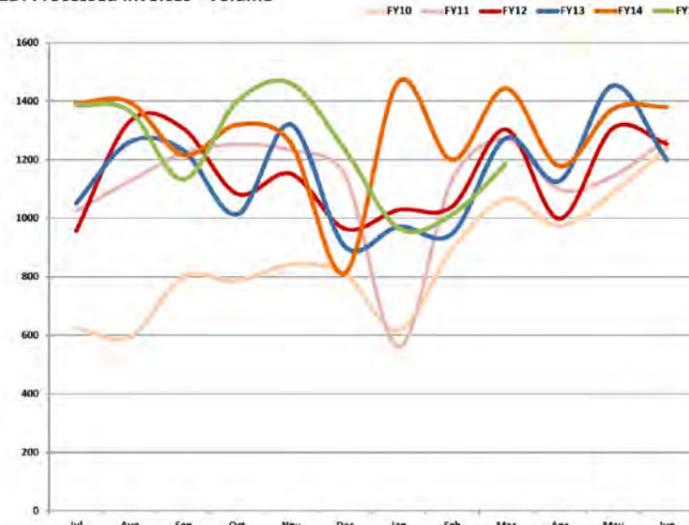
P-Card Monthly Spend



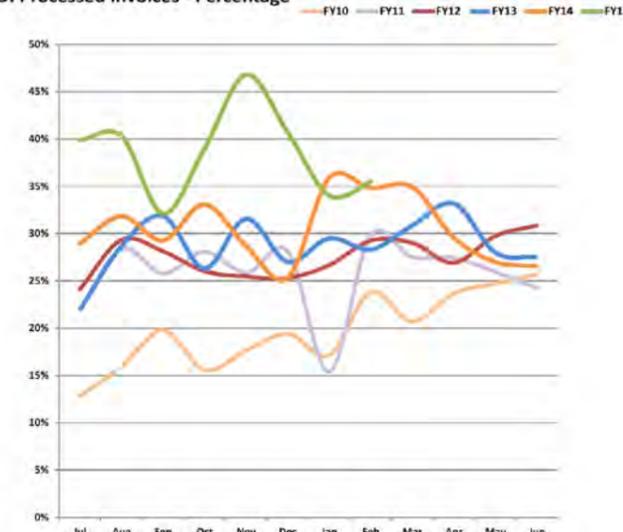
Volume of Invoices Ax



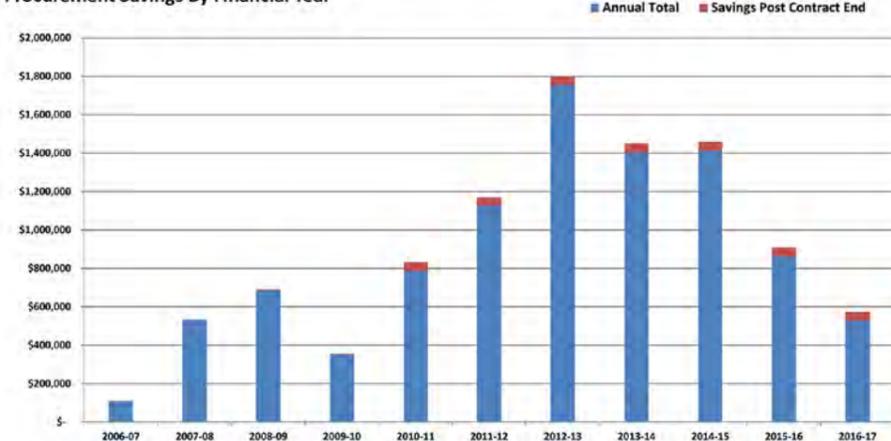
EDI Processed Invoices - Volume



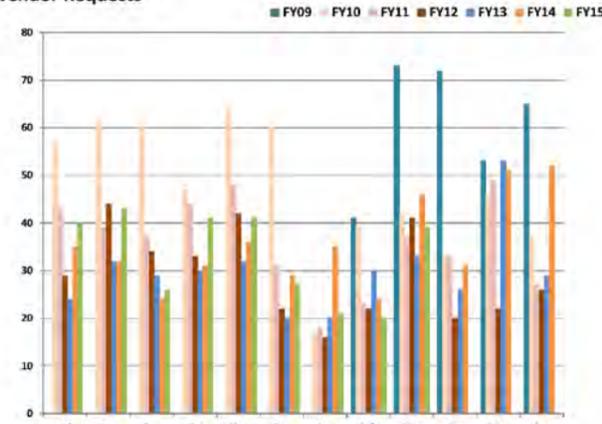
EDI Processed Invoices - Percentage



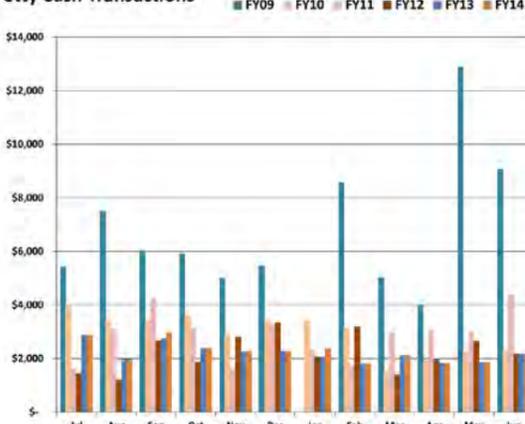
Procurement Savings By Financial Year



New Vendor Requests



Petty Cash Transactions

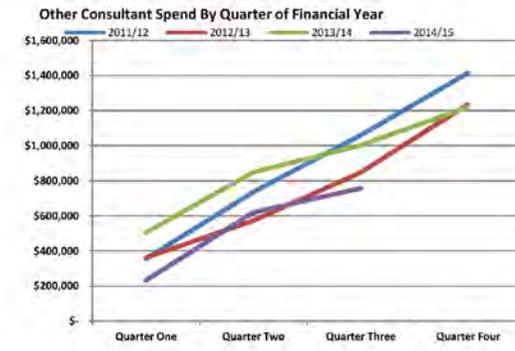
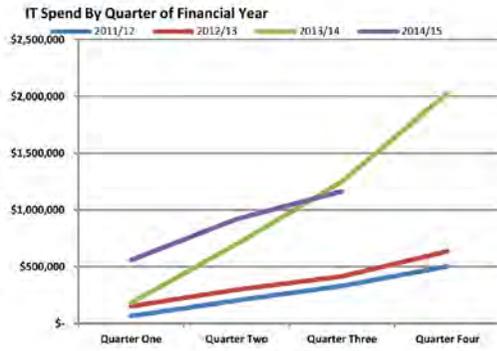
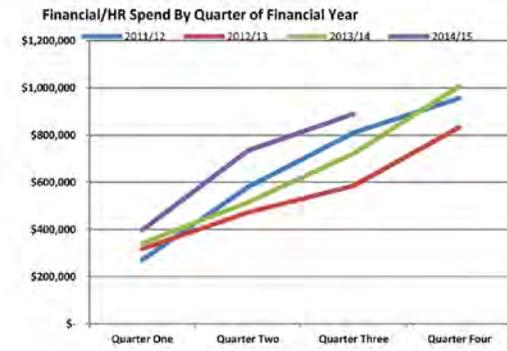
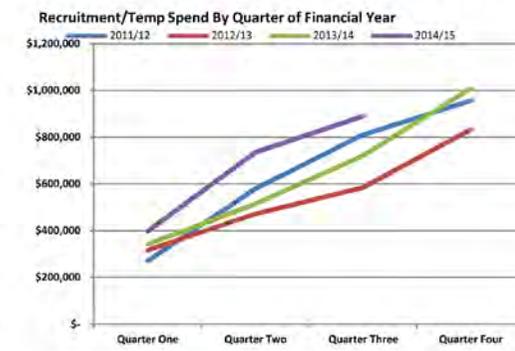
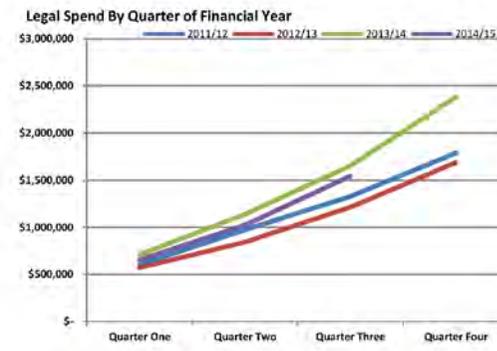
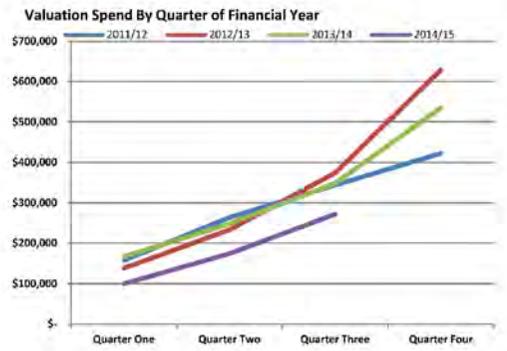
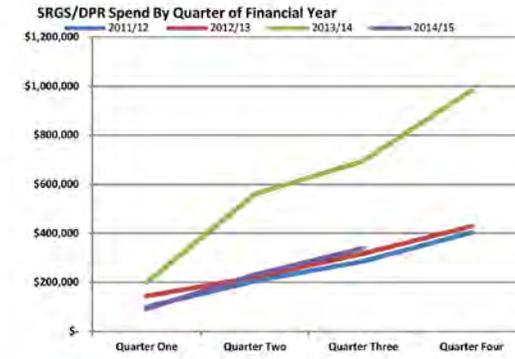
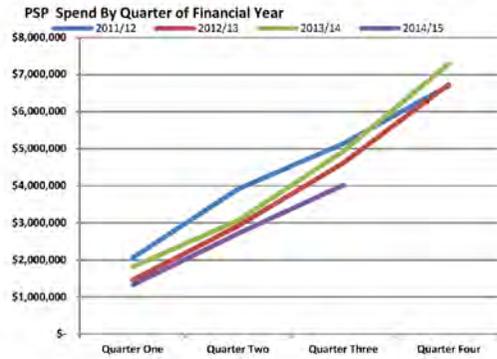
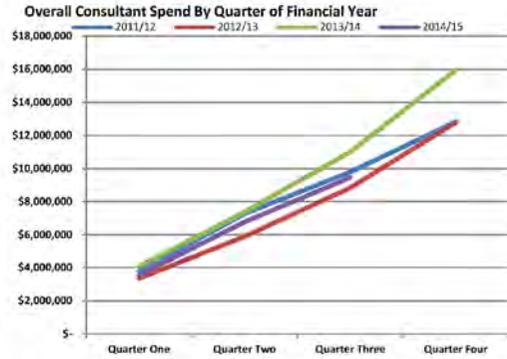


Contract No.	Contract Description / Name	NZTA Funded	Public or Private	Tender Manager	RFQ Method	Supplier Selection Method	Contract Delivery Model	Approved By	Approved Date	Contractor	Current Approved Contract Sum	Approved Contract Start Date	Approved Contract End Date
13305	Theatres Walkways Project	Not Funded	Private	Athol Thompson	RFQ	Price Quality	Minor Work	Blair Bowcott - General Manager - Performance	8/08/2014	Height Access Technology Ltd	\$ 120,000.00	25/11/2014	6/03/2015
13315	Supply of Automation Software	Not Funded	Private	Sharon Robinson	Direct Appointment	Direct Appointment	Period Supply	Finance Committee	14/08/2014	NHP Electrical Engineering Products	\$ 1,250,000.00	1/01/2015	1/01/2018
13322	Hilda Riss Fence	Funded	Public	David Gunn	RFQ	Price Quality	Minor Work	Tony Denton - City Development Unit Manager	10/11/2014	Kingan Landscaping Ltd	\$ 80,000.00	3/11/2014	20/02/2015
13357	Waterworld Rock Garden Cafe Development	Not Funded	Public	Darryl Stuart	RFT	Price Quality	Minor Work	Richard Briggs - Chief Executive	6/11/2014	ESN Construction Ltd	\$ 336,657.70	12/11/2014	6/02/2014
13391	Pest Management Programme	Not Funded	Public	Leigh Cornes	RFT	Weighted Attributes	Period Supply	Richard Briggs - Chief Executive	4/03/2015	Biosecurity Services Ltd	\$ 360,000.00		
13392	Hosting and Managed Infrastructure and Application Services	Not Funded	Public	David Gunn	RFQ	Quality	Bespoke	Finance Committee	4/12/2014	Fujitsu New Zealand Ltd	\$ 11,923,785.00	2/03/2015	1/07/2019
14022	High Lift Valves replacement H4	Not Funded	Public	Lyle Barker	RFQ	Price Quality	Minor Work	Tall Lawrence - Project Development Manager	17/11/2014	Service Engineers Ltd	\$ 35,000.00	17/11/2014	21/02/2015
14073	Renew Irrigation at Galloway Park	Not Funded	Private	Carl Johnstone	RFQ	Price Quality	Minor Work	Sally Sheedy - Unit Manager - Parks and Open Spaces	3/10/2014	Urban Lawns	\$ 67,719.61	14/10/2014	31/10/2014
14099	Te Wīnika Restoration Project	Not Funded	Private	Cherie Meecham	Direct Appointment	Direct Appointment	Minor Work	Lance Vervoort - General Manager - Community	18/11/2014	Waikato Raupatu Lands Trust	\$ 47,437.50	5/11/2014	10/01/2014
14100	Major Cremator Refractory Rebuild	Not Funded	Private	Michelle Rivers	RFQ	Price Quality	Minor Work	Sally Sheedy - Unit Manager - Parks and Open Spaces	7/11/2014	Pyrotek Pty Ltd (Crown Furnaces)	\$ 87,891.00	7/11/2014	1/12/2014
14104	Water Meter Reading	Not Funded	Public	Paul King (Opus)	RFT	Price Quality	NZS 3910 Term Maintenance	Chris Allen - General Manager - City Infrastructure	9/03/2015	DataCol	\$ 137,339.00	TBA	TBA
14110 A	HCC Professional Services Panel - Abley Transportation Consultants	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Abley Transportation Consultants	\$ -	1/01/2015	31/12/2019
14110 B	HCC Professional Services Panel - AECOM	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	AECOM	\$ -	1/01/2015	31/12/2019
14110 C	HCC Professional Services Panel - Align Surveyors and Landform Surveys Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Align Surveyors and Landform Surveys Ltd	\$ -	1/01/2015	31/12/2019
14110 D	HCC Professional Services Panel - Beca Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Beca Ltd	\$ -	1/01/2015	31/12/2019
14110 E	HCC Professional Services Panel - Bloxam Burnett Olliver	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Bloxam Burnett Olliver	\$ -	1/01/2015	31/12/2019
14110 F	HCC Professional Services Panel - GHD Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	GHD Ltd	\$ -	1/01/2015	31/12/2019
14110 G	HCC Professional Services Panel - Gray Matter Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Gray Matter Ltd	\$ -	1/01/2015	31/12/2019
14110 H	HCC Professional Services Panel - Holmes Consulting Group	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Holmes Consulting Group	\$ -	1/01/2015	31/12/2019
14110 I	HCC Professional Services Panel - Micon Engineering (1995) Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Micon Engineering (1995) Ltd	\$ -	1/01/2015	31/12/2019
14110 J	HCC Professional Services Panel - Morphum Environmental Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Morphum Environmental Ltd	\$ -	1/01/2015	31/12/2019
14110 K	HCC Professional Services Panel - MRCagney Pty Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	MRCagney Pty Ltd	\$ -	1/01/2015	31/12/2019
14110 L	HCC Professional Services Panel - MWH New Zealand Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	MWH New Zealand Ltd	\$ -	1/01/2015	31/12/2019
14110 M	HCC Professional Services Panel - Odyssey Energy (2009) Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Odyssey Energy (2009) Ltd	\$ -	1/01/2015	31/12/2019
14110 N	HCC Professional Services Panel - Opus International Consultants	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Opus International Consultants	\$ -	1/01/2015	31/12/2019
14110 O	HCC Professional Services Panel - Tonkin & Taylor Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Tonkin & Taylor Ltd	\$ -	1/01/2015	31/12/2019
14110 P	HCC Professional Services Panel - Traffic Design Group Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Traffic Design Group Ltd	\$ -	1/01/2015	31/12/2019
14110 Q	HCC Professional Services Panel - Waikato Roading Services Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Waikato Roading Services Ltd	\$ -	1/01/2015	31/12/2019
14112	2014/15 Minor Transport Improvements	Funded	Public	Simon Crowther	RFT	Price Quality	NZS 3910 Traditional	Richard Briggs - Chief Executive	28/11/2014	Base Civil Ltd	\$ 900,000.00	8/12/2014	31/03/2015
14129	Business Analyst for the Enterprise Mobility Project	Not Funded	Private	David Gunn	Direct Appointment	Direct Appointment	Bespoke	Oily Te Ua - General Manager - Organisational Development	22/10/2014	NineTwenty Ltd	\$ 90,000.00	9/12/2014	30/06/2015
14141	World War One Memorial Garden Construction	Not Funded	Private	Gina Halliwood	Direct Appointment	Direct Appointment	Minor Work	Finance Committee	13/11/2014	Livingstone Building	\$ 235,000.00	18/11/2014	20/03/2015
14144	Hammond Park Boardwalk Maintenance	Not Funded	Public	Leigh Cornes	RFQ	Price Quality	Minor Work	Jeremy Froger - Team Leader Natural Environments - Parks and Open Spaces	27/01/2015	Downer Ltd	\$ 45,000.00	14/01/2015	27/03/2015
14145	Scum Ejector Renewals	Not Funded	Public	Lyle Barker	RFQ	Price Quality	Minor Work	Tony Denton - City Development Unit Manager	12/01/2015	Industrial Welding Ltd	\$ 60,000.00	TBA	TBA
14148	Commercial Rates Impacts Modelling	Not Funded	Private	Michael Spurr	Direct Appointment	Direct Appointment	IPENZ Short Form	Richard Briggs - Chief Executive	5/11/2014	Market Economics Ltd	\$ 26,840.00	20/10/2014	30/06/2015
14153	Strategic Creative Consultancy Services	Not Funded	Private	Sean Murray	Direct Appointment	Direct Appointment	IPENZ Short Form	Richard Briggs - Chief Executive	24/11/2014	Harvey Cameron Advertising Ltd	\$ 60,000.00	27/06/2014	31/06/2015
14154	Technical Specs for Stormwater Solutions	Not Funded	Private	Andrea Phillips	Direct Appointment	Direct Appointment	IPENZ Short Form	Chris Allen - General Manager - City Infrastructure	7/11/2014	Morphum Environmental Ltd	\$ 50,000.00	14/11/2014	30/06/2015
14163	Slamang Exhibit Design	Not Funded	Private	Stephen Standley	Direct Appointment	Direct Appointment	Bespoke	Sean Murray - General Manager - Events and Economic Development	10/12/2014	Studio Hanson Roberts	\$ 30,000.00	8/12/2014	5/08/2015
14165	Waikato Stadium CCTV Upgrade	Not Funded	Private	Shaun Wijnstok	Direct Appointment	Direct Appointment	Minor Work	Sean Murray - General Manager - Events and Economic Development	25/11/2014	Concord Security Ltd	\$ 95,000.00	25/11/2014	15/01/2015
14170	Assets Project Business Analysis Services	Not Funded	Private	Susan Souren	Direct Appointment	Direct Appointment	Bespoke	Oily Te Ua - General Manager - Organisational Development	3/12/2014	Absolute IT	\$ 40,000.00	12/01/2015	31/03/2015
14171	Assets Project - Work Management, Valuation, End User Training	Not Funded	Private	Susan Souren	Direct Appointment	Direct Appointment	Bespoke	Oily Te Ua - General Manager - Organisational Development	3/12/2014	Waugh Infrastructure Management Ltd	\$ 92,000.00	1/11/2014	31/03/2015
14175	Noise Advice for Resolution of PDP Appeals	Not Funded	Private	Paul Ryan	Direct Appointment	Direct Appointment	IPENZ Short Form	Brian Croad - General Manager - City Environments	10/12/2014	Malcolm Hunt Associates	\$ 40,000.00	2/12/2014	31/12/2015
14177	Zoo Waikato University Student Grants	Not Funded	Private	Samantha Kudeweh	Direct Appointment	Direct Appointment	Bespoke	Sean Murray - General Manager - Events and Economic Development	9/12/2014	Waikato University	\$ 81,000.00	TBA	TBA
14178	Zoo Hay Supply	Not Funded	Private	Samantha Kudeweh	Direct Appointment	Direct Appointment	Period Supply	Sean Murray - General Manager - Events and Economic Development	9/12/2014	James Thompson	\$ 70,000.00	1/12/2014	1/12/2015
14180	WTP Intake Stop Log	Not Funded	Private	Lyle Barker	Direct Appointment	Direct Appointment	Minor Work	Chris Allen - General Manager - City Infrastructure	1/12/2014	Downer Ltd	\$ 95,000.00		30/06/2015
14190	Regulatory Administration and Business Support Project	Not Funded	Private	Graeme Savage	Direct Appointment	Direct Appointment	Bespoke	Brian Croad - General Manager - City Environments	25/11/2014	Morrison Low	\$ 40,000.00	19/11/2014	30/06/2015
14191	Celebrating Age Centre Cafe	Not Funded	Private	Jennifer Murray	Direct Appointment	Direct Appointment	Bespoke	Deanne McManus-Emery - Unit Manager - Community Development and Leisure	3/12/2014	Cooper Catering	\$ -	TBA	TBA
14192	Proposed District Plan Appeals - Hazardous Facilities	Not Funded	Private	Sam Le Heron	Direct Appointment	Direct Appointment	IPENZ Short Form	Brian Croad - General Manager - City Environments	1/12/2014	Resources - Hazardous Substance and Resource Management Consulting	\$ 10,000.00	1/12/2014	18/12/2015
14195	Chlorine Scrubber Supply	Not Funded	Private	Lyle Barker	Direct Appointment	Direct Appointment	Period Supply	Finance Committee	13/11/2014	Alreure Australia	\$ 352,900.00	22/12/2014	30/04/2015
14197	Minoque Park Playspace - Landscape and Playground Design	Not Funded	Private	Shona Fisher	Direct Appointment	Direct Appointment	IPENZ Short Form	Lance Vervoort - General Manager - Community	8/12/2014	Bespoke Landscape Architects	\$ 40,650.00	8/12/2014	30/06/2015
14198	"The Line of Fire" - Sapper Horace Moore-Jones Statue	Not Funded	Private	Jacob Quinn	Direct Appointment	Direct Appointment	Bespoke	Blair Bowcott - General Manager - Performance	10/12/2014	TOTI Charitable Trust	\$ 1.00	19/12/2014	30/06/2015
14202	Customer Promise Measurement Framework Pilot Project	Not Funded	Private	Mike Overwater	Direct Appointment	Direct Appointment	IPENZ Short Form	Jason Dawson - General Manager - Customer Relationships	8/12/2014	The Research Agency Ltd	\$ 46,550.00	15/12/2014	31/03/2015
14204	Porritt Stadium Bridge Replacement	Not Funded	Private	Brad Ward	Direct Appointment	Direct Appointment	Minor Work	Lance Vervoort - General Manager - Community	23/12/2014	Bridge it NZ Ltd	\$ 30,000.00	14/01/2015	1/05/2015
14206	Building Control Unit Project Process Review	Not Funded	Private	Cory Lang	Direct Appointment	Direct Appointment	IPENZ Short Form	Brian Croad - General Manager - City Environments	18/12/2014	Morrison Low	\$ 95,000.00	1/04/2014	31/05/2015
14210	Zoo Souvenir Goods Supply	Not Funded	Private	Stephen Standley	Direct Appointment	Direct Appointment	Period Supply	Sean Murray - General Manager - Events and Economic Development	11/12/2014	Bel Merino NZ	\$ 68,000.00	1/01/2015	31/12/2015
14211	WEL Stand Lighting Towers Repaint	Not Funded	Public	Tony Lamb	RFQ	Price Quality	Minor Work	Blair Bowcott - General Manager - Performance	20/03/2015	Cantec Services	\$ 132,112.00	TBA	TBA
14223	Zoo Waikato University Student Grants	Not Funded	Private	Samantha Kudeweh	Direct Appointment	Direct Appointment	Bespoke	Sean Murray - General Manager - Events and Economic Development	10/12/2014	The University of Waikato	\$ 81,000.00	17/11/2014	20/11/2017
14225	10-Year Plan - Corporate Planning Support	Not Funded	Private	Sarah Ward	Direct Appointment	Direct Appointment	IPENZ Short Form	Blair Bowcott - General Manager - Performance	19/12/2014	Katherine Quinn	\$ 20,000.00	9/01/2015	30/06/2015
14226	Sludge Holding Tank Active Cathodic Protection	Not Funded	Private	Lyle Barker	Direct Appointment	Direct Appointment	Minor Work	Chris Allen - General Manager - City Infrastructure	24/12/2014	Service Engineers Ltd	\$ 60,000.00	2/03/2015	8/06/2015
14229	Rural-Urban Interactions: A review of international and local literature	Not Funded	Private	Hannah Windle	Direct Appointment	Direct Appointment	IPENZ Short Form	Brian Croad - General Manager - City Environments	16/01/2015	Dovetail	\$ 15,000.00	16/01/2015	31/03/2015
14230	Chiller Dehumidifier Renewal	Not Funded	Private	Lyle Barker	Direct Appointment	Direct Appointment	Minor Work	Chris Allen - General Manager - City Infrastructure	27/01/2015	Entec Services Ltd	\$ 60,000.00	16/02/2015	30/06/2015
14231	Audit Fees for 2015 LTP	Not Funded	Private	Paul Conder	Direct Appointment	Direct Appointment	Bespoke	Full Council	11/12/2014	Audit New Zealand	\$ 109,000.00	11/12/2014	1/07/2015
14232	Mooney Park Playground Renewal - Supply and Install Equipment	Not Funded	Private	Shona Fisher	RFQ	Weighted Attributes	Minor Work	Gina Halliwood - Team Leader - City Landscapes	27/02/2015	Playground People Ltd	\$ 50,000.00	TBA	TBA
14240	Technical & Operational Consultant for Waterworld	Not Funded	Private	Mathew Bayliss	Direct Appointment	Direct Appointment	IPENZ Short Form	Lance Vervoort - General Manager - Community	23/01/2015	Judy Tipping	\$ 15,000.00	20/01/2015	20/04/2015
14243	Enderley Park Community Centre - Customer Service	Not Funded	Private	Jennifer Murray	Direct Appointment	Direct Appointment	Period Supply	Lance Vervoort - General Manager - Community	23/01/2015	Raukura Hauora o Tainui Trust	\$ 15,000.00	TBA	TBA
14252	Northolt Park Playground Renewal - Supply and Install Equipment	Not Funded	Private	Shona Fisher	RFT	Weighted Attributes	Minor Work	Sally Sheedy - Unit Manager - Parks and Open Spaces	31/03/2015	Playground Creations Ltd	\$ 50,000.00	TBA	TBA
14257	PublicVoice - Software as a Service Agreement	Not Funded	Private	Aaron Fleming	Direct Appointment	Direct Appointment	Bespoke	Blair Bowcott - General Manager - Performance	11/02/2015	PublicVoice Ltd	\$ 23,000.00	4/02/2015	3/02/2016
14263	Water Treatment Station Low-River Contingency Intake Design	Not Funded	Private	Lyle Barker	Direct Appointment	Direct Appointment	IPENZ Short Form	Chris Allen - General Manager - City Infrastructure	26/02/2015	Downer NZ Ltd	\$ 89,400.00	TBA	TBA
14284	Mooney Park and Northolt Park Playground Renewals - Professional Services	Not Funded	Private	Shona Fisher	Direct Appointment	Direct Appointment	IPENZ Short Form	Gina Halliwood - Team Leader - City Landscapes	27/02/2015	Park Central	\$ 6,400.00	25/02/2015	30/07/2015
14288	Development Contributions Policy Review 2015	Not Funded	Private	Paul Gower	Direct Appointment	Direct Appointment	IPENZ Short Form	Blair Bowcott - General Manager - Performance	10/03/2015	Insight Economics	\$ 25,000.00	5/02/2015	5/08/2015
14289	Unimarket e-Procurement Hosting	Not Funded	Private	Scott Copeland	Direct Appointment	Direct Appointment	Bespoke	Paul Conder - Chief Financial Officer	6/03/2015	Unimarket	\$ 82,500.00	1/06/2015	31/05/2018
14294	Hamilton Zoo - Zoofari	Not Funded	Private	Stephen Standley	Direct Appointment	Direct Appointment	Bespoke	Sean Murray - General Manager - Events and Economic Development	16/03/2015	The Warehouse Group	\$ 45,000.00	TBA	TBA
14295	Rototuna Town Centre Mapping and Survey Work	Not Funded	Private	Helen Paki	Direct Appointment	Direct Appointment	IPENZ Short Form	Lance Vervoort - General Manager - Community	13/03/2015	Blue Wallace Surveyors	\$ 20,000.00	1/03/2015	1/09/2015
14304	Solid Waste Bylaw Implementation	Not Funded	Private	Kerry Skeer	Direct Appointment	Direct Appointment	IPENZ Short Form	Andrew Parsons - Acting General Manager - City Infrastructure	13/03/2015	Eunomia Research and Consulting Ltd	\$ 70,000.00	TBA	TBA
14306	Minoque Park Playground Renewal Flying Fox	Not Funded	Private	Shona Fisher	Direct Appointment	Direct Appointment	Minor Work	Lance Vervoort - General Manager - Community	24/03/2015	PlayCo Equipment Ltd	\$ 35,000.00	TBA	TBA
14307	Supply of Aerial Imagery 2015	Not Funded	Private	Chris Mardon	Direct Appointment	Direct Appointment	IPENZ Short Form	Oily Te Ua - General Manager - Organisational Development	23/03/2015	Aerial Surveys Ltd			

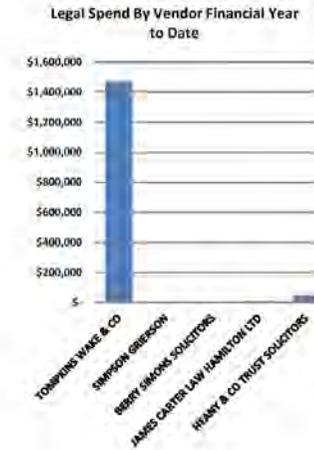
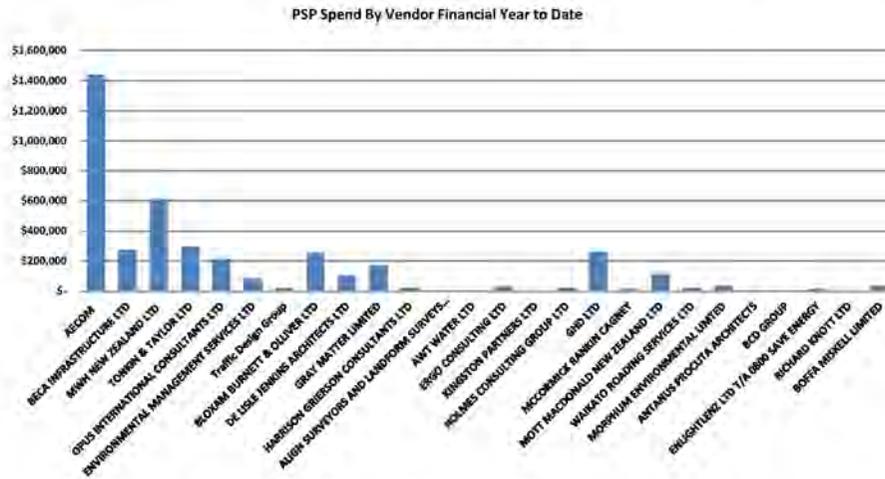
Contract No.	Contract Description / Name	NZTA Funded	Public or Private	Tender Manager	RFX Method	Supplier Selection Method	Contract Delivery Model	Approved By	Approved Date	Contractor	Current Approved Contract Sum	Approved Contract Start Date	Approved Contract End Date
13305	Theatres Walkways Project	Not Funded	Private	Athol Thompson	RFQ	Price Quality	Minor Work	Blair Bowcott - General Manager - Performance	8/08/2014	Height Access Technology Ltd	\$ 120,000.00	25/11/2014	6/03/2015
13315	Supply of Automation Software	Not Funded	Private	Sharon Robinson	Direct Appointment	Direct Appointment	Period Supply	Finance Committee	14/08/2014	NHP Electrical Engineering Products	\$ 1,250,000.00	1/01/2015	1/01/2018
13322	Hilda Ross Fence	Funded	Public	Chris Barton	RFQ	Price Quality	Minor Work	Tony Denton - City Development Unit Manager	10/11/2014	Kingan Landscaping Ltd	\$ 80,000.00	3/11/2014	20/02/2015
13357	Waterworld Rock Garden Cafe Development	Not Funded	Public	Darryl Stuart	RFT	Price Quality	Minor Work	Richard Briggs - Chief Executive	6/11/2014	ESN Construction Ltd	\$ 336,657.70	12/11/2014	6/02/2014
13391	Pest Management Programme	Not Funded	Public	Leigh Cornes	RFT	Weighted Attributes	Period Supply	Finance Committee	4/03/2015	Biosecurity Services Ltd	\$ 360,000.00		
13392	Hosting and Managed Infrastructure and Application Services	Not Funded	Public	David Gunn	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Fujitsu New Zealand Ltd	\$ 11,922,795.00	2/03/2015	1/07/2019
14022	High Lift Valves replacement H4	Not Funded	Public	Lyle Barker	RFQ	Price Quality	Minor Work	Tahl Lawrence - Project Development Manager	17/11/2014	Service Engineers Ltd	\$ 35,000.00	17/11/2014	21/02/2015
14073	Renew Irrigation at Galloway Park	Not Funded	Private	Carl Johnstone	RFQ	Price Quality	Minor Work	Sally Sheedy - Unit Manager - Parks and Open Spaces	3/10/2014	Urban Lawns	\$ 67,719.63	14/10/2014	31/10/2014
14099	Te Winka Restoration Project	Not Funded	Private	Cherie Meecham	Direct Appointment	Direct Appointment	Minor Work	Lance Vervoort - General Manager - Community	18/11/2014	Waikato Raupatu Lands Trust	\$ 47,437.50	5/11/2014	10/01/2014
14100	Major Cremator Refractory Rebuild	Not Funded	Private	Michelle Rivers	RFQ	Price Quality	Minor Work	Sally Sheedy - Unit Manager - Parks and Open Spaces	7/11/2014	Pyrotek Pty Ltd (Crown Furnaces)	\$ 87,891.00	7/11/2014	1/12/2014
14104	Water Meter Reading	Not Funded	Public	Paul King (Opus)	RFT	Price Quality	NZS 3910 Term Maintenance	Chris Allen - General Manager - City Infrastructure	9/03/2015	DataCol	\$ 137,339.00	TBA	TBA
14110 A	HCC Professional Services Panel - Abley Transportation Consultants	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Abley Transportation Consultants	\$ -	1/01/2015	31/12/2019
14110 B	HCC Professional Services Panel - AECOM	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	AECOM	\$ -	1/01/2015	31/12/2019
14110 C	HCC Professional Services Panel - Align Surveyors and Landform Surveys Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Align Surveyors and Landform Surveys Ltd	\$ -	1/01/2015	31/12/2019
14110 D	HCC Professional Services Panel - Beca Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Beca Ltd	\$ -	1/01/2015	31/12/2019
14110 E	HCC Professional Services Panel - Bloxam Burnett Olliver	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Bloxam Burnett Olliver	\$ -	1/01/2015	31/12/2019
14110 F	HCC Professional Services Panel - GHD Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	GHD Ltd	\$ -	1/01/2015	31/12/2019
14110 G	HCC Professional Services Panel - Gray Matter Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Gray Matter Ltd	\$ -	1/01/2015	31/12/2019
14110 H	HCC Professional Services Panel - Holmes Consulting Group	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Holmes Consulting Group	\$ -	1/01/2015	31/12/2019
14110 I	HCC Professional Services Panel - Micon Engineering (1995) Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Micon Engineering (1995) Ltd	\$ -	1/01/2015	31/12/2019
14110 J	HCC Professional Services Panel - Morphum Environmental Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Morphum Environmental Ltd	\$ -	1/01/2015	31/12/2019
14110 K	HCC Professional Services Panel - MRCagney Pty Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	MRCagney Pty Ltd	\$ -	1/01/2015	31/12/2019
14110 L	HCC Professional Services Panel - MWH New Zealand Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	MWH New Zealand Ltd	\$ -	1/01/2015	31/12/2019
14110 M	HCC Professional Services Panel - Odyssey Energy (2009) Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Odyssey Energy (2009) Ltd	\$ -	1/01/2015	31/12/2019
14110 N	HCC Professional Services Panel - Opus International Consultants	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Opus International Consultants	\$ -	1/01/2015	31/12/2019
14110 O	HCC Professional Services Panel - Tonkin & Taylor Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Tonkin & Taylor Ltd	\$ -	1/01/2015	31/12/2019
14110 P	HCC Professional Services Panel - Traffic Design Group Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Traffic Design Group Ltd	\$ -	1/01/2015	31/12/2019
14110 Q	HCC Professional Services Panel - Waikato Roading Services Limited	Not Funded	Public	Jessica Findlay	REOI	Quality	Bespoke	Finance Committee	4/12/2014	Waikato Roading Services Ltd	\$ -	1/01/2015	31/12/2019
14112	2014/15 Minor Transport Improvements	Funded	Public	Simon Crowther	RFT	Price Quality	NZS 3910 Traditional	Richard Briggs - Chief Executive	28/11/2014	Base Civil Ltd	\$ 900,000.00	8/12/2014	31/03/2015
14129	Business Analyst for the Enterprise Mobility Project	Not Funded	Private	David Gunn	Direct Appointment	Direct Appointment	Bespoke	Oly Te Ua - General Manager - Organisational Development	22/10/2014	Ninetwenty Ltd	\$ 90,000.00	9/12/2014	30/06/2015
14141	World War One Memorial Garden Construction	Not Funded	Private	Gina Hallwood	Direct Appointment	Direct Appointment	Minor Work	Finance Committee	13/11/2014	Livingstone Building	\$ 235,000.00	18/11/2014	20/03/2015
14144	Hammond Park Boardwalk Maintenance	Not Funded	Public	Leigh Cornes	RFQ	Price Quality	Minor Work	Jeremy Froger - Team Leader Natural Environments - Parks and Open Spaces	27/01/2015	Downer Ltd	\$ 45,000.00	14/01/2015	27/03/2015
14145	Scum Ejector Renewals	Not Funded	Public	Lyle Barker	RFQ	Price Quality	Minor Work	Tony Denton - City Development Unit Manager	12/01/2015	Industrial Welding Ltd	\$ 60,000.00	TBA	TBA
14148	Commercial Rates Impacts Modelling	Not Funded	Private	Michael Spurr	Direct Appointment	Direct Appointment	IPENZ Short Form	Richard Briggs - Chief Executive	5/11/2014	Market Economics Ltd	\$ 26,840.00	20/10/2014	30/06/2015
14153	Strategic Creative Consultancy Services	Not Funded	Private	Sean Murray	Direct Appointment	Direct Appointment	IPENZ Short Form	Richard Briggs - Chief Executive	24/11/2014	Harvey Cameron Advertising Ltd	\$ 60,000.00	27/06/2014	31/06/2015
14154	Technical Specs for Stormwater Solutions	Not Funded	Private	Andrea Phillips	Direct Appointment	Direct Appointment	IPENZ Short Form	Chris Allen - General Manager - City Infrastructure	7/11/2014	Morphum Environmental Ltd	\$ 50,000.00	14/11/2014	30/06/2015
14163	Siamang Exhibit Design	Not Funded	Private	Stephen Standley	Direct Appointment	Direct Appointment	Bespoke	Sean Murray - General Manager - Events and Economic Development	10/12/2014	Studio Hanson Roberts	\$ 30,000.00	8/12/2014	5/08/2015
14165	Waikato Stadium CCTV Upgrade	Not Funded	Private	Shaun Wijnstok	Direct Appointment	Direct Appointment	Minor Work	Sean Murray - General Manager - Events and Economic Development	25/11/2014	Concord Security Ltd	\$ 95,000.00	25/11/2014	15/01/2015
14170	Assets Project Business Analysis Services	Not Funded	Private	Susan Souren	Direct Appointment	Direct Appointment	Bespoke	Oly Te Ua - General Manager - Organisational Development	3/12/2014	Absolute IT	\$ 40,000.00	12/01/2015	31/03/2015
14171	Assets Project - Work Management, Valuation, End User Training	Not Funded	Private	Susan Souren	Direct Appointment	Direct Appointment	Bespoke	Oly Te Ua - General Manager - Organisational Development	3/12/2014	Waugh Infrastructure Management Ltd	\$ 92,000.00	1/11/2014	31/03/2015
14175	Noise Advice for Resolution of PDP Appeals	Not Funded	Private	Paul Ryan	Direct Appointment	Direct Appointment	IPENZ Short Form	Brian Croad - General Manager - City Environments	10/12/2014	Malcolm Hunt Associates	\$ 40,000.00	2/12/2014	31/12/2015
14177	Zoo Waikato University Student Grants	Not Funded	Private	Samantha Kudeweh	Direct Appointment	Direct Appointment	Bespoke	Sean Murray - General Manager - Events and Economic Development	9/12/2014	Waikato University	\$ 81,000.00	TBA	TBA
14178	Zoo Hay Supply	Not Funded	Private	Samantha Kudeweh	Direct Appointment	Direct Appointment	Period Supply	Sean Murray - General Manager - Events and Economic Development	9/12/2014	James Thompson	\$ 70,000.00	1/12/2014	1/12/2015
14180	WTP Intake Stop Log	Not Funded	Private	Lyle Barker	Direct Appointment	Direct Appointment	Minor Work	Chris Allen - General Manager - City Infrastructure	1/12/2014	Downer Ltd	\$ 95,000.00		30/06/2015
14190	Regulatory Administration and Business Support Project	Not Funded	Private	Graeme Savage	Direct Appointment	Direct Appointment	Bespoke	Brian Croad - General Manager - City Environments	25/11/2014	Morrison Low	\$ 40,000.00	19/11/2014	30/06/2015
14191	Celebrating Age Centre Cafe	Not Funded	Private	Jennifer Murray	Direct Appointment	Direct Appointment	Bespoke	Deanne McManus-Emery - Unit Manager - Community Development and Leisure	3/12/2014	Cooper Catering	\$ -	TBA	TBA
14192	Proposed District Plan Appeals - Hazardous Facilities	Not Funded	Private	Sam Le Heron	Direct Appointment	Direct Appointment	IPENZ Short Form	Brian Croad - General Manager - City Environments	1/12/2014	Resources - Hazardous Substance and Resource Management Consulting	\$ 10,000.00	1/12/2014	18/12/2015
14195	Chlorine Scrubber Supply	Not Funded	Private	Lyle Barker	Direct Appointment	Direct Appointment	Period Supply	Finance Committee	13/11/2014	Alreure Australia	\$ 352,900.00	22/12/2014	30/04/2015
14197	Mirogue Park Playspace - Landscape and Playground Design	Not Funded	Private	Shona Fisher	Direct Appointment	Direct Appointment	IPENZ Short Form	Lance Vervoort - General Manager - Community	8/12/2014	Bespoke Landscape Architects	\$ 40,650.00	8/12/2014	30/06/2015
14198	"The Line of Fire" - Sapper Horace Moore-Jones Statue	Not Funded	Private	Jacob Quinn	Direct Appointment	Direct Appointment	Bespoke	Blair Bowcott - General Manager - Performance	10/12/2014	TOTI Charitable Trust	\$ 1.00	19/12/2014	30/06/2015
14202	Customer Promise Measurement Framework Pilot Project	Not Funded	Private	Mike Overwater	Direct Appointment	Direct Appointment	IPENZ Short Form	Jason Dawson - General Manager - Customer Relationships	8/12/2014	The Research Agency Ltd	\$ 46,550.00	15/12/2014	31/03/2015
14204	Porritt Stadium Bridge Replacement	Not Funded	Private	Brad Ward	Direct Appointment	Direct Appointment	Minor Work	Lance Vervoort - General Manager - Community	23/12/2014	Bridge It NZ Ltd	\$ 30,000.00	14/01/2015	1/05/2015
14206	Building Control Unit Project Process Review	Not Funded	Private	Cory Lang	Direct Appointment	Direct Appointment	IPENZ Short Form	Brian Croad - General Manager - City Environments	18/12/2014	Morrison Low	\$ 95,000.00	1/04/2014	31/05/2015
14210	Zoo Souvenir Goods Supply	Not Funded	Private	Stephen Standley	Direct Appointment	Direct Appointment	Period Supply	Sean Murray - General Manager - Events and Economic Development	11/12/2014	Bel Merino NZ	\$ 68,000.00	1/01/2015	31/12/2015
14211	WEL Stand Lighting Towers Repaint	Not Funded	Public	Tony Lamb	RFQ	Price Quality	Minor Work	Blair Bowcott - General Manager - Performance	20/03/2015	Cantec Services	\$ 132,112.00	TBA	TBA
14223	Zoo Waikato University Student Grants	Not Funded	Private	Samantha Kudeweh	Direct Appointment	Direct Appointment	Bespoke	Sean Murray - General Manager - Events and Economic Development	10/12/2014	The University of Waikato	\$ 81,000.00	17/11/2014	20/11/2017
14225	10-Year Plan - Corporate Planning Support	Not Funded	Private	Sarah Ward	Direct Appointment	Direct Appointment	IPENZ Short Form	Blair Bowcott - General Manager - Performance	19/12/2014	Katherine Quinn	\$ 20,000.00	9/01/2015	30/06/2015
14226	Sludge Holding Tank Active Cathodic Protection	Not Funded	Private	Lyle Barker	Direct Appointment	Direct Appointment	Minor Work	Chris Allen - General Manager - City Infrastructure	24/12/2014	Service Engineers Ltd	\$ 60,000.00	2/03/2015	8/06/2015
14229	Rural-Urban Interactions: A review of international and local literature	Not Funded	Private	Hannah Windle	Direct Appointment	Direct Appointment	IPENZ Short Form	Brian Croad - General Manager - City Environments	16/01/2015	Dovetail	\$ 15,000.00	16/01/2015	31/03/2015
14230	Chiller Dehumidifier Renewal	Not Funded	Private	Lyle Barker	Direct Appointment	Direct Appointment	Minor Work	Chris Allen - General Manager - City Infrastructure	27/01/2015	Entec Services Ltd	\$ 60,000.00	16/02/2015	30/06/2015
14231	Audit Fees for 2015 LTP	Not Funded	Private	Paul Conder	Direct Appointment	Direct Appointment	Bespoke	Full Council	11/12/2014	Audit New Zealand	\$ 109,000.00	11/12/2014	1/07/2015
14232	Mooney Park Playground Renewal - Supply and Install Equipment	Not Funded	Private	Shona Fisher	RFQ	Weighted Attributes	Minor Work	Gina Hallwood - Team Leader - City Landscapes	27/02/2015	Playground People Ltd	\$ 50,000.00	TBA	TBA
14240	Technical & Operational Consultant for Waterworld	Not Funded	Private	Mathew Bayliss	Direct Appointment	Direct Appointment	IPENZ Short Form	Lance Vervoort - General Manager - Community	23/01/2015	Judy Tipping	\$ 15,000.00	20/01/2015	20/04/2015
14243	Enderley Park Community Centre - Customer Service	Not Funded	Private	Jennifer Murray	Direct Appointment	Direct Appointment	Period Supply	Lance Vervoort - General Manager - Community	23/01/2015	Raukura Hauora o Tainui Trust	\$ 15,000.00	TBA	TBA
14252	Northolt Park Playground Renewal - Supply and Install Equipment	Not Funded	Private	Shona Fisher	RFT	Weighted Attributes	Minor Work	Sally Sheedy - Unit Manager - Parks and Open Spaces	31/03/2015	Playground Creations Ltd	\$ 50,000.00	TBA	TBA
14257	PublicVoice - Software as a Service Agreement	Not Funded	Private	Aaron Fleming	Direct Appointment	Direct Appointment	Bespoke	Blair Bowcott - General Manager - Performance	11/02/2015	PublicVoice Ltd	\$ 23,000.00	4/02/2015	3/02/2016
14263	Water Treatment Station Low-River Contingency Intake Design	Not Funded	Private	Lyle Barker	Direct Appointment	Direct Appointment	IPENZ Short Form	Chris Allen - General Manager - City Infrastructure	26/02/2015	Downer NZ Ltd	\$ 89,400.00	TBA	TBA
14284	Mooney Park and Northolt Park Playground Renewals - Professional Services	Not Funded	Private	Shona Fisher	Direct Appointment	Direct Appointment	IPENZ Short Form	Gina Hallwood - Team Leader - City Landscapes	27/02/2015	Park Central	\$ 6,400.00	25/02/2015	30/07/2015
14288	Development Contributions Policy Review 2015	Not Funded	Private	Paul Gower	Direct Appointment	Direct Appointment	IPENZ Short Form	Blair Bowcott - General Manager - Performance	10/03/2015	Insight Economics	\$ 25,000.00	5/02/2015	5/08/2015
14289	Unimarket e-Procurement Hosting	Not Funded	Private	Scott Copeland	Direct Appointment	Direct Appointment	Bespoke	Paul Conder - Chief Financial Officer	6/03/2015	Unimarket	\$ 82,500.00	1/06/2015	31/05/2018
14294	Hamilton Zoo - ZooFari	Not Funded	Private	Stephen Standley	Direct Appointment	Direct Appointment	Bespoke	Sean Murray - General Manager - Events and Economic Development	16/03/2015	The Warehouse Group	\$ 45,000.00	TBA	TBA
14295	Rototuna Town Centre Mapping and Survey Work	Not Funded	Private	Helen Paki	Direct Appointment	Direct Appointment	IPENZ Short Form	Lance Vervoort - General Manager - Community	13/03/2015	Blue Wallace Surveyors	\$ 20,000.00	1/03/2015	1/09/2015
14304	Solid Waste Bylaw Implementation	Not Funded	Private	Kerry Skeer	Direct Appointment	Direct Appointment	IPENZ Short Form	Andrew Parsons - Acting General Manager - City Infrastructure	13/03/2015	Eunomia Research and Consulting Ltd	\$ 70,000.00	TBA	TBA
14306	Mirogue Park Playground Renewal Flying Fox	Not Funded	Private	Shona Fisher	Direct Appointment	Direct Appointment	Minor Work	Lance Vervoort - General Manager - Community	24/03/2015	PlayCo Equipment Ltd	\$ 35,000.00	TBA	TBA
14307	Supply of Aerial Imagery 2015	Not Funded	Private	Chris Mardon	Direct Appointment	Direct Appointment	IPENZ Short Form	Oly Te Ua - General Manager - Organisational Development	23/03/2015	Aerial Surveys Ltd	\$ 30,		

PSP Number	Description	NZTA Funded	Consultancy Company	Group	Unit	IFS Signatory	Date IFS Signed	Current Approved Contract Sum
PSP 14039	Membership of Hamilton City Council's Heritage Advisory Panel	Not Funded	Opus International Consultants	City Environments	City Planning	Alice Morris - Policy Team Leader - City Planning	12/11/2014	\$ 5,000.00
PSP 14126	Resource Consent Monitoring for Willoughby Street Closed Landfill 2014-15	Not Funded	Tonkin & Taylor Ltd	City Infrastructure	City Waters	Trent Fowles - Compliance Manager - City Waters	16/12/2014	\$ 19,900.00
PSP 14130	Resource Consent Monitoring at the Horotiu Closed Landfill 2014-15	Not Funded	Tonkin Taylor Ltd	City Infrastructure	City Waters	Chris Allen - General Manager - City Infrastructure	11/02/2015	\$ 125,100.00
PSP 14134	Hamilton Park Cemetery Surface Water and Soil Sampling Monitoring	Not Funded	Tonkin Taylor Ltd	Community	Parks and Open Spaces	Michelle Rivers - Cemeteries and Crematorium Manager	11/11/2014	\$ 2,000.00
PSP 14146	Church College GRB Memorial and Kai Hall Buildings Renovation	Not Funded	Harrison Grierson Consultants Ltd	City Environments	Planning Guidance	Debra Stan-Barton - Unit Manager - Planning and Guidance	19/11/2014	\$ 7,098.55
PSP 14147	E-Services Data Development	Not Funded	David Meadows T/A "DM Consulting"	Organisational Development	Information Services	Oily Te Ua - General Manager - Organisational Development	18/11/2014	\$ 60,000.00
PSP 14149	WTP Energy Assessment and Investigation	Not Funded	0800 Save Energy	City Infrastructure	City Waters	Michelle Rivers - Cemeteries and Crematorium Manager	13/11/2014	\$ 10,000.00
PSP 14151	WTP Chlorine Scrubber Design	Not Funded	GHD Ltd	City Infrastructure	City Waters	Chris Allen - General Manager - City Infrastructure	19/11/2014	\$ 173,400.00
PSP 14152	Project Management Services for the Mobility Project	Not Funded	Xelocity	Organisational Development	Information Services	Oily Te Ua - General Manager - Organisational Development	10/11/2014	\$ 140,000.00
PSP 14157	DC's TAOK	Not Funded	AECOM	City Infrastructure	City Development	Tony Denton - Unit Manager - City Development	11/11/2014	\$ 18,300.00
PSP 14158	WTP Low River barge pump connection feasibility study	Not Funded	Ergo Consulting	City Infrastructure	City Development	Lyle Barker - Project Engineer	12/11/2014	\$ 48,000.00
PSP 14159	Rototuna Reservoir Revision of Detailed Design Drawings	Not Funded	Opus International Consultants	City Infrastructure	City Development	Tahl Lawrence - Project Team Leader	12/11/2014	\$ 31,400.00
PSP 14160	Rototuna Reservoir Preload Detailed Design Revision	Not Funded	Opus International Consultants	City Infrastructure	City Development	Lance Haycock - Project Engineer	12/11/2014	\$ 6,050.00
PSP 14161	Member of Urban Design Advisory Panel	Not Funded	Traffic Design Group Ltd (TDG)	City Environments	City Planning	Alice Morris - Policy Team Leader - City Planning	12/11/2014	\$ 5,000.00
PSP 14162	Boundary Redefinition - Gwynne Place	Funded	Align Surveyors and Landform Surveys Ltd	City Infrastructure	City Transportation	Phil Consedine - Unit Manager - City Transportation	14/11/2014	\$ 2,350.00
PSP 14164	Siamang Exhibit Detailed Design	Not Funded	De Lisle Jenkins Architects	Events and Economic Development	Hamilton Zoo	Stephen Standley - Zoo Director - Leisure Facilities	24/11/2014	\$ 32,066.00
PSP 14168	Otamangne catchment ecological assessment	Not Funded	Boffa Miskell Ltd	City Infrastructure	City Waters	Emily Botje - Water Asset Manager - City Waters	28/11/2014	\$ 23,120.00
PSP 14169	Boundary Road Bridge & Hamilton Parade Steps Replacement	Not Funded	BECA Ltd	Community	Parks and Open Spaces	Leigh Cornes - Project Leader Ecological Developments	25/11/2014	\$ 17,100.00
PSP 14172	Miscellaneous Professional Services for City Transportation	Funded	Bloxam Burnett & Olliver	City Infrastructure	City Transportation	Dawn Shannon - Asset Management Team Leader	10/12/2014	\$ 50,000.00
PSP 14173	Transformer Fire Protection Investigation	Not Funded	BECA Ltd	City Infrastructure	City Waters	Emily Botje - Water Asset Manager - City Waters	12/12/2014	\$ 24,000.00
PSP 14174	Assistance with Variation to the PDP for Ruakura Plan Change 2	Not Funded	Environmental Management Services Ltd	City Environments	City Planning	Luke O'Dwyer - Unit Manager - City Planning	16/01/2015	\$ 50,000.00
PSP 14176	Transport Planning Advice for Resolution of PDP Appeals	Not Funded	Gray Matter Ltd	City Environments	City Planning	Paula Rolfe - Project Manager - District Plan Review	8/12/2014	\$ 25,000.00
PSP 14179	Appeals to the Proposed District Plan: Signs	Not Funded	MWH New Zealand Ltd	City Environments	City Planning	Paula Rolfe - Project Manager - District Plan Review	11/12/2014	\$ 7,000.00
PSP 14181	PDP Appeals - Business, Industrial and Central City	Not Funded	Property Economics	City Environments	City Planning	Luke O'Dwyer - Unit Manager - City Planning	28/11/2014	\$ 50,000.00
PSP 14182	PDP Appeal Work - Richard Knott Ltd (Special Character)	Not Funded	Richard Knott Ltd	City Environments	City Planning	Paula Rolfe - Project Manager - District Plan Review	27/11/2014	\$ 10,000.00
PSP 14183	PDP Appeal Work - Opus International Consultants (Special Character)	Not Funded	Opus International Consultants	City Environments	City Planning	Paula Rolfe - Project Manager - District Plan Review	15/12/2014	\$ 10,000.00
PSP 14184	PDP Appeal Works - Opus International Consultants (Heritage)	Not Funded	Opus International Consultants	City Environments	City Planning	Paula Rolfe - Project Manager - District Plan Review	18/12/2014	\$ 3,500.00
PSP 14185	PDP Appeals - Major Facilities Zone	Not Funded	BECA Ltd	City Environments	City Planning	Paula Rolfe - Project Manager - District Plan Review	11/12/2014	\$ 5,000.00
PSP 14187	PDP Appeals - RD v Control and Assessment Criteria	Not Funded	BECA Ltd	City Environments	City Planning	Paula Rolfe - Project Manager - District Plan Review	10/02/2015	\$ 20,000.00
PSP 14188	PDP Appeals - Central City Chapter	Not Funded	BECA Ltd	City Environments	City Planning	Paula Rolfe - Project Manager - District Plan Review	22/12/2014	\$ 10,000.00
PSP 14189	Backwash Pump Installation Supervision	Not Funded	Mott MacDonald New Zealand Ltd	City Infrastructure	City Development	Tahl Lawrence - Project Development Manager	8/12/2014	\$ 21,740.00
PSP 14193	PDP Appeals - Peacocke Structure Plan	Not Funded	Gray Matter Ltd	City Environments	City Planning	Paula Rolfe - Project Manager - District Plan Review	15/12/2014	\$ 20,000.00
PSP 14194	Misc Services for the Building Control Unit 2014/15	Not Funded	Holmes Consulting Group LP	City Environments	Building Control	Phil Saunders - Building Control Manager	16/12/2014	\$ 95,000.00
PSP 14196	HCC Water Supply Masterplan - Peer Review and Next Steps	Not Funded	GHD Ltd	City Infrastructure	City Development	Tony Denton - Unit Manager - City Development	24/12/2015	\$ 12,500.00
PSP 14199	Pensioner Housing Section 40 PWA Reports	Not Funded	Opus International Consultants	Events and Economic Development	Strategic Land	Ken Cunningham - Strategic Land Manager - Events and Economic Development	17/12/2014	\$ 19,000.00
PSP 14200	Rototuna Closed Landfill - Further Investigation of Stage 2	Not Funded	Tonkin & Taylor Ltd	City Infrastructure	City Waters	Mike Davis - Asset Maintenance Team Leader - City Waters	8/12/2014	\$ 4,750.00
PSP 14203	Three Waters Advice for Resolution of PDP Appeals	Not Funded	AECOM	City Environments	City Planning	Paula Rolfe - Project Manager - District Plan Review	15/12/2014	\$ 10,000.00
PSP 14205	Structural Assessment and Remediation options for WWTP Culvert	Not Funded	BECA Ltd	City Infrastructure	City Waters	Bridget Morgan - Asset Management Planning Team Leader	6/01/2015	\$ 4,870.00
PSP 14212	Hillsborough SPS Overflow Reduction	Not Funded	AECOM	City Infrastructure	City Waters	Maire Porter - Operations Manager	3/12/2014	\$ 30,000.00
PSP 14213	Rototuna Traffic Model	Not Funded	AECOM	City Infrastructure	City Development	Tony Denton - Unit Manager - City Development	16/12/2014	\$ 60,000.00
PSP 14216	Learning Experience Activity Point Detailed Design	Not Funded	de Lisle Jenkins Architects	Events and Economic Development	Event Facilities	Stephen Standley - Zoo Director - Leisure Facilities	22/01/2015	\$ 13,546.00
PSP 14217	Business Analysis Services for the Mobility Project	Not Funded	Millesoft Ltd	Organisational Development	Information Services	Eion Hall - Chief Information Officer	17/12/2014	\$ 98,000.00
PSP 14218	Technical advice & services for BCA	Not Funded	BECA Ltd	City Environments	Building Control	Phil Saunders - Building Control Manager	17/12/2014	\$ 95,000.00
PSP 14219	Natural Hazards Advice for Resolution of PDP Appeals	Not Funded	BECA Ltd	City Environments	City Planning	Paula Rolfe - Project Manager - District Plan Review	18/12/2014	\$ 10,000.00
PSP 14220	Hamilton City River Plan Archaeological Desk-Top Assessment	Not Funded	OPUS International Consultants	City Environments	City Planning	Alice Morris - Policy Team Leader - City Planning	18/12/2014	\$ 9,735.00
PSP 14221	Te Hikuwai Slip	Not Funded	Tonkin & Taylor Ltd	Community	Parks and Open Spaces	Leigh Cornes - Project Leader Ecological Developments	21/01/2015	\$ 15,100.00
PSP 14222	Te Hikuwai - Bank Assessment	Not Funded	Tonkin & Taylor Ltd	Community	Parks and Open Spaces	Jeremy Froger - Team Leader Natural Environments - Parks and Open Spaces	21/01/2015	\$ 17,500.00
PSP 14224	Rotokauri Wastewater Planning Component for the Rotokauri ICMF	Not Funded	AECOM	City Infrastructure	City Development	Chris Barton - Project Development Manager	19/01/2015	\$ 21,120.00
PSP 14227	Data Strategy Review	Not Funded	Datacom Group Ltd	Organisational Development	Information Services	David Gunn - Chief Information Officer	4/02/2015	\$ 30,000.00
PSP 14235	District Plan Review - Smith Appeal - Height	Not Funded	Beca Ltd	City Environments	City Planning	Paula Rolfe - Project Manager - District Plan Review	15/01/2015	\$ 5,000.00
PSP 14236	District Plan Monitoring Strategy	Not Funded	GHD Ltd	City Environments	City Planning	Luke O'Dwyer - Unit Manager - City Planning	25/02/2015	\$ 88,000.00
PSP 14237	Technical Specification Presentation	Not Funded	MWH New Zealand Ltd	City Infrastructure	City Waters	Bridget Morgan - Asset Management Planning Team Leader	19/01/2015	\$ 2,500.00
PSP 14238	New Enclosure Building Investigation WTS	Not Funded	CH2M Beca Ltd	City Infrastructure	City Waters	Bridget Morgan - Asset Management Planning Team Leader	29/01/2015	\$ 8,400.00
PSP 14239	Memorial Park Tank Geotechnical Investigation and Detailed Design	Not Funded	AECOM	City Infrastructure	City Waters	Emily Botje - Water Asset Manager - City Waters	16/01/2015	\$ 38,500.00
PSP 14241	Parking Advice for Resolution of PDP Appeals	Not Funded	MRCagney Pty Ltd	City Environments	City Planning	Paula Rolfe - Project Manager - District Plan Review	27/01/2015	\$ 10,000.00
PSP 14244	Low River Programme Management	Not Funded	MWH New Zealand Ltd	City Infrastructure	City Waters	Emily Botje - Acting Unit Manager - City Waters	27/01/2015	\$ 56,300.00
PSP 14246	Development of Treatment Plants Technical Specifications Framework	Not Funded	MWH New Zealand Ltd	City Infrastructure	City Waters	Andrew Parsons - Unit Manager - City Waters	30/01/2015	\$ 100,000.00
PSP 14248	Treatment Plant Civil Construction Advice	Not Funded	MWH New Zealand Ltd	City Infrastructure	City Development	Lyle Barker - Project Engineer	4/02/2015	\$ 11,200.00
PSP 14250	WTS Rising Mains Refurbishment Options	Not Funded	AECOM	City Infrastructure	City Waters	Bridget Morgan - Asset Management Planning Team Leader	2/02/2015	\$ 2,500.00
PSP 14251	WWTP Building Inspections 2015	Not Funded	AECOM	City Infrastructure	City Waters	Emily Botje - Asset Management Manager	9/02/2015	\$ 35,000.00
PSP 14253	Land Use and Vacancy Survey - Business, Industrial & Central City	Not Funded	Gray Matter Ltd	City Environments	City Planning	Luke O'Dwyer - Unit Manager - City Planning	10/02/2015	\$ 5,000.00
PSP 14256	WWTP Future Data for Capacity Review	Not Funded	AECOM	City Infrastructure	City Waters	Emily Botje - Water Asset Manager - City Waters	18/02/2015	\$ 2,240.00
PSP 14265	Three Waters Advice for Resolution of PDP Appeals	Not Funded	MWH New Zealand Ltd	City Environments	City Planning	Paula Rolfe - Project Manager - District Plan Review	18/02/2015	\$ 5,000.00
PSP 14273	Ferrybank and Roose Commerce Park Development - Geotechnical Appraisal	Not Funded	Opus International Consultants	City Environments	City Planning	Luke O'Dwyer - Unit Manager - City Planning	10/03/2015	\$ 9,960.00
PSP 14275	Sanitaire Equipment Investigation WWTP	Not Funded	Mott MacDonald New Zealand Ltd	City Infrastructure	City Waters	Mike Davis - Asset Maintenance Team Leader - City Waters	4/03/2015	\$ 3,400.00
PSP 14276	Templeview Roundabout Upgrade	Not Funded	Harrison Grierson Consultants Ltd	City Environments	Planning Guidance	Debra Stan-Barton - Unit Manager - Planning and Guidance	26/02/2015	\$ 5,200.00
PSP 14285	River Plan Traffic Effects Study	Not Funded	AECOM	City Environments	City Planning	Luke O'Dwyer - Unit Manager - City Planning	10/03/2015	\$ 8,100.00
PSP 14286	Victoria on the River Development Review	Not Funded	AECOM	Events and Economic Development	Strategic Land	Ken Cunningham - Strategic Land Manager - Events and Economic Development	27/02/2015	\$ 10,380.00
PSP 14291	Rotokauri ICMF - Water Component	Not Funded	Mott MacDonald New Zealand Ltd (AWT Water Ltd)	City Infrastructure	City Development	Chris Barton - Project Development Manager	13/03/2015	\$ 18,360.00
PSP 14300	Investigation on Ethernet Radios	Not Funded	Ergo Consulting	City Infrastructure	City Waters	Gary Pitcaithly - Electrical and Automation Specialist - City Waters	16/03/2015	\$ 9,500.00
PSP 14302	Hamilton Gardens Development Infrastructure	Not Funded	De Lisle Jenkins Architects	Community	Hamilton Gardens (Incl. Nursery)	Peter Sergel - Director - Hamilton Gardens	19/03/2015	\$ 75,000.00
PSP 14310	Tradewaste Bylaw Project Management and Technical Support	Not Funded	CH2M Beca Ltd	City Infrastructure	City Waters	Emily Botje - Water Asset Manager - City Waters	19/03/2015	\$ 32,000.00
PSP 14312	Intensification Areas - Three Waters Infrastructure Study	Not Funded	CH2M Beca Ltd	City Infrastructure	City Development	Tony Denton - Unit Manager - City Development	23/03/2015	\$ 68,450.00

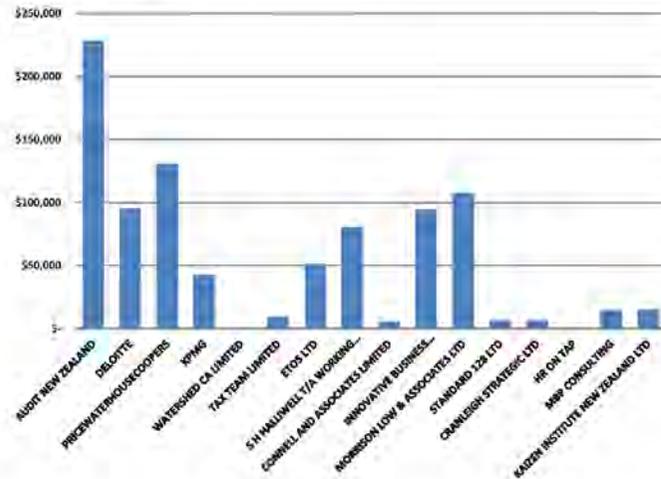
Consultancy Spend By Financial Year



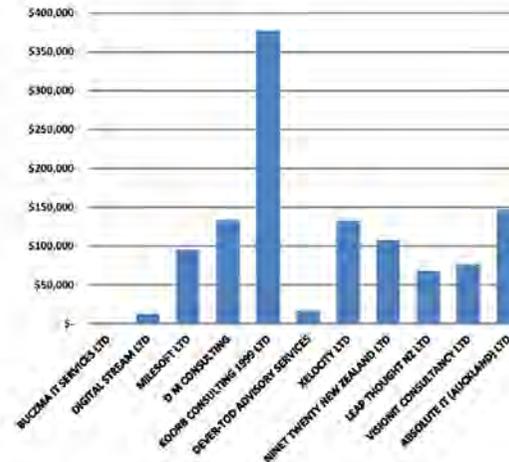
Consultancy Spend by Vendor and Category Year to Date



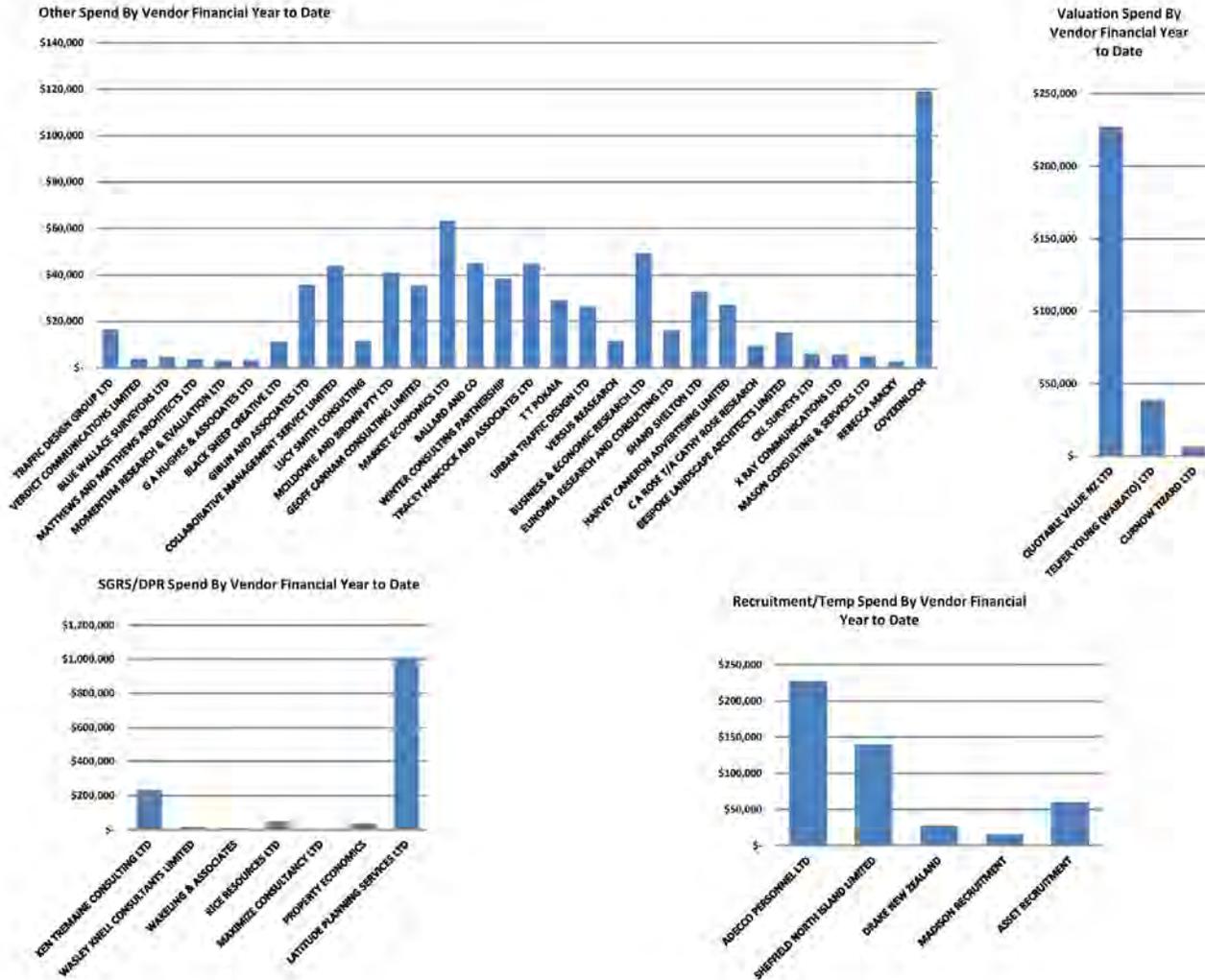
Financial /HR Spend By Vendor Financial Year to Date



IT Spend By Vendor Financial Year to Date



Consultancy Spend by Vendor and Category Year to Date



Committee: Finance Committee

Date: 23 April 2015

Report Name: New lease request at Melville Park

Author: Linda Kelm Handley

Report Status	<i>Open</i>
Strategy, Policy or Plan context	<i>Community Occupancy Policy Operative Sports Park Management Plan 2009</i>
Financial status	<i>There is not budget allocated</i>
Assessment of significance	<i>Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

1. Purpose of the Report

This report seeks approval to publicly notify Council's intention to grant a new community group lease to the Hamilton Roller Skating Club Incorporated (Skating Club) to develop a speed skate track on Melville Park.

2. Recommendations from Management – Recommendation to Council

That:

- a) The Report be received;
- b) Under s54(2) of the Reserves Act 1977, Council gives public notice of its intention to grant a new community group lease to the Hamilton City Roller Skating Club Incorporated to develop a speed skate track on Melville Park;
- c) The Finance Committee appoints members to a Hearings Panel to hear and deliberate on submissions; and
- d) The Hearings Panel report back to the Finance Committee for their decision making.

3. Attachments

3. Attachment 1 - Hamilton Roller Skating Club Incorporated Proposed Lease Area and Community Outcomes Plan
4. Attachment 2 - Proposed Track Design

5. Key Issues

6. Background

7. In August 1997 Council resolved to build a skate park and basic flat skating facility at Melville Park.
8. The Skating Club leases the flat skating facility. Their lease commenced in 1 August 1999 for a term of 20 years and expires 31 July 2019. The lease area is shown in Attachment 1.
9. The Skating Club provides a venue for competitive and recreational skating, and is committed to providing low-cost recreational activity to Hamilton.
10. The Skating Club has a current membership of 82 and 22 volunteers. Offering learn to skate classes, speed skating and public sessions, the existing skating facility is open to the public daily and sees up to 500 users weekly.
11. Since their lease commenced in 1999, the Skating Club has established an equipment shed, flood lighting, roofed shelter and have fully enclosed the skating facility, at their own cost.
12. The Skating Club has applied for a new lease area to develop a banked track for speed skating beside the existing facility. The proposed lease area is shown in Attachment 1.
13. If the new lease area is not approved, the existing lease will remain. This will ensure the Club's existing lease is not compromised by the public notification process.
14. If the new lease area is approved, the existing lease will be surrendered and a new lease will be granted for the total area, including the existing and proposed facilities.
15. The Skating Club has sought a lease term of 15 years. If approved, the 15 year term would commence as soon as practicable following public notification and resolution of Council. It is estimated the term would commence in 2015 and expire in 2030.

16. Proposal

17. The sport of speed skating involves speed racing on inline and roller skates. Skaters attain maximum speeds of 60 km/h. There are banked track, flat track (indoor on a wooden floor) and road speed events.
18. The proposed banked track is a 200m outdoor oval asphalt track, with two curved banked ends, to be built in accordance with international specifications. Resource consent is required from Council. Please refer to Attachment 2.
19. There is no speed skating facility within Hamilton City, and skaters currently train in car parks. The proposed track will enable skaters to train safely and will enable Hamilton to host New Zealand Championships and international competitions.
20. The track will be used for approximately six hours per week by the Skating Club for training skaters and will be open to the public for use when not in use by the Club.

21. Assessment

22. The Skating Club meets the eligibility criteria for community occupancy as set out in the [Community Occupancy Policy](#) (Policy).
23. The application has been assessed against the assessment criteria for community occupancy and for development of facilities as set out in the [Community Occupancy Guidelines](#) (Guidelines).

24. Although a principle of the Open Space Plan is to retain open space and minimise building development on open space. This recommendation recognises the Hamilton Plan commitment to community sport and the goal to be the capital of high performance report.
25. Although not contemplated in the Operative Sports Park Management Plan 2009 (Management Plan) which covers Melville Park, the proposal conforms to the intent of the Management Plan and the purpose of recreation reserves which are for the purpose of providing areas for the recreation and sporting activities and the physical welfare and enjoyment of the public.
26. Melville Park is a multi-use park with a skate park, pump BMX track, ¾ basketball court and an off-lead dog exercise area. The park is also used for informal recreation. The park adjoins Normandy Avenue (State Highway 1).
27. Melville Park is highly modified and the location next to the existing well utilised skate facilities is logical. Staff discussed locating the proposed track within the cycling velodrome at Hillcrest Stadium or the Cobham Drive side of Melville Park. Because the proposed location adjoins their existing facilities, this location is preferred by the Club.
28. The City Development Unit has reviewed the design and supporting information provided as part of the application. The design is appropriate; however, stormwater devices will need to be monitored to ensure they provide appropriate drainage.
29. When enclosing the skate facility, the proposal was considered by the Urban Design Advisory Panel. Staff believe in this case, provided a landscape plan is implemented, there is no need to engage the services of the Urban Design Advisory Panel.
30. Reserves Act 1977 (Act)
31. Melville Park is classified for the purpose of recreation reserve under the Act and is covered by the Management Plan. The proposal is not contemplated by the Management Plan.
32. s54(2) of the Act requires that before granting a lease under s54(1) that is not contemplated by the Management Plan, Council must give public notice in accordance with s119 of the Act specifying the lease proposed to be granted, and give full consideration in accordance with s120 to all objections and submissions received.
33. A one month period is suggested for submissions.
34. It is suggested that a small hearings panel be appointed to hear and deliberate on submissions and make recommendation back to the Finance Committee whether or not to approve the granting of the proposed lease.
35. If approved, Council is required to obtain consent from the Minister of Conservation.
36. Consultation
37. Melville Park is highly used for informal recreation and formally by organised groups. Public notification will provide the opportunity for other park users to submit on the proposal.
38. The Waikato Agility Club and Hamilton Dog Obedience Club lease part of Melville for their clubrooms and book the dog obedience lawns on an annual basis. The proposed track will adjoin the dog obedience lawns and be located in an area currently used for overflow parking for events. This development will require event parking to utilise exiting parking on the park and the surrounding road network.
39. The Skating Club has consulted with the Hamilton Dog Obedience Club. While they support the proposal in principle, they have raised concerns around conflict of use, suggesting this could be mitigated through a fenced dog exercise area.

40. The Pooches and Parks Plan adopted by Council in November 2014 includes the proposal to install a fenced dog exercise area at Melville Park. However, this is currently unfunded in the Long Term Plan.
41. The Skating Club's application included letters of support from Skate NZ, New Zealand Police, Hamilton South Community Centre Association Incorporated and Deputy Mayor Gordon Chesterman.
42. Public notification will be undertaken in accordance with the process outlined in s119 and s120 of the Act and will involve a suite of communication tools including standard newspaper public notices, short media release, use of social media, friendly URL, direct communication with formal park users and a mail drop to immediate adjoining residents.

43. Rental
44. The Skating Club pays \$637.50 plus GST per annum for their current lease.
45. The proposed rental rate for the new lease area is \$1,037.50 plus GST per annum based on a land area of 4,700m² and calculated in accordance with s5.1 of the Guidelines. Rental for the two areas combined would be \$1,225.00 plus GST per annum.
46. The Skating Club has applied for a further subsidy under s5.6(iii) of the Policy, this clause allows Council to grant a further subsidy where the occupied area is open to the public for use when not in use by the Community Group.
47. The application for a further subsidy will be assessed following deliberations on submissions. Staff recommendation will be made in the report back to the Finance Committee for approving the proposed lease.

48. Financial and Resourcing Implications

49. The Skating Club will develop the skate track at its own cost, estimated at \$120,000.00 and will be responsible for the ongoing maintenance of the skate track. The Skating Club advises they have raised one third of the required funds.
50. Costs of public notification will be met by the Skating Club.
51. Council loss is zero.

52. Options

53. There is the option to not progress with the process at this time and consider the proposal as part of the next Management Plan review which is programmed to commence in 2016.

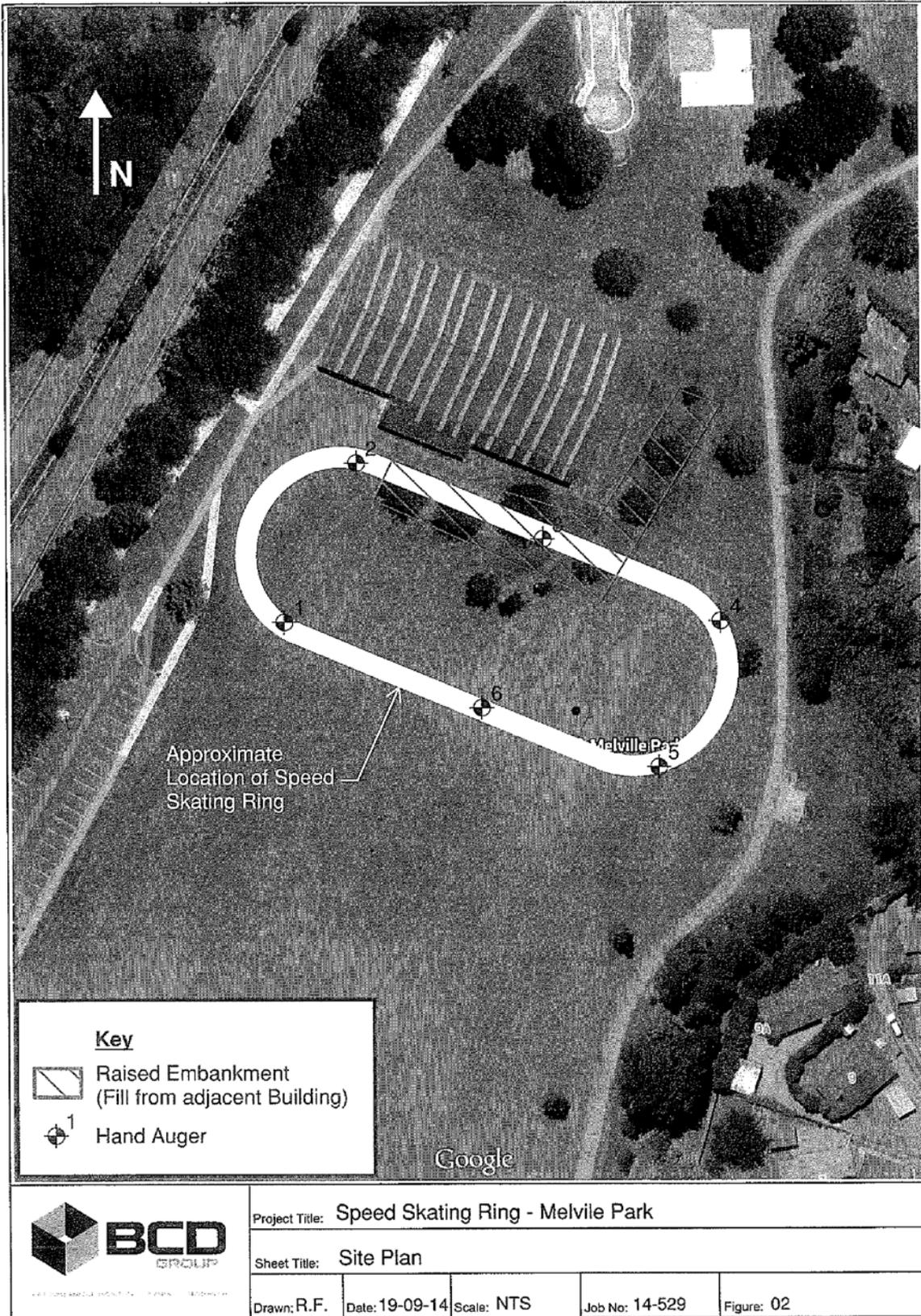
54. Risk

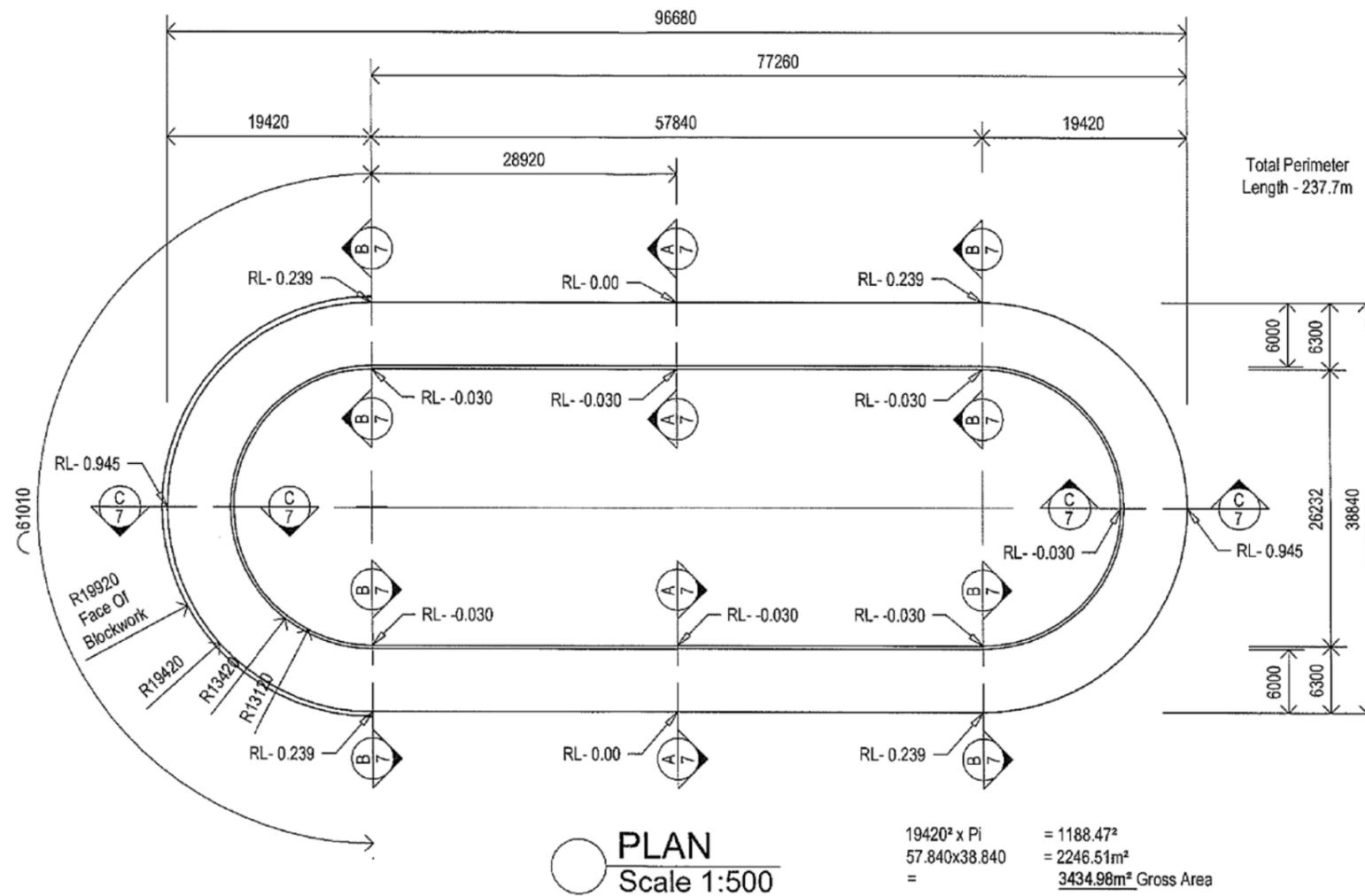
55. There may be opposition to this proposal. Public notification will provide the opportunity for the community to have their say.
56. Not progressing with this process may have reputational risk to Council.

Signatory

Authoriser	Lance Vervoort, General Manager Community
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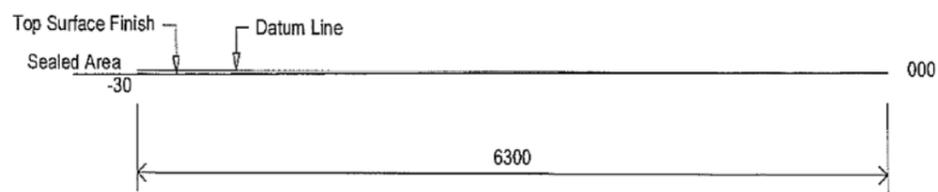


-Contractor Shall Verify All Dimensions Before Commencement Of Any Work.
 -Specific Building Construction And Services Are To Comply With The Provisions Of The N.Z. Building Code; General Construction Shall Comply With N.Z.S. 3604.
 -Contractor To Be Responsible For All Trade And Sub-Trade Practices.
 -Refer & Follow Manufactures Recommendations For All Products.

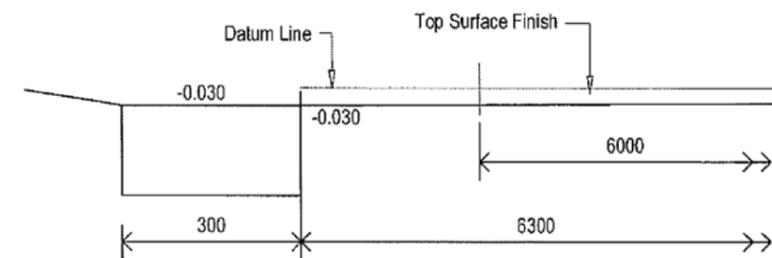
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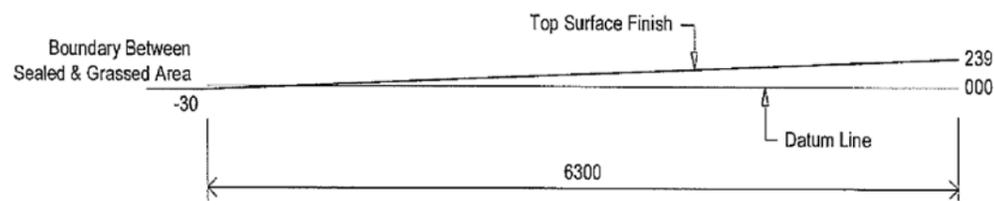
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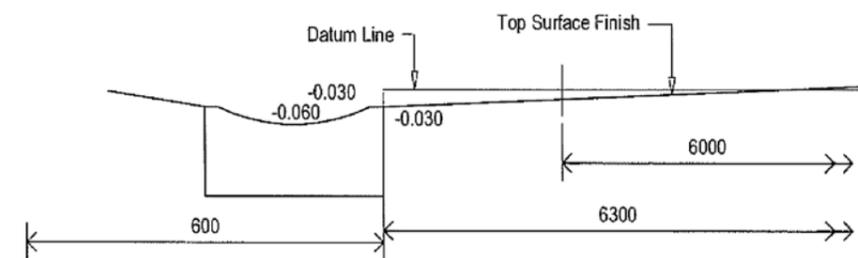
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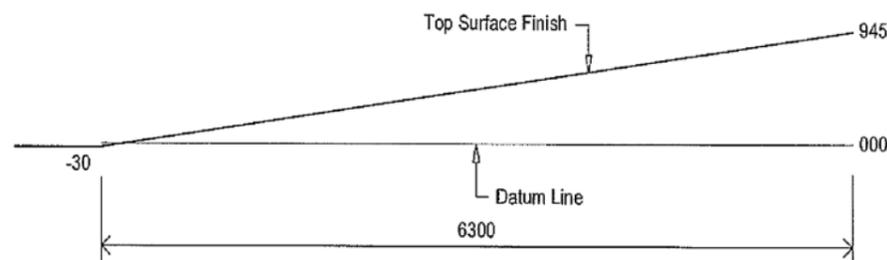
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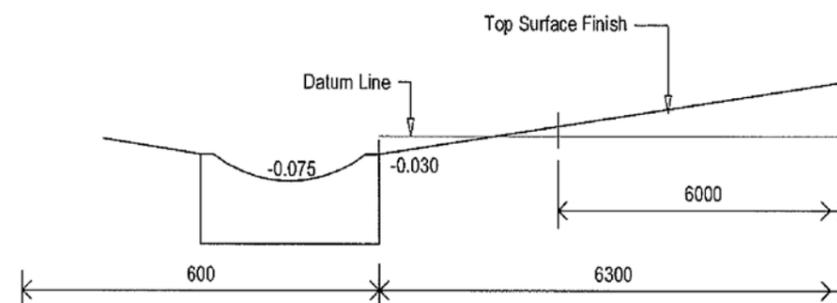
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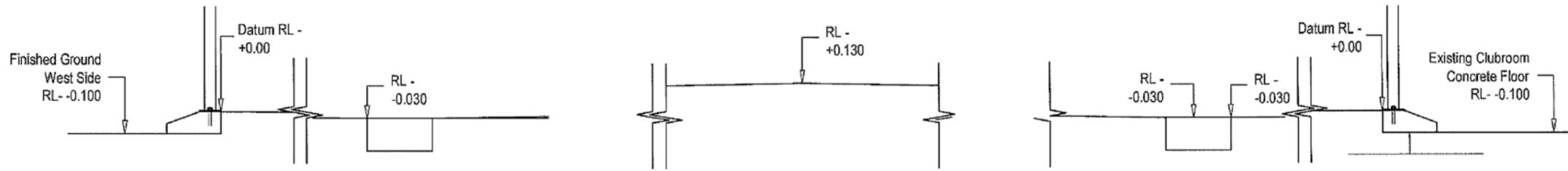


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Sheet Title
Rink Details

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Date	3/6/11	Sheet No.	7

For
SCRSC Inc - MARINE PARADE, TU.



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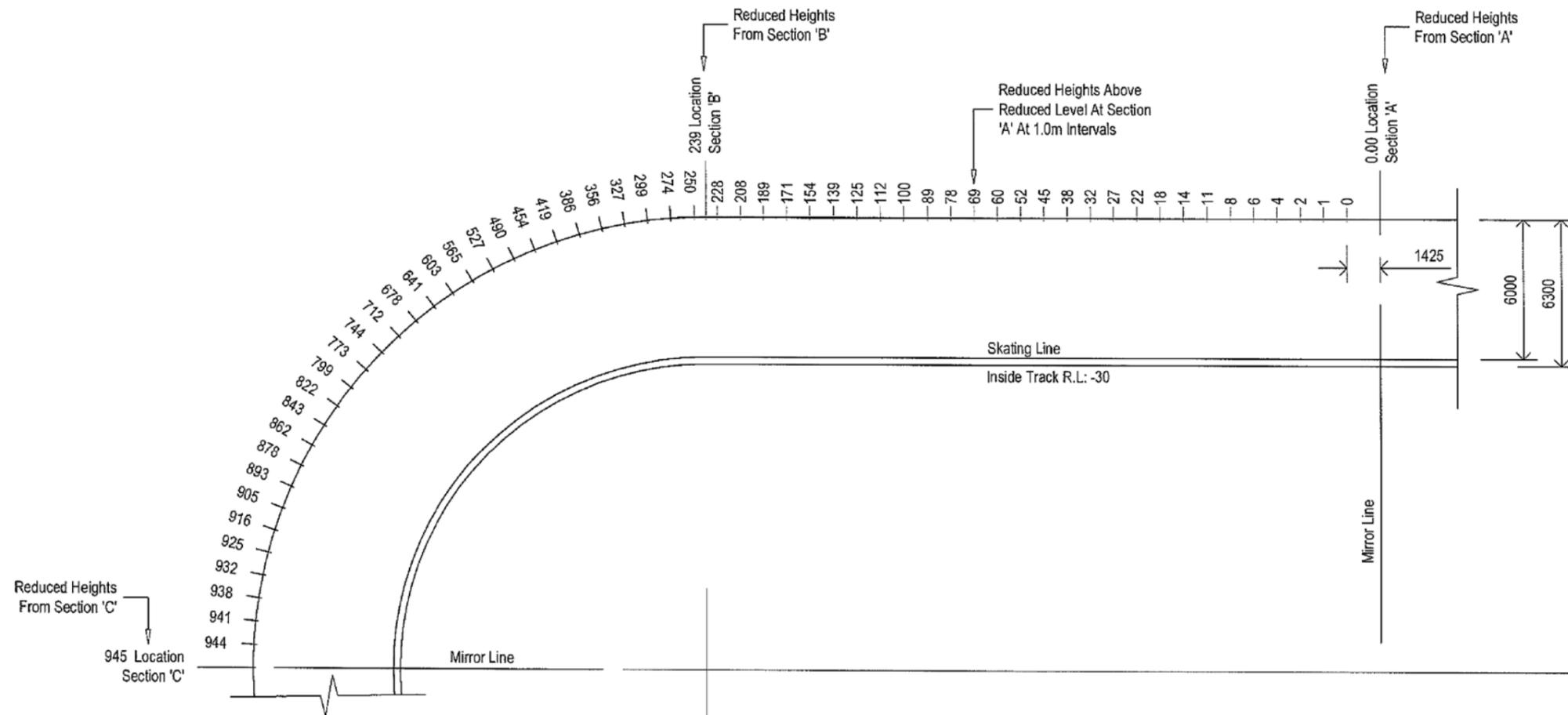


-Contractor Shall Verify All Dimensions Before Commencement Of Any Work.
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Sheet Title
Rink Details

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Date	3/6/11	Sheet No.	9

For
 SCRSC Inc -
 MARINE PARADE, TU.



PLAN
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-Contractor Shall Verify All Dimensions Before Commencement Of Any Work.
 -Specific Building Construction And Services Are To Comply With The Provisions Of The N.Z. Building Code; General Construction Shall Comply With N.Z.S. 3604.
 -Contractor To Be Responsible For All Trade And Sub-Trade Practices.
 -Refer & Follow Manufactures Recommendations For All Products.

Sheet Title
**Proposed Banking
 Reduced Levels**

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Date	3/6/11	Sheet No.	14

For **SCRSC Inc -
 MARINE PARADE, TU.**

Committee: Finance Committee

Date: 23 April 2015

Report Name: Te Awa River Ride Easement -
Horotiu Landfill

Author: Jamie Sirl

Report Status	<i>Open</i>
Strategy, Policy or Plan context	<i>Open Space Plan</i>
Financial status	<i>There is not budget allocated</i>
Assessment of significance	<i>Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

1. Purpose of the Report

- This report seeks approval to grant an easement in favour of Waikato District Council (WDC) over the former Horotiu Landfill, for the purpose of the Te Awa River Ride (Cycleway).

3. Executive Summary

- The former Horotiu Landfill has been identified as the preferred location for the Cycleway and passing red artwork.
- While the site is within the Waikato District, the land is owned by Hamilton City Council (Council).
- This report recommends Council, as the landowner, grant an easement in favour of WDC over the former landfill site for the purpose of the Cycleway, subject to Council obtaining a partial surrender of existing leases and licences.
- Council previously resolved to gift Passing Red artwork to Te Awa. It is now recommended Council retain ownership of Passing Red.

8. Recommendations from Management – *Recommendation to Council*

That:

- The report be received;
- The Finance Committee recommends to Council to grant an easement in favour of Waikato District Council, for the purpose of Te Awa River Ride over the Horotiu Landfill, subject to Council obtaining partial surrenders of existing leases and licences;
- Council authorises the Chief Executive to negotiate the terms of the easement and any other instrument required to give effect to this resolution; and
- Council retain the ownership of public artwork Passing Red.

9. Attachments

10. Attachment 1 - Te Awa Cycleway Proposed Plan

11. Key Issues

12. Background

- Te Awa Charitable Trust (Te Awa) is developing the Cycleway; a shared cycle and walkway travelling approximately 70kms along the banks of the Waikato River.
- Te Awa is in the process of developing the section that extends from Ngaruawahia to the northern Hamilton City boundary.
- Te Awa has identified the former Horotiu Landfill site as the preferred location for the Cycleway. While the site is within the Waikato District, the site is owned by Council.
- Te Awa has requested that Council grant an easement in favour of WDC over the land for the purpose of the Cycleway.
- The location of the Cycleway and proposed easement area will generally be as shown in the plan in Attachment 1. The final easement area will be surveyed when the Cycleway is complete.
- Staff recommend that Council grant the proposed easement and that authority to negotiate the terms of the easement be delegated to the Chief Executive.

13. Horotiu Landfill

- The location of the Horotiu Landfill site is shown in Attachment 1.
- The site operated as a municipal landfill between 1985 and 2007.
- Part of the site is currently grazed by two parties; the Coombes have a grazing licence, expiring 31 March 2019 and the Hookers have a grazing lease, expiring three months after the death of the last remaining Lessee.
- The Coombes and Hookers have indicated they support the proposal. However, the granting of the proposed easement would be subject to Council obtaining partial surrenders of the grazing lease and licence. While Council can vary the Coombes lease as of right, the Hookers lease can only be varied by agreement.
- The former cleanfill portion of the site is currently leased to Perry Resource Management Limited (Perrys), expiring 1 November 2019. Perrys have indicated their intention to surrender the lease in the immediate future.
- Being a former landfill, hazards exist at the site. A fence will be installed along the length of the Cycleway to ensure the public are excluded from the active landfill site.
- The proposed easement will contain acknowledgement from Te Awa and WDC that the area is part of the Horotiu Landfill site and acceptance of risks, known and unknown, arising out of the proposed easement being situated on part of the landfill site.
- Te Awa will be responsible for obtaining resource consents from WDC and the Waikato Regional Council associated with the construction of the Cycleway.
- Council has an obligation under the Resource Management Act 1991, to manage environmental effects. For this reason, Council could not consider disposal of the site, at this time.
- With the exception of ongoing management of the rehabilitation, Council currently has no long-term plans for the site. However, it is likely the site will form part of the open space network which is yet to be agreed and designed. The proposed Cycleway is conducive to future use as open space.

14. Passing Red

- Passing Red is a public artwork by Gaye Jurisich that was installed at Hinemoa Park in July 2009.
- A vehicle crashed into Passing Red on Sunday 24 February 2013, causing significant damage to the eastern section of the sculpture. Repair work has been completed and the section is currently in storage. The western section was undamaged.
- Staff investigated ten sites within Hamilton City to relocate the artwork. Because no suitable site was identified due to the size of the artwork, staff worked with Te Awa to explore options outside the city limits.
- At its meeting on 18 March 2014, Strategy and Policy Committee recommended that Passing Red is gifted to Te Awa and delegated authority to the Chief Executive to approve the final site.
- The Trust intended to transfer ownership of the artwork to the appropriate territorial authority after a suitable site is identified along the Cycleway.
- A site adjacent to the proposed Cycleway route within the former landfill site has been identified as the preferred location for the artwork. This location is supported by the Public Art Panel, Te Awa and the artist.
- While the site is within Waikato District, the proposed artwork site is owned by Council.
- After discussions with the Trust, staff recommend that ownership of the artwork be retained by Council as landowner of this site.
- Ongoing maintenance and insurance of the artwork will continue to be funded within the existing public art maintenance budget. These costs are considered nominal.
- Retaining ownership of the artwork will mean that the artwork will remain part of Council's public art inventory.

15. Financial and Resourcing Implications

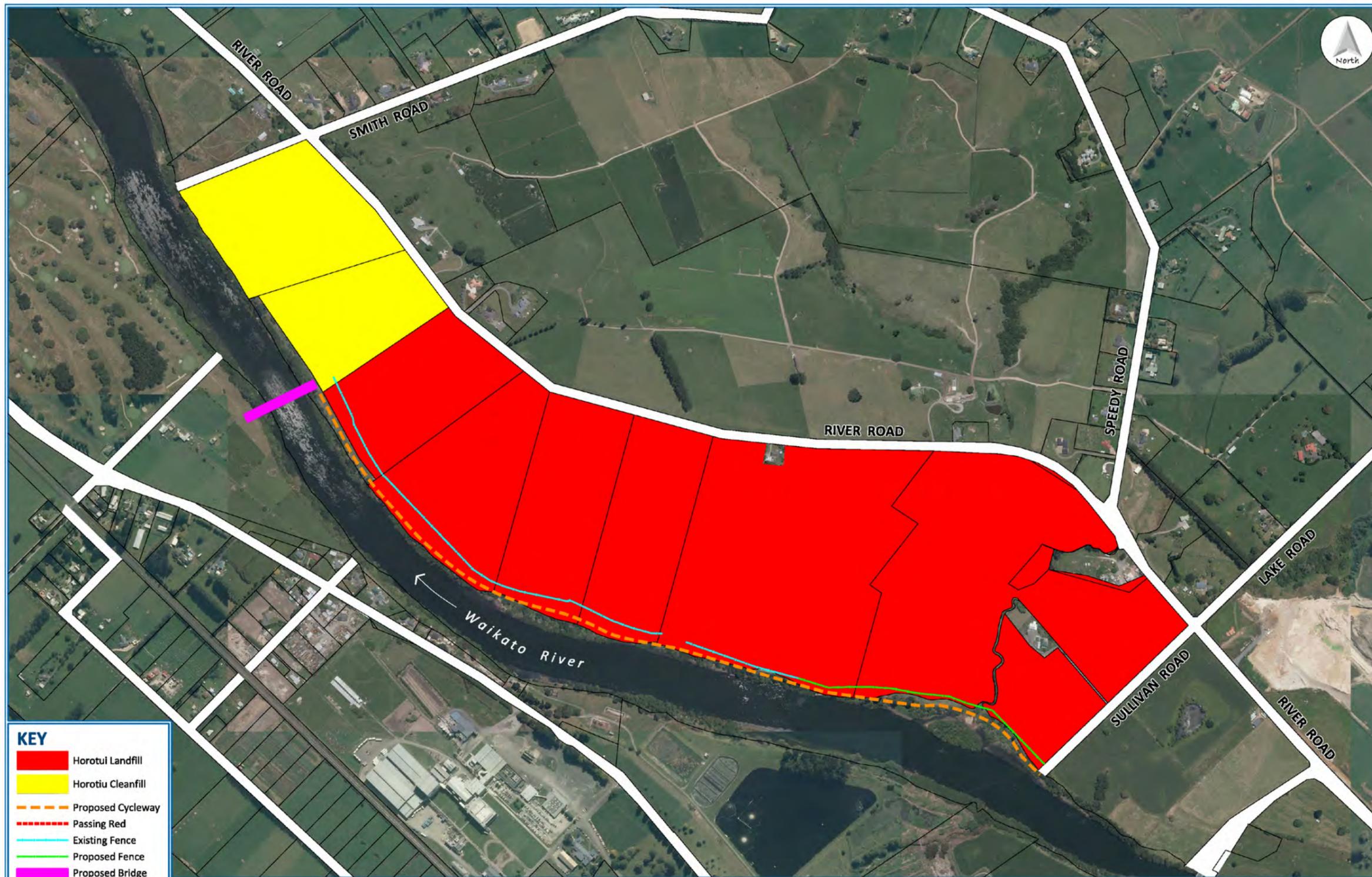
16. Te Awa will complete construction of the Cycleway at its own cost including costs associated with the survey, preparation and registration of the easement.
17. WDC will be responsible for the ongoing maintenance for this section of the Cycleway.
18. Ongoing maintenance and insurance of the artwork will continue to be funded within the existing public art maintenance budget. These costs are considered nominal.

19. Risk

20. Council has an agreement with Te Awa regarding the Cycleway within Hamilton City. Although this section is outside Hamilton City, it would be consistent to support the development of the Cycleway on Council-owned land.
21. A fence will be installed along the length of the Cycleway to ensure the public are excluded from the active landfill site and to avoid any associated risk.
22. The terms and conditions of the proposed easement will mitigate risk to Council, known and unknown, of the proposed easement being situated on part of the closed Horotiu Landfill site.
23. Although the Lessee has indicated support for the proposal, granting of the easement is subject to their agreement.

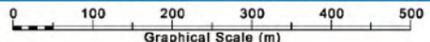
Signatory

Authoriser	Lance Vervoort, General Manager Community
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- KEY**
- Horotui Landfill
 - Horotiu Cleanfill
 - Proposed Cycleway
 - Passing Red
 - Existing Fence
 - Proposed Fence
 - Proposed Bridge

Hamilton City Council
 Te Kaunihera o Kiriikiriroa
PARKS AND OPEN SPACES



PROPOSED TE AWA CYCLEWAY - HOROTIU SECTION

version **1**

File Ref: g:\parks & gardens\te awa cycleway\proposed cycleway.dgn

TRIM No. D-1728550

Committee: Finance Committee

Date: 23 April 2015

Report Name: Update on Weathertight Buildings

Author: Phil Saunders

Report Status	<i>Open</i>
Strategy, Policy or Plan context	<i>Update on weathertight homes</i>
Financial status	<i>There is budget allocated</i>
Assessment of significance	<i>Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

1. Purpose of the Report

- To provide an update on the management of Weathertight Home claims.

3. Executive Summary

- Regular updates on the management of Weathertight Home claims have been provided to Committee. These have outlined historical information on total claims to date, current financial situation and expected spend based on claims that are known to Council. Any impact on budget is identified and reported to Committee as early as possible.
- We are getting further beyond the 10 year limitation liability in the Building Act 2004 and as predicted we are continuing to see a reduction in the number of claims. One new claim has been added this financial year.
- Committee has requested advice on the likely date by when Council will no longer be subjected to further claims. This is outlined under "cessation of any further claims".
- Council has attended mediation for one claim this calendar year. The claim did not settle at mediation, however, we are still in negotiation with the claimants. In the event agreement cannot be reached the claim will progress to a court hearing.
- The class action recently appearing in the press will be the subject of claims by building owners against product manufacturers and will not affect Council.
- All current cases will continue to be closely monitored as they develop and will be managed in conjunction with our legal advisors; Heaney and Partners or Tompkins Wake.

10. Recommendation from Management

- That the Report be received.

12. Attachments

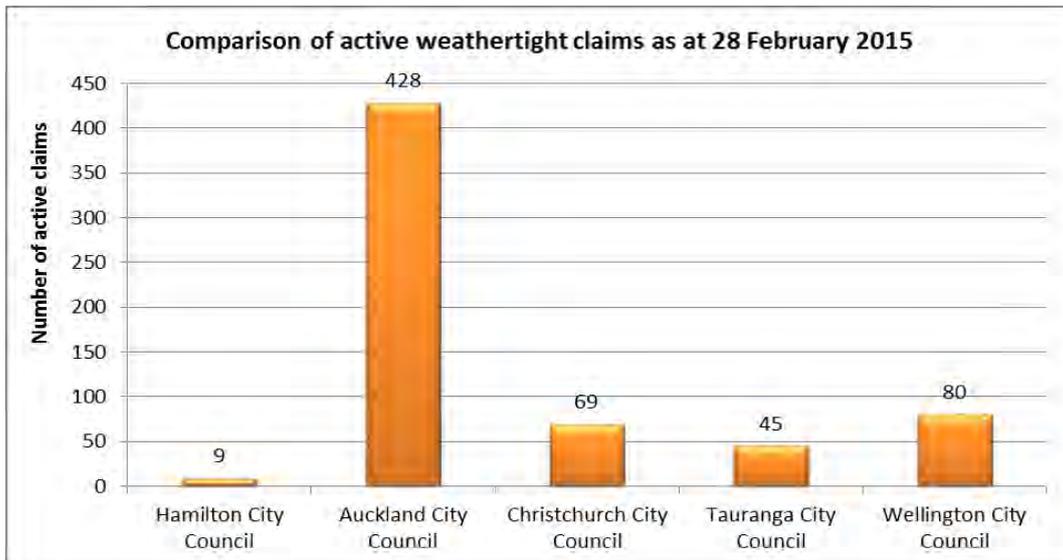
13. There are no attachments for this report.

14. Claims settled since last report

15. One claim has been settled and one new claim has been received in the 2014/2015 financial year.

16. Present number of claims

17. The latest Weathertight Homes Service figures show 9 claims in Hamilton (below), of which 8 are active.
18. As previously advised to the committee the number of claims detailed on the Ministry of Business, Innovation and Employment (Weathertight Claims) website reflects a greater number of claims because of the delay in notification of settled claims which is reliant on the claimant notifying Weathertight Homes Resolution Services that the claim has been settled.



19. Cessation of any further claims

20. Section 14 of the Weathertight Homes Resolution Services Act 2006, states claims are eligible if the house was “... built (or alterations giving rise to the claim were made to it) before 1 January 2012 and within the period of 10 years immediately before the day on which the claim is brought”.
21. In Osborne the Supreme Court found that build date will usually mean the date that the Code Compliance Certificate (CCC) is issued by Council. There is a bill before parliament to make this clear by amending the Weathertight Homes Resolution Services 2006.
22. Hence, Council is potentially subject to WHRS claims in relation to houses where the CCC was issued before 1 January 2012 for another 10 years, i.e. until **January 2022**. Such eligible claims could then be litigated through the Weathertight Homes Tribunal (WHT) in the normal way, i.e. it could take a few more years for them to be resolved. However, it is clear that our greatest risk period where construction methods were likely to result in cladding failures was prior to

2003/4, which is well beyond the 10 year liability period. New houses constructed since 2003/4 should not suffer the same leaky building issues of earlier years.

23. Although there is no finite end to leaky building claims in the near future, we are still confident of fewer claims as time progresses. Claimants can of course also choose to proceed through the courts and not use the WHT.
24. The Financial Assistance Package scheme has a separate 'sunset clause', that is those with eligible claims need to apply by **23 July 2016**. The government may however extend that deadline at some point.

25. New Developments

26. The class action recently appearing in the press is being facilitated by Adina Thorn Lawyers from Auckland and will be brought against building product manufacturers who have provided cladding products for buildings that have failed to remain weathertight. Legal advice suggests Council will not be joined into the class action as the claims relate to product failure and not work carried out by Council.

Financial information as at 31 March 2015

(\$000's) Note (\$000's)

Total Cumulative Costs of Settlements to 31 March 2015			2,908
Annual Budget 2014/15 to settle claims	514		
<i>Less Costs:</i>			
Payment of refund to Risk Pool	3		
Property Settlements (1 claim)	215	2	
Expert and legal costs	49		
Estimated settlement cost of all current claims	950	1	
	1,217		
Expected deficit 2014/15 to settle all claims	(703)		

Resolved claims as at 31 March 2015			(\$000's)
Property Settlements as at 31 March 2015	215	2	

			Claim #'s
Claims 1/7/2014	9		
New claims	1	2	
Less claims settled/withdrawn	-2	2	
Claims as at 31 March 2015	8		

Notes.

1. Some claim settlements expected for 14/15 will now settle 15/16 onwards.

2. One claim settlement made and one claim withdrawn - one new claim added for the period 1 July 2014 to 31 March 2015

Signatory

Authoriser	Brian Croad, General Manager City Environments Group
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Committee: Finance Committee

Date: 23 April 2015

Report Name: Hamilton Gardens
Development Project Progress
Report

Author: Helen Paki

Report Status	<i>Open</i>
Strategy, Policy or Plan context	<i>Hamilton Plan</i>
Financial status	<i>There is budget of \$928,000 in 2014/15</i>
Assessment of significance	<i>Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

1. Purpose of the Report

- To provide Council with up-to-date information on the progress of the Hamilton Gardens Development Project including costs expended to date.

3. Executive Summary

- The Hamilton Gardens Development Project includes the completion of five themed gardens and improved infrastructure within four years from 2014/15.
- Phase 1 of the Hamilton Gardens project has largely been achieved with the Tudor Garden opening in February 2015 and the construction of a trial Tron underway.
- Phase 2 of the project has a total cost of \$7.03m and is to be completed by July 2017/18. Targeted rate income is estimated at \$2.42m over the four years of the project with a further \$4.61m required to be raised in external funding in order to meet the phase 2 project cost.
- To date, \$240,000 has been confirmed in external funding with further donations and funding applications in progress, including an application for a major capital grant.

8. Recommendation from Management

That the Report be received.

9. Attachments

- There are no attachments for this report.

11. Key Issues

12. Strategic alignment

13. Hamilton Gardens Development Project is a priority of the Hamilton Plan.

14. Implementation Issues

15. The project is currently on track. Future fundraising and physical work development is being closely monitored by the project PGG and the External Funding Subcommittee.
16. Costs associated with marketing, fundraising and sponsorship activity need to be managed within operational budget parameters.

17. Financial and Resourcing Implications

18. 2014/15 budget and expenditure

19. Council is funding one third of this project with a targeted rate (\$10 per ratepayer) over four years from 2014/15, an estimated \$605,000 per annum or total of \$2.42m.
20. Phase 1 of the project comprises the 2014/15 completion of the Tudor Garden and constructing a trial TRON (giant topiary structure) in preparation for Surrealist garden construction. This is funded from Council approved budget of \$135,000 and external grants of \$188,000.
21. No targeted rate is allocated to Phase 1 Fantasy Garden work; however, there is targeted rate expenditure of \$200,000 in 2014/15 toward consents and site services required for Phase 2 of the project.
22. The table below outlines income and expenditure in 2014/15

<i>Income 2014/15</i>	<i>\$(000)</i>	<i>Notes</i>
Annual Approved Budget 2014/15	135	Debt Funding
Grants for 2014/15 Fantasy Garden development	188	
Targeted rate	605	
Total confirmed Income 2014/15	928	
<i>Expenditure 2014/15</i>		
Fantasy Garden development	323	Tudor Garden and trial Tron
Resource consents and site services ¹	200	Required for phase 2 of the project
Total expenditure 2014/15	523	
Surplus /(Deficit)	405	Balance of 2014/15 targeted rate to carry into 2015/16

23. Phase 2 - Planned Development and Funding

24. As 2014/15 is the first year of the project, much of this year has been focused on planning, resource consents, quantity surveying and preparation of a fundraising action plan and supporting materials for Phase 2 of the project.
25. The total project cost for Phase 2 of the project is \$7.03m. With an estimated total targeted rate contribution of \$2.42m, the remaining funding target is \$4.61m. Confirmed funds to date total \$240,000.

26. An application was submitted in March to a major capital fund and an outcome will be known by 30 June 2015. Further funding applications, sponsorship proposals and donations are pending or in progress.
27. The following table outlines the timeframe and scope of Phase 2 of the garden development based on confirmed funds at this time.

Year	Item	Total Planned Expenditure	Targeted rate	Confirmed external funding	Unconfirmed external funding ¹
2014/15	Resource consent and site services	200,000	200,000	-	-
2015/16	Complete Lawn & Tarot Court; Carpark stage 1; Concept Garden, Picturesque & Mansfield Garden stage 1; Surrealist Garden stage 2	2,541,000	1,010,000 ²	124,000	1,406,600
2016/17	Complete Concept & Surrealist Gardens; Picturesque & Mansfield Gardens stage 2; Playground; Security	2,871,000	605,000	83,000	2,183,500
2017/18	Completion of Picturesque & Mansfield Gardens; Maze Court; Jetty; Carpark; Information Centre upgrade; public toilet	1,421,000	605,000	33,000	782,900
TOTAL \$(000)		7,033,000	2,420,000	240,000	4,373,000
Notes:					
1. An outcome is pending for a major capital grant that, if successful, would be received in 2015/16 and allocated either in the same year or across 3 years. Timing and cost allocation will be adjusted accordingly.					
2. \$605,000 collected in 2015/16 and \$405,000 carried from 2014/15.					

28. Risk

29. The key risk to this project is not raising the full two thirds funding and sponsorship to achieve the project within the specified timeframes. If major capital funding is not received, new fundraising targets will need to be set either through extending the project timeframe or reducing the project scope (i.e. developing less gardens over the next three years).
30. The end of June 2015 is a key milestone date for the project in regards to significant funding outcomes. Council and the public will be notified of these outcomes and what has and can be achieved in regards to future development work.

Signatory

Authoriser	Lance Vervoort, General Manager Community
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Resolution to Exclude the Public

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

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

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

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Finance Committee - Public Excluded Minutes - 19 February 2015) Good reason to withhold information exists under Section 7 Local Government	Section 48(1)(a)
C2. Finance Committee - Public Excluded Action List - 23 February 2015) Official Information and Meetings Act 1987	
C3. Six Monthly Reports from the Chairs of the Subcommittees to the Finance Committee		
C4. Report on overdue debtors as at 31 March 2015 & Bad Debts Writeoffs 2014/15		
C5. Garden Place Carpark Status Update		
C6. Development Contributions Report		
C7. Hamilton Gardens Development Project - External Funding and Sponsorship update		
C8. Future Reserve Land Purchases		
C9. Cartage Contract - CEO Delegation		

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 prevent the disclosure or use of official information for improper gain or improper advantage | Section 7 (2) (j) |
| Item C3. | to prevent the disclosure or use of official information for improper gain or improper advantage | Section 7 (2) (j) |
| Item C4. | to protect the privacy of natural persons | Section 7 (2) (a) |
| Item C5. | to enable Council to carry out commercial activities without disadvantage | Section 7 (2) (h)
Section 7 (2) (i) |
| Item C6. | to enable Council to carry out negotiations | |
| Item C7. | to protect the privacy of natural persons | Section 7 (2) (a) |
| Item C8. | to enable Council to carry out negotiations | Section 7 (2) (i) |
| Item C9. | to avoid prejudice to measures protecting the health or safety of members of the public | Section 7 (2) (d) |
| | to enable Council to carry out commercial activities without disadvantage | Section 7 (2) (h) |

Council Controlled Organisation (CCO) Subcommittee Chairperson's Report



March 26, 2015

1. This is the six monthly Chairperson's Report to the Finance Committee of Council.
2. Subcommittee Meetings since last report:
 - 14 October 2014
3. Update on the Subcommittee's Work Programme:

The CCO Subcommittee met four times in 2014, in February, April, June and October.

Key themes presented in 2014 to the Subcommittee included: A Review of the CCO Board Appointments Policy, Approval of CCO SOIs, and receipt of half yearly and annual reports. Subcommittee members also discussed CCO ownership and exit scenarios.

At the time of writing this report, the CCO entities in which Council has a (1) minority interest and therefore minimal influence and/or (2) are immaterial from a HCC financial stand-point are:

- *Civic Assurance (New Zealand Local Government Insurance Corporation Ltd)*
- *Local Authority Shared Services Ltd (LASS)*
- *Local Government Funding Agency Ltd (LGFA)*

Those CCOs where Council has 50% or more of the voting rights and/or have the right, directly or indirectly, to appoint 50% or more of the directors, trustees or managers are:

- *Vibrant Hamilton Trust (VHT) - 100%*
- *Waikato Innovation Park Ltd (WIPL) a subsidiary of Innovation Waikato Ltd. – 100%*
- *Waikato Regional Airport Ltd (WRAL) – 50%*

4. Major Achievements:

In December 2013, a new Board of Directors was appointed to Waikato Regional Airport Limited (Hamilton Airport). The directors of WRAL:

- *John Spencer (Chair)*
- *Annabel Cotton*
- *Margaret Devlin*
- *Carlos Da Silva*

In October 2014 Vibrant Hamilton Trust reported financial year end earnings of \$142k representing a 9.5 % return on funds invested after grant distribution of \$336k.

In October 2014, WIPL announced its partnership with Callaghan Innovation. Callaghan invested \$3m in WIPL's spray dryer operation. In December 2014 WIPL also announced

that it had secured a tenancy (Tetra-Pak) to support the build of a new two-storey 3500m² building on the park campus.

In January 2015, Council exited its 40% shareholding interest in SODA Inc. by vesting its shares to WINTEC (which already held 60% of the SODA shares). The Council shareholding had no tradable value.

5. Emerging Issues

The CCO Subcommittee are currently considering the appointment of a new Chairman and a new Director for the Board of WIPL.

Commencing 2015 calendar year, Council management will work with the Board and Management of WIPL to, if appropriate, expedite a capital raising by WIPL leading to a partial or full ownership exit from WIPL by Council.

6. Recommendations

That the Report be received.