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## Council 2018-28 10-Year Plan Adoption OPEN MINUTES

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**Minutes of a meeting of the Council 2018-28 10-Year Plan Adoption held in Council Chamber, Municipal Building, Garden Place, Hamilton on Thursday 28 June 2018 at 9.35am.**

### PRESENT

Chairperson	Mayor A King
Deputy Chairperson	Deputy Mayor M Gallagher
Members	Cr M Bunting
	Cr J R Casson
	Cr S Henry
	Cr D Macpherson
	Cr G Mallett
	Cr A O’Leary
	Cr R Pascoe
	Cr P Southgate
	Cr G Taylor
	Cr L Tooman
	Cr R Hamilton

In Attendance:

Richard Briggs - Chief Executive  
Sean Hickey – General Manager Strategy and Communication  
David Bryant – General Manager Corporate  
Sean Murray – General Manager Venues, Tourism and Major Events  
Chris Allen – General Manager City Infrastructure  
Blair Bowcott – Executive Director Special Projects  
Jen Baird – General Manager City Growth  
Helen Paki – Business and Planning Manager Community  
Stephen Halliwell – Accounting Manager  
Paul Gower – Programme Manager Growth and Assets  
Andrew Parsons – City Development Manager  
Chelsey Stewart – Project Manager 10 Year Plan  
Nigel Ward – Communications Team Leader  
Nicola Walsh – Communications Advisor  
Greg Carstens – Acting Unit Manager Economic Growth and Planning  
Nathan Dalgety – Team Leader Growth Funding and Analytics  
Stafford Hodgson – Senior Strategic Policy Analyst

Leon Pierterse and Liz Tuck - Audit NZ Representatives  
Mark Renner – Lawyer for Hamilton City Council  
Lachlan Muldowney – Lawyer for Hamilton City Council  
Peter Winder – Consultant  
Dallas Fisher – Waikato Means Business Chair

Governance Staff: Lee-Ann Jordan – Governance Manager  
Becca Brooke – Governance Team Leader  
Amy Viggers – Committee Advisor

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Tame Pokaia Carried out a blessing and the Reverend Phil Wilson carried out a reading to open the Council Meeting.

**1. Apologies**

There were no apologies.

**2. Confirmation of Agenda**

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the agenda is confirmed noting the following:

- a) debate will be 2 minutes with an extension of 1 minute if required with the exception of Item 8 (10-Year Plan Approval) and Item 10 (Housing Infrastructure Fund Loan Agreement) debate which will be 5 minutes with no extensions;
- b) a replacement page 554 (Page 1 of Item 9 Rates Resolution to Set and Assess Rates for 2018/19) was circulated to Elected Members prior to the meeting;
- c) Item 16 (resolution to exclude the public) followed by Item C2 (Potential legal matters relating to the draft Development Contributions Policy) are to be taken after Item 6 (Waikato Means Business Verbal Update); and
- d) Item 12 (Chair’s Report – 28 June 2018) followed by Item 14 (Resolution to exclude the Public) are to be taken after Item 15 (Waikato Plan Review).

**3. Declarations of Interest**

No members of the Council declared a Conflict of Interest.

**4. Public Forum**

**John Dobson** (Hamilton Gardens Development Trust Representative) – Spoke to Item 8 (2018-28 10 Year Plan Adoption) and noted the Hamilton Gardens Development Trust’s strong support for the Hamilton Gardens proposal.

**Irene Strangwick** (Netherville Retirement Village Representative) – Spoke to Item 8 (2018-28 10 Year Plan Adoption). She spoke against a rate increase and expressed concerns that residents of the Netherville Retirement Village paid for infrastructure services especially rubbish collection within the village on top of rates to Hamilton City Council. A petition was presented by the residents in relation to rates, particularly around rubbish and infrastructure.

**Ron Pengelly** - Spoke against Item 8 (2018-28 10 Year Plan Adoption) and Item 10 (Rates Resolution to Set and Assess Rates for 2018/19). He explained his calculations of the rates were increases and disputed Councils’ calculation and stated the average increase of 9.7%. He felt rate payers were being misled about the increase and the calculation process and that the large rates increase was unfair.

**5. Confirmation of Council Open Minutes - 31 May 2018 to 5 June 2018**

**Resolved:** (Crs Bunting/Macpherson)

That the Council confirm the Open Minutes of the Council Meeting held on 31 May 2018 to 5 June 2018 as a true and correct record, noting a correction on page 14 of the agenda for the voting of the Transport resolution to show– Cr Macpherson being **against** the motion and Cr Casson **for** the motion.

**6. Waikato Means Business Verbal Update**

Dallas Fisher (Waikato Means Business Chair) provided a verbal update, accompanied by a presentation, in relation to Waikato Means Business and the Waikato Plan. He responded to questions from Elected Members concerning the programme plan for the following three months and the benefits to Hamilton from being a part of the Waikato Plan and Waikato Mean Business.

**Resolved:** (Cr Southgate/Mayor King)

That the Council receives the verbal report.

*The meeting went into a public excluded session Item C2 (Potential legal matters relating to the draft Development Contributions Policy prior to taking Item 7 (Development Contributions Policy 2018/19 Adoption) in the open agenda.*

**16. Resolution to Exclude the Public**

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

**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 for the passing of this resol
C2. Potential legal matters relating to the draft Development Contributions Policy	) Good reason to withhold ) information exists under ) Section 7 Local Government ) Official Information and ) Meetings Act 1987	Section 48(1)(a)

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 C2.	to maintain legal professional privilege	Section 7 (2) (g)
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*Cr Taylor left the meeting (10.34am) during the discussion of the above item. He was not present when the matter was voted on. Cr Taylor rejoined the meeting during the below Public Excluded session of the meeting.*

**The meeting went into a public excluded session from 10.35am to 11.23am.**

#### **7. Development Contributions Policy 2018/19 Adoption**

Staff tabled tracked changes to the draft Development Contributions Policy. The tracked changes document is attached to these minutes as **appendix 1**.

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the Council adopts the proposed Development Contributions Policy 2018/19, with an operative date of 1 July 2018, noting the removal of the Realised Household Unit Equivalent (HUE) factor from its proposed development contributions policy 2018/19, reflected in the updated Schedules 1, 2, 3 and 7 on agenda pages 65-72, and the removal of paragraphs 9.24-9.26 on agenda page 48. *(Tracked changes attached as appendix 1 to these minutes)*

**Crs O'Leary and Henry Dissenting.**

**The meeting adjourned 11.25am to 11.35am.**

#### **8. 2018-28 10-Year Plan Adoption**

The General Manager Communications and Strategy introduced the report. He noted that since the Council agenda had been released, Audit NZ had completed its review of the 10-Year Plan and subsequently had recommended changes, which were tabled at the meeting. A summary of changes document is attached to these minutes as **appendix 2**. An updated version of the 2018-28 10 Year Plan was circulated to Elected Members.

Audit NZ representatives responded to questions from Elected Members on the outcome of their review and recommendations.

The Accounting Manager explained other changes to the 10-Year Plan as outlined in the summary of changes and responded to questions from Elected Members.

***Other Minor changes to the report and plan were noted by Elected Members as below:***

- *Page 190, paragraph 17 of the agenda, date should be 26 June – not 26 July.*
- *Hamilton Gardens Targeted Rate was incorrectly sitting in the Parks budget and was not referenced to continue past year three. This would be updated in the final version of the 2018-28 10-Year Plan document. Audit NZ confirmed this was not a material change.*

**Motion:** (Crs Pascoe/O'Leary)

That the Council:

- a) receive the report;
- b) adopts the following policies:
  - (i) Revenue and Financing Policy (Attachment 3);
  - (ii) Rating Policy (Attachment 4);
  - (iii) Remissions and Postponements Policy (Attachment 5); and

- (iv) Funding Needs Analysis (Attachment 6).
- c) authorise the Mayor and Chief Executive to sign the Audit NZ Letter of Representation on behalf of the Council;
- d) adopts the 2018-28 10-Year Plan (Volumes 1 and 2) with the \$7m identified for the purchase of buildings for Central City Park reallocated to general property purchases in relation to the River Plan.

**Amendment:** (Mayor King/Deputy Mayor Gallagher)

That the Council:

- a) receive the report;
- b) adopts the following policies:
  - (i) Revenue and Financing Policy (Attachment 3);
  - (ii) Rating Policy (Attachment 4);
  - (iii) Remissions and Postponements Policy (Attachment 5); and
  - (iv) Funding Needs Analysis (Attachment 6).
- c) authorise the Mayor and Chief Executive to sign the Audit NZ Letter of Representation on behalf of the Council;
- d) adopt the 2018-28 10-Year Plan (Volumes 1 and 2).

**The Amendment was put.**

**Those for the Amendment:** Mayor King, Deputy Mayor Gallagher, Councillors Mallett, Macpherson, Bunting, Taylor and Hamilton.

**Those against the Amendment:** Councillors Pascoe, Tooman, O'Leary, Casson, Henry and Southgate.

**The Amendment was declared carried.**

**The Amendment was then put as the Substantive Motion.**

**Those for the Amendment as the Substantive Motion:** Mayor King, Deputy Mayor Gallagher, Councillors Pascoe, Mallett, Tooman, Macpherson, Bunting, Casson, Taylor and Hamilton.

**Those against the Amendment as the Substantive Motion:** Councillors O'Leary, Henry and Southgate.

**The Amendment as the Substantive Motion was declared carried.**

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the Council:

- a) receive the report;
- b) adopts the following policies:
  - (i) Revenue and Financing Policy (Attachment 3);

- (ii) Rating Policy (Attachment 4);
  - (iii) Remissions and Postponements Policy (Attachment 5); and
  - (iv) Funding Needs Analysis (Attachment 6).
- c) authorise the Mayor and Chief Executive to sign the Audit NZ Letter of Representation on behalf of the Council;
- d) adopt the 2018-28 10-Year Plan (Volumes 1 and 2).

***The meeting adjourned 12.21pm to 12.24pm.***

## 9. Rates Resolution to Set and Assess Rates for 2018/19

The Accounting Manager took the report as read.

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That Council:

- a) receives the report;
- b) sets and assesses the rates for the 2018/19 financial year (1 July 2018 to 30 June 2019) in accordance with the **Rates Resolution for the 2018/19 Financial Year** (as required by the Local Government (Rating) Act 2002) as set out below; and
- c) as part of this resolution, states the due dates for payments and authorises penalties to be added to unpaid rates, as set out below.

### ***Executive Summary***

- 3. *All figures in this resolution are GST inclusive.*
- 4. *Council has adopted the 2018-28 10-Year Plan. Council must set and assess the rates as described in its Funding Impact Statement in the 2018-28 10-Year Plan.*
- 5. *Should Council not adopt the 10-Year Plan these resolutions cannot be made.*
- 6. *The Council has historically collected its rates in four instalments. Cash flow from the intervals of the four instalments meets the timing of expenditure needs for Council.*

### **GENERAL RATE**

- 1. A general rate is set and assessed on the capital value of all rateable land in Hamilton.
- 2. General rates are set under Section 13 of the Local Government (Rating) Act 2002 on a differential basis. The rating categories are defined in the Funding Impact Statement.
- 3. The differential basis is:
  - the use to which the land is put; and
  - the provision or availability to the land of a service provided; and
  - the activities that are permitted, controlled, or discretionary for the area in which the land is situated, and the rules to which the land is subject under the operative district plan; and
  - the location of the land
- 4. The different categories of rateable land are outlined in the table below.
- 5. This funding mechanism covers all of the services of Council.
- 6. The total revenue sought through the general rate is \$99,094,296.

7. A general rate set and assessed on a differential basis as follows:

SOURCE	DIFFERENTIAL CATEGORIES	DIFFERENTIAL FACTOR	PERCENTAGE OF TOTAL GENERAL RATES	RATE IN THE DOLLAR OF CAPITAL VALUE (GST INCL)	RATES REVENUE (GST INCL)
General Rate	Commercial	2.2938	30.96%	0.00570213	\$ 30,681,713
	BID Commercial	2.1791	7.75%	0.00541702	\$ 7,681,974
	Other	0.7420	1.39%	0.00184465	\$ 1,375,547
	Residential	1.0000	59.90%	0.00248593	\$ 59,355,062

8. Land described in Part 2 Schedule 1 of the Local Government (Rating) Act 2002 (broadly speaking, land owned or used by societies for arts or sports) will be assessed at 50% of the residential rate (General rate, UAGC, Transitional rate and Hamilton Gardens rate) that applies to the land. This general rate revenue is included within the Residential category shown in the table above and within the targeted rates revenue where applicable.

### UNIFORM ANNUAL GENERAL CHARGE

9. A Uniform Annual General Charge (UAGC) of \$165 per Separately Used or Inhabited Part of a Rating Unit (SUIP) set and assessed on all rateable land in Hamilton.
10. We have determined the level of UAGC in order to distribute the allocation of the general rate at an appropriate level among all ratepayers.
11. The total revenue sought from the UAGC is \$10,673,765.

### TARGETED RATES

12. Transitional Rate
13. The rate is set and assessed on the land value of all rateable land in Hamilton.
14. The transitional rates are set on a differential basis. The rating categories are defined in the Rating Policy.
15. The differential basis is:
  - a) the use to which the land is put; and
  - b) the provision or availability to the land of a service provided; and
  - c) the area of the land; and
  - d) the location of the land.

16. The different categories of rateable land are outlined in the table below.

17. The total revenue sought is \$91,119,695.

SOURCE	DIFFERENTIAL CATEGORIES	DIFFERENTIAL FACTOR	PERCENTAGE OF TOTAL TRANSITIONAL RATES	RATE IN THE DOLLAR OF LAND VALUE (GST INCL)	RATES REVENUE (GST INCL)
Transitional Rate	Commercial	2.7855	25.75%	0.01452614	\$23,455,286
	BID Commercial	2.6462	6.75%	0.01379983	\$6,155,016
	Residential	1.0000	64.57%	0.00521489	\$58,844,246
	Multi-unit Residential	1.4774	1.83%	0.00770469	\$1,660,964
	Rural Residential	0.6445	0.05%	0.00336119	\$47,914
	Rural Small	0.4129	0.74%	0.00215320	\$677,888
	Rural Large	0.2083	0.31%	0.00108647	\$278,381

18. Metered Water Rate

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

20. The rate is:

- a) a fixed amount based on the nature of the connection as follows:
  - \$452 for all metered rating units (except those receiving a restricted flow supply);
  - \$352 for those rating units receiving a restricted flow supply.
- b) a charge per unit of water consumed or supplied on every metered connection in accordance with the following scale:
  - All metered rating units (except those receiving a restricted supply) - \$1.88 per kilolitre of water supplied after the first 240 kilolitres of consumption or supply;
  - those rating units receiving a restricted flow supply - \$1.46 per kilolitre of water supplied after the first 240 kilolitres of consumption or supply.

21. The rates contribute to the funding of the Water Distribution and Water Treatment and Storage activities.

22. The total revenue sought is \$9,057,915.

23. Commercial and Other Category Non-Metered Water Rate

24. The rate is set and assessed on non-metered Commercial and Other category properties which are connected to the water network, but not provided with a metered connection. The rate is \$452 per rating unit.

25. The rates contribute to the funding of the Water Distribution and Water Treatment and Storage activities.

26. The total revenue sought is \$280,240.

27. Business Improvement District (BID) Rates

28. This rate is set and assessed on all rating units defined within the BID Commercial general rate category and comprises both a fixed amount per SUIP and a rate in the dollar based on the capital value.
29. The Business Improvement District (BID) and Central City rating areas map is shown in Schedule 1 of the Rating Policy. The components of this rate are:
- a) BID fixed rate: a fixed amount of \$240 per SUIP of a commercial rating unit within the defined area; and
  - b) BID capital value rate: a rate per dollar of capital value required to meet the total revenue, after allowing for the total revenue raised by the BID Fixed Rate. The rate is \$0.00001724 per dollar of capital value.
30. The rate provides funding to the Tourism and Events activity.
31. The total revenue sought is \$341,343.

32. Central City Rate

33. The rate is set on all rating units defined within the BID Commercial general rate category and is set as a fixed amount per SUIP.
34. The Business Improvement District (BID) and Central City rating areas map is shown in Schedule 1 of the Rating Policy.
35. The rate is a fixed amount of \$126 per SUIP.
36. The rate provides funding to the Transport Network activity.
37. The total revenue sought is \$166,750.

38. Hamilton Gardens Rate

39. The rate is set and assessed as a fixed amount on all rating units (excluding 100% non-rateable).
40. The rate is set at \$11.50 per SUIP.
41. The rate contributes funding to develop and maintain themed gardens and infrastructure as part of the Hamilton Gardens activity.
42. The total revenue sought is \$743,360.

43. Service Use Water Rate

44. The rate is set and assessed on properties as defined as Service Category (see Funding Impact Statement) and which are connected to our water network but are not provided with a metered connection.
45. The rate is a fixed amount of \$452 per SUIP.
46. The rate provides funding towards the Water Distribution and Water Treatment and Storage activities.
47. The total revenue sought is \$51,528.

48. Service Use Refuse Rate

49. The rate is set and assessed on properties defined as Service Category (see Funding Impact Statement) and which are provided with refuse collection service.
50. The rate is a fixed amount of \$118 per SUIP.
51. The rate provides funding towards the refuse collection activity.
52. The total revenue sought is \$14,868.

- 53. Service Use Wastewater Rate
- 54. The rate is set and assessed on properties defined as Service Category (see Funding Impact Statement) and which are connected to the wastewater network. This rate comprises two components. These are:
  - a) a rate per dollar of land value set at \$0.00157846; and
  - b) a rate per dollar of capital value set at \$0.00037350.
- 55. The rate provides funding towards the Wastewater Distribution and Wastewater Treatment and Disposal activities.
- 56. The total revenue sought is \$1,269,166.

**DUE DATES FOR PAYMENT OF RATES**

- 57. The due dates for rates for the period 1 July 2018 to 30 June 2019 are as follows:

Area	Instalment 1	Instalment 2	Instalment 3	Instalment 4
East	30 August 2018	22 November 2018	28 February 2019	23 May 2019
West	6 September 2018	29 November 2018	7 March 2019	30 May 2019

58. DUE DATES FOR PAYMENT OF METERED WATER RATES

- 59. The due dates for metered water rates for the period 1 July 2018 to 30 June 2019 are as follows:

Month of Invoice	Invoice Due Date
July 2018	20 August 2018
August 2018	20 September 2018
September 2018	20 October 2018
October 2018	20 November 2018
November 2018	20 December 2018
December 2018	20 January 2019

Month of Invoice	Invoice Due Date
January 2019	20 February 2019
February 2019	20 March 2019
March 2019	20 April 2019
April 2019	20 May 2019
May 2019	20 June 2019
June 2019	20 July 2019

## PENALTIES

60. Pursuant to Section 57 and 58 of the Local Government (Rating) Act 2002, the Council authorises the following penalties:

- a) A penalty of 10% of the amount due and unpaid on the due date to be added on the day after the due date.
- b) For the East area, these dates are 31 August 2018, 23 November 2018, 1 March 2019 and 24 May 2019.
- c) For the West area, these dates are 7 September 2018, 30 November 2018, 8 March 2019 and 31 May 2019.
- d) A penalty of 10% of the amount of any rates assessed in any previous year which remain unpaid on 5 July 2018 to be added on 6 July 2018.
- e) A penalty of 10% of the amount of any rates assessed in any previous year which remain unpaid on 5 January 2019 to be added on 6 January 2019.
- f) A penalty of 10% of the amount unpaid for water-by-meter rates charged to be added on the day after the due date.
- g) These dates are 21 July 2018, 21 August 2018, 21 September 2018, 21 October 2018, 21 November 2018, 21 December 2018, 21 January 2019, 21 February 2019, 21 March 2019, 21 April 2019, 21 May 2019 and 21 June 2019.

## END OF 2018/19 RATES RESOLUTION

*The meeting adjourned 1.32pm to 2.25pm.*

### 10. Housing Infrastructure Fund (HIF) Loan Agreement

The Executive Director Special Projects introduced the report and outlined the process followed for the Housing Infrastructure Fund Loan to reach this final request for approval. Staff responded to questions from Elected Members concerning the loan facility agreements terms, including the retrospective quarterly drawdown clause, repayment dates, and annual progress reports.

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the Council:

- a) approves the Housing Infrastructure Fund loan facility agreement in the form attached to this report;
- b) delegates the Chief Executive the authority to:
  - i. make any final changes to the Housing Infrastructure Fund loan facility agreement (included in Attachment 1) that are deemed reasonably appropriate and that are not materially inconsistent with the terms outlined in this report and the Detailed Business Case; and
  - ii. sign the final Housing Infrastructure Fund loan facility agreement on behalf of Council;

- c) delegates the Chief Executive the authority to award the consultancy contract to investigate and design the strategic transport gateway infrastructure (bridge and other transport components that connect Cobham Drive to Peacocke Road as set out in the approved Detailed Business Case for the Peacocke Housing Infrastructure Fund) for a total contract value not exceeding \$13.0m plus GST;
- d) delegates the Chief Executive the authority to award the consultancy contract to investigate and design the strategic wastewater gateway infrastructure (wastewater pump station, storage and pressure main to Crosby Road area as set out in the approved Detailed Business Case for the Peacocke Housing Infrastructure Fund) for a total contract value not exceeding \$8.0m plus GST;
- e) delegates the Chief Executive the authority to direct appoint The Property Group for all expert matters relating to infrastructure and recreation/park related property purchase or disposal for the Peacocke Growth Cell area for a total contract value not exceeding \$1.0m plus GST;
- f) notes that a monitoring and reporting framework for the Peacocke Growth Cell investment programme (including the Housing Infrastructure Fund) be presented to the Finance Committee on 28 August 2018 (as part of a new reporting process for delivery of the Council capital programme), taking into account the reporting obligations outlined in the Housing Infrastructure Fund facility agreement.

**Those for the Motion:**

Mayor King, Deputy Mayor Gallagher,  
Councillors Pascoe, Mallett, O'Leary,  
Macpherson, Southgate, Taylor and  
Hamilton.

**Those against the Motion:**

Councillors Tooman, Bunting, Casson and  
Henry.

**The Motion was declared carried.**

#### 11. **Changes to support delivery of 10-Year Plan capital programme**

The General Manager City Infrastructure introduced the report and explained that a new group was to be created to manage and report on the full capital projects portfolio, as well as look for project delivery efficiencies.

**Resolved:** (Mayor King/Cr Pascoe)

That the Council:

- a) receives the report;
- b) requests the General Manager City Infrastructure to work with the Chairperson, Deputy Chairperson of Finance Committee and the GM Corporate who is also the Principal Advisor to the Finance Committee to develop an appropriate reporting process for delivery of the capital programme; and
- c) requests staff report back to the next Finance Committee meeting on 28 August 2018.

*Cr Mallett retired from the meeting (3.58pm) during the discussion of the above item. He was not present when the matter was voted on.*

*Cr Hamilton left the meeting (3.58pm) during the discussion of the above item. He was not present when the matter was voted on.*

## 15. Waikato Plan Review

The Executive Director Special Projects and Peter Winder (Consultant) introduced the report and outlined findings from the review of the Waikato Plan. They responded to questions from Elected Members concerning benefits of the plan for Hamilton City Council, membership of the leadership group, and implications if Hamilton City Council was to withdraw from the plan.

**Motion:** (Cr Southgate/Deputy Mayor Gallagher)

That the Council:

- a) supports in principle the recommendations of the McGredy Winder report to amend the Waikato Plan Leadership Group Terms of Reference and to re-shape the project management, programme development, business case and funding arrangements for the Waikato Plan;
- b) confirms that Hamilton City Council will continue to participate in the Waikato Plan subject to the substantive recommendations of the McGredy Winder report being supported and adopted by the other partner councils, stakeholders and the Waikato Plan Leadership group;
- c) delegates to the Chief Executive to commence immediate negotiations with other partner councils, stakeholders and the Waikato Plan Leadership Group to implement the amendments and agree a transition for the Waikato Plan in accordance with the substantive recommendations of the McGredy Winder report;
- d) notes that under the model proposed in the McGredy Winder Report that Hamilton City Council makes no financial contribution to the core project manager, programme and business case development of the Waikato Plan;
- e) notes that should the other partner councils, stakeholders and Waikato Plan Leadership Group not agree with the substantive recommendations of the McGredy Winder report and that if a transition plan is not finalised in a timely manner to the satisfaction of the CE, that the decision for Hamilton City Council to withdraw from the Waikato Plan will come back to Council for approval by September 2018;
- f) confirms HCC's representative on the Leadership Group as being Mayor or Mayor's Nominee;
- g) notes that amended Terms of Reference for the Waikato Plan Leadership Group (as per the McGredy Winder Report) will come back to Council for approval in due course; and
- h) requests that as part of the negotiations (described in C above) the CE negotiate to reduce the membership of the Waikato Plan Leadership Group significantly.

**Amendment:** (Mayor King/Cr Bunting)

That Council completely withdraws from the Waikato Plan.

### **The Amendment was put.**

**Those for the Amendment:**

Mayor King, Councillors Macpherson, Bunting and Taylor.

**Those against the Amendment:**

Deputy Mayor Gallagher, Councillors Pascoe, Tooman, O'Leary, Casson, Henry, Southgate and Hamilton.

**The Amendment was declared lost.**

**The Motion was then put and declared carried unanimously.**

**Resolved:** (Cr Southgate/Deputy Mayor Gallagher)

That the Council:

- a) supports in principle the recommendations of the McGredy Winder report to amend the Waikato Plan Leadership Group Terms of Reference and to re-shape the project management, programme development, business case and funding arrangements for the Waikato Plan;
- b) confirms that Hamilton City Council will continue to participate in the Waikato Plan subject to the substantive recommendations of the McGredy Winder report being supported and adopted by the other partner councils, stakeholders and the Waikato Plan Leadership group;
- c) delegates to the Chief Executive to commence immediate negotiations with other partner councils, stakeholders and the Waikato Plan Leadership Group to implement the amendments and agree a transition for the Waikato Plan in accordance with the substantive recommendations of the McGredy Winder report;
- d) notes that under the model proposed in the McGredy Winder Report that Hamilton City Council makes no financial contribution to the core project manager, programme and business case development of the Waikato Plan;
- e) notes that should the other partner councils, stakeholders and Waikato Plan Leadership Group not agree with the substantive recommendations of the McGredy Winder report and that if a transition plan is not finalised in a timely manner to the satisfaction of the CEO, that the decision for Hamilton City Council to withdraw from the Waikato Plan will come back to Council for approval by September 2018;
- f) confirms HCC's representative on the Leadership Group as being Mayor or Mayor's Nominee;
- g) notes that amended Terms of Reference for the Waikato Plan Leadership Group (as per the McGredy Winder Report) will come back to Council for approval in due course; and
- h) requests that as part of the negotiations (described in C above) the CEO negotiate to reduce the membership of the Waikato Plan Leadership Group significantly.

*Cr Hamilton re-joined the meeting (4.03pm) during the discussion of the above item. He was present when the matter was voted on.*

***An extension of time was moved at 4.36pm during the discussion of the above item.***

**Resolved:** (Mayor King/Cr Southgate)  
*That the meeting extends beyond 6 hours as per Standing Order 3.2.7.*

***The meeting adjourned 5.03pm to 5.18pm during the discussion of the above item.***

### **13. Extension of Chief Executive Delegations during July 2018**

The Governance Manager introduced the report. Staff responded to questions from Elected Members on the likelihood of any major issues arising in July and the process for ensuring Council visibility of any decisions made under this delegation.

**Resolved:** (Crs Pascoe/Henry)

That the Council extends the Chief Executive's current delegations (detailed in the Council's *Delegations to Positions Policy*) to include all of Council's responsibilities, duties, and powers currently retained by Council or delegated to Council's standing committees (except the District Licensing Committee), subject to the following conditions:

- a) The extended delegations will have effect only for the period from 1 July 2018 to 31 July 2018 (extended delegation period);
- b) The extended delegations do not include a delegation of any Council powers, duties and functions which are prohibited by law from delegation - including, without limitation, those set out in clause 32(1) of the Seventh Schedule to the Local Government Act 2002;
- c) The Chief Executive may only exercise the extended delegations for those matters that cannot reasonably wait until the 2 August 2018 Council meeting;
- d) The Chief Executive is not permitted to use the extended delegations in respect of any politically significant matters that require input from Elected Members;
- e) Where reasonably practicable, the Chief Executive must, before exercising an extended delegation power, duty or function, consult with the Mayor and/or Deputy Mayor (subject to their availability); and
- f) The Chief Executive must report all matters relating to this extended delegation to the Council at the 2 August 2018 meeting.

**12. Chair's Report - 28 June 2018**

The Chair took the report as read.

**Motion:** (Mayor King/Deputy Mayor Gallagher)

That the Council:

- a) receives the report;
- b) appoints Cr Ryan Hamilton as Deputy Chair of the Community and Services Committee;
- c) appoints Keiran Horne as Deputy Chair of the Audit and Risk Committee; and
- d) approves the amendments to the CEO Review Committee as outlined in the Chairs report.

**Amendment:** (Crs Henry/Casson)

That the Council:

- a) receives the report;
- b) appoints Cr James Casson as Deputy Chair of the Community and Services Committee;
- c) appoints Keiran Horne as Deputy Chair of the Audit and Risk Committee; and
- d) approves the amendments to the CEO Review Committee as outlined in the Chairs report.

**The Amendment was put.**

**Those for the Amendment:** Councillors Tooman, Casson and Henry.

**Those against the Amendment:** Mayor King, Deputy Mayor Gallagher  
Councillors Gallagher, Pascoe, O'Leary,  
Macpherson, Bunting, Southgate, Taylor  
and Hamilton.

**The Amendment was declared lost.  
The Motion was then put and declared carried.**

**Resolved:** (Mayor King/Deputy Mayor Gallagher)

That the Council:

- a) receives the report;
- b) appoints Cr Ryan Hamilton as Deputy Chair of the Community and Services Committee;
- c) appoints Keiran Horne as Deputy Chair of the Audit and Risk Committee; and
- d) approves the amendments to the CEO Review Committee as outlined in the Chairs report.

**Cr Casson Dissenting.**

**14. Resolution to Exclude the Public**

**Resolved:** (Mayor King/Cr O'Leary)

**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 for the passing of this resol
C1. Chief Executive Employment Matters	) Good reason to withhold ) information exists under ) Section 7 Local Government ) Official Information and ) Meetings Act 1987	Section 48(1)(a)

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 protect the privacy of natural persons	Section 7 (2) (a)
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**The meeting went into a Public Excluded session at 6.05pm.**

**The meeting was declared closed at 6.40pm.**

This effect is estimated to have some impact on future development, and therefore for the purposes of projecting revenue for the 10-Year Plan, Council has made an adjustment to this effect into its modelling.

9.16 Effects of uncertainty

9.17 Revenue forecasting has a high margin of error due to substantial underlying assumptions including economic outlook and projections, growth projections, undeterminable developer and market behaviour, the property market volatility and unpredictability, and other wider considerations including government policy changes.

9.18 This uncertainty impacts Council's debt to revenue calculations and consequent capacity for borrowing to finance growth. Council has attempted to strike a balance in its forecasts, based on historical levels of revenue and the best information that it has available about likely future revenues, but with a view to conservatism.

9.19 If Council had included an allowance for reduced development due to high charges, it would have reduced revenue in the model and increased charges to an extent.

9.20 **Methodology for relating costs of community facilities to units of demand.**

9.21 The purpose of Council's methodology is to enable it to recover from those persons undertaking development a fair, equitable, and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term.

9.22 It achieves this outcome by first identifying the total cost of the capital expenditure that it expects to incur in respect of these community assets to meet increased demand resulting from growth.

9.23 Next it identifies the share of that expenditure attributable to each unit of demand. It does this by using the units of demand by which the impact of growth has been assessed. To identify those units of demand Council takes account of a wide data set of information which informs it on the estimated rates of development in the City.

~~9.24 — Then it takes account of historical information to determine what proportion of that overall development creates demand on Council's assets, thus identifying the units of demand by which the impact of growth has been assessed. Those units of demand are then used to determine the appropriate share of expenditure that the development community must pay for. This proportion, on average across the city for all activities, is calculated at 86.1%.~~

9.25 Effects of uncertainty

~~9.26 — Projected development HUEs will not perfectly align with actual paying HUEs of future development. The effect of this is that where the actual paying HUEs of future development are higher than assumed realised HUEs, revenue will be higher than anticipated. This increased revenue will be included in future model updates and the charges will reduce accordingly, and vice versa.~~

9.279.24 Supply of land

9.289.25 The supply and capacity of development land is assumed to be constrained by the current and future availability of infrastructure – whether planned to be provided by Council or likely to be able to be provided by developers.

## Appendix 1

### 21. SCHEDULE 1 – DEVELOPMENT CONTRIBUTION CHARGES

For further guidelines on how to use the charge schedules below to estimate a development contribution, please refer to the [“How to Estimate a DC charge”](#) information sheet.

Table 1 – Residential development contribution payable in each catchment (excl. GST)

	Reserves	Stormwater	Transport	Wastewater	Water	Total
<b>Large Residential</b>	<b>Charge per lot, dwelling or unit title, inclusive of Citywide components</b>					
Citywide	1,505		3,439	3,033	5,278	13,255
Infill East	1,546		3,793	11,128	6,766	23,233
Infill West	1,546		3,793	12,632	6,766	24,737
Peacocke 1	4,107		8,970	13,964	6,901	33,942
Peacocke 2	6,748		13,227	14,253	6,901	41,129
Rotokauri	3,653		19,896	4,691	7,021	35,261
Rototuna	2,958		14,293	5,723	9,276	32,250
Ruakura	1,505		5,715	7,043	7,251	21,514
Te Rapa North	1,505		3,439	3,033	24,179	32,156
Temple View	1,505		3,439	8,358	9,073	22,375
SW - Citywide		22				22
SW - Chartwell		238				238
SW - City Centre		1,367				1,367
SW - Hamilton East		342				342
SW - Kirikiriroa		1,904				1,904
SW - Lake Rotokauri		50,580				50,580
SW - Mangaheka		10,789				10,789
SW - Mangakotukutuku		6,530				6,530
SW - Mangaonua		1,758				1,758
SW - Ohote		3,047				3,047
SW - Otama-ngenge		174				174
SW - Peacocke		3,318				3,318
SW - River North		22				22
SW - Rotokauri West		760				760
SW - St Andrews		30				30
SW - Te Awa o Katapaki		9,666				9,666
SW - Te Rapa Stream		7,581				7,581
SW - Temple View		432				432
SW - Waitawhiriwhiri		389				389
SW - Western Heights		22				22
WW - East				1,534		1,534
WW - West				3,834		3,834
<b>Standard Residential</b>	<b>Charge per lot, dwelling or unit title, inclusive of Citywide components</b>					
Citywide	1,167		2,666	2,351	4,091	10,275
Infill East	1,199		2,940	8,626	5,245	18,010
Infill West	1,199		2,940	9,792	5,245	19,176
Peacocke 1	3,184		6,954	10,825	5,350	26,313
Peacocke 2	5,231		10,253	11,049	5,350	31,883
Rotokauri	2,832		15,423	3,637	5,443	27,335
Rototuna	2,293		11,080	4,436	7,191	25,000
Ruakura	1,167		4,430	5,460	5,621	16,678
Te Rapa North	1,167		2,666	2,351	18,743	24,927
Temple View	1,167		2,666	6,479	7,033	17,345
SW - Citywide		17				17
SW - Chartwell		184				184
SW - City Centre		1,060				1,060
SW - Hamilton East		265				265
SW - Kirikiriroa		1,476				1,476
SW - Lake Rotokauri		39,209				39,209
SW - Mangaheka		8,364				8,364
SW - Mangakotukutuku		5,062				5,062
SW - Mangaonua		1,363				1,363
SW - Ohote		2,362				2,362
SW - Otama-ngenge		135				135
SW - Peacocke		2,572				2,572
SW - River North		17				17
SW - Rotokauri West		589				589
SW - St Andrews		23				23
SW - Te Awa o Katapaki		7,493				7,493
SW - Te Rapa Stream		5,877				5,877
SW - Temple View		335				335
SW - Waitawhiriwhiri		301				301
SW - Western Heights		17				17
WW - East				1,189		1,189
WW - West				2,972		2,972

## Appendix 1

Table 1 – Continued

	Reserves	Stormwater	Transport	Wastewater	Water	Total
<b>Two Bed</b>	<b>Charge per lot, dwelling or unit title, inclusive of Citywide components</b>					
Citywide	804		1,838	1,621	2,821	7,084
Infill East	827		2,027	5,948	3,617	12,419
Infill West	827		2,027	6,752	3,617	13,223
Peacocke 1	2,195		4,795	7,464	3,689	18,143
Peacocke 2	3,607		7,070	7,618	3,689	21,984
Rotokauri	1,952		10,635	2,508	3,753	18,848
Rototuna	1,581		7,640	3,059	4,958	17,238
Ruakura	804		3,055	3,765	3,876	11,500
Te Rapa North	804		1,838	1,621	12,924	17,187
Temple View	804		1,838	4,467	4,849	11,958
SW - Citywide		12				12
SW - Chartwell		127				127
SW - City Centre		731				731
SW - Hamilton East		183				183
SW - Kirikiriroa		1,018				1,018
SW - Lake Rotokauri		27,035				27,035
SW - Mangaheka		5,767				5,767
SW - Mangakotukutuku		3,491				3,491
SW - Mangaonua		939				939
SW - Ohote		1,629				1,629
SW - Otama-ngenge		93				93
SW - Peacocke		1,773				1,773
SW - River North		12				12
SW - Rotokauri West		406				406
SW - St Andrews		16				16
SW - Te Awa o Katapaki		5,167				5,167
SW - Te Rapa Stream		4,052				4,052
SW - Temple View		231				231
SW - Waitawhiriwhiri		208				208
SW - Western Heights		12				12
WW - East				820		820
WW - West				2,049		2,049
<b>One Bed</b>	<b>Charge per lot, dwelling or unit title, inclusive of Citywide components</b>					
Citywide	557		1,272	1,122	1,953	4,904
Infill East	572		1,403	4,117	2,503	8,595
Infill West	572		1,403	4,673	2,503	9,151
Peacocke 1	1,520		3,318	5,166	2,553	12,557
Peacocke 2	2,496		4,893	5,273	2,553	15,215
Rotokauri	1,351		7,360	1,736	2,597	13,044
Rototuna	1,094		5,288	2,117	3,432	11,931
Ruakura	557		2,114	2,606	2,683	7,960
Te Rapa North	557		1,272	1,122	8,945	11,896
Temple View	557		1,272	3,092	3,356	8,277
SW - Citywide		8				8
SW - Chartwell		88				88
SW - City Centre		506				506
SW - Hamilton East		127				127
SW - Kirikiriroa		705				705
SW - Lake Rotokauri		18,712				18,712
SW - Mangaheka		3,991				3,991
SW - Mangakotukutuku		2,416				2,416
SW - Mangaonua		650				650
SW - Ohote		1,127				1,127
SW - Otama-ngenge		64				64
SW - Peacocke		1,227				1,227
SW - River North		8				8
SW - Rotokauri West		281				281
SW - St Andrews		11				11
SW - Te Awa o Katapaki		3,576				3,576
SW - Te Rapa Stream		2,805				2,805
SW - Temple View		160				160
SW - Waitawhiriwhiri		144				144
SW - Western Heights		8				8
WW - East				568		568
WW - West				1,418		1,418

## Appendix 1

*Table 2 – Non-residential development contribution payable in each catchment (excl. GST)*

	Reserves	Stormwater	Transport	Wastewater	Water	Total
<b>Commercial</b>	<b>Charge per 100m2 floor area (site area for Stormwater)</b>					
Citywide			5,332	1,192	1,613	8,137
Infill East			5,880	4,373	2,068	12,321
Infill West			5,880	4,965	2,068	12,913
Peacocke 1			13,907	5,488	2,110	21,505
Peacocke 2			20,506	5,602	2,110	28,218
Rotokauri			30,846	1,844	2,146	34,836
Rototuna			22,160	2,249	2,836	27,245
Ruakura			8,860	2,768	2,217	13,845
Te Rapa North			5,332	1,192	7,391	13,915
Temple View			5,332	3,285	2,773	11,390
SW - Citywide		7				7
SW - Chartwell		71				71
SW - City Centre		408				408
SW - Hamilton East		102				102
SW - Kirikiriroa		568				568
SW - Lake Rotokauri		15,080				15,080
SW - Mangaheka		3,217				3,217
SW - Mangakotukutuku		1,947				1,947
SW - Mangaonua		524				524
SW - Ohote		908				908
SW - Otama-ngenge		52				52
SW - Peacocke		989				989
SW - River North		7				7
SW - Rotokauri West		227				227
SW - St Andrews		9				9
SW - Te Awa o Katapaki		2,882				2,882
SW - Te Rapa Stream		2,260				2,260
SW - Temple View		129				129
SW - Waitawhiriwhiri		116				116
SW - Western Heights		7				7
WW - East				603		603
WW - West				1,507		1,507
<b>Industrial</b>	<b>Charge per 100m2 floor area (site area for Stormwater)</b>					
Citywide			2,399	703	856	3,958
Infill East			2,646	2,578	1,097	6,321
Infill West			2,646	2,927	1,097	6,670
Peacocke 1			6,258	3,235	1,119	10,612
Peacocke 2			9,228	3,302	1,119	13,649
Rotokauri			13,881	1,087	1,139	16,107
Rototuna			9,972	1,326	1,504	12,802
Ruakura			3,987	1,632	1,176	6,795
Te Rapa North			2,399	703	3,921	7,023
Temple View			2,399	1,936	1,471	5,806
SW - Citywide		5				5
SW - Chartwell		52				52
SW - City Centre		298				298
SW - Hamilton East		75				75
SW - Kirikiriroa		415				415
SW - Lake Rotokauri		11,022				11,022
SW - Mangaheka		2,351				2,351
SW - Mangakotukutuku		1,423				1,423
SW - Mangaonua		383				383
SW - Ohote		664				664
SW - Otama-ngenge		38				38
SW - Peacocke		723				723
SW - River North		5				5
SW - Rotokauri West		166				166
SW - St Andrews		7				7
SW - Te Awa o Katapaki		2,106				2,106
SW - Te Rapa Stream		1,652				1,652
SW - Temple View		94				94
SW - Waitawhiriwhiri		85				85
SW - Western Heights		5				5
WW - East				355		355
WW - West				888		888

## Appendix 1

Table 2 – Continued

	Reserves	Stormwater	Transport	Wastewater	Water	Total
Retail	Charge per 100m <sup>2</sup> floor area (site area for Stormwater)					
Citywide			7,331	979	1,324	9,634
Infill East			8,085	3,590	1,698	13,373
Infill West			8,085	4,076	1,698	13,859
Peacocke 1			19,122	4,506	1,732	25,360
Peacocke 2			28,196	4,599	1,732	34,527
Rotokauri			42,414	1,514	1,762	45,690
Rototuna			30,470	1,846	2,328	34,644
Ruakura			12,183	2,273	1,820	16,276
Te Rapa North			7,331	979	6,068	14,378
Temple View			7,331	2,697	2,277	12,305
SW - Citywide		7				7
SW - Chartwell		71				71
SW - City Centre		408				408
SW - Hamilton East		102				102
SW - Kirikiriroa		568				568
SW - Lake Rotokauri		15,080				15,080
SW - Mangaheka		3,217				3,217
SW - Mangakotukutuku		1,947				1,947
SW - Mangaonua		524				524
SW - Ohote		908				908
SW - Otama-ngenge		52				52
SW - Peacocke		989				989
SW - River North		7				7
SW - Rotokauri West		227				227
SW - St Andrews		9				9
SW - Te Awa o Katapaki		2,882				2,882
SW - Te Rapa Stream		2,260				2,260
SW - Temple View		129				129
SW - Waitawhiriwhiri		116				116
SW - Western Heights		7				7
WW - East				495		495
WW - West				1,237		1,237

### Note 1 – Charges for non-residential developments

Non-residential charges are average charges for a typical development per 100m<sup>2</sup> GFA (Site area for stormwater).

Non-residential developments will be charged in accordance with the average number of household unit equivalents of demand generated by the category into which they fall. These will be calculated by using the factors given in Schedule 4 below.

The retail transport factor operates on sliding scales, so the applicable charges for a retail development will differ from those shown here.

A more precise estimate of the development contributions payable for any particular development can be provided by Council on request.

In assessing HUEs for mixed-use developments such as a retirement village or a combined industrial and commercial development, a separate assessment will be made for all residential, retail, commercial and industrial components of the development.

### Note 2 – Assessment of Reserves component through resource consent applications

At its sole discretion and on a case by case basis Council may take land of dollar value equivalent to the required reserves development contribution rather than money, as a condition of resource consent in accordance with and subject to Council's District Plan.

There is no charge for reserves on non-residential developments.

### Note 3 – GST

Development contributions are calculated exclusive of Goods and Services Tax (GST). GST will be added at the rate prevailing at the time of payment after the calculation of any contributions required under this Policy.

## Appendix 1

**Note 4 – Full methodology (s106(3) LGA)**

The full methodology demonstrating how the calculations have been made for the contributions in this schedule is available from Council upon request.

**Note 5 –** The stages at which development contributions are required (s198, 202(1)(b) LGA) are set out in section 10

**Note 6 –Producer Price Index adjustments**

Council will at its sole discretion and in accordance with s106(2B-2C) LGA, increase development contribution charges annually based at the Producers Price Index Outputs for Construction rate provided by Statistics New Zealand.

## Appendix 1

### 22. SCHEDULE 2 – GROWTH-RELATED CAPITAL EXPENDITURE

Table 3 – Growth related capital expenditure by Council Activity Group (\$000s)

Note 1 – Historical capex refers to capital expenditure incurred before 1 July 2017, and future capex refers to capital expenditure specified in the 2018-28 10-Year Plan.

Growth Related Capital Expenditure (\$000s)	Total Capex Including Subsidies	Total Subsidies & Operating Revenue	Total Capex Net Subsidies	DC Capex	DC Interest	Total Cost DC Funded Capex	% DC Funded	% Rates Funded	% Other Sources
<b>Total Reserves</b>	<b>144,098</b>	<b>(586)</b>	<b>143,512</b>	<b>99,108</b>	<b>21,954</b>	<b>121,062</b>	<b>69%</b>	<b>31%</b>	<b>0%</b>
<b>Citywide</b>	<b>73,165</b>	<b>(100)</b>	<b>73,065</b>	<b>41,127</b>	<b>5,892</b>	<b>47,018</b>	<b>56%</b>	<b>44%</b>	<b>0%</b>
2018 10-Year Plan	54,077		54,077	31,939	3,240	35,179	59%	41%	0%
Historical	19,088	(100)	18,988	9,188	2,652	11,840	48%	51%	1%
<b>Infill</b>	<b>4,256</b>	<b>(486)</b>	<b>3,769</b>	<b>1,313</b>	<b>(254)</b>	<b>1,059</b>	<b>31%</b>	<b>58%</b>	<b>11%</b>
Historical	4,256	(486)	3,769	1,313	(254)	1,059	31%	58%	11%
<b>Peacocke</b>	<b>669</b>		<b>669</b>	<b>537</b>	<b>722</b>	<b>1,258</b>	<b>80%</b>	<b>20%</b>	<b>0%</b>
Historical	669		669	537	722	1,258	80%	20%	0%
<b>Peacocke 1</b>	<b>2,987</b>		<b>2,987</b>	<b>2,545</b>	<b>(213)</b>	<b>2,332</b>	<b>85%</b>	<b>15%</b>	<b>0%</b>
2018 10-Year Plan	2,987		2,987	2,545	(213)	2,332	85%	15%	0%
<b>Peacocke 2</b>	<b>35,573</b>		<b>35,573</b>	<b>30,495</b>	<b>10,193</b>	<b>40,688</b>	<b>86%</b>	<b>14%</b>	<b>0%</b>
2018 10-Year Plan	35,573		35,573	30,495	10,193	40,688	86%	14%	0%
<b>Rotokauri</b>	<b>2,772</b>		<b>2,772</b>	<b>2,323</b>	<b>3,179</b>	<b>5,502</b>	<b>84%</b>	<b>16%</b>	<b>0%</b>
2018 10-Year Plan	647		647	544	306	850	84%	16%	0%
Historical	2,125		2,125	1,780	2,873	4,653	84%	16%	0%
<b>Rototuna</b>	<b>24,676</b>		<b>24,676</b>	<b>20,768</b>	<b>2,436</b>	<b>23,204</b>	<b>84%</b>	<b>16%</b>	<b>0%</b>
2018 10-Year Plan	6,536		6,536	5,498	(1,629)	3,869	84%	16%	0%
Historical	18,140		18,140	15,270	4,065	19,335	84%	16%	0%
<b>Total Stormwater</b>	<b>206,681</b>	<b>(1,661)</b>	<b>205,020</b>	<b>180,315</b>	<b>113,083</b>	<b>293,398</b>	<b>87%</b>	<b>12%</b>	<b>1%</b>
<b>SW - Chartwell</b>	<b>343</b>		<b>343</b>	<b>302</b>	<b>(57)</b>	<b>246</b>	<b>88%</b>	<b>12%</b>	<b>0%</b>
2018 10-Year Plan	245		245	218	(56)		89%	11%	0%
Historical	98		98	85	(1)	84	86%	14%	0%
<b>SW - City Centre</b>	<b>1,188</b>		<b>1,188</b>	<b>1,051</b>	<b>665</b>	<b>1,717</b>	<b>88%</b>	<b>12%</b>	<b>0%</b>
2018 10-Year Plan	612		612	544	69	613	89%	11%	0%
Historical	577		577	507	597	1,104	88%	12%	0%
<b>SW - Citywide</b>	<b>799</b>		<b>799</b>	<b>550</b>	<b>221</b>	<b>771</b>	<b>69%</b>	<b>31%</b>	<b>0%</b>
Historical	799		799	550	221	771	69%	31%	0%
<b>SW - Eureka</b>							<b>0%</b>	<b>0%</b>	<b>0%</b>
2018 10-Year Plan							0%	0%	0%
<b>SW - Hamilton East</b>	<b>982</b>		<b>982</b>	<b>871</b>	<b>(148)</b>	<b>722</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
2018 10-Year Plan	856		856	762	(169)	593	89%	11%	0%
Historical	125		125	109	20	129	87%	13%	0%
<b>SW - Kirikiriroa</b>	<b>3,984</b>		<b>3,984</b>	<b>3,493</b>	<b>1,990</b>	<b>5,482</b>	<b>88%</b>	<b>12%</b>	<b>0%</b>
2018 10-Year Plan	1,957		1,957	1,742	(80)	1,661	89%	11%	0%
Historical	2,027		2,027	1,751	2,070	3,821	86%	14%	0%
<b>SW - Lake Rotokauri</b>	<b>136,712</b>	<b>(1,661)</b>	<b>135,051</b>	<b>120,123</b>	<b>82,243</b>	<b>202,366</b>	<b>88%</b>	<b>11%</b>	<b>1%</b>
2018 10-Year Plan	128,344		128,344	114,227	74,988	189,214	89%	11%	0%
Historical	8,368	(1,661)	6,707	5,896	7,256	13,152	70%	10%	20%
<b>SW - Mangaheka</b>	<b>6,112</b>		<b>6,112</b>	<b>5,429</b>	<b>6,182</b>	<b>11,611</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
2018 10-Year Plan	5,719		5,719	5,090	5,794	10,885	89%	11%	0%
Historical	392		392	338	388	726	86%	14%	0%
<b>SW - Mangakotukutuku</b>	<b>25,317</b>		<b>25,317</b>	<b>22,521</b>	<b>12,030</b>	<b>34,550</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
2018 10-Year Plan	24,571		24,571	21,868	11,408	33,276	89%	11%	0%
Historical	746		746	652	622	1,275	87%	13%	0%
<b>SW - Mangaonua</b>	<b>737</b>		<b>737</b>	<b>652</b>	<b>10</b>	<b>662</b>	<b>88%</b>	<b>12%</b>	<b>0%</b>
2018 10-Year Plan	612		612	544	(37)	507	89%	11%	0%
Historical	125		125	108	47	155	86%	14%	0%
<b>SW - Ohote</b>	<b>343</b>		<b>343</b>	<b>302</b>	<b>1,039</b>	<b>1,341</b>	<b>88%</b>	<b>12%</b>	<b>0%</b>
2018 10-Year Plan	245		245	218	654	872	89%	11%	0%
Historical	98		98	85	385	469	86%	14%	0%
<b>SW - Otama-ngenge</b>	<b>184</b>		<b>184</b>	<b>159</b>	<b>61</b>	<b>220</b>	<b>86%</b>	<b>14%</b>	<b>0%</b>
Historical	184		184	159	61	220	86%	14%	0%
<b>SW - Peacocke</b>	<b>5,000</b>		<b>5,000</b>	<b>4,448</b>	<b>3,351</b>	<b>7,798</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
2018 10-Year Plan	4,902		4,902	4,363	3,261	7,623	89%	11%	0%
Historical	98		98	85	90	175	86%	14%	0%
<b>SW - River North</b>	<b>167</b>		<b>167</b>	<b>145</b>	<b>21</b>	<b>166</b>	<b>87%</b>	<b>13%</b>	<b>0%</b>
2018 10-Year Plan							0%	0%	0%
Historical	167		167	145	21	166	87%	13%	0%
<b>SW - Rotokauri West</b>	<b>343</b>		<b>343</b>	<b>302</b>	<b>336</b>	<b>639</b>	<b>88%</b>	<b>12%</b>	<b>0%</b>
2018 10-Year Plan	245		245	218	195	413	89%	11%	0%
Historical	98		98	85	141	226	86%	14%	0%
<b>SW - St Andrews</b>	<b>1,199</b>		<b>1,199</b>	<b>1,064</b>	<b>(550)</b>	<b>515</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
2018 10-Year Plan	1,101		1,101	980	(514)	466	89%	11%	0%
Historical	98		98	85	(35)	49	86%	14%	0%

## Appendix 1

Growth Related Capital Expenditure (\$000s)	Total Capex Including Subsidies	Total Subsidies & Operating Revenue	Total Capex Net Subsidies	DC Capex	DC Interest	Total Cost DC Funded Capex	% DC Funded	% Rates Funded	% Other Sources
<b>SW - Te Awa o Katapaki</b>	<b>20,041</b>		<b>20,041</b>	<b>16,048</b>	<b>4,083</b>	<b>20,130</b>	<b>80%</b>	<b>20%</b>	<b>0%</b>
2018 10-Year Plan	15,131		15,131	11,799	566	12,365	78%	22%	0%
Historical	4,910		4,910	4,249	3,516	7,765	87%	13%	0%
<b>SW - Te Rapa Stream</b>	<b>651</b>		<b>651</b>	<b>573</b>	<b>1,276</b>	<b>1,849</b>	<b>88%</b>	<b>12%</b>	<b>0%</b>
2018 10-Year Plan							0%	0%	0%
Historical	651		651	573	1,276	1,849	88%	12%	0%
<b>SW - Temple View</b>	<b>98</b>		<b>98</b>	<b>85</b>	<b>219</b>	<b>304</b>	<b>86%</b>	<b>14%</b>	<b>0%</b>
Historical	98		98	85	219	304	86%	14%	0%
<b>SW - Templeview</b>	<b>122</b>		<b>122</b>	<b>109</b>	<b>177</b>	<b>286</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
2018 10-Year Plan	122		122	109	177	286	89%	11%	0%
<b>SW - Waitawhiriwhiri</b>	<b>1,992</b>		<b>1,992</b>	<b>1,763</b>	<b>(59)</b>	<b>1,704</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
2018 10-Year Plan	1,223		1,223	1,089	(316)	773	89%	11%	0%
Historical	768		768	675	257	931	88%	12%	0%
<b>SW - Western Heights</b>							<b>0%</b>	<b>0%</b>	<b>0%</b>
2018 10-Year Plan							0%	0%	0%
<b>SW - Otama</b>	<b>367</b>		<b>367</b>	<b>327</b>	<b>(7)</b>	<b>319</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
2018 10-Year Plan	367		367	327	(7)	319	89%	11%	0%
<b>Total Transport</b>	<b>741,745</b>	<b>(228,974)</b>	<b>512,771</b>	<b>300,765</b>	<b>118,434</b>	<b>419,199</b>	<b>41%</b>	<b>29%</b>	<b>31%</b>
<b>Citywide</b>	<b>377,125</b>	<b>(129,208)</b>	<b>247,918</b>	<b>125,350</b>	<b>42,140</b>	<b>167,490</b>	<b>33%</b>	<b>33%</b>	<b>34%</b>
2018 10-Year Plan	251,859	(112,181)	139,678	88,570	12,955	101,525	35%	20%	45%
Historical	125,266	(17,027)	108,240	36,780	29,185	65,965	29%	57%	14%
<b>Infill</b>	<b>20,543</b>	<b>(5,242)</b>	<b>15,301</b>	<b>6,146</b>	<b>1,236</b>	<b>7,382</b>	<b>30%</b>	<b>45%</b>	<b>26%</b>
2018 10-Year Plan	14,964	(5,242)	9,722	3,068	(805)	2,263	21%	44%	35%
Historical	5,579		5,579	3,078	2,041	5,119	55%	45%	0%
<b>Peacocke</b>	<b>736</b>	<b>(37)</b>	<b>699</b>	<b>323</b>	<b>346</b>	<b>670</b>	<b>44%</b>	<b>51%</b>	<b>5%</b>
Historical	736	(37)	699	323	346	670	44%	51%	5%
<b>Peacocke 1</b>	<b>9,748</b>	<b>(4,251)</b>	<b>5,497</b>	<b>4,219</b>	<b>(153)</b>	<b>4,066</b>	<b>43%</b>	<b>13%</b>	<b>44%</b>
2018 10-Year Plan	8,715	(4,177)	4,537	3,419	(375)	3,045	39%	13%	48%
Historical	1,033	(74)	959	800	222	1,022	77%	15%	7%
<b>Peacocke 2</b>	<b>149,556</b>	<b>(58,272)</b>	<b>91,285</b>	<b>60,160</b>	<b>19,517</b>	<b>79,677</b>	<b>40%</b>	<b>21%</b>	<b>39%</b>
2018 10-Year Plan	149,356	(58,272)	91,085	60,068	19,420	79,488	40%	21%	39%
Historical	200		200	93	96	189	46%	54%	0%
<b>Rotokauri</b>	<b>83,490</b>	<b>(8,085)</b>	<b>75,405</b>	<b>55,928</b>	<b>39,366</b>	<b>95,294</b>	<b>67%</b>	<b>23%</b>	<b>10%</b>
2018 10-Year Plan	72,491	(7,984)	64,507	47,605	27,474	75,080	66%	23%	11%
Historical	11,000	(102)	10,898	8,323	11,891	20,214	76%	23%	1%
<b>Rototuna</b>	<b>77,229</b>	<b>(14,770)</b>	<b>62,460</b>	<b>40,155</b>	<b>13,626</b>	<b>53,781</b>	<b>52%</b>	<b>29%</b>	<b>19%</b>
2018 10-Year Plan	58,823	(13,097)	45,726	27,272	338	27,610	46%	31%	22%
Historical	18,406	(1,672)	16,734	12,883	13,288	26,171	70%	21%	9%
<b>Ruakura</b>	<b>23,316</b>	<b>(9,109)</b>	<b>14,207</b>	<b>8,482</b>	<b>2,357</b>	<b>10,839</b>	<b>36%</b>	<b>25%</b>	<b>39%</b>
2018 10-Year Plan	22,413	(9,109)	13,304	7,819	1,889	9,707	35%	24%	41%
Historical	903		903	664	468	1,132	73%	27%	0%
<b>Te Rapa North</b>							<b>0%</b>	<b>0%</b>	<b>0%</b>
2018 10-Year Plan							0%	0%	0%
<b>Total Wastewater</b>	<b>347,655</b>	<b>(500)</b>	<b>347,155</b>	<b>260,948</b>	<b>105,754</b>	<b>366,702</b>	<b>75%</b>	<b>25%</b>	<b>0%</b>
<b>Citywide</b>	<b>90,188</b>		<b>90,188</b>	<b>59,743</b>	<b>38,189</b>	<b>97,932</b>	<b>66%</b>	<b>34%</b>	<b>0%</b>
2018 10-Year Plan	29,091		29,091	25,845	10,114	35,959	89%	11%	0%
Historical	61,097		61,097	33,898	28,075	61,974	55%	45%	0%
<b>Infill</b>	<b>827</b>		<b>827</b>	<b>714</b>	<b>673</b>	<b>1,386</b>	<b>86%</b>	<b>14%</b>	<b>0%</b>
Historical	827		827	714	673	1,386	86%	14%	0%
<b>Infill East</b>	<b>41,521</b>	<b>(250)</b>	<b>41,271</b>	<b>35,045</b>	<b>1,063</b>	<b>36,109</b>	<b>84%</b>	<b>15%</b>	<b>1%</b>
2018 10-Year Plan	41,521	(250)	41,271	35,045	1,063	36,109	84%	15%	1%
<b>Infill West</b>	<b>61,953</b>	<b>(250)</b>	<b>61,703</b>	<b>35,444</b>	<b>5,205</b>	<b>40,649</b>	<b>57%</b>	<b>42%</b>	<b>0%</b>
2018 10-Year Plan	61,953	(250)	61,703	35,444	5,205	40,649	57%	42%	0%
<b>Peacocke</b>	<b>49,979</b>		<b>49,979</b>	<b>44,437</b>	<b>11,881</b>	<b>56,318</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
2018 10-Year Plan	48,176		48,176	42,877	10,008	52,885	89%	11%	0%
Historical	1,803		1,803	1,560	1,873	3,433	87%	13%	0%
<b>Peacocke 1</b>	<b>3,608</b>		<b>3,608</b>	<b>3,197</b>	<b>93</b>	<b>3,290</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
2018 10-Year Plan	2,472		2,472	2,200	(109)	2,091	89%	11%	0%
Historical	1,137		1,137	997	202	1,199	88%	12%	0%
<b>Peacocke 2</b>	<b>27,802</b>		<b>27,802</b>	<b>24,744</b>	<b>11,021</b>	<b>35,765</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
2018 10-Year Plan	27,802		27,802	24,744	11,021	35,765	89%	11%	0%
<b>Rotokauri</b>	<b>4,520</b>		<b>4,520</b>	<b>4,006</b>	<b>3,175</b>	<b>7,181</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
2018 10-Year Plan	3,169		3,169	2,821	2,063	4,883	89%	11%	0%
Historical	1,351		1,351	1,185	1,112	2,298	88%	12%	0%
<b>Rototuna</b>	<b>16,668</b>		<b>16,668</b>	<b>10,525</b>	<b>4,218</b>	<b>14,742</b>	<b>63%</b>	<b>37%</b>	<b>0%</b>
2018 10-Year Plan	9,914		9,914	4,598	(909)	3,690	46%	54%	0%
Historical	6,754		6,754	5,926	5,126	11,052	88%	12%	0%
<b>Ruakura</b>	<b>7,836</b>		<b>7,836</b>	<b>6,973</b>	<b>3,147</b>	<b>10,120</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
2018 10-Year Plan	7,809		7,809	6,950	3,126	10,076	89%	11%	0%
Historical	27		27	24	20	44	88%	12%	0%
<b>Temple View</b>	<b>3,346</b>		<b>3,346</b>	<b>1,339</b>	<b>5,213</b>	<b>6,552</b>	<b>40%</b>	<b>60%</b>	<b>0%</b>
2018 10-Year Plan	1,675		1,675	645	1,392	2,037	39%	61%	0%
Historical	1,671		1,671	694	3,820	4,514	42%	58%	0%

## Appendix 1

Growth Related Capital Expenditure (\$000s)	Total Capex Including Subsidies	Total Subsidies & Operating Revenue	Total Capex Net Subsidies	DC Capex	DC Interest	Total Cost DC Funded Capex	% DC Funded	% Rates Funded	% Other Sources
<b>WW - East</b>	<b>21,465</b>		<b>21,465</b>	<b>19,000</b>	<b>8,000</b>	<b>27,000</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
2018 10-Year Plan	13,209		13,209	11,756	615	12,371	89%	11%	0%
Historical	8,255		8,255	7,244	7,385	14,629	88%	12%	0%
<b>WW - West</b>	<b>17,942</b>		<b>17,942</b>	<b>15,781</b>	<b>13,877</b>	<b>29,658</b>	<b>88%</b>	<b>12%</b>	<b>0%</b>
Historical	17,942		17,942	15,781	13,877	29,658	88%	12%	0%
<b>Total Water Supply</b>	<b>184,610</b>	<b>(13)</b>	<b>184,596</b>	<b>123,182</b>	<b>62,477</b>	<b>185,659</b>	<b>67%</b>	<b>33%</b>	<b>0%</b>
<b>Citywide</b>	<b>122,531</b>		<b>122,531</b>	<b>78,485</b>	<b>47,495</b>	<b>125,979</b>	<b>64%</b>	<b>36%</b>	<b>0%</b>
2018 10-Year Plan	32,808		32,808	28,879	3,706	32,584	88%	12%	0%
Historical	89,724		89,724	49,606	43,789	93,395	55%	45%	0%
<b>Infill</b>	<b>21,324</b>		<b>21,324</b>	<b>10,454</b>	<b>3,088</b>	<b>13,542</b>	<b>49%</b>	<b>51%</b>	<b>0%</b>
2018 10-Year Plan	17,873		17,873	8,678	1,066	9,744	49%	51%	0%
Historical	3,450		3,450	1,776	2,022	3,798	51%	49%	0%
<b>Peacocke</b>	<b>9,227</b>		<b>9,227</b>	<b>8,210</b>	<b>1,715</b>	<b>9,925</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
2018 10-Year Plan	8,472		8,472	7,540	1,148	8,688	89%	11%	0%
Historical	755		755	670	567	1,237	89%	11%	0%
<b>Rotokauri</b>	<b>3,697</b>	<b>(13)</b>	<b>3,684</b>	<b>3,069</b>	<b>3,123</b>	<b>6,192</b>	<b>83%</b>	<b>17%</b>	<b>0%</b>
2018 10-Year Plan	1,988		1,988	1,611	1,140	2,751	81%	19%	0%
Historical	1,709	(13)	1,696	1,458	1,983	3,441	85%	14%	1%
<b>Rototuna</b>	<b>21,060</b>		<b>21,060</b>	<b>17,908</b>	<b>834</b>	<b>18,741</b>	<b>85%</b>	<b>15%</b>	<b>0%</b>
2018 10-Year Plan	15,967		15,967	14,210	(1,165)	13,045	89%	11%	0%
Historical	5,093		5,093	3,697	1,999	5,696	73%	27%	0%
<b>Ruakura</b>	<b>3,382</b>		<b>3,382</b>	<b>3,010</b>	<b>620</b>	<b>3,630</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
2018 10-Year Plan	3,365		3,365	2,994	611	3,606	89%	11%	0%
Historical	18		18	16	9	25	89%	11%	0%
<b>Te Rapa North</b>	<b>2,401</b>		<b>2,401</b>	<b>1,171</b>	<b>1,642</b>	<b>2,813</b>	<b>49%</b>	<b>51%</b>	<b>0%</b>
2018 10-Year Plan	2,401		2,401	1,171	1,642	2,813	49%	51%	0%
<b>Temple View</b>	<b>987</b>		<b>987</b>	<b>876</b>	<b>3,961</b>	<b>4,837</b>	<b>89%</b>	<b>11%</b>	<b>0%</b>
Historical	987		987	876	3,961	4,837	89%	11%	0%
<b>Grand Total</b>	<b>1,624,789</b>	<b>(231,734)</b>	<b>1,393,055</b>	<b>964,318</b>	<b>421,701</b>	<b>1,386,019</b>	<b>59%</b>	<b>26%</b>	<b>14%</b>

## Appendix 1

### 23. SCHEDULE 3 – CHARGE CALCULATION WORKED EXAMPLE

- 3.1 The calculation of each charge in Schedule 1 is the aggregation of individual project charges in each catchment for each activity in accordance with the formula in section 8 above. Due to the number of projects, showing the calculations for every project is not practicable.
- 3.2 The following exercise illustrates how the charges are calculated at a project level, prior to being aggregated to a catchment and activity level, with the catchment and activity being Rototuna Transport in this example.
- 3.3 Table 4 below shows the method of calculation for the specified project, where NPV is the net present value of the capital expenditure and growth at the assumed interest rate. NPV calculations are used solely to account for interest incurred on development contributions funded projects. No discount is applied for risk or uncertainty..

Table 4 –development charge calculation worked example

Project : C9310221N-Road 1328.4 Horsham Downs Road Rototuna						Interest Rate (r)	DC Charge for Future Years
Year	(000's)	(000's)	(000's)	(000's)		4.6%	
t	HR	HC	Cost <sub>t</sub>	$\frac{NPV(Cost_t)}{+HC} - HR$	HUE <sub>t</sub>	NPV(HUE <sub>t</sub> )	DC <sub>t</sub> = DC <sub>1</sub>
NPV:				645		3,996	
2019	203	0	0		375	375	\$161.35
2020					357	341	\$161.35
2021					339	310	\$161.35
2022					338	295	\$161.35
2023					380	317	\$161.35
2024					374	299	\$161.35
2025					384	293	\$161.35
2026			454	332	389	284	\$161.35
2027			226	158	366	255	\$161.35
2028			537	358	345	230	\$161.35
2029					368	235	\$161.35
2030					394	240	\$161.35
2031					362	211	\$161.35
2032					310	173	\$161.35
2033					211	112	\$161.35
2034					3	1	\$161.35
2035					6	3	\$161.35
2036					6	3	\$161.35
2037					6	2	\$161.35
2038					3	1	\$161.35
2039					6	2	\$161.35
2040					6	2	\$161.35
2041					6	2	\$161.35
2042					3	1	\$161.35
2043					6	2	\$161.35
2044					3	1	\$161.35
2045					3	1	\$161.35
2046					3	1	\$161.35
2047					3	1	\$161.35
2048					0	0	\$161.35
2049					3	1	\$161.35
2050					0	0	\$161.35
2051					3	1	\$161.35
2052					0	0	\$161.35
2053					3	1	\$161.35
2054					0	0	\$161.35
2055					0	0	\$161.35

## Appendix 1

### 27. SCHEDULE 7 – GROWTH FORECASTS

Table 8 – Forecast annual supply growth (household unit equivalents or “HUE’s”)

Growth Rates (HUEs)	Activity	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Citywide	Reserves	1,173	1,220	1,235	1,240	1,196	1,174	1,271	1,334	1,306	1,241
	Transport	2,039	2,039	2,045	1,999	1,920	1,837	1,948	2,001	1,972	1,890
	Wastewater	1,393	1,426	1,437	1,431	1,378	1,347	1,448	1,510	1,481	1,413
	Water	1,337	1,373	1,385	1,382	1,331	1,302	1,402	1,465	1,436	1,369
Infill	Reserves	525	532	516	483	432	381	369	369	356	349
	Transport	1,114	1,011	948	869	823	759	796	801	794	770
	Wastewater	675	653	624	581	528	478	478	480	468	457
	Water	638	623	597	556	504	454	451	452	440	430
Infill East	Reserves	294	308	310	296	248	216	209	206	198	192
	Transport	585	540	482	441	392	322	329	267	364	324
	Wastewater	366	361	348	327	279	241	239	222	240	225
	Water	349	349	339	319	271	235	232	218	230	217
Infill West	Reserves	231	224	206	187	184	165	160	163	158	157
	Transport	528	471	465	428	431	437	466	534	430	445
	Wastewater	309	292	275	254	250	238	239	258	228	232
	Water	289	274	258	237	233	219	219	234	210	212
Peacocke	Reserves	139	152	190	248	319	424	519	559	543	475
	Transport	145	160	199	257	327	424	519	559	543	475
	Wastewater	140	153	192	250	320	424	519	559	543	475
	Water	140	153	191	249	320	424	519	559	543	475
Peacocke 1	Reserves	139	152	190	247	56					
	Transport	139	152	190	247	56					
	Wastewater	139	152	190	247	56					
	Water	139	152	190	247	56					
Peacocke 2	Reserves	0	0	0	1	263	424	519	559	543	475
	Transport	6	8	8	9	271	424	519	559	543	475
	Wastewater	1	1	1	2	264	424	519	559	543	475
	Water	1	1	1	2	264	424	519	559	543	475
Rotokauri	Reserves	29	33	36	38	35	24	11	19	39	76
	Transport	125	123	127	129	126	114	90	95	115	151
	Wastewater	56	59	62	63	61	50	34	42	61	98
	Water	48	51	55	56	54	43	28	35	55	92
Rototuna	Reserves	310	268	238	236	291	294	310	317	294	274
	Transport	375	357	339	338	380	374	384	389	366	345
	Wastewater	325	288	261	259	311	313	327	335	312	291
	Water	322	284	256	254	307	309	324	331	308	287
Ruakura	Reserves	160	227	247	223	107	34	48	56	58	53
	Transport	266	374	418	386	242	138	134	131	124	122
	Wastewater	186	263	290	264	142	61	72	78	78	74
	Water	179	253	278	253	132	54	65	72	72	68
Te Rapa North	Reserves	1	1	1	1	1	2	1	1	1	1
	Transport	6	5	5	5	5	6	5	6	5	5
	Wastewater	3	2	2	2	2	4	2	3	2	2
	Water	2	2	2	2	2	3	2	2	2	2
Temple View	Reserves	7	7	6	10	11	14	13	12	15	12
	Transport	9	9	10	14	17	22	21	20	25	22
	Wastewater	8	8	7	11	13	16	15	14	17	15
	Water	8	8	7	11	12	15	15	14	17	14
SW - Chartwell	Stormwater	64	83	84	78	46	36	30	43	42	33
SW - City Centre	Stormwater	43	92	74	73	73	75	81	75	82	78
SW - Citywide	Stormwater	1,181	1,538	1,554	1,531	1,444	1,405	1,505	1,566	1,544	1,441
SW - Hamilton East	Stormwater	186	180	135	119	102	90	85	80	76	78
SW - Kirikiriroa	Stormwater	107	258	304	283	168	116	144	142	140	128
SW - Lake Rotokauri	Stormwater	30	33	36	38	35	24	11	19	45	75
SW - Mangaheka	Stormwater	0	23	16	21	20	31	32	33	33	33
SW - Mangakotukutuku	Stormwater	182	191	228	278	237	250	261	332	359	361
SW - Mangaonua	Stormwater	123	68	65	57	30	5	5	5	5	0
SW - Ohote	Stormwater	0	0	0	0	0	0	0	0	0	0

## Appendix 1

Growth Rates (HUEs)		Activity	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
SW - Otama-ngenge	Stormwater		149	194	184	172	257	289	292	285	252	232
SW - Peacocke	Stormwater		0	0	0	0	107	201	283	251	205	136
SW - River North	Stormwater		0	0	0	0	0	0	0	0	0	0
SW - Rotokauri West	Stormwater		0	0	0	0	0	0	0	0	0	0
SW - St Andrews	Stormwater		15	54	55	38	44	20	47	45	40	43
SW - Te Awa o Katapaki	Stormwater		250	212	226	228	179	119	121	130	138	131
SW - Te Rapa Stream	Stormwater		0	0	6	11	3	21	0	2	8	1
SW - Temple View	Stormwater		9	9	10	9	11	14	13	13	16	15
SW - Waitawhiriwhiri	Stormwater		74	157	143	142	137	135	123	135	126	125
SW - Western Heights	Stormwater		0	0	0	0	9	1	1	1	2	0
WW - East	Wastewater		878	913	900	852	996	1,040	1,157	1,194	1,173	1,066
WW - West	Wastewater		515	512	537	578	382	307	291	317	309	347

**Note 1** - The above forecasts form part of a more complex growth model used in the calculation of charges, and which is available for inspection by request to Council.

~~**Note 2** - The HUE figures shown above represent the realised component of growth forecasts that relate to new or additional demand placed on Council's network.~~

~~**Note 3** - Refer to section 9.3 and 9.20 for further information on growth forecasts and Realised HUE projections.~~

## Appendix 2

### SUMMARY OF CHANGES TO THE 10-YEAR PLAN: TABLED AT 28 JUNE 2018 10-YEAR PLAN COUNCIL MEETING

**This change summary identifies those changes made between the version of the 10-Year Plan distributed in the 22 June 2018 agenda and the final audited version tabled at the Council meeting of 28 June 2018.**

The 10-Year Plan and its underlying information has been through several audit stages. The final stage, due to time restraints, has been ongoing since the release of the 28 June 2018 Council meeting agenda on 22 June 2018. This means any adjustments requested by AuditNZ in the last stage of their review have not been able to be incorporated and presented until now.

The vast majority of adjustments requested by AuditNZ have been small corrections to calculations or model inputs, administrative corrections or specific wording or formatting.

Even small corrections to a common variable such as inflation or debt will run across most, if not all, of the figures and graphs in the 10-Year Plan. One updated figure may be the result of a number of background changes to the calculations behind it. None of the changes set out in the table below are inconsistent with or of significant impact on the decisions made by the Council during deliberations on the 10-Year Plan on 31 May and 1 June 2018.

Table one is colour coded: Green for changes that were of greater interest to AuditNZ and more substantial, blue for those that were a result of routine corrections requested by AuditNZ and white for inconsequential routine updates or corrections made by staff.

#### **Changes were requested by Audit NZ in the following areas:**

AuditNZ requested changes in the following areas:

1. Capital adjustments
  - Reclassification of NZTA subsidy:
    - some capital expenditure needed to be reclassified as NZTA subsidy
    - an increase in NZTA subsidy for Ruakura roading projects in 2024/25
  - Update to Ring Rd and Resolution Dr projects (increase in capital contributions in 2018/19)
  - Funding brought forward for under veranda lighting replacement project (CE10080 – brought forward from 2020/21 to 2018/19)
  - Inflation correction required on the following:
    - CE15105 – Increased capacity of wastewater network Rototuna
    - CE10009 – ArtsPost earthquake strengthening, and
    - CE10158 – Replacement of fleet vehicles (Increases in 2019/20, 2020/21, 2024/25 – 2027/28 and decreases from 2021/22 – 2023/24)
2. Operating
  - Correction required on depreciation on vested assets (decrease in 2018/19 and increase from 2019/20 – 2027/28)
  - Update required for Ring Road loss on sale of assets (increase in 2020/21)
  - Reclassification of fair value benefit and discount unwinding HIF loan (increase in revenue and increase in expense across all years)
  - Inflation correction required (increase in expenditure from 2019/20 – 2027/28)
  - Consequential changes to finance costs to reflect above changes (increase 2018/19 – 2027/28)
3. Balance Sheet
  - Consequential changes to debt to reflect the above changes.

It is the above changes that are behind most of the updates to the 10-Year Plan (as indicated in blue shading in Table 1 below).

## Appendix 2

**Table 1: Detailed change register: Changes made from 22 – 27 June 2018**

10-Year Plan reference (Page refers to version in the 22 June 2018 Council agenda).	Change	Reason
<b>Volume 1: 10-Year Plan</b>		
<b>Listening to our community</b>		
Where does the money go? Graph Page 11	The following activities figures have changed in the graph: <ul style="list-style-type: none"> <li>- Transport</li> <li>- Wastewater</li> <li>- Parks and Recreation</li> <li>- Water Supply</li> <li>- Venues, Tourism and Major Events</li> <li>- Arts and Community</li> <li>- Visitor Attractions</li> <li>- Stormwater</li> <li>- Planning and Development</li> <li>- Rubbish and Recycling</li> <li>- Safety</li> </ul>	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.
<b>Services we provide</b>		
Prospective Democracy Services Funding Impact Statement Page 20	Change date in title to 2018-2028 The following figures have changed: <ul style="list-style-type: none"> <li>- General rates years 2018/19-2019/20, 2021/22-2027/28</li> <li>- Targeted rates years 2018/19-2019/20</li> <li>- Total operating funding years 2018/19-2019/20, 2021/22-2027/28</li> <li>- Payments to staff and suppliers years 2021/22, 2023/24-2027/28</li> <li>- Total application of operating funding years 2021/22-2027/28</li> <li>- Surplus/(deficit) of operating funding years 2018/19-2019/20, 2021/22-2027/28</li> <li>- To replace existing assets years 2021/22-2027/28</li> <li>- Increase/(decrease) in reserves years 2018/19-2027/28</li> <li>- Total applications of capital funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of capital funding years 2018/19-2027/28</li> </ul>	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.
Prospective Venues, Tourism and Major Events Funding Impact Statement Page 23	The following figures have changed: <ul style="list-style-type: none"> <li>- General rates years 2018/19-2027/28</li> <li>- Targeted rates years 2018/19-2019/20</li> <li>- Total operating funding years 2018/19-2027/28</li> <li>- Payments to staff and suppliers years 2020/21-2027/28</li> </ul>	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.

## Appendix 2

	<ul style="list-style-type: none"> <li>- Finance costs years 2018/19-2027/28</li> <li>- Total application of operating funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of operating funding years 2018/19-2027/28</li> <li>- Increase/(decrease) in debt years 2018/19-2027/28</li> <li>- Total sources of capital funding years 2018/19-2027/28</li> <li>- To replace existing assets years 2020/21-2027/28</li> <li>- Increase/(decrease) in reserves years 2018/19-2027/28</li> <li>- Total applications of capital funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of capital funding years 2018/19-2027/28</li> </ul>	
<p>Prospective Visitor Attractions Funding Impact Statement</p> <p>Page 26</p>	<p>The following figures have changed:</p> <ul style="list-style-type: none"> <li>- General rates years 2018/19-2021/22, 2023/24-2027/28</li> <li>- Targeted rates years 2018/19-2019/20</li> <li>- Total operating funding years 2018/19-2021/22, 2023/24-2027/28</li> <li>- Payments to staff and suppliers years 2020/21-2027/28</li> <li>- Finance costs years 2018/19-2027/28</li> <li>- Total application of operating funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of operating funding years 2018/19-2027/28</li> <li>- Increase/(decrease) in debt years 2018/19-2027/28</li> <li>- Total sources of capital funding years 2018/19-2027/28</li> <li>- To improve the level of service years 2021/22-2023/24</li> <li>- To replace existing assets years 2020/21-2027/28</li> <li>- Increase/(decrease) in reserves years 2018/19-2027/28</li> <li>- Total applications of capital funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of capital funding years 2018/19-2027/28</li> </ul>	<p>Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.</p>
<p>Prospective Arts and Community Funding Impact Statement</p> <p>Page 29</p>	<p>The following figures have changed:</p> <ul style="list-style-type: none"> <li>- General rates years 2018/19-2027/28</li> <li>- Targeted rates years 2018/19-2019/20</li> <li>- Total operating funding years 2018/19-2027/28</li> <li>- Payments to staff and suppliers years 2019/20-2027/28</li> <li>- Finance costs years 2019/20-2027/28</li> <li>- Total application of operating funding years 2019/20-2027/28</li> <li>- Surplus/(deficit) of operating funding years 2018/19-2027/28</li> <li>- Increase/(decrease) in debt years 2020/21-2027/28</li> <li>- Total sources of capital funding years 2020/21-2027/28</li> <li>- To replace existing assets years 2020/21-2027/28</li> <li>- Increase/(decrease) in reserves years 2018/19-2027/28</li> <li>- Total applications of capital funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of capital funding years 2018/19-2027/28</li> </ul>	<p>Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.</p>

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<p>Prospective Parks and Recreation Funding Impact Statement</p> <p>Page 32</p>	<p>The following figures have changed:</p> <ul style="list-style-type: none"> <li>- General rates years 2018/19-2027/28</li> <li>- Targeted rates years 2018/19-2019/20</li> <li>- Total operating funding years 2018/19-2027/28</li> <li>- Payments to staff and suppliers years 2020/21-2027/28</li> <li>- Finance costs years 2018/19-2027/28</li> <li>- Total application of operating funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of operating funding years 2018/19-2027/28</li> <li>- Increase/(decrease) in debt years 2018/19-2027/28</li> <li>- Total sources of capital funding years 2018/19-2027/28</li> <li>- To replace existing assets years 2021/22-2027/28</li> <li>- Increase/(decrease) in reserves years 2018/19-2027/28</li> <li>- Total applications of capital funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of capital funding years 2018/19-2027/28</li> </ul>	<p>Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.</p>
<p>Prospective Safety Funding Impact Statement</p> <p>Page 35</p>	<p>The following figures have changed:</p> <ul style="list-style-type: none"> <li>- General rates years 2018/19-2019/20, 2021/22-2027/28</li> <li>- Targeted rates years 2018/19-2019/20</li> <li>- Total operating funding years 2018/19-2019/20, 2021/22-2027/28</li> <li>- Payments to staff and suppliers years 2020/21-2027/28</li> <li>- Total application of operating funding years 2020/21-2027/28</li> <li>- Surplus/(deficit) of operating funding years 2020/21-2027/28</li> <li>- To replace existing assets years 2021/22-2027/28</li> <li>- Increase/(decrease) in reserves years 2018/19-2027/28</li> <li>- Total applications of capital funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of capital funding years 2018/19-2027/28</li> </ul>	<p>Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.</p>
<p>Prospective City Planning and Development Funding Impact Statement</p> <p>Page 38</p>	<p>The following figures have changed:</p> <ul style="list-style-type: none"> <li>- General rates years 2018/19-2027/28</li> <li>- Targeted rates years 2018/19-2019/20</li> <li>- Total operating funding years 2018/19-2027/28</li> <li>- Payments to staff and suppliers years 2020/21-2027/28</li> <li>- Finance costs years 2018/19-2027/28</li> <li>- Total application of operating funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of operating funding years 2018/19-2027/28</li> <li>- Increase/(decrease) in debt years 2018/19, 2020/21-2027/28</li> <li>- Total sources of capital funding years 1,2020/21-2027/28</li> <li>- To replace existing assets years 2020/21-2027/28</li> <li>- Increase/(decrease) in reserves years 2018/19-2027/28</li> <li>- Total applications of capital funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of capital funding years 2018/19-2027/28</li> </ul>	<p>Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.</p>

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<p>Prospective Water Supply Funding Impact Statement</p> <p>Page 42</p>	<p>The following figures have changed:</p> <ul style="list-style-type: none"> <li>- General rates years 2018/19-2027/28</li> <li>- Targeted rates years 2018/19-2019/20</li> <li>- Local authorities fuel tax, fines, infringements and other receipts year 2022/23</li> <li>- Total operating funding years 2018/19-2027/28</li> <li>- Payments to staff and suppliers years 2019/20-2027/28</li> <li>- Finance costs years 2018/19-2027/28</li> <li>- Total application of operating funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of operating funding years 2018/19-2027/28</li> <li>- Increase/(decrease) in debt years 2018/19-2027/28</li> <li>- Total sources of capital funding years 2018/19-2027/28</li> <li>- To replace existing assets years 2019/20-2027/28</li> <li>- Increase/(decrease) in reserves years 2018/19-2027/28</li> <li>- Total applications of capital funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of capital funding years 2018/19-2027/28</li> </ul>	<p>Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.</p>
<p>Prospective Wastewater Funding Impact Statement</p> <p>Page 45</p>	<p>Change date in title to 2018-2028</p> <p>The following figures have changed:</p> <ul style="list-style-type: none"> <li>- General rates years 2018/19-2027/28</li> <li>- Targeted rates years 2018/19-2019/20</li> <li>- Local authorities fuel tax, fines, infringements and other receipts year 2026/27</li> <li>- Total operating funding years 2018/19-2027/28</li> <li>- Payments to staff and suppliers years 2019/20-2027/28</li> <li>- Finance costs years 2018/19-2027/28</li> <li>- Total application of operating funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of operating funding years 2018/19-2027/28</li> <li>- Increase/(decrease) in debt years 2018/19-2027/28</li> <li>- Total sources of capital funding years 2018/19-2027/28</li> <li>- To meet additional demand years 2023/24-2025/26</li> <li>- To replace existing assets years 2020/21-2027/28</li> <li>- Increase/(decrease) in reserves years 2018/19-2027/28</li> <li>- Total applications of capital funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of capital funding years 2018/19-2027/28</li> </ul>	<p>Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.</p>
<p>Prospective Stormwater Funding Impact Statement</p> <p>Page 49</p>	<p>Change date in title to 2018-2028</p> <p>The following figures have changed:</p> <ul style="list-style-type: none"> <li>- General rates years 2018/19-2027/28</li> <li>- Targeted rates years 2018/19-2019/20</li> <li>- Total operating funding years 2018/19-2027/28</li> <li>- Payments to staff and suppliers years 2019/20-2027/28</li> <li>- Finance costs years 2018/19-2027/28</li> <li>- Total application of operating funding years 2018/19-2027/28</li> </ul>	<p>Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.</p>

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	<ul style="list-style-type: none"> <li>- Surplus/(deficit) of operating funding years 2018/19-2027/28</li> <li>- Increase/(decrease) in debt years 2018/19-2027/28</li> <li>- Total sources of capital funding years 2018/19-2027/28</li> <li>- To replace existing assets years 2020/21-2027/28</li> <li>- Increase/(decrease) in reserves years 2018/19-2027/28</li> <li>- Total applications of capital funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of capital funding years 2018/19-2027/28</li> </ul>	
<p>Prospective Transport Funding Impact Statement</p> <p>Page 53</p>	<p>Change date in title to 2018-2028</p> <p>The following figures have changed:</p> <ul style="list-style-type: none"> <li>- General rates years 2018/19-2027/28</li> <li>- Targeted rates years 2018/19-2019/20</li> <li>- Local authorities fuel tax, fines, infringements and other receipts years 2019/20, 2022/23, 2024/25-2027/28</li> <li>- Total operating funding years 2018/19-2027/28</li> <li>- Payments to staff and suppliers years 2019/20-2027/28</li> <li>- Finance costs years 2018/19-2027/28</li> <li>- Total application of operating funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of operating funding years 2018/19-2027/28</li> <li>- Subsidies and grants for capital expenditure years 2018/-19, 2024/25</li> <li>- Increase/(decrease) in debt years 2018/19-2027/28</li> <li>- Total sources of capital funding years 2018/19-2027/28</li> <li>- To meet additional demand years 2023/24, 2025/26</li> <li>- To replace existing assets years 2018/19, 2020/21-2027/28</li> <li>- Increase/(decrease) in reserves years 2018/19-2027/28</li> <li>- Total applications of capital funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of capital funding years 2018/19-2027/28</li> </ul>	<p>Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.</p>
<p>Prospective Rubbish and Recycling Funding Impact Statement</p> <p>Page 56</p>	<p>Change date in title to 2018-2028</p> <p>The following figures have changed:</p> <ul style="list-style-type: none"> <li>- General rates years 2018/19-2027/28</li> <li>- Targeted rates years 2018/19-2019/20</li> <li>- Total operating funding years 2018/19-2027/28</li> <li>- Payments to staff and suppliers years 2019/20-2027/28</li> <li>- Finance costs years 2018/19-2027/28</li> <li>- Total application of operating funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of operating funding years 2018/19-2027/28</li> <li>- Increase/(decrease) in debt years 2018/19, 2020/21, 2021/22, 2024/25, 2026/27-2027/28</li> <li>- Total sources of capital funding years 2018/19, 2020/21, 2021/22, 2024/25, 2026/27-2027/28</li> <li>- To replace existing assets years 2020/21-2027/28</li> <li>- Increase/(decrease) in reserves years 2018/19-2027/28</li> <li>- Total applications of capital funding years 2018/19-2027/28</li> </ul>	<p>Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.</p>

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	- Surplus/(deficit) of capital funding years 2018/19-2027/28	
<b>List of Capital Projects</b>		
List of capital projects Pages 59-65	Remove Year 1, Year 2, etc from the table	Formatting - Not required and inconsistent with the rest of the 10 Year Plan document.
List of capital projects Pages 59-65	<ul style="list-style-type: none"> <li>- CE19020 Hamilton Zoo improvement programme</li> <li>- CE19028 Collection acquisition fund</li> <li>- CE10011 Museum activity building renewals</li> <li>- CE10115 Replacement of wastewater treatment plant assets 2026/27</li> <li>- CE19050 Increase capacity WW central network 2020/21</li> <li>- CE19025 Smart Hamilton Initiatives 2026/27</li> <li>- CE10053 Tenancy inducement renewals 2025/26 &amp; 2027/28</li> <li>- CE10009 ArtsPost</li> </ul>	Minor adjustments to figures as a result of rounding corrections.
<b>Financial Matters</b>		
<b>Financial Strategy</b>		
Table 3: Everyday costs and revenues (Balancing the books) Page 68 (final version Page 67)	The balancing the books figures have changed which slightly changed the graph.	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.
Table 5: Capital expenditure Page 69	Table 5: Capital Expenditure - all figures in have been updated.	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.
<b>Significant Forecasting Assumptions</b>		
Debt to Revenue: 15% higher than forecast growth graph & Balancing the Books: 15% higher than forecast growth graph Page 80 (final version Page 81)	The graphs have been updated to reflect adjustments to financials.	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.
Debt to Revenue: 15% lower than forecast growth graph & Balancing the Books: 15% lower than forecast growth graph Page 81	The graphs have been updated to reflect adjustments to financials.	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.

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<p>Savings assumption Page 74</p>	<p>Content added:</p> <p><b>Risk and Sensitivity</b></p> <p><b>Savings</b></p> <p><i>We have budgeted for annual savings for the first 6 years of the 10-Year Plan with a total value of \$10.4M (see table right).</i></p> <p><i>These savings are permanent reductions, which have the effect of reducing the budget in each of the following years, resulting in the total ten year budget reducing by \$94.5 million. This 10-Year Plan assumes these savings will be realised.</i></p> <p><i>We expect to make these savings through efficiencies, strategic procurement, smart business practices, innovation and transformation. It is our intention that savings will be achieved without changing the services the community receives.</i></p> <p><i>Given the size and diversity of our activities, along with opportunities to partner with central and other local government, business and the community, we are confident these can be achieved.</i></p> <p><b>Risk and Sensitivity</b></p> <p><i>We have identified that the majority of these savings will be generated from two areas:</i></p> <ul style="list-style-type: none"><li>• <i>Managing staff numbers, including by delaying filling vacant positions</i></li><li>• <i>Developing procurement and operational initiatives in our capital programme which are not presently available.</i></li></ul> <p><i>The probability we will be able to achieve savings differs for each area above.</i></p> <p><i>Actively managing vacancies creates opportunities to save on personnel costs. We have a history of achieving savings in this manner. Additionally, as we drive innovation and new ways of delivering community outcomes we expect that the cost of some current positions that become vacant over the ten year period will contribute to these savings as these positions will no longer be required. As a result, we have a high level of confidence that we will achieve 40% of the budgeted savings from the management of staff numbers including by delaying filling vacant positions without reducing service levels.</i></p> <p><i>We are forecasting our biggest ever capital programme and with that comes new opportunities to gain efficiencies through scale and new procurement opportunities. We are rethinking the way we currently deliver our capital programme to drive a focus on realising these opportunities. This means new assets are likely to cost us less while still delivering</i></p>	<p>The Office of the Auditor General as part of its review requested more detail on the level of confidence of achieving the savings targets identified in the Plan.</p> <p>They also requested more information on the potential impacts if they were not met.</p>
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## Appendix 2

planned service levels. Because of this opportunity we have estimated 48% of the planned savings in operational costs will come from reduced interest and depreciation costs. We have observed larger councils achieving procurement efficiencies which we are yet to access. We recognise that to realise these savings will have some challenges and therefore note a moderate degree of risk in achieving them.

In the case that we are unable to achieve all of our savings targets there will be consequences that could affect rates, service levels or capital expenditure. However, we have decided that we will not allow service levels to be reduced in this 10-Year Plan and that this principle is prioritised over the achievement of savings.

We have modelled the impact of only achieving the savings from managing staff numbers. The impact of this would be an increase in our debt to revenue ratio, over the 230% limit from years 2020/21 to 2024/25. The change on our ratio could reach 233% well within LGFA borrowing limits of 250%. To stay within our financial strategy limits in all years we could increase city rates by an additional 1% in 2020/21 or decrease unsubsidised capital spending by \$5M per annum in 2020/21 and 2021/22.

	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	10 Year Total
Annual additional savings in operating expenses (\$000)	\$4,000	\$2,044	\$1,044	\$1,067	\$1,092	\$1,117	\$0	\$0	\$0	\$0	\$10,364
Cumulative Savings (\$000)	\$4,000	\$6,132	\$7,312	\$8,536	\$9,828	\$11,170	\$11,440	\$11,730	\$12,020	\$12,330	\$94,498,

### Forecast Financial Statements

Prospective Statement of Comprehensive Revenue and Expense

Page 82

The following figures have been updated:

- Other revenue years 2018/19-2027/28
- Capital revenue years 2018/19,2023/24 – 2025/26, 2027/28
- Total revenue years 2018/19-2027/28
- Depreciation and amortisation expense years 2018/19-2027/28
- Finance costs years 2018/19-2027/28
- Operating and maintenance costs years 2020/21, 2021/22
- Professional costs years 2019/20-2027/28
- Total expenses years 2018/19-2027/28
- Losses year 2020/21
- Surplus/(deficit) years 2018/19-2027/28
- Total comprehensive revenue and expense years 2018/19-2027/28

Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.

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Prospective Statement of Changes in Equity Page 83	Consequential Changes flowing through from Statement of Comprehensive Revenue Operating Surplus Correction of Revaluation Reserve opening balance in 2018/19 and consequential impacts.	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.
Prospective Statement of Comprehensive revenue and expense Page 82	Figures Updated: <ul style="list-style-type: none"> <li>- Finance costs</li> <li>- Total expenses</li> <li>- Operating surplus/(deficit)</li> <li>- Surplus/(deficit)</li> <li>- Total other comprehensive revenue and expense</li> <li>- Total comprehensive revenue and expense</li> </ul>	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.
Prospective Changes in Equity Page 83	Figures Updated: <ul style="list-style-type: none"> <li>- Operating surplus/(deficit)</li> <li>- Balance at end of year</li> <li>- Equity balance at 30 June</li> </ul>	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.
Prospective Balancing the books measure Page 84	Figures Updated: <ul style="list-style-type: none"> <li>- Surplus/(deficit)</li> <li>- Other items not considered everyday operating expenses</li> <li>- Balancing the books surplus/(deficit)</li> </ul>	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.
Prospective Statement of Financial Position Page 85	Figures Updated: <ul style="list-style-type: none"> <li>- Property, plant and equipment</li> <li>- Total non-current assets</li> <li>- Total assets</li> <li>- Net assets</li> <li>- Total equity attributable to Hamilton City Council</li> <li>- Total equity</li> </ul>	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.
Prospective Statement of Cash Flows Page 86	Figures Updated: <ul style="list-style-type: none"> <li>- Interest paid</li> <li>- Purchase of property, plant and equipment</li> <li>- Total</li> <li>- Net cash flow from investing activities</li> </ul>	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.
Note 2: Rates Page 94	Rates remission accounting policy has been updated to reflect actual policy.	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.
Note 6: Other Revenue Page 97	New accounting policy has been added for Fair Value Gains. Figures updated.	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary – particularly that relating to HIF.

## Appendix 2

Note 8: Capital revenue Page 98	Figures updated.	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.
Note 10: Depreciation and amortisation expense by activity Page 100	Figures updated.	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.
Note 11: Finance Costs Page 101	New accounting policy has been added for Fair Value Discount Unwinding. The following figures have been updated: - Fair value discount unwinding year 2018/19-2027/28 (note this is a new row added to the table) - Total finance costs years 2018/19-2027/28	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary – particularly that relating to HIF.
Note 13: Investment in associates and subsidiaries Page 104	New line added for “Total investment in CCOs and other entities” and figures added for 2017/18 and years 2018/19-2027/28	Additional information included for completeness.
Note 14: Borrowings Page 104	New accounting policy added for Housing Infrastructure Fund Loan Net debt as a multiple of cash flow (target <15) figures have changed Figures updated	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary – particularly that relating to HIF.
Note 16: Reconciliation between prospective statement of comprehensive revenue and expense and prospective funding impact statement Page 108	Figures updated New line added beneath Housing Infrastructure Fund – fair value benefit: - Housing Infrastructure Fund – fair value discount unwinding	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary – particularly that relating to HIF.
Note 17: Operating Funding Variance by Activity New note after page 108	A new note is to be added following note 16 on page 108 (the new note will be page 109) Note 17: Operating Funding Variance by Activity	Statutory requirement identified by AuditNZ
<b>Disclosure Statement</b>		
Debt Servicing Benchmark Page 112	The figures behind the graph have updated and flow through to the graphs.	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.
Balanced Budget Benchmark & Essential Services Benchmark Page 111	The figures behind the graph have updated and flow through to the graphs.	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.
Disclosure Statement Page 112	Debt servicing benchmark graph formatted with bold line indicating 15%.	Format adjusted at audit request for legal compliance.

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<b>Council Funding Impact Statement and Rating Information</b>								
Prospective Whole of Council Funding Impact Statement <a href="#">Page 120</a>	<p>“Internal charges and overheads recovered” line is replaced by “Interest and dividends from investments”.</p> <p>Change date in title to 2018-2028</p> <p>The following figures have changed:</p> <ul style="list-style-type: none"> <li>- Interest and dividends from investments years 2018/19-2027/28</li> <li>- Local authority fuel tax, fines, infringement fees and other receipts years 2018/19-2027/28</li> <li>- Total operating funding years 2019/20, 2020/21, 2024/25-2027/28</li> <li>- Payments to staff and suppliers years 2019/20-2027/28</li> <li>- Finance costs years 2018/19-2027/28</li> <li>- Total application of operating funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of operating funding years 2018/19-2027/28</li> <li>- Increase/(decrease) in debt years 2018/19-2027/28</li> <li>- Total sources of capital funding years 2018/19-2027/28</li> <li>- To meet additional demand years 2023/24-2025/26</li> <li>- To improve the level of service years 2021/22-2023/24</li> <li>- To replace existing assets years 2018/19-2027/28</li> <li>- Increase/(decrease) in reserves years 2018/19-2027/28</li> <li>- Total applications of capital funding years 2018/19-2027/28</li> <li>- Surplus/(deficit) of capital funding years 2018/19-2027/28</li> </ul>	Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.						
<b>Council Controlled Organisations</b>								
CCO section <a href="#">Page 123</a>	The Local Government Funding Agency (LGFA) overview has had all financial forecasts and financial performance targets updated.	The final LGFA Statement of Intent was received 22 June 2018 and therefore updated figures have been included.						
<b>Revenue and Financing Policy</b>								
Table 1: Summary of funding sources by activity <a href="#">Page 130</a>	The table has been updated to reflect the correct funding sources per activity as a result of revised financial strategy. <i>See attachment 1</i>	Consequential to Council’s decisions on rating, especially transitioning and not balancing the books.						
Table 4: Other Targeted Rate Types <a href="#">Page 135</a>	<table border="0"> <tr> <td style="vertical-align: top;">           1. <b>COMMERCIAL AND OTHER CATEGORY NON-METERED WATER SUPPLY</b> </td> <td style="vertical-align: top;">           Water Distribution and Water Treatment and Storage activities.         </td> <td style="vertical-align: top;">           Fixed amount per <u>SUIP-rating unit</u> with water supplied or available.         </td> </tr> <tr> <td style="vertical-align: top;">           2. <b>SERVICE USE - WATER</b> </td> <td style="vertical-align: top;">           Water Distribution and Water Treatment and Storage activities.         </td> <td style="vertical-align: top;">           Fixed amount per <u>property-SUIP</u> for connected land used for certain purposes as defined in the <u>Rating Policy Funding Impact Statement</u>.         </td> </tr> </table>	1. <b>COMMERCIAL AND OTHER CATEGORY NON-METERED WATER SUPPLY</b>	Water Distribution and Water Treatment and Storage activities.	Fixed amount per <u>SUIP-rating unit</u> with water supplied or available.	2. <b>SERVICE USE - WATER</b>	Water Distribution and Water Treatment and Storage activities.	Fixed amount per <u>property-SUIP</u> for connected land used for certain purposes as defined in the <u>Rating Policy Funding Impact Statement</u> .	Correction of terminology and consistency with Rates resolution.
1. <b>COMMERCIAL AND OTHER CATEGORY NON-METERED WATER SUPPLY</b>	Water Distribution and Water Treatment and Storage activities.	Fixed amount per <u>SUIP-rating unit</u> with water supplied or available.						
2. <b>SERVICE USE - WATER</b>	Water Distribution and Water Treatment and Storage activities.	Fixed amount per <u>property-SUIP</u> for connected land used for certain purposes as defined in the <u>Rating Policy Funding Impact Statement</u> .						

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	<p>3. <b>SERVICE USE - REFUSE</b> Refuse Collection Activity. Fixed amount per <del>property-SUIP</del> for connected land used for certain purposes as defined in the <a href="#">Funding Impact Statement..Rating Policy</a>.</p> <p>4. <b>SERVICE USE - SEWERAGE</b> Wastewater Collection and Wastewater Treatment and Disposal activity. <del>Fixed amount per property and a</del> rate per dollar of land value and a rate per dollar of capital value for connected land used for certain purposes as defined in the <a href="#">Funding Impact Statement</a>.</p>	
<p><b>Summary of Significance and Engagement Policy</b></p>		
<p>Page 136</p>	<p>Sentence added:  <i>The full policy can be found on our website under Policies, Bylaws and legislation or <a href="#">here</a>.</i></p>	<p>Legislative requirement.</p>
<p><b>Volume 2: Infrastructure Strategy</b></p>		
<p>Figure 17: Water Supply Activity Funding <a href="#">Page 35</a>            Figure 23: Wastewater Activity Funding <a href="#">Page 39</a>            Figure 29: Stormwater Activity Funding <a href="#">Page 43</a>            Figure 35: Transport Activity Funding <a href="#">Page 48</a>            Figure 39: Parks and Open Spaces Activity Funding <a href="#">Page 53</a>            Figure 47: Community and Events Activities funding <a href="#">Page 58</a></p>	<p>The figures behind the donut graph have updated and flow through to the graph.</p>	<p>Updates are a consequence of a combination of AuditNZ requests noted on page 1 of this summary.</p>

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### Attachment 1: Revenue and Financing Policy – Table 1: Summary of funding sources by activity s.101(3)(a) only

Updated Table (as per Attachment 3 page 428 of the agenda)

Activity	User Charges	Grants, subsidies & other	Investment Income	Financial Contributions	Development Contributions	Reserve Funds	Borrowing	General Rates	Targeted Rates
Community Development	x	x	✓	x	x	x	✓	✓	✓
Libraries	✓	✓	x	x	x	x	✓	✓	✓
Theatre	x	x	x	x	x	x	✓	✓	✓
City Planning	✓	x	x	x	x	x	✓	✓	✓
Planning Guidance	✓	x	x	x	x	x	✓	✓	✓
Building Control	✓	x	x	x	x	x	x	x	x
Claudlands	✓	x	✓	x	x	x	✓	✓	✓
FMG Stadium	✓	x	✓	x	x	x	✓	✓	✓
Seddon Park	✓	x	✓	x	x	x	✓	✓	✓
iSite	✓	x	x	x	x	x	✓	✓	✓
Tourism and Events Funding	x	x	x	x	x	x	✓	✓	✓
Hamilton Gardens	✓	x	x	x	x	x	✓	✓	✓
Waikato Museum	✓	✓	x	x	x	x	✓	✓	✓
Hamilton Zoo	✓	✓	✓	x	x	x	✓	✓	✓
Animal Education and Control	✓	x	x	x	x	x	✓	✓	✓
Environmental Health	✓	x	x	x	x	x	✓	✓	✓
Alcohol Licensing	✓	x	x	x	x	x	x	x	x
Public Safety	✓	x	x	x	x	x	✓	✓	✓
Civil Defence	x	x	x	x	x	x	✓	✓	✓
Governance and Public Affairs	✓	x	x	x	x	x	✓	✓	✓
Partnership with Maaori	x	x	x	x	x	x	✓	✓	✓
Community Parks	x	x	✓	x	x	x	✓	✓	✓
Natural Areas	x	✓	x	x	x	x	✓	✓	✓
Streetscapes	x	x	x	x	x	x	✓	✓	✓
Sports Parks	✓	x	✓	x	x	x	✓	✓	✓
Cemeteries and Crematorium	✓	✓	x	x	x	✓	✓	✓	✓
Pools	✓	x	✓	x	x	x	✓	✓	✓
Indoor Recreation	x	x	✓	x	x	x	✓	✓	✓
Landfill Site Management	x	x	x	x	x	x	✓	✓	✓
Refuse Collection	✓	x	✓	x	x	x	✓	✓	✓
Waste Minimisation	x	✓	x	x	x	x	✓	✓	✓
Stormwater Network	✓	x	x	x	x	x	✓	✓	✓
Transport Network	✓	✓	✓	x	x	✓	✓	✓	✓
Parking Management	✓	x	x	x	x	x	✓	✓	✓
Wastewater Treatment and Disposal	✓	x	x	x	x	x	✓	✓	✓
Wastewater Collection	✓	x	x	x	x	x	✓	✓	✓
Water Treatment and Storage	x	x	x	x	x	x	✓	✓	✓
Water Distribution	✓	x	x	x	x	x	✓	✓	✓

Previous version in 10-Year Plan (Attachment 1 page 322 of the agenda)

Activity	User Charges	Grants, subsidies & other	Investment Income	Financial Contributions	Development Contributions	Reserve Funds	Borrowing	General Rates	Targeted Rates
Community Development	✓	✓	✓	x	x	x	x	✓	x
Libraries	✓	✓	x	x	x	x	x	✓	x
Theatre	x	x	x	x	x	x	x	✓	x
City Planning	✓	x	x	x	x	x	x	✓	x
Planning Guidance	✓	x	x	x	x	x	x	✓	x
Building Control	✓	x	x	x	x	x	x	✓	x
Claudlands	✓	x	✓	x	x	x	x	✓	x
FMG Stadium	✓	x	✓	x	x	x	x	✓	x
Seddon Park	✓	x	✓	x	x	x	x	✓	x
iSite	✓	x	x	x	x	x	x	✓	x
Tourism and Events Funding	✓	x	x	x	x	x	x	✓	x
Hamilton Gardens	✓	x	x	x	x	x	x	✓	x
Waikato Museum	✓	✓	x	x	x	x	x	✓	x
Hamilton Zoo	✓	✓	✓	x	x	x	x	✓	x
Animal Education and Control	✓	x	x	x	x	x	x	✓	x
Environmental Health	✓	x	x	x	x	x	x	✓	x
Alcohol Licensing	✓	x	x	x	x	x	x	✓	x
Public Safety	✓	x	x	x	x	x	x	✓	x
Civil Defence	x	x	x	x	x	x	x	✓	x
Governance and Public Affairs	✓	x	x	x	x	x	x	✓	x
Partnership with Maaori	x	x	x	x	x	x	x	✓	x
Community Parks	x	x	✓	x	x	x	x	✓	x
Natural Areas	x	✓	x	x	x	x	x	✓	x
Streetscapes	x	x	x	x	x	x	x	✓	x
Sports Parks	✓	x	✓	x	x	x	x	✓	x
Cemeteries and Crematorium	✓	✓	x	x	x	✓	x	✓	x
Pools	✓	✓	✓	x	x	x	x	✓	x
Indoor Recreation	x	x	✓	x	x	x	x	✓	x
Landfill Site Management	x	x	x	x	x	x	x	✓	x
Refuse Collection	✓	x	✓	x	x	x	x	✓	x
Waste Minimisation	x	✓	x	x	x	x	x	x	x
Stormwater Network	✓	x	x	x	x	x	x	✓	x
Transport Network	✓	✓	✓	x	x	✓	x	✓	✓
Parking Management	✓	x	x	x	x	x	x	✓	x
Wastewater Treatment and Disposal	✓	x	x	x	x	x	x	✓	x
Wastewater Collection	✓	x	x	x	x	x	x	✓	x
Water Treatment and Storage	x	x	x	x	x	x	x	✓	x
Water Distribution	✓	x	x	x	x	x	x	✓	✓