

Elected Member Briefing (Annual Plan) – 14 February 2019

Committee Room 1, Municipal Building, Hamilton

Time	Topic	HCC Presenter(s)	Open / Closed	Time Req'd (mins)
10.30am	WEL Energy Trust Community Investment Strategy Consultation (Submission)	Helen Paki	Open	45
11.15am	Overview of the Annual Plan Process - (AP)	Sean Hickey Julie Clausen	Open	05
11.20am	Response to Elected Members' questions - (AP)	Sean Hickey Julie Clausen	Open	10
11.30am	Financial Update - (AP)	David Bryant Tracey Musty	Open	20
11.50am	Proposed Items for Consideration in the Annual Plan - (AP)	Sean Hickey Julie Clausen	Open	25
12.15pm	Development Contributions Policy Update - (AP)	Greg Carstens	Open	60
1.15pm	LUNCH			45
2.00pm	i-Site Options	Sean Murray	Open	45
2.45pm	Productivity Commission Inquiry on Local Government Funding and Financing (Submission)	Blair Bowcott David Bryant	Open	30
3.15pm	MEETING ENDS			

11 February 2019

Working together for Impact in the Mighty Waikato

Goals for Sustainable Economic Growth

TOP 10 THINGS WE LOVE ABOUT OUR PLACE



- 1 Our diversity
- 2 Our connectedness
- 3 Our community vibrancy
- 4 Our community safety
- 5 Our community spirit
- 6 Our Kiingitanga heritage
- 7 Our environment
- 8 Our community friendliness
- 9 Our location
- 10 Our volunteers

Vital Signs

TOP 10 COMMUNITY PRIORITIES FOR ACTION



- 1 Working together to improve community connectedness
- 2 Developing better education and development pathways for our youth
- 3 Solving problems with affordability, availability and quality of housing
- 4 Growing our economy and reducing income inequality
- 5 Increasing the number and range of jobs available
- 6 Delivering quality education
- 7 Improving access to health services
- 8 Taking care of our natural environment
- 9 Improving transport options in and between our towns and city
- 10 Caring for our ageing population

Vital Signs 2016 |



Source: United Nations

UN's Sustainable Development Goals

The SDGs are a common language and shared purpose...

...for addressing the world's most urgent sustainability challenges and creating a better future for all

17

SDGs

169

targets



Business needs a common disclosure set and practical guidance to report on the SDGs

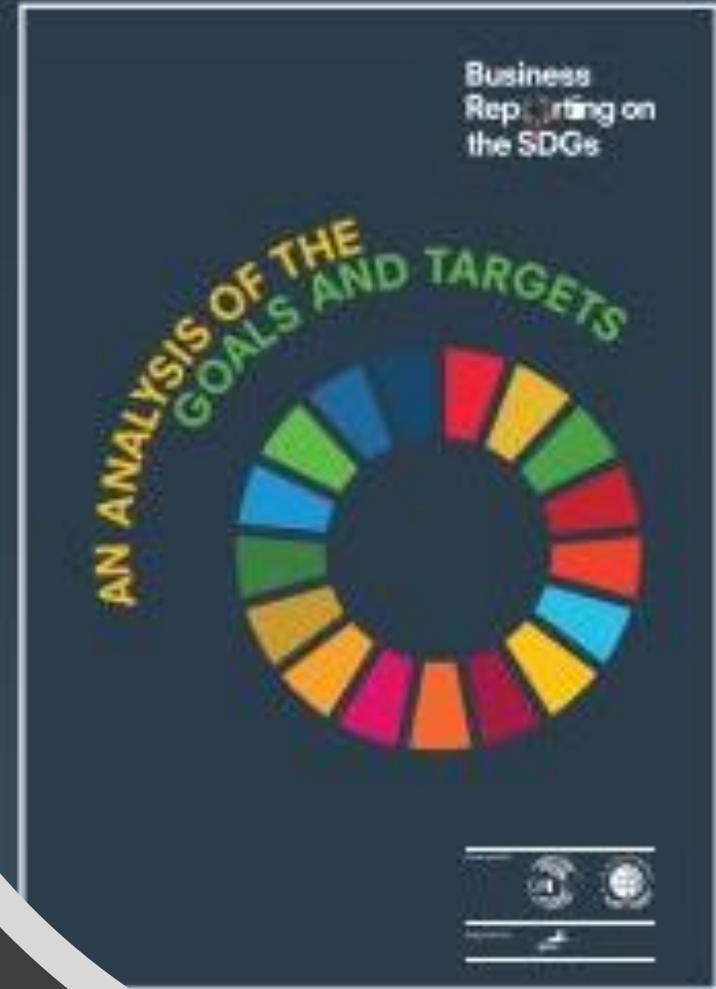
Business Reporting on the SDGs



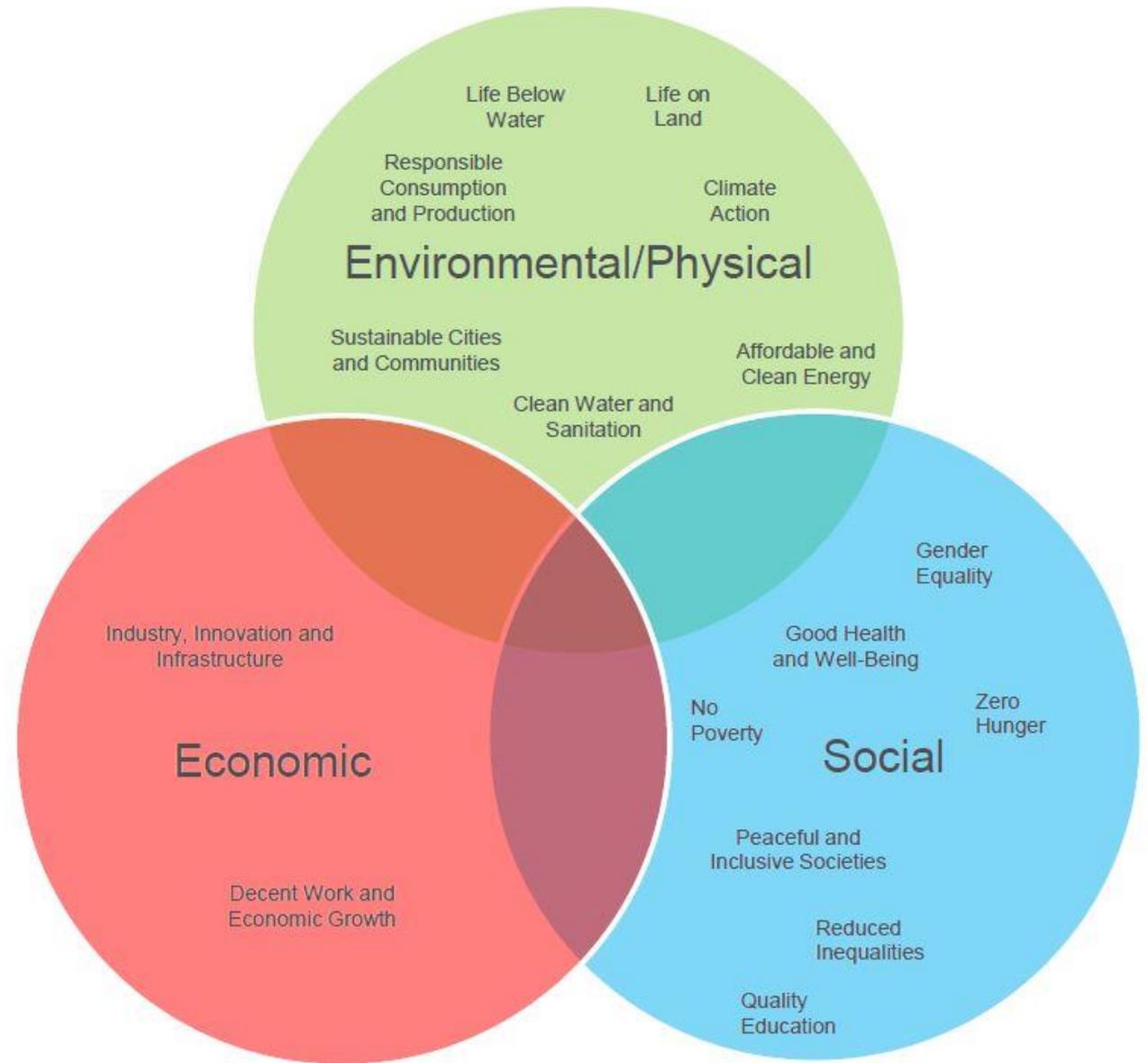
“The SDGs provide a unique opportunity to elevate communication on sustainability. Governments have emphasized this agenda through SDG 12 – recognizing how important it is for companies to adopt sustainable practices and integrate this information into their reporting cycles. The expectations on companies are huge. Companies that align reporting and communication with the SDGs will be speaking in the same language that increasingly is adopted by governments, foundations, NGOs and even investors.”

Lise Kingo

CEO & Executive Director, United Nations Global Compact



Pathways to success: Grouping the SDGs

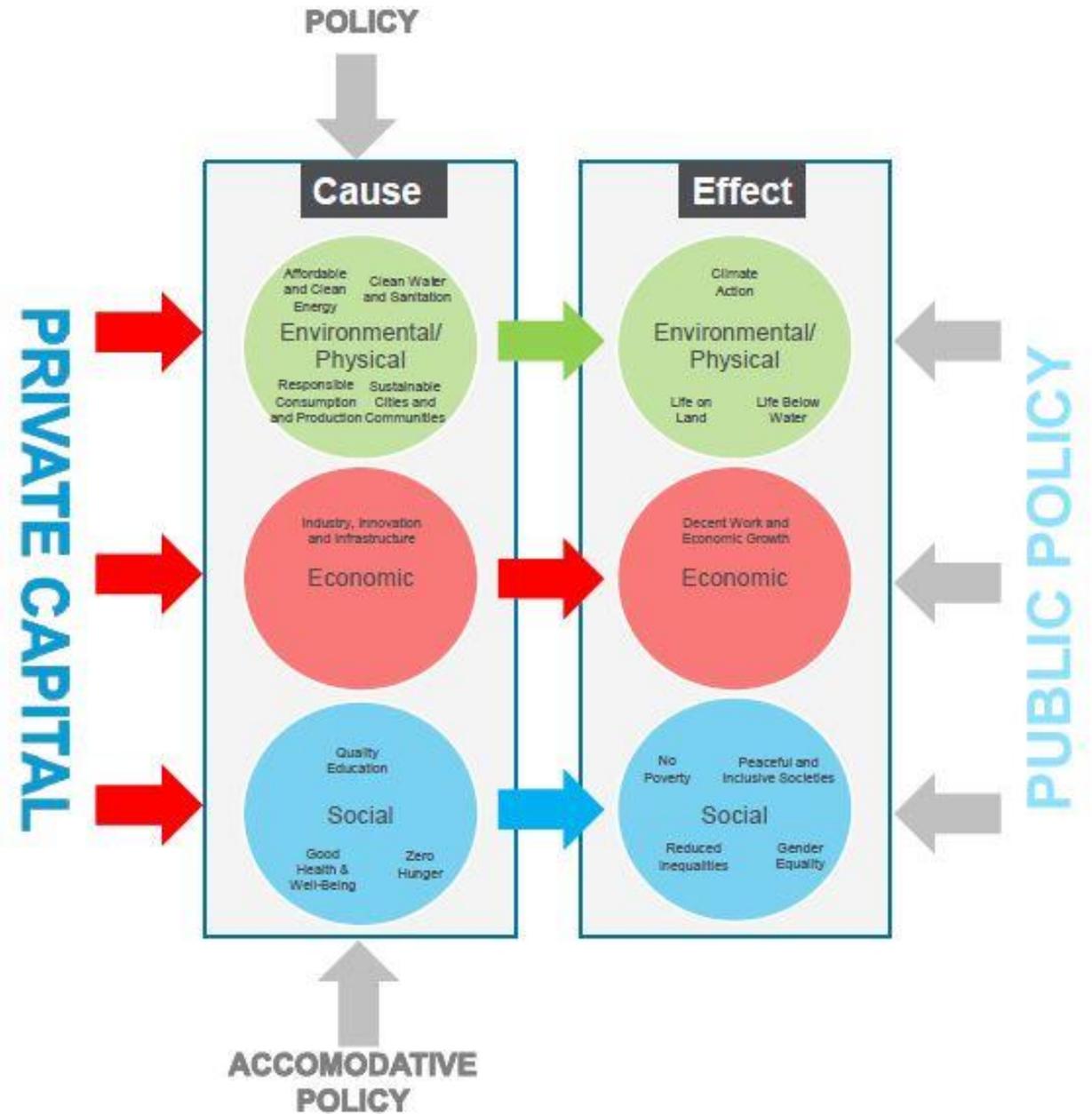


Source: Citi Research

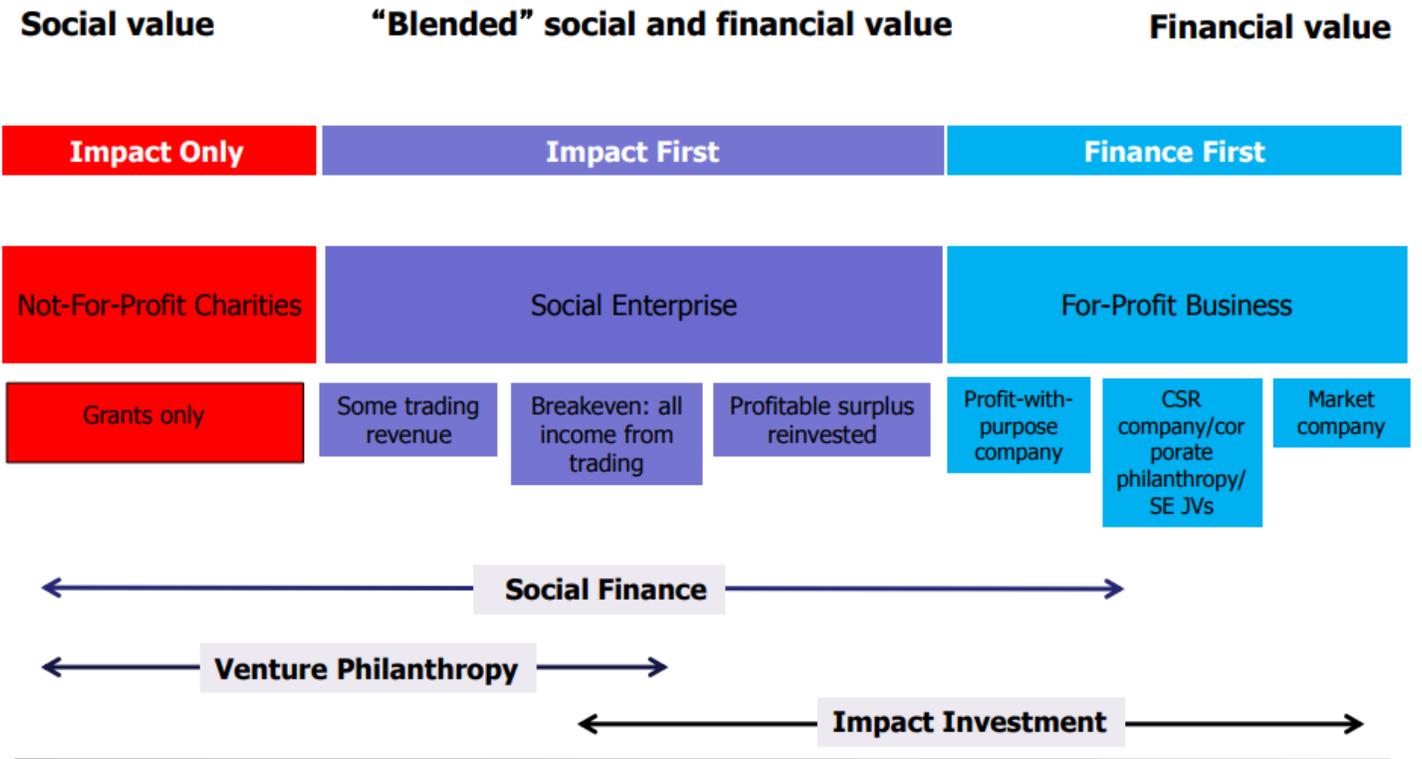
Where is our
piece of the
pie?

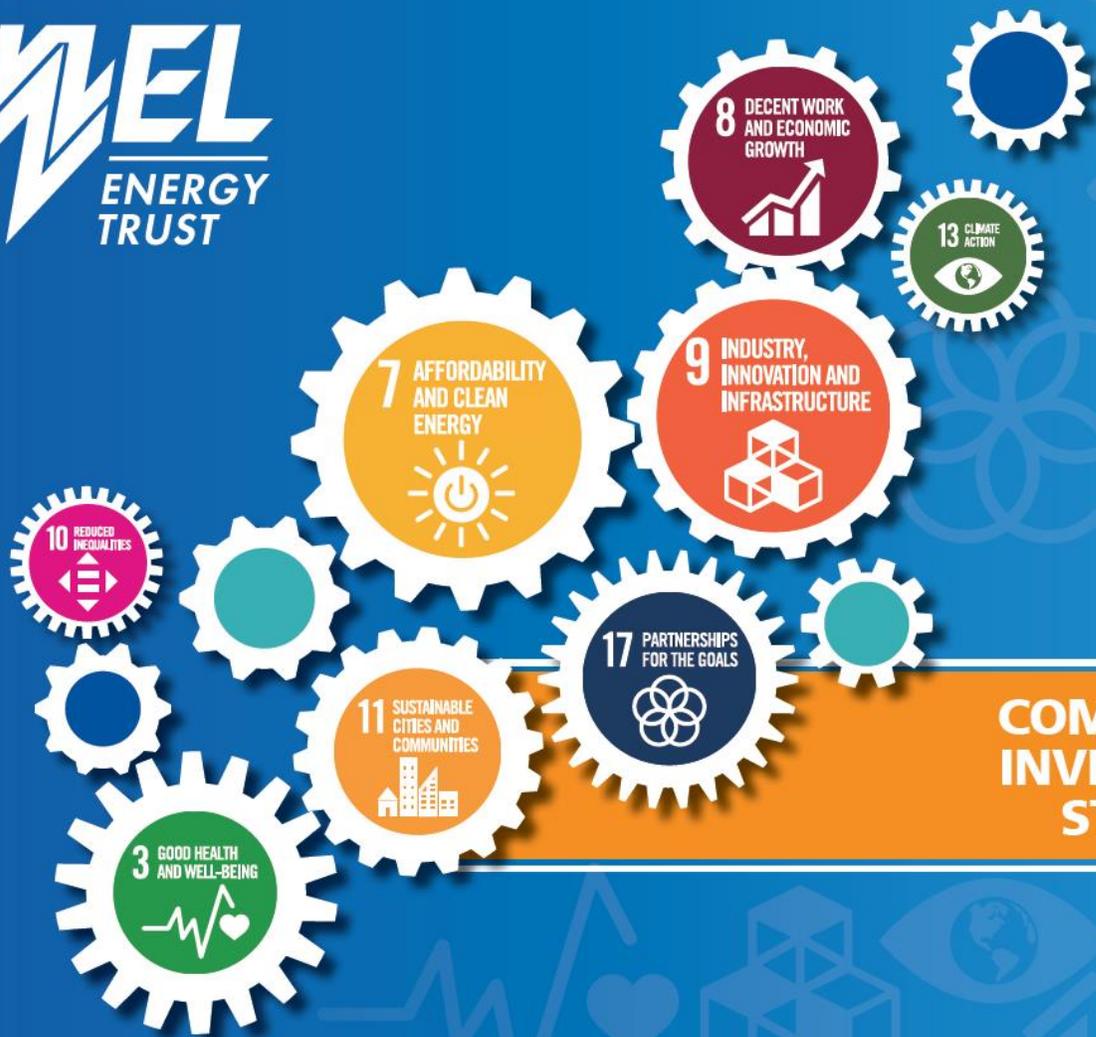


Who is best placed to tackle them?



Investing in the SDGs





8 DECENT WORK AND ECONOMIC GROWTH

13 CLIMATE ACTION

7 AFFORDABILITY AND CLEAN ENERGY

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

10 REDUCED INEQUALITIES

17 PARTNERSHIPS FOR THE GOALS

11 SUSTAINABLE CITIES AND COMMUNITIES

3 GOOD HEALTH AND WELL-BEING

COMMUNITY INVESTMENT STRATEGY 2019-2022

WEL ENERGY COMMUNITY INVESTMENT STRATEGY 2019-2022

Using our Theory of Change to connect capital with purpose, driving grants and investments to work together to achieve the Trust's Mission

SDG INVESTMENT

100% PHILANTHROPY

SOCIAL/IMPACT INVESTMENT

SUSTAINABLE/RESPONSIBLE INVESTMENT

QUICK RESPONSE GRANTS

COMMUNITY SUPPORT GRANTS

VITAL IMPACT GRANTS AND INVESTMENT

IMPACT INVESTMENT

CORE INVESTMENT (WEL)

PORTFOLIO INVESTMENTS

QR GRANTS TO \$15K

1. Staff assessment and recommendation
2. Grants Sub-Committee decision
3. Report to Trust

Online accountability against application

CS GRANTS ABOVE \$15K

1. Staff Due Diligence and recommendation
2. Grants Manager recommendation
3. Trust decision

Online accountability and round table reporting

VI GRANTS / SOCIAL IMPACT INVESTMENTS

1. Staff Due Diligence
2. Investment Sub-Committee Review (including external advisory members with area expertise)
3. Recommendation to Trust against Impact Decision criteria and risk/return matrix
4. Trust decision

Reporting against measures agreed in Impact Model Agreement

IMPACT AND OTHER RESPONSIBLE/ SUSTAINABLE INVESTMENTS FOR FULL FINANCIAL RETURN (INCL. WEL)

1. Staff Due Diligence
2. Investment Sub-Committee Review (including external advisory members with area expertise)
3. Advice taken from external consultants on both financial and social risk/return factors.
4. Recommendation to Trust against Impact Decision criteria
5. Trust decision

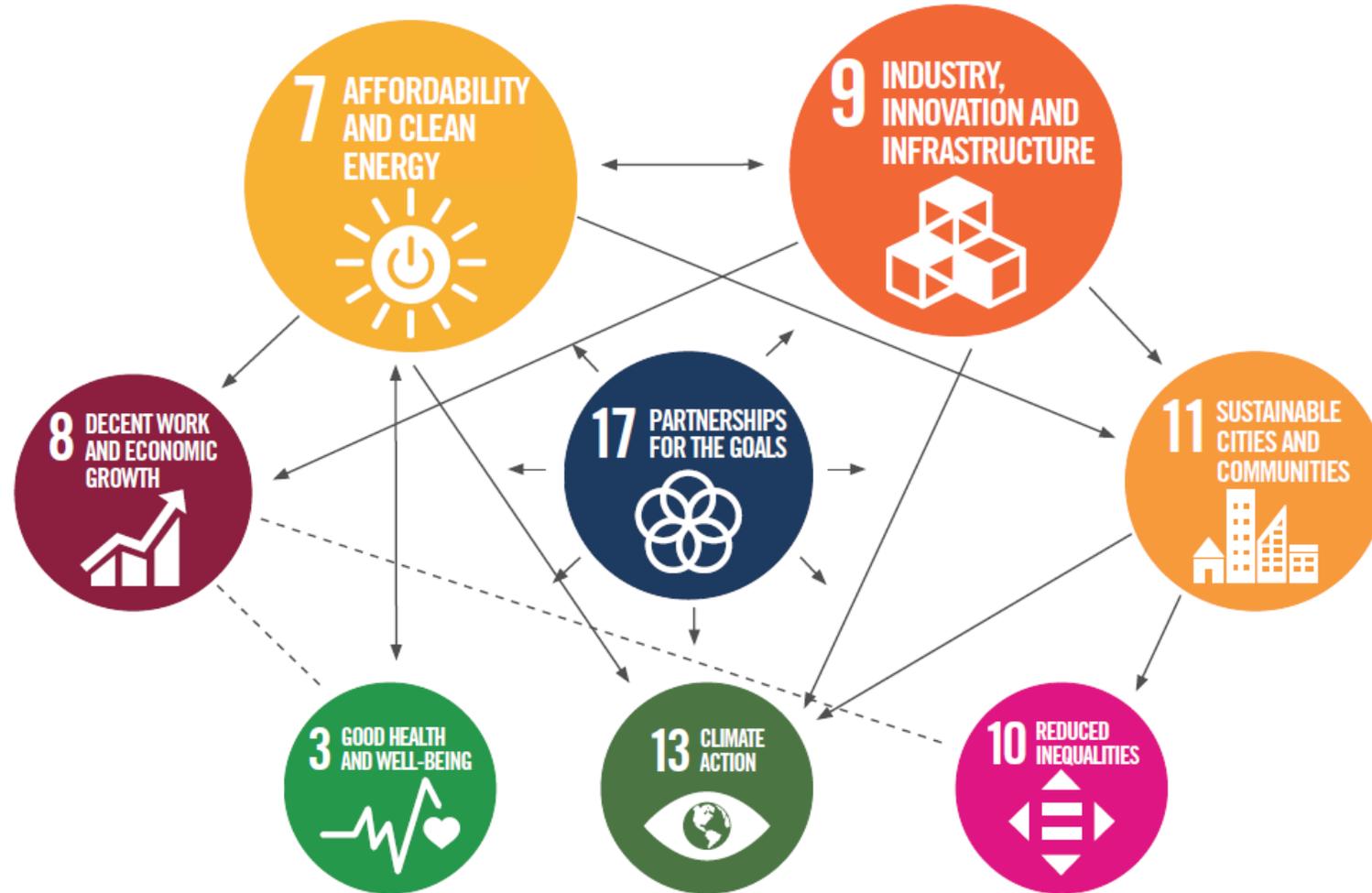
Reporting against measures in Impact Model Agreement plus external Review of Investment

NON CORE INVESTMENTS SUCH AS GLOBAL EQUITIES AND BONDS

1. SIPO reviewed annually
2. SAA reviewed at least every three years
3. All parties involved reviewed by Trustees at least every three to five years
4. Trust decision

Quarterly performance reporting against benchmarks

PRIORITISING THE SDGS



First
Voluntary
National
Review (VNR)
of how we're
going against
SDGs in July
2019

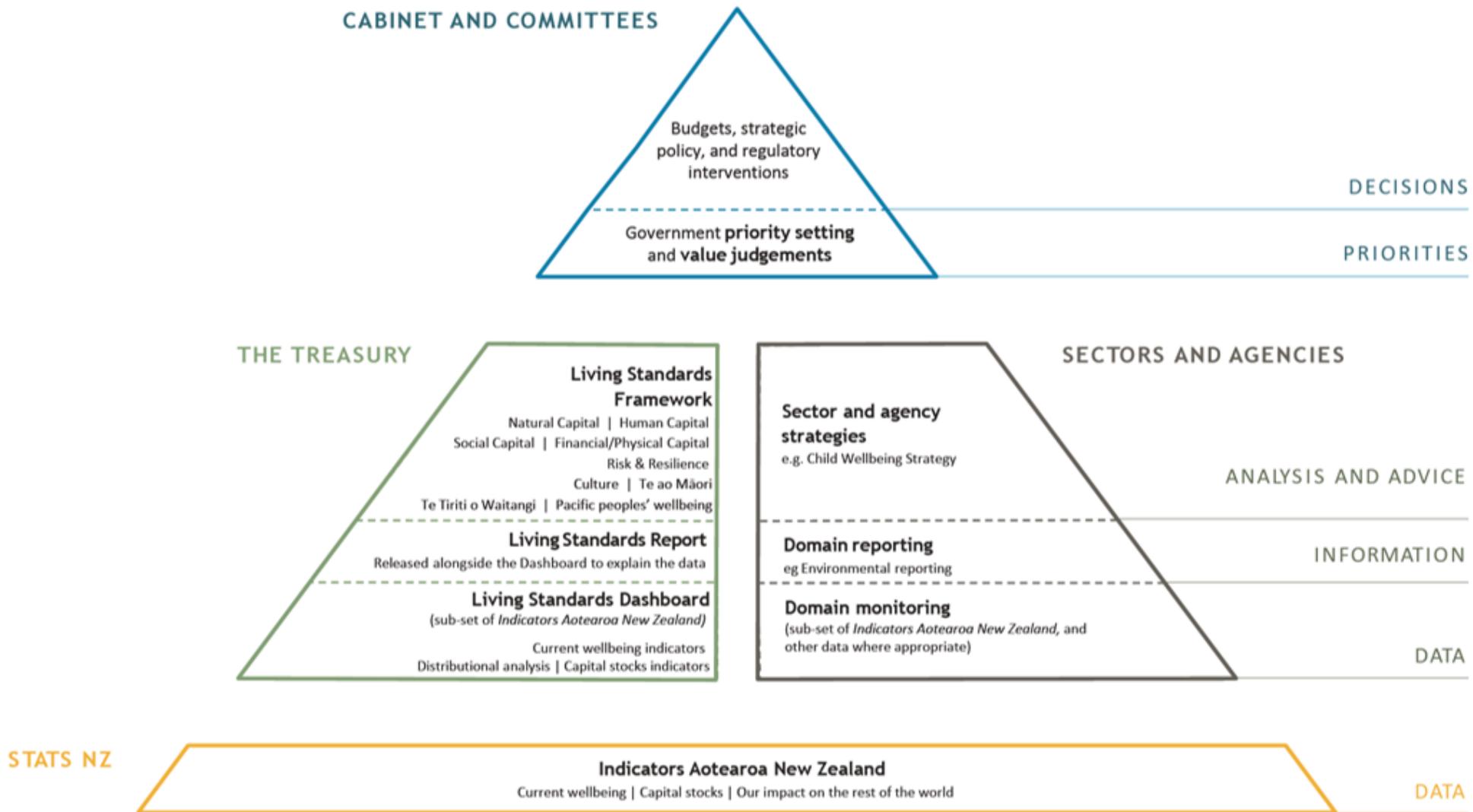
Sustainable Business Council –SDGs, moving beyond mapping:

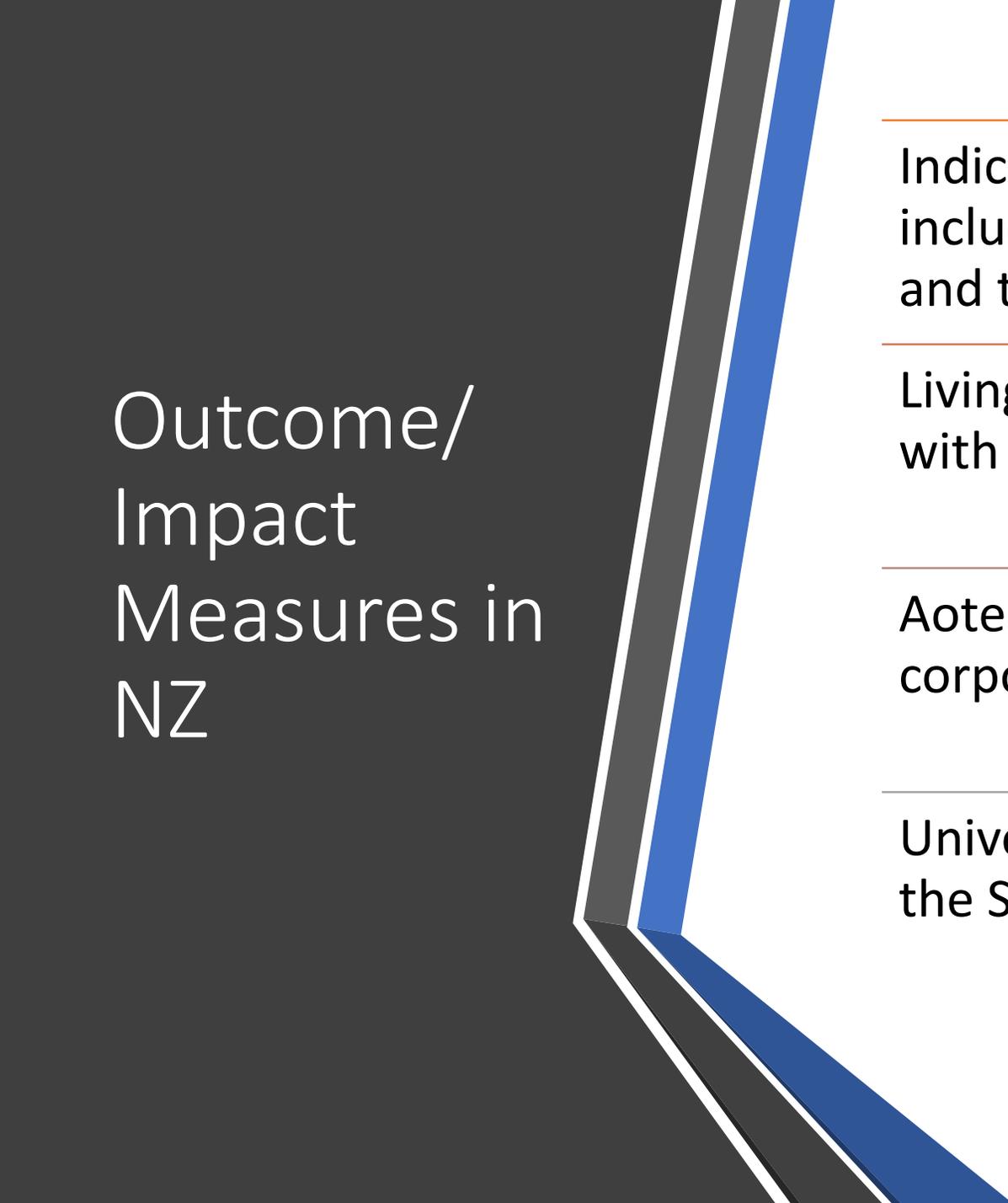
Govt. have established a steering group across multiple Govt. agencies, different agencies taking a different role for each SDG

MFAT have recommended to cabinet an approach for the VNR

The VNR will pull from existing Govt. policy work, and talk to their alignment with the SDGs.

Using a wellbeing approach to improve strategic decision-making





Outcome/ Impact Measures in NZ

Indicators Aotearoa, building on best practice including a Maori Perspective, used to measure and track progress against SGDs.

Living Standards Framework –Stats NZ working with Treasury on Wellbeing Measures

Aotearoa Circle, NZTE, Central Govt. and large corporates

Universities NZ recently supported delivering on the SDG agenda

Embedding Community Investment targets/ focus areas in the SDG framework ensures:

- we are contributing to global, national and regional priority areas
- we are speaking the same language as others in the ecosystem
- That we can attract co investment from other investors, including Government
- That we can select meaningful impact targets and measures, and benefit from existing data sets to gauge progress.



On September 25th 2015, countries adopted a set of goals to **end poverty**, **protect the planet** and **ensure prosperity for all** as part of a new sustainable development agenda. Each goal has specific targets to be achieved over the next 15 years.

For the goals to be reached, everyone needs to do their part: governments, the private sector, civil society and people like you.

Using the SDGs for Impact in the Waikato



TOP 10 COMMUNITY PRIORITIES FOR ACTION



1

2

3

4

5

Annual Plan 2019/20

Proposed budget changes

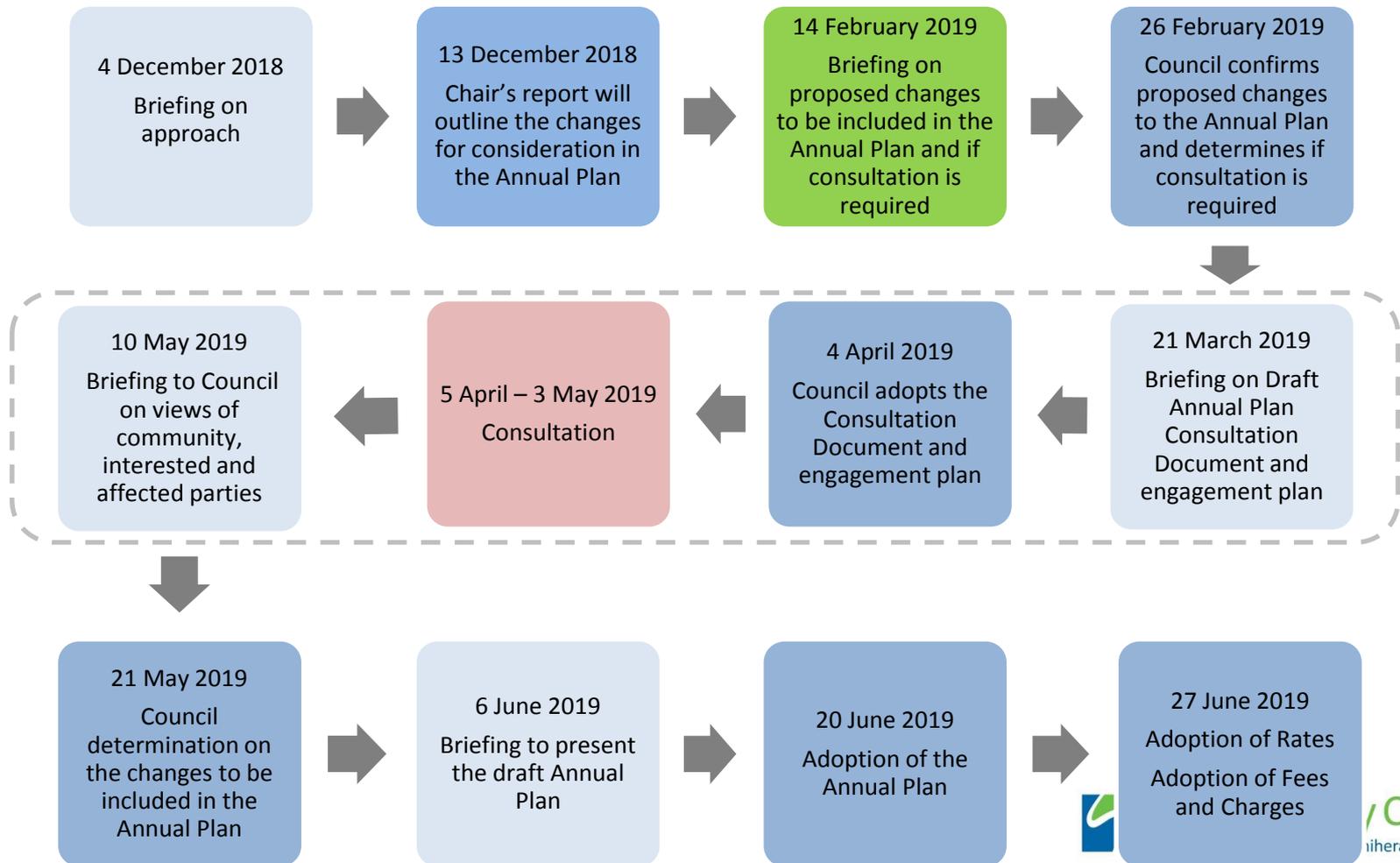
14 February 2019



Purpose of briefing

- The purpose of the briefing is to advise elected members of the proposed changes to the 2019/20 budget
- The outcome of the briefing will be that elected members are informed about proposed Annual Plan changes, understand the implications for the 2019/20 budget and have had the opportunity to raise any issues they would like clarified by staff

Timeframes



Agenda

- Annual Plan context
- Response to elected members' questions
- Financial strategy
- Proposed changes to the 2019/20 10YP budget
- Proposed items for inclusion in the 2019/20 Annual Plan draft budget
- Consultation and communication
- Next steps

Annual Plan context

- The 2018-28 10-Year Plan set the Council's work programme, financial strategy and budget for the next three years
- 2019-20 is Year 2 of the 10-Year Plan

Annual Plan budget process

- Dec 2018: The mayor called for new proposals from elected members and included these in his 4 December Council report
- Dec-Jan: Staff investigated the proposals
- Jan 2019:
 - Reforecasting of 2019/20 operational and capital budgets
 - Investigation of additional proposals from elected members

Response to elected members' questions

Q: What is the mayor's statutory role in the Annual Plan process?

A: Under LGA 2002 s41A(2), the mayor's role is to lead development of the plan, policies and budgets for elected members' consideration. The draft budget is being presented to Council on 26 February when elected members will have the opportunity to consider and vote on the proposed changes. These will comprise of:

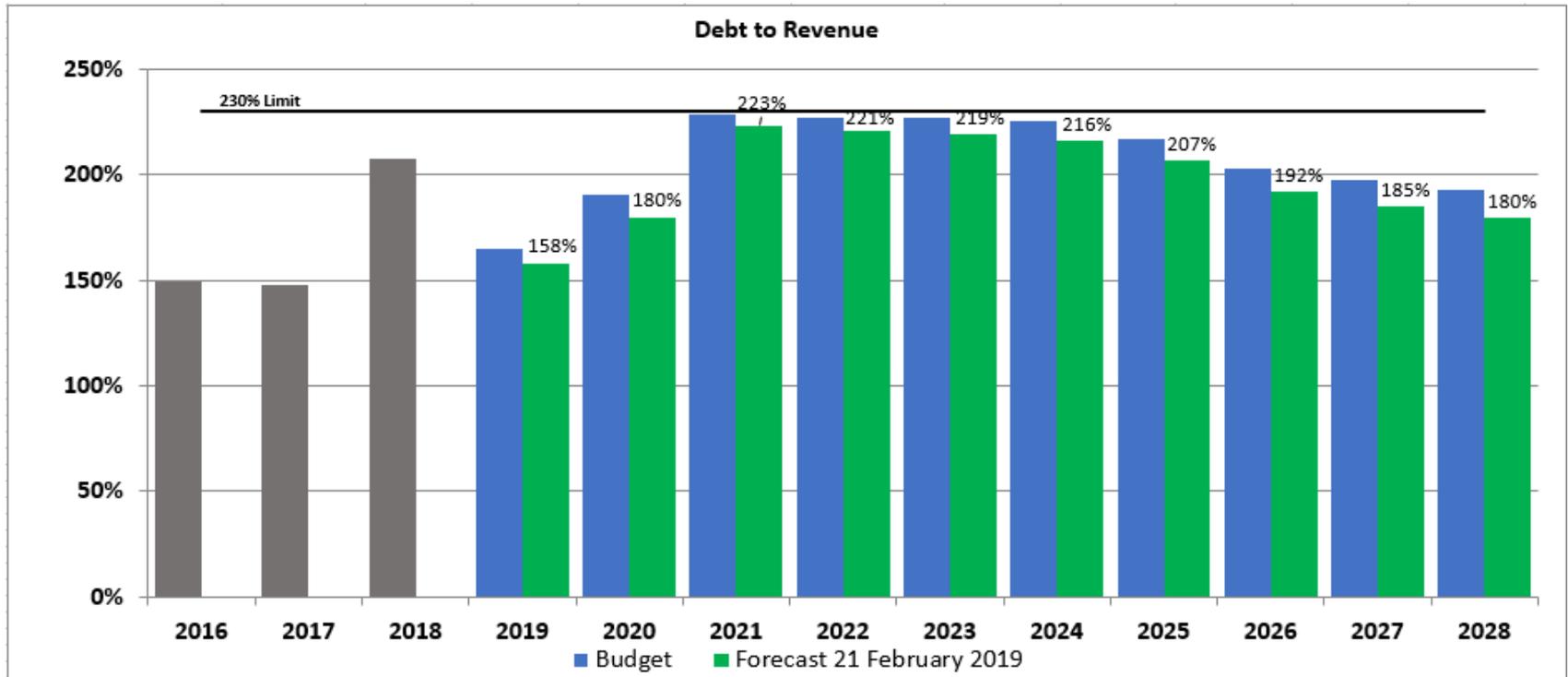
- Changes to the 2019/20 10YP budget
- Proposals included in the 2019/20 draft budget
- Proposals not included in the 2019/20 draft budget

Elected members' questions

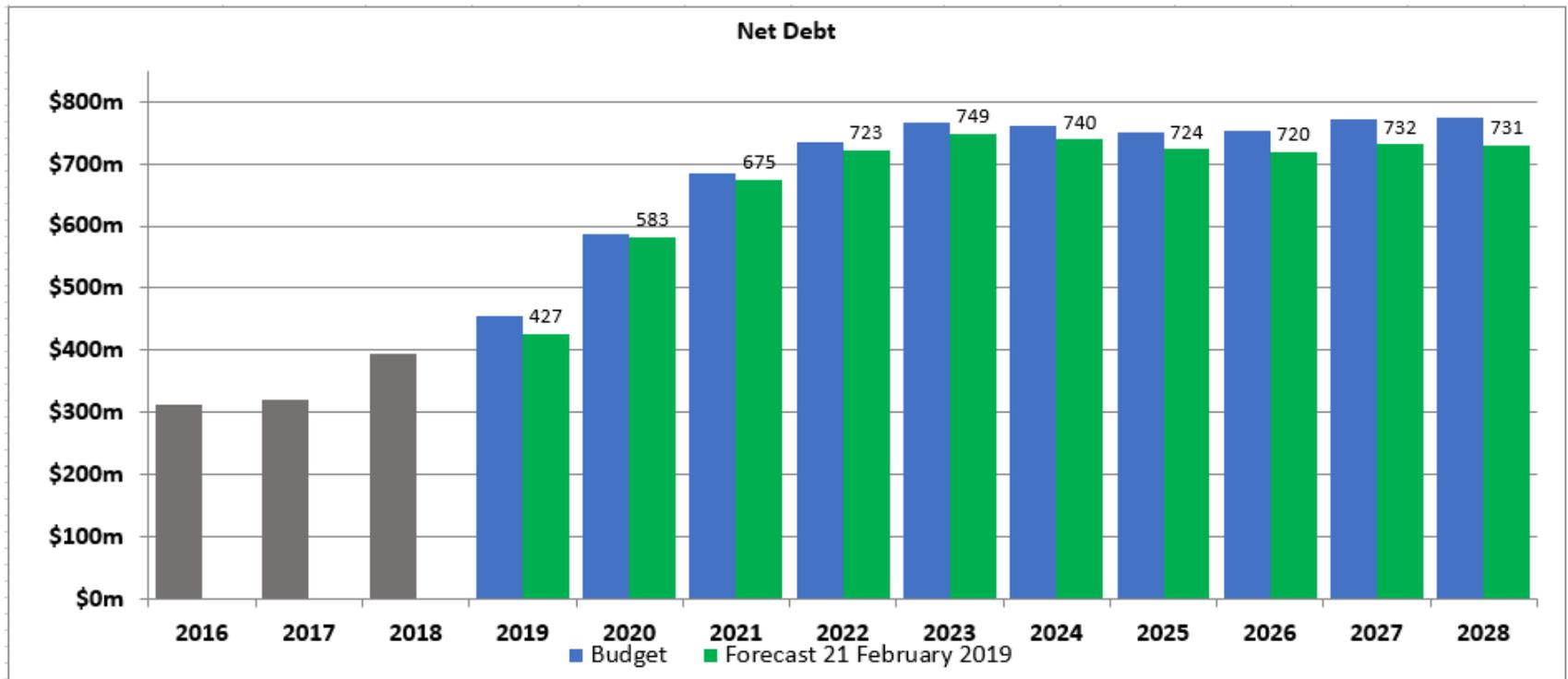
Q: Can Council make a decision on the sale of strategic assets through the Annual Plan process?

A: S97 states that a decision to alter significantly the level of service for any significant activity or to transfer ownership or control of a strategic asset can only be taken if provided for in the 10-Year Plan. Council could do an amendment to the 10-Year Plan. This requires a special consultative procedure, the preparation of a consultation document and the proposed amendment. The consultation document must be audited by the Auditor-General.

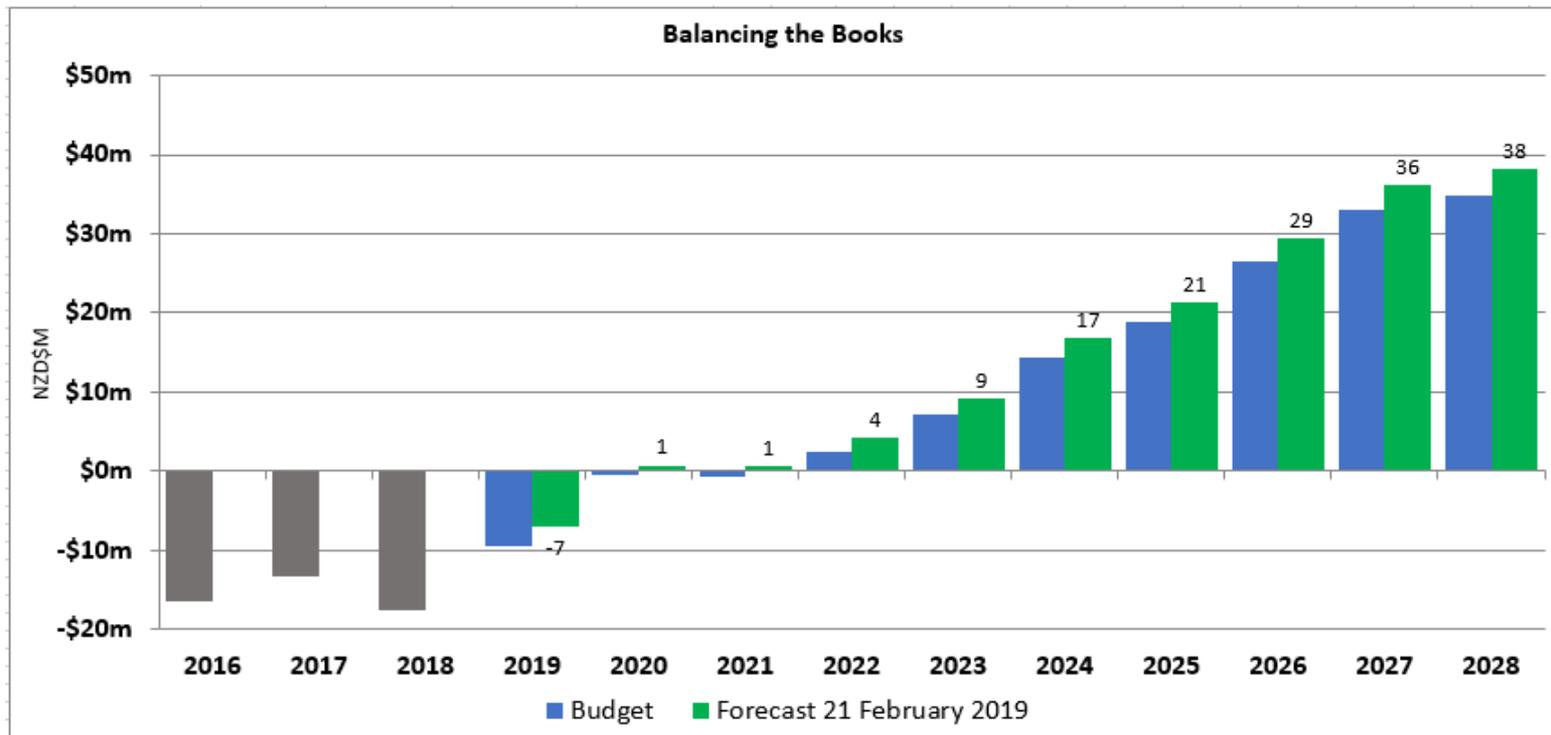
Financial strategy



Financial strategy



Financial strategy



Financial strategy

Register of Significant Forecast Changes

The follow significant forecasting changes have previously been approved.

BB= Balancing the books impact ND = Net Debt impact
Numbers in brackets have an adverse impact.

Date	Change		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
16-Oct-18	Additional Rates revenue from Growth	BB	599	663	733	808	890	978	1,067	1,168	1,276	1,393
		ND	599	1,262	1,995	2,803	3,693	4,670	5,737	6,905	8,181	9,575
	Defered Capital 2017/18 to 2018/19	BB	257	-	-	-	-	-	-	-	-	-
		ND	-	-	-	-	-	-	-	-	-	-

Date	Change		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
4-Dec-18	Library revenue adjustment 2018/19	BB	(163)	(8)	(8)	(9)	(9)	(10)	(10)	(10)	(11)	(12)
		ND	(163)	(171)	(179)	(188)	(197)	(207)	(217)	(228)	(239)	(250)
	Footpath new revenue 2018 -2028	BB	542	655	829	1,040	1,238	1,452	1,599	1,813	2,042	2,252
		ND	2,858	5,955	9,362	12,927	16,786	20,961	24,906	29,159	33,744	38,646
	Thomas - Gordonton Road Project additional revenue - enhanced subsidy	BB	40	41	43	45	47	49	50	53	55	58
		ND	822	863	906	950	997	1,046	1,097	1,150	1,205	1,263
	Capital rephasing and delay deferrals from 2018/19 to future years	BB	1,147	11	12	12	13	13	14	14	15	16
		ND	23,647	235	247	259	272	285	299	314	329	345
	Increase capacity WW West Network (Western Interceptor Duplication)	BB	41	357	375	465	485	505	516	538	560	584
		ND	841	7,598	7,973	8,366	8,778	9,211	9,655	10,121	10,609	11,121
	Te Awa Cycleway Remediation (new project)	BB	(19)	(43)	(80)	(83)	(85)	(87)	(89)	(91)	(94)	(97)
		ND	(399)	(920)	(965)	(1,013)	(1,063)	(1,116)	(1,169)	(1,226)	(1,285)	(1,347)

Proposed changes to the 2019/20 10YP budget

- Expenditure ratified or to be ratified by Council
 - Insurance
 - Library funding
 - Cleaning and electricity contract renewals
- NZTA funding deferred from 2018/19 to 2019/20
- Delay of operating projects from 2018/19 to 2019/20
- CE management of emerging issues (managed by budget reviews to a zero cost impact)
- Depreciation budget under review

Proposals included in the 2019/20 draft budget

- Greenwood St/Killarney Rd intersection investigation
 - \$300,000 opex in 2019/20
- VOTR/River Park master plan
 - \$200,000 opex in 2019/20
- Seismic strengthening
 - \$1m capex in 2019/20
- Options for providing separation between swimmers/divers and vessels at Hamilton Gardens
 - \$150,000 capex in 2019/20

Proposals included in the 2019/20 draft budget (no extra funding required)

Timing of projects to be allocated by Access Hamilton Taskforce

- CBD cycling infrastructure brought forward
 - Cycling programme will be determined through the Access Hamilton Taskforce
- Additional FAR support for eligible projects
 - Will be determined by the Access Hamilton Taskforce once projects are identified

Proposals for level of service changes (not included in the 2019/20 draft budget)

- Level of service change for drainage reserve maintenance
 - \$19,000 opex per annum (for remaining nine years of 10YP)
- City Safe programme extension to suburbs
 - \$230,000 opex per annum (for remaining nine years of 10YP)
- Decorative lighting in Garden Place and Civic Square
 - \$150,000 capex in 2019/20 (Note: An upgrade to lighting in Garden Place and Civic Square to increase lux rating and address safety and security concerns is already included in the 2019/20 work programme and budget)

Proposals already under consideration by Council

The outcomes of these will be incorporated into a revised 2019/20 budget reported to Council on 4 April

- Arthur Porter Drive refurbishment
 - Report considered by G&I Committee on 12 February and reported to 26 February Council meeting
- Growth infrastructure funding gap
 - Report to be considered at 26 February Council meeting
- Continuation/discontinuation of 2 hours' free parking
 - 2 hours' free parking trial report to be considered by G&I Committee on 26 March and reported to 4 April Council meeting

Proposals deferred for future consideration

- Western Town Belt master plan projects
 - Until the master plan is completed, project funding requirements cannot be identified. Proposed to be addressed in the 2020/21 Annual Plan
- Rear of museum connection to river paths
 - Deferred until the next 10-Year Plan deliberations to take into consideration the outcome of the Provincial Growth Fund application. Proposed to be addressed in the 2021-31 10-Year Plan

Consultation requirements of the LGA

Council is not required to consult on the Annual Plan (LGA 2002 Amendment Act 2014) if

- (1) the Annual Plan does not contain significant or material differences from the 10YP (and does not need to consult – s95 (2A))
- (2) elected members are confident they understand the community's views and the impact of the proposed changes on the community (s82)

Consultation approach

- Based on the current proposals identified in this year's Annual Plan, staff consider that there are no areas that require community consultation
- There is, however, an opportunity to use the Annual Plan process as a communication exercise to ensure the community is informed of key projects in Year 2 of the 10-Year Plan

Communication strategy

- To **inform** and **educate**
- We will ensure our community is aware of ‘What’s Happening in Hamilton’ (and what their rates contribute to), including significant projects coming up in 2019/20
- We will also use this time as an opportunity to educate our community about Council finances. This includes talking about the average rates increases, the continued capital value transition and revaluations – and how these affect their rates bills. We need to ensure this information is clear and really easy to understand

Next steps

- The draft budget is being presented to Council on 26 February when elected members will have the opportunity to consider and vote on the proposed changes. These will comprise of:
 - Changes to the 2019/20 10YP budget
 - Proposals included in the 2019/20 draft budget
 - Proposals not included in the 2019/20 draft budget
- Elected members are encouraged to make requests for further information from staff before the 26 February Council meeting

Questions?

ANNUAL PLAN 2019/20 PROPOSAL

Greenwood St/Killarney Road intersection investigation

a) Description/Introduction

Investigation of options to open up access to industrial land - NZTA project

b) Staff Recommendation

Allocate \$300k in 2019/20 to contribute to an investigation with NZTA into options to address network traffic issues in the Killarney Road to Kahikatea Rail area. **There is a financial impact of \$300,000 opex on the 2019/20 budget.**

c) Relationship to the 10-Year Plan

- The project/service was proposed in the 10-Year Plan and this is a variation to the 10-Year Plan budget or timing
- A new project or service
- The removal of a project/service proposed in the 10-Year Plan
- Other

Explain other

d) Explain what has driven the need for the change

A need to understand traffic flows in the area and the best options for enhancing these, including facilitating the right turning of traffic from Greenwood St onto Killarney Rd

e) Has the issue been considered previously - what was the outcome?

Yes. A roundabout is designated as part of the NZTA Southern Links Programme. This proposal will assist in advancement of the project.

f) Service Level Impact

Improved level of service, allowing for increased safety and traffic management.

g) What are the risks of not doing the proposal?

Congestion gets to the stage that people take inappropriate risks, resulting in safety issues.

Potential change to traffic flows from Templeview, resulting in inappropriate traffic flows through residential areas.

h) What are the risks of doing the proposal?

NZTA does not prioritise this project and so the information is not utilised

i) What are the other possible options?

Interim solutions or staging of Southern Links Programme are potential options that would need to be investigated

j) Financial impact**2019/20 and remaining 9 years of the 10-Year Plan**

	\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue										
Total Operating revenue		0	0	0	0	0	0	0	0	0
Capital revenue										
Total Capital revenue		0	0	0	0	0	0	0	0	0
Total revenue		0	0	0	0	0	0	0	0	0
Expenses										
Total expenses		0	0	0	0	0	0	0	0	0
Operating surplus/(deficit)		0	0	0	0	0	0	0	0	0
Capital Expenditure										
Capital Expenditure		0	0	0	0	0	0	0	0	0

REVISED BUDGET

	\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue										
Total Operating revenue		0	0	0	0	0	0	0	0	0
Capital revenue										
Total Capital revenue		0	0	0	0	0	0	0	0	0
Total revenue		0	0	0	0	0	0	0	0	0
Expenses										
Professional costs		300								
Total expenses		300	0	0	0	0	0	0	0	0
Operating surplus/(deficit)		-300	0	0	0	0	0	0	0	0
Capital Expenditure		0	0	0	0	0	0	0	0	0

VARIANCE - NET Benefit/(Cost) to Council

	\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue										
Total Operating revenue		0	0	0	0	0	0	0	0	0
Capital revenue										
Total Capital revenue		0	0	0	0	0	0	0	0	0
Total revenue		0	0	0	0	0	0	0	0	0
Expenses										
Professional costs		300	0	0	0	0	0	0	0	0
Total expenses		300	0	0	0	0	0	0	0	0
Operating surplus/(deficit)		-300	0	0	0	0	0	0	0	0
Capital Expenditure										
Capital Expenditure		0	0	0	0	0	0	0	0	0

k) Significance Assessment

		Select			Explanation
Change in service	Alters the delivery of a core service		High	Cease or commence a service Note this must be a 10-YP decision	The investigation will allow for an understanding of the options for managing traffic flow that will inform the 10-Year Plan capital requirements
			Medium	a more than nominal alteration of a service	
			Low	A nominal or no alteration of service	
	Transfers the ownership of a strategic asset		High	Majority transfer Note this must be a 10-YP decision	No change to ownership
			Medium	Minority transfer	
			Low	Nominal or no transfer	
Impact of decision	Ability to reverse decision		High	Highly difficult	Investigation only. No binding decision
			Medium	Moderately difficult	
			Low	Low difficulty	
	Consistency with prior decisions		High	Significantly inconsistent	This is consistent with the designation work already done by NZTA
			Medium	Consistent but has some notable variations	
			Low	Is consistent	
Reputation	Level of public interest known		High	High levels of public interest	Adjacent industrial activity and related traffic flows
			Medium	Moderate levels of public interest	
			Low	Low level of public interest	
	Impact on proportion of community		High	Impacts large proportion of community	Industrial land owners, business owners, customers, residents
			Medium	Impacts a subgroup or groups within the community	
			Low	Impacts an individual person or household	
	Degree of impact on affected people		High	High degree	This will potentially positively impact the community in ensuring the right options are evaluated to get the right outcomes
			Medium	Moderate degree	
			Low	Low degree	

Impact on Financial Strategy	Operating costs		High	change impact is >10% of total Council expenses 2019/20 (\$266m)	Operating cost of \$300k
			Medium	change impact is 10%>5% of total Council expenses 2019/20 (\$266M)	
			Low	change impact is <5% of total Council expenses 2019/20 (\$266m)	
	Operating revenue		High	change impact is >10% of total Council revenue 2019/20 (\$257m)	Assuming no subsidy
			Medium	change impact is 10%>5% of total Council revenue 2019/20 (\$257m)	
			Low	change impact is <5% of total Council revenue 2019/20 (\$257m)	
	Capital Cost		High	change impact is >1% of total Council assets 2019/20 (\$289m)	No impact
			Medium	change impact is 1%>0.5% of total Council assets 2019/20 (\$289m)	
			Low	change impact is <0.5% of total Council assets 2019/20 (\$289m)	
	Timing within budget timeframe		High	Timing moves within the 3 year window (2018/19 to 2020/21)	New project for year 2
			Medium	Timing moves within the 10 year window (2018/19 - 2027/28)	
			Low	no change in timing	

I) Cultural Considerations

[Consider the cultural impacts of the proposed change]	Select what level			Explain
	Participation-involving	Protection-locking in	Partnership-collaborating	
Manaakitanga - improving the quality of life/satisfaction with our environments and standards of living				Will be considered as part of the investigation
Whanaugatanga - developing vibrant communities/a city that caters for diverse Maaori lifestyles and experiences				
Rangatiratanga - enhancing Maaori leadership and participation/people engaged in their communities				
Kaitiakitanga - ensuring sustainable futures/intergenerational reciprocity				
Wairuatanga - promoting distinctive identify/recognised sense of identity, uniqueness and belonging				
Kiingitanga - acknowledging the history of Kiingitanga and the Kiingitanga movement				

ANNUAL PLAN 2019/20 PROPOSAL

VOTR/River Park – Master Plan
<p>a) Description/Introduction Funding to develop a master plan for the proposed central city park between VOTR and the theatre. Excludes the delivery of any projects identified in the master plan. Recommended by the River Plan Task Force (5 February). There is a financial impact of \$200,000 opex on the 2019/20 budget.</p>
<p>b) Staff Recommendation Recommended for consideration as part of the 2019/20 Annual Plan as this will provide sufficient time for projects proposed in the master plan to be considered for inclusion in the 2021-31 10-Year Plan</p>
<p>c) Relationship to the 10-Year Plan</p> <ul style="list-style-type: none"> <input type="checkbox"/> The project/service was proposed in the 10-Year Plan and this is a variation to the 10-Year Plan budget or timing <input checked="" type="checkbox"/> A new project or service <input type="checkbox"/> The removal of a project/service proposed in the 10-Year Plan <input type="checkbox"/> Other <p>Explain other</p>
<p>d) Explain what has driven the need for the change Council approved the purchase of buildings on 260-266 Victoria Street in September 2018. There is potential to develop this site, which is located next to Victoria on the River. A master plan is recommended to first understand the impact of the proposed park on the central business district and the best form and function to support the CBD while achieving the vision and outcomes of the River Plan.</p>
<p>e) Has the issue been considered previously - what was the outcome? Funding was allocated in the 2018-2028 10 Year Plan to progress the proposed park (\$7m in 18/19 to purchase property). A master plan was not considered as part of the deliberations.</p>
<p>f) Service Level Impact This proposal has the potential to improve the outcomes of future proposals regarding the proposed park. Without implementation, the master plan has no effect on service levels.</p>
<p>g) What are the risks of <u>not doing</u> the proposal? The purpose of the proposal is to inform the next 10-Year Plan in a manner which ensures the River Plan: Central City Park delivers maximum benefits to the CBD. Without a master plan, the next 10-Year Plan deliberations may be hampered by limited information, resulting in less effective outcomes for the central city. The park comprises a reasonably significant proportion of the CBD and has the potential to impact other public spaces and existing and future businesses. A master plan would minimise the risk of unforeseen negative impacts upon the CBD.</p>
<p>h) What are the risks of <u>doing</u> the proposal? The development of a master plan creates a public expectation that projects will be delivered. However there is no current funding within Council's 10-Year Plan to implement a master plan. The engagement will minimise the uncertainty and impact on existing businesses, property owners and residents in the affected area.</p>
<p>i) What are the other possible options? Developing a master plan could be deferred until the next 10-Year Plan. Council would have less information when considering development of the site than they would if a master plan is prepared in advance of the 10-Year Plan process</p>

j) Financial impact
2019/20 and remaining 9 years of the 10-Year Plan

	\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue										
Total Operating revenue		0	0	0	0	0	0	0	0	0
Capital revenue										
Total Capital revenue		0	0	0	0	0	0	0	0	0
Total revenue		0	0	0	0	0	0	0	0	0
Expenses										
Total expenses		0	0	0	0	0	0	0	0	0
Operating surplus/(deficit)		0	0	0	0	0	0	0	0	0
Capital Expenditure										
Capital Expenditure		0	0	0	0	0	0	0	0	0

REVISED BUDGET

	\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue										
Total Operating revenue		0	0	0	0	0	0	0	0	0
Capital revenue										
Total Capital revenue		0	0	0	0	0	0	0	0	0
Total revenue		0	0	0	0	0	0	0	0	0
Expenses										
Professional costs		200								
Administration costs		0	0	0	0	0	0	0	0	0
Property costs										
Total expenses		200	0	0	0	0	0	0	0	0
Operating surplus/(deficit)		-200	0	0	0	0	0	0	0	0
Capital Expenditure										
Capital Expenditure		0	0	0	0	0	0	0	0	0

VARIANCE - NET Benefit/(Cost) to Council

	\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue										
Total Operating revenue		0	0	0	0	0	0	0	0	0
Capital revenue										
Total Capital revenue		0	0	0	0	0	0	0	0	0
Total revenue		0	0	0	0	0	0	0	0	0
Expenses										
Professional costs		200	0	0	0	0	0	0	0	0
Administration costs		0	0	0	0	0	0	0	0	0
Property costs		0	0	0	0	0	0	0	0	0
Total expenses		200	0	0	0	0	0	0	0	0
Operating surplus/(deficit)		-200	0	0	0	0	0	0	0	0
Capital Expenditure										
Capital Expenditure		0	0	0	0	0	0	0	0	0

k) Significance Assessment

		Select			Explanation
Change in service	Alters the delivery of a core service		High	Cease or commence a service Note this must be a 10-YP decision	Decision to do a master plan does not affect Council's core service.
			Medium	a more than nominal alteration of a service	
			Low	A nominal or no alternation of service	
	Transfers the ownership of a strategic asset		High	Majority transfer Note this must be a 10-YP decision	No impact
			Medium	Minority transfer	
			Low	Nominal or no transfer	
Impact of decision	Ability to reverse decision		High	Highly difficult	Investigation only
			Medium	Moderately difficult	
			Low	Low difficulty	
	Consistency with prior decisions		High	Significantly inconsistent	Supports the plan to develop a central city park but is a new project not originally included in the 10-Year Plan.
			Medium	Consistent but has some notable variations	
			Low	Is consistent	
Reputation	Level of public interest known		High	High levels of public interest	The 2018-28 10 Year Plan process established that there is a reasonable level of interest in the central city park (presumably because of the size of the financial investment). The decision to undertake a master plan is expected to be of lesser interest to the public but potentially still quite high.
			Medium	Moderate levels of public interest	
			Low	Low level of public interest	
	Impact on proportion of community		High	Impacts large proportion of community	Businesses/community within the CBD may be impacted by the projects identified through the master plan. The investigation itself has a low impact
			Medium	Impacts a subgroup or groups within the community	
			Low	Impacts an individual person or household	
	Degree of impact on affected people		High	High degree	Businesses/community within the CBD may be impacted by the projects identified through the master plan. The investigation itself has a low impact
			Medium	Moderate degree	
			Low	Low degree	

Impact on Financial Strategy	Operating costs	High	change impact is >10% of total Council expenses 2019/20 (\$266 m)	\$200k change in operating costs
		Medium	change impact is 10%>5% of total Council expenses 2019/20 (\$266M)	
		Low	change impact is <5% of total Council expenses 2019/20 (\$266m)	
	Operating revenue	High	change impact is >10% of total Council revenue 2019/20 (\$257m)	No impact on operating revenue
		Medium	change impact is 10%>5% of total Council revenue 2019/20 (\$257m)	
		Low	change impact is <5% of total Council revenue 2019/20 (\$257m)	
	Capital Cost	High	change impact is >1% of total Council assets 2019/20 (\$289m)	No capital cost
		Medium	change impact is 1%>0.5% of total Council assets 2019/20 (\$289m)	
		Low	change impact is <0.5% of total Council assets 2019/20 (\$289m)	
	Timing within budget timeframe	High	Timing moves within the 3 year window (2018/19 to 2020/21)	n/a (new project)
		Medium	Timing moves within the 10 year window (2018/19 - 2027/28)	
		Low	no change in timing	

I) Cultural Considerations

[Consider the cultural impacts of the proposed change]	Select what level			Explain
	Participation-involving	Protection-locking in	Partnership-collaborating	
Manaakitanga - improving the quality of life/satisfaction with our environments and standards of living				Doing a master plan will increase the probability a central city park will improve CBD standards of living
Whanaugatanga - developing vibrant communities/a city that caters for diverse Maaori lifestyles and experiences				
Rangatiratanga - enhancing Maaori leadership and participation/people engaged in their communities				Master plan process needs to engage with tangata whenua as a key stakeholder in the CBD
Kaitiakitanga - ensuring sustainable futures/intergenerational reciprocity				Master plan enables a CBD that continues to be successful in the future
Wairuatanga - promoting distinctive identify/recognised sense of identity, uniqueness and belonging				Has the potential to contribute to wairuatanga for the CBD
Kiingitanga - acknowledging the history of Kiingitanga and the Kiingitanga movement				

ANNUAL PLAN 2019/20 PROPOSAL

Seismic strengthening
<p>a) Description/Introduction To provide funding for seismic projects that have been identified through the assessment programme in 2019/20</p>
<p>b) Staff Recommendation Approve \$1m of capital funding in 2019/20 to respond to findings from seismic assessments currently underway. Funding will be applied to specific buildings. There is a financial impact of \$1m capex to the 2019/20 budget.</p>
<p>c) Relationship to the 10-Year Plan</p> <ul style="list-style-type: none"> <input type="checkbox"/> The project/service was proposed in the 10-Year Plan and this is a variation to the 10-Year Plan budget or timing <input checked="" type="checkbox"/> A new project or service <input type="checkbox"/> The removal of a project/service proposed in the 10-Year Plan <input type="checkbox"/> Other <p>Explain other</p>
<p>d) Explain what has driven the need for the change The seismic assessment programme for Council buildings has been progressing over the last few years. At the time of the 2018-28 10-Year Plan the need for works was unclear and an assumption was made to fund seismic works through future Annual Plan processes as they became known. Since the 2018-28 10-Year Plan has been adopted, a number of assessments have progressed through to detailed seismic assessment stage. A number of seismic assessments will be completed throughout 2019 and the funding is for detailed design for strengthening projects and costs associated with operational responses.</p>
<p>e) Has the issue been considered previously - what was the outcome? Funding for seismic upgrades has not been included in previous budgets due to uncertainty about requirements</p>
<p>f) Service Level Impact Addressing seismic strengthening allows Council to continue to provide services to the community through its facilities over the long term</p>
<p>g) What are the risks of <u>not</u> doing the proposal? Funding would need to be found to respond to strengthening work likely to be required after seismic assessments currently underway are completed. This would mean that capital budgets would need to be made available throughout the year if urgent works were deemed to be required. Not doing works may mean that facilities cannot be strengthened or are operating outside Council's seismic performance policy.</p>
<p>h) What are the risks of <u>doing</u> the proposal? Any substantial proposed physical works will be subject to separate business case approval by Council to ensure all risks are considered as part of Council's decision-making.</p>
<p>i) What are the other possible options? Make no provision for likely required works and look to accommodate within the financial year as costs become more certain</p>

j) Financial impact
2019/20 and remaining 9 years of the 10-Year Plan

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Total expenses	0	0	0	0	0	0	0	0	0
Operating surplus/(deficit)	0	0	0	0	0	0	0	0	0
Capital Expenditure									
Capital Expenditure	0	0	0	0	0	0	0	0	0

REVISED BUDGET

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Total expenses	0	0	0	0	0	0	0	0	0
Operating surplus/(deficit)	0	0	0	0	0	0	0	0	0
Capital Expenditure									
To meet additional demand									
To improve level of service	1000	4000							
To replace existing assets (renewals)									
Capital Expenditure	1000	4000	0	0	0	0	0	0	0

VARIANCE - NET Benefit/(Cost) to Council

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Total expenses	0	0	0	0	0	0	0	0	0
Operating surplus/(deficit)	0	0	0	0	0	0	0	0	0
Capital Expenditure									
To meet additional demand	0	0	0	0	0	0	0	0	0
To improve level of service	1000	4000	0	0	0	0	0	0	0
To replace existing assets (renewals)	0	0	0	0	0	0	0	0	0
Capital Expenditure	1000	4000	0	0	0	0	0	0	0

k) Significance Assessment

		Select			Explanation
Change in service	Alters the delivery of a core service		High	Cease or commence a service Note this must be a 10-YP decision	Maintains service
			Medium	A more than nominal alteration of a service	
			Low	A nominal or no alternation of service	
	Transfers the ownership of a strategic asset		High	Majority transfer Note this must be a 10-YP decision	No impact
			Medium	Minority transfer	
			Low	Nominal or no transfer	
Impact of decision	Ability to reverse decision		High	Highly difficult	Allocation of budget
			Medium	Moderately difficult	
			Low	Low difficulty	
	Consistency with prior decisions		High	Significantly inconsistent	Allocation of funding now information is available
			Medium	Consistent but has some notable variations	
			Low	Is consistent	
Reputation	Level of public interest known		High	High levels of public interest	Community concerns about safety
			Medium	Moderate levels of public interest	
			Low	Low level of public interest	
	Impact on proportion of community		High	Impacts large proportion of community	Community concerns about safety
			Medium	Impacts a subgroup or groups within the community	
			Low	Impacts an individual person or household	
	Degree of impact on affected people		High	High degree	Community concerns about safety
			Medium	Moderate degree	
			Low	Low degree	

Impact on Financial Strategy	Operating costs		High	change impact is >10% of total Council expenses 2019/20 (\$266m)	\$1m
			Medium	change impact is 10%>5% of total Council expenses 2019/20 (\$266M)	
			Low	change impact is <5% of total Council expenses 2019/20 (\$266m)	
	Operating revenue		High	change impact is >10% of total Council revenue 2019/20 (\$257m)	
			Medium	change impact is 10%>5% of total Council revenue 2019/20 (\$257m)	
			Low	change impact is <5% of total Council revenue 2019/20 (\$257m)	
	Capital Cost		High	change impact is >1% of total Council assets 2019/20 (\$289m)	
			Medium	change impact is 1%>0.5% of total Council assets 2019/20 (\$289m)	
			Low	change impact is <0.5% of total Council assets 2019/20 (\$289m)	
Timing within budget timeframe		High	Timing moves within the 3 year window (2018/19 to 2020/21)		
		Medium	Timing moves within the 10 year window (2018/19 - 2027/28)		
		Low	no change in timing		

I) Cultural Considerations

[Consider the cultural impacts of the proposed change]	Select what level			Explain
	Participation-involving	Protection-locking in	Partnership-collaborating	
Manaakitanga - improving the quality of life/satisfaction with our environments and standards of living				Will be considered in the business case for specific work
Whanaugatanga - developing vibrant communities/a city that caters for diverse Maaori lifestyles and experiences				
Rangatiratanga - enhancing Maaori leadership and participation/people engaged in their communities				
Kaitiakitanga - ensuring sustainable futures/intergenerational reciprocity				
Wairuatanga - promoting distinctive identify/recognised sense of identity, uniqueness and belonging				
Kiingitanga - acknowledging the history of Kiingitanga and the Kiingitanga movement				

ANNUAL PLAN 2019/20 PROPOSAL

Options for providing separation between swimmers/divers and vessels at Hamilton Gardens
<p>a) Description/Introduction</p> <p>There are safety concerns over people diving near the Hamilton Gardens jetty and the potential for accidents involving the Waikato River Explorer. The proposal is to consider an alternative option for river swimmers. Recommended by the River Plan taskforce (5 February). There is a financial impact of \$150,000 capex to the 2019/20 budget.</p>
<p>b) Staff Recommendation</p> <p>Staff recommend \$150,000 of capex is allocated in the 2019/20 Annual Plan towards development of an alternative structure, either for swimmers/divers or for river vessels. Remaining costs will be covered by external parties and the first step of investigating the options will be undertaken within existing budgets.</p>
<p>c) Relationship to the 10-Year Plan</p> <p><input type="checkbox"/> The project/service was proposed in 10 Year Plan and this is variation to the 10-Year Plan budget or timing</p> <p><input checked="" type="checkbox"/> A new project or service</p> <p><input type="checkbox"/> The removal of a project/service proposed in the 10-Year Plan</p> <p><input type="checkbox"/> Other</p> <p>Explain other</p>
<p>d) Explain what has driven the need for the change</p> <p>This is in response to a safety issue that has emerged due to developments along the river. Hamilton Gardens has for generations been a popular spot for swimming and riverbank jumping. The location is in a lee in the river with slower currents and deeper water than typical. The Waikato River Explorer has increased the frequency of their service and conflict has arisen between the two user groups with swimmers regularly putting themselves at risk by coming between the <u>docking vessel and the pontoon.</u></p>
<p>e) Has the issue been considered previously - what was the outcome?</p> <p>The original Hamilton Gardens jetty proposal was to construct a jetty in a different location. The proposed location would have resulted in access being through the enclosed gardens, thereby reducing the hours it was available for public use. During the development of that proposal Waikato Tainui made it clear that the resource consent application would not be viewed favourably if Council did not first repair the existing jetty to maintain river access at all times. As a result of budget constraints, only the original jetty was upgraded, using funds in the FY16/17 and FY17/18 years.</p>
<p>f) Service Level Impact</p> <p>This site has been used for swimming and diving for generations and this activity will be allowed to continue safely under the recommended approach. There will be an increased level of service for boat users including the Waikato River Explorer, which will be able to dock at a site that will be less appealing to swimmers.</p>
<p>g) What are the risks of <u>not doing</u> the proposal?</p> <p>Risks include the potential for serious injury or death of members of the public swimming in the area; a reduction in service frequency for tourism operators to mitigate the safety risks (PR, River Plan outcomes reduced), making their services and a visit to Hamilton Gardens less appealing to tourists; and the potential for conflict between swimmers and other Hamilton Gardens visitors</p>
<p>h) What are the risks of <u>doing</u> the proposal?</p> <p>Public perception associated with the cost attached to Council investing in a second jetty in the vicinity; risk of swimming in the Waikato River cannot be completely removed; still work to be done to establish feasibility of construction and consenting. Alternative jetty locations may be more difficult to find for users, which will mean increased signage or other access options may be required.</p>
<p>i) What are the other possible options?</p> <p>Do not undertake investigation or construction of an alternative for swimmers or vessels and continue current work on promoting safe behaviour (difficult when new members of public may arrive at any time) and work with Waikato Security Services to improve current security practices. Engaging seasonal 'life guards' could also be considered.</p>

j) Financial impact
2019/20 and remaining 9 years of the 10-Year Plan

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Total expenses	0	0	0	0	0	0	0	0	0
Operating surplus/(deficit)	0	0	0	0	0	0	0	0	0
Capital Expenditure									
Capital Expenditure	0	0	0	0	0	0	0	0	0

REVISED BUDGET

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Operating and maintenance costs	0	0	0	0	0	0	0	0	0
Professional costs									
Administration costs	0	0	0	0	0	0	0	0	0
Property costs									
Total expenses	0	0	0	0	0	0	0	0	0
Operating surplus/(deficit)	0	0	0	0	0	0	0	0	0
Capital Expenditure									
To meet additional demand									
To improve level of service	150								
To replace existing assets (renewals)									
Capital Expenditure	150	0	0	0	0	0	0	0	0

VARIANCE - NET Benefit/(Cost) to Council

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Total expenses	0	0	0	0	0	0	0	0	0
Operating surplus/(deficit)	0	0	0	0	0	0	0	0	0
Capital Expenditure									
To meet additional demand	0	0	0	0	0	0	0	0	0
To improve level of service	150	0	0	0	0	0	0	0	0
To replace existing assets (renewals)	0	0	0	0	0	0	0	0	0
Capital Expenditure	150	0	0	0	0	0	0	0	0

k) Significance Assessment

		Select			Explanation
Change in service	Alters the delivery of a core service		High	Cease or commence a service Note this must be a 10-YP decision	Improvement to safety
			Medium	a more than nominal alteration of a service	
			Low	A nominal or no alteration of service	
	Transfers the ownership of a strategic asset		High	Majority transfer Note this must be a 10-YP decision	Not applicable
			Medium	Minority transfer	
			Low	Nominal or no transfer	
Impact of decision	Ability to reverse decision		High	Highly difficult	Additional infrastructure
			Medium	Moderately difficult	
			Low	Low difficulty	
	Consistency with prior decisions		High	Significantly inconsistent	This issue was not considered in previous discussions
			Medium	Consistent but has some notable variations	
			Low	Is consistent	
Reputation	Level of public interest known		High	High levels of public interest	Provision for river swimmers
			Medium	Moderate levels of public interest	
			Low	Low level of public interest	
	Impact on proportion of community		High	Impacts large proportion of community	Public who swim or dive at the Gardens and users/operators of boat services at the Gardens are impacted
			Medium	Impacts a subgroup or groups within the community	
			Low	Impacts an individual person or household	
	Degree of impact on affected people		High	High degree	Safety improvement for all involved
			Medium	Moderate degree	
			Low	Low degree	

Impact on Financial Strategy	Operating costs		High	change impact is >10% of total Council expenses 2019/20 (\$266 m)	No impact
			Medium	change impact is 10%>5% of total Council expenses 2019/20 (\$266M)	
			Low	change impact is <5% of total Council expenses 2019/20 (\$266m)	
	Operating revenue		High	change impact is >10% of total Council revenue 2019/20 (\$257m)	No impact
			Medium	change impact is 10%>5% of total Council revenue 2019/20 (\$257m)	
			Low	change impact is <5% of total Council revenue 2019/20 (\$257m)	
	Capital Cost		High	change impact is >1% of total Council assets 2019/20 (\$289m)	\$150,000 capex
			Medium	change impact is 1%>0.5% of total Council assets 2019/20 (\$289m)	
			Low	change impact is <0.5% of total Council assets 2019/20 (\$289m)	
	Timing within budget timeframe		High	Timing moves within the 3 year window (2018/19 to 2020/21)	Due to safety risk, this proposal is prioritised
			Medium	Timing moves within the 10 year window (2018/19 - 2027/28)	
			Low	no change in timing	

I) Cultural Considerations

[Consider the cultural impacts of the proposed change]	Select what level			Explain
	Participation-involving	Protection-locking in	Partnership-collaborating	
Manaakitanga - improving the quality of life/satisfaction with our environments and standards of living				Swimming in the Waikato is a cultural activity
Whanaugatanga - developing vibrant communities/a city that caters for diverse Maaori lifestyles and experiences				
Rangatiratanga - enhancing Maaori leadership and participation/people engaged in their communities				Engagement with the affected swimmers
Kaitiakitanga - ensuring sustainable futures/intergenerational reciprocity				N/A
Wairuatanga - promoting distinctive identify/recognised sense of identity, uniqueness and belonging				N/A
Kiingitanga - acknowledging the history of Kiingitanga and the Kiingitanga movement				N/A

ANNUAL PLAN 2019/20 PROPOSAL

CBD cycling infrastructure
<p>a) Description/Introduction Bring forward the capital investment for CBD cycling infrastructure from year 8 in 10YP to year 2 (2019-20)</p>
<p>b) Staff Recommendation It is recommended that existing funding is rephased following the confirmed programme of work for CBD cycling infrastructure as identified through the Access Hamilton Taskforce. This recommendation is aligned with any future FAR funding that projects may be eligible for. There is no financial impact on the 2019/20 budget</p>
<p>c) Relationship to 10-Year Plan</p> <p><input checked="" type="checkbox"/> The project/service was proposed in the 10-Year Plan and this is a variation to the 10-Year Plan budget or timing</p> <p><input type="checkbox"/> A new project or service</p> <p><input type="checkbox"/> The removal of a project/service proposed in the 10-Year Plan</p> <p><input type="checkbox"/> Other</p> <p>Explain other</p>
<p>d) Explain what has driven the need for the change Councillor request to bring forward this funding to allow increased focus on cycling improvements in CBD</p>
<p>e) Has the issue been considered previously - what was the outcome? The programme of work was determined through the development of the Access Hamilton Transport Improvement Programme, which was subsequently adopted by the G&I Committee</p>
<p>f) Service Level Impact Cyclists will experience an increased level of service when they use the upgraded CBD cycling routes</p>
<p>g) What are the risks of <u>not doing</u> the proposal? Fewer people will choose alternative modes of transport (cycling), resulting in congestion</p>
<p>h) What are the risks of <u>doing</u> the proposal? CBD cycling projects will be prioritised over other cycling projects</p>
<p>i) What are the other possible options? Continue with the Access Hamilton programme as planned</p>

j) Financial impact
2019/20 and remaining 9 years of the 10-Year Plan

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Total expenses	0	0	0	0	0	0	0	0	0
Operating surplus/(deficit)	0	0	0	0	0	0	0	0	0
Capital Expenditure									
Capital Expenditure	0	0	0	0	0	0	0	0	0

REVISED BUDGET

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Total expenses	0	0	0	0	0	0	0	0	0
Operating surplus/(deficit)	0	0	0	0	0	0	0	0	0
Capital Expenditure									
Capital Expenditure	0	0	0	0	0	0	0	0	0

VARIANCE - NET Benefit/(Cost) to Council

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Total expenses	0	0	0	0	0	0	0	0	0
Operating surplus/(deficit)	0	0	0	0	0	0	0	0	0
Capital Expenditure									
Capital Expenditure	0	0	0	0	0	0	0	0	0

k) Significance Assessment

		Select		Explanation	
Change in service	Alters the delivery of a core service		High	Cease or commence a service Note this must be a 10-YP decision	Part of an ongoing programme of improvements for cycling connections throughout the city
			Medium	a more than nominal alteration of a service	
			Low	A nominal or no alternation of service	
	Transfers the ownership of a strategic asset		High	Majority transfer Note this must be a 10-YP decision	No change
			Medium	Minority transfer	
			Low	Nominal or no transfer	
Impact of decision	Ability to reverse decision		High	Highly difficult	It is an allocation of projects within a budgeted programme of work. The projects can be changed up to the point where they are contracted to be delivered
			Medium	Moderately difficult	
			Low	Low difficulty	
	Consistency with prior decisions		High	Significantly inconsistent	Consistent with the desire to support cycling throughout the city
			Medium	Consistent but has some notable variations	
			Low	Is consistent	
Reputation	Level of public interest known		High	High levels of public interest	Has been a request of Cycle Action Waikato to improve cycling facilities in CBD
			Medium	Moderate levels of public interest	
			Low	Low level of public interest	
	Impact on proportion of community		High	Impacts large proportion of community	Cyclists and CBD business owners
			Medium	Impacts a subgroup or groups within the community	
			Low	Impacts an individual person or household	
	Degree of impact on affected people		High	High degree	Improved safety and LOS for cyclists
			Medium	Moderate degree	
			Low	Low degree	

Impact on Financial Strategy	Operating costs		High	change impact is >10% of total Council expenses 2019/20 (\$266m)	No impact
			Medium	change impact is 10%>5% of total Council expenses 2019/20	
			Low	change impact is <5% of total Council expenses 2019/20 (\$266m)	
	Operating revenue		High	change impact is >10% of total Council revenue 2019/20 (\$257m)	No impact
			Medium	change impact is 10%>5% of total Council revenue 2019/20	
			Low	change impact is <5% of total Council revenue 2019/20 (\$257m)	
	Capital Cost		High	change impact is >1% of total Council assets 2019/20 (\$289m)	No impact
			Medium	change impact is 1%>0.5% of total Council assets 2019/20 (\$289m)	
			Low	change impact is <0.5% of total Council assets 2019/20 (\$289m)	
	Timing within budget timeframe		High	Timing moves within the 3 year window (2018/19 to 2020/21)	No impact
			Medium	Timing moves within the 10 year window (2018/19 - 2027/28)	
			Low	no change in timing	

I) Cultural Considerations

[Consider the cultural impacts of the proposed change]	Select what level			Explain
	Participation-involving	Protection-locking in	Partnership-collaborating	
Manaakitanga - improving the quality of life/satisfaction with our environments and standards of living				Considered as part of the Access Hamilton programme
Whanaugatanga - developing vibrant communities/a city that caters for diverse Maaori lifestyles and experiences				
Rangatiratanga - enhancing Maaori leadership and participation/people engaged in their communities				
Kaitiakitanga - ensuring sustainable futures/intergenerational reciprocity				
Wairuatanga - promoting distinctive identify/recognised sense of identity, uniqueness and belonging				
Kiingitanga - acknowledging the history of Kiingitanga and the Kiingitanga movement				

ANNUAL PLAN 2019/20 PROPOSAL

Access Hamilton - use of additional FAR support
<p>a) Description/Introduction Potential changes in the Access Hamilton work programme to utilise the FAR support funding</p>
<p>b) Staff Recommendation Staff recommend that rephasing of budget is confirmed via the Access Hamilton Taskforce as a recommendation to the Growth and Infrastructure Committee at the time the requested capital FAR support funding is approved by NZTA. An increase in FAR from NZTA cannot be assumed or guaranteed at this stage. Any funding that is received will be considered across the transportation programme of work. There is no financial impact on the 2019/20 budget.</p>
<p>c) Relationship to 10-Year Plan</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> The project/service was proposed in the 10-Year Plan and this is a variation to the 10-Year Plan budget or timing <input type="checkbox"/> A new project or service <input type="checkbox"/> The removal of a project/service proposed in the 10-Year Plan <input type="checkbox"/> Other <p>Explain other</p>
<p>d) Explain what has driven the need for the change Additional FAR funding may be available</p>
<p>e) Has the issue been considered previously - what was the outcome? The 10-Year Plan already assumes funding for projects which is yet to be confirmed by NZTA</p>
<p>f) Service Level Impact No level of service impact</p>
<p>g) What are the risks of <u>not</u> doing the proposal? Council does not utilise the full funding opportunities</p>
<p>h) What are the risks of <u>doing</u> the proposal? There is a risk of assuming a FAR level of funding that is not approved by NZTA and then results in a budget deficit</p>
<p>i) What are the other possible options? Increase the programme of work and funding for projects not yet confirmed for FAR funding</p>

j) Financial impact
2019/20 and remaining 9 years of the 10-Year Plan

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Total expenses	0	0	0	0	0	0	0	0	0
Operating surplus/(deficit)	0	0	0	0	0	0	0	0	0
Capital Expenditure									
Capital Expenditure	0	0	0	0	0	0	0	0	0

REVISED BUDGET

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Total expenses	0	0	0	0	0	0	0	0	0
Operating surplus/(deficit)	0	0	0	0	0	0	0	0	0
Capital Expenditure									
Capital Expenditure	0	0	0	0	0	0	0	0	0

VARIANCE - NET Benefit/(Cost) to Council

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Total expenses	0	0	0	0	0	0	0	0	0
Operating surplus/(deficit)	0	0	0	0	0	0	0	0	0
Capital Expenditure									
Capital Expenditure	0	0	0	0	0	0	0	0	0

k) Significance Assessment

		Select			Explanation
Change in service	Alters the delivery of a core service		High	Cease or commence a service Note this must be a 10-YP decision	No change
			Medium	a more than nominal alteration of a service	
			Low	A nominal or no alteration of service	
	Transfers the ownership of a strategic asset		High	Majority transfer Note this must be a 10-YP decision	No change
			Medium	Minority transfer	
			Low	Nominal or no transfer	
Impact of decision	Ability to reverse decision		High	Highly difficult	Allocation of projects within a programme of work. Consistent with current approach
			Medium	Moderately difficult	
			Low	Low difficulty	
	Consistency with prior decisions		High	Significantly inconsistent	Consistent with our approach to recognising funding
			Medium	Consistent but has some notable variations	
			Low	Is consistent	
Reputation	Level of public interest known		High	High levels of public interest	Delivery of Council work programme
			Medium	Moderate levels of public interest	
			Low	Low level of public interest	
	Impact on proportion of community		High	Impacts large proportion of community	Delivery of Council work programme
			Medium	Impacts a subgroup or groups within the community	
			Low	Impacts an individual person or household	
	Degree of impact on affected people		High	High degree	Delivery of Council work programme
			Medium	Moderate degree	
			Low	Low degree	

Impact on Financial Strategy	Operating costs		High	change impact is >10% of total Council expenses 2019/20 (\$266m)	No impact
			Medium	change impact is 10%>5% of total Council expenses 2019/20 (\$266M)	
			Low	change impact is <5% of total Council expenses 2019/20 (\$266m)	
	Operating revenue		High	change impact is >10% of total Council revenue 2019/20 (\$257m)	No impact
			Medium	change impact is 10%>5% of total Council revenue 2019/20 (\$257m)	
			Low	change impact is <5% of total Council revenue 2019/20 (\$257m)	
	Capital Cost		High	change impact is >1% of total Council assets 2019/20 (\$289m)	No impact
			Medium	change impact is 1%>0.5% of total Council assets 2019/20 (\$289m)	
			Low	change impact is <0.5% of total Council assets 2019/20 (\$289m)	
	Timing within budget timeframe		High	Timing moves within the 3 year window (2018/19 to 2020/21)	No impact
			Medium	Timing moves within the 10 year window (2018/19 - 2027/28)	
			Low	no change in timing	

I) Cultural Considerations

[Consider the cultural impacts of the proposed change]	Select what level			Explain
	Participation-involving	Protection-locking in	Partnership-collaborating	
Manaakitanga - improving the quality of life/satisfaction with our environments and standards of living				Considered as part of work programme development
Whanaugatanga - developing vibrant communities/a city that caters for diverse Maaori lifestyles and experiences				
Rangatiratanga - enhancing Maaori leadership and participation/people engaged in their communities				
Kaitiakitanga - ensuring sustainable futures/intergenerational reciprocity				
Wairuatanga - promoting distinctive identify/recognised sense of identity, uniqueness and belonging				
Kiingitanga - acknowledging the history of Kiingitanga and the Kiingitanga movement				

ANNUAL PLAN 2019/20 PROPOSAL

Level of service change for drainage reserve maintenance
<p>a) Description/Introduction</p> <p>Additional funding for maintenance on drainage reserves next to private properties. The drainage reserves referred to in this document are defined as in residential areas that may be considered as a continuation of a road reserve or park, may be used by the public as a thoroughfare and could be either an open drain or a piped easement. There are 19 sites, which are maintained to differing LOS categories as outlined in Option 1 below.</p> <p>Drainage reserves associated with stream gullies, industrial or commercial areas and areas covered under separate budgets such as sewer pumping stations and stormwater devices (wetlands) are not included in this assessment.</p>
<p>b) Staff Recommendation</p> <p>Staff recommend that Option 4 of Section (i) is approved by Council as an interim solution at an additional cost of \$18,516 per annum. There is an opportunity in the 2021-31 10-Year Plan to change the nature of some existing sites to enhance the amenity/environmental value and minimise ongoing maintenance cost. There is a financial impact of \$171,000 opex across the remaining 9 years of the 10YP.</p>
<p>c) Relationship to the 10-Year Plan</p> <ul style="list-style-type: none"> <input type="checkbox"/> The project/service was proposed in the 10-Year Plan and this is a variation to the 10-Year Plan budget or timing <input type="checkbox"/> A new project or service <input type="checkbox"/> The removal of a project/service proposed in the 10-Year Plan <input checked="" type="checkbox"/> Other <p>Explain other Increased level of service arising from a resident complaint</p>
<p>d) Explain what has driven the need for the change</p> <p>A resident whose property backs onto a drainage reserve raised this as an issue with elected members. There have been no complaints from neighbouring residents, who have generally maintained the parts of the reserve their properties adjoin.</p>
<p>e) Has the issue been considered previously - what was the outcome?</p> <p>This is a new issue and has not been considered previously</p>
<p>f) Service Level Impact</p> <p>Additional maintenance across all of the drainage reserves will increase the levels of service currently provided.</p>
<p>g) What are the risks of <u>not doing</u> the proposal?</p> <p>There is no risk if this proposal did not go ahead for the majority of areas. There is likely to be continued customer dissatisfaction associated with one drainage reserve if levels of service are not increased.</p>
<p>h) What are the risks of <u>doing</u> the proposal?</p> <p>The proposal may set a precedent for levels of service for other reserve areas</p>

i) What are the other possible options?				
There are four options available for all the above defined drainage reserves. The current annual baseline budget to support the current LOS for drainage reserves is \$59,358. The below costs are in addition to the current annual baseline budget.				
Options	Preferred	Increase to current annual budget	Benefits	Dis-benefits
Option 1: Status Quo - Maintain Drainage reserves (19 sites) adjacent to residential properties to the current Level of Service categories: Category A - Maintained 12 times per year Category B - Maintained 6 times per year Category C - Maintained 4 times per year Category D - Maintained 1 time per year	No	\$ - Nil		Increased reactive costs, isolated customer dissatisfaction
Option 2: Increase the minimum level of service to maintain 12 times per year (Category A).	No	\$ 63,930	Increased Level of service, reduced reactive costs	Increased preventive costs, increase precedence for other reserves
Option 3: Increase the minimum Level of Service to maintain 6 times per year (Category B)	No	\$ 10,965	Partial increased Level of Service, very minor reduction of reactive costs	Increased preventive costs, isolated customer dissatisfaction
Option 4: Increase the minimum Level of Service to maintain 4 times per year (Category C) and elevate the Level of Service for one specific drainage reserve to maintain 12 times per year (Category A).	Yes	\$ 18,516	Status quo for most, improved LOS for selected, reduced reactive costs	Increased preventive costs

j) Financial impact

2019/20 and remaining 9 years of the 10-Year Plan

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Total expenses	0	0	0	0	0	0	0	0	0
Operating surplus/(deficit)	0	0	0	0	0	0	0	0	0
Capital Expenditure									
Capital Expenditure	0	0	0	0	0	0	0	0	0

REVISED BUDGET

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Operating and maintenance costs	19	19	19	19	19	19	19	19	19
Professional costs									
Administration costs	0	0	0	0	0	0	0	0	0
Property costs									
Total expenses	19	19	19	19	19	19	19	19	19
Operating surplus/(deficit)	-19	-19	-19	-19	-19	-19	-19	-19	-19
Capital Expenditure									
Capital Expenditure	0	0	0	0	0	0	0	0	0

VARIANCE - NET Benefit/(Cost) to Council

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Operating and maintenance costs	19	19	19	19	19	19	19	19	19
Professional costs	0	0	0	0	0	0	0	0	0
Administration costs	0	0	0	0	0	0	0	0	0
Property costs	0	0	0	0	0	0	0	0	0
Total expenses	19	19	19	19	19	19	19	19	19
Operating surplus/(deficit)	-19	-19	-19	-19	-19	-19	-19	-19	-19
Capital Expenditure									
Capital Expenditure	0	0	0	0	0	0	0	0	0

k) Significance Assessment

		Select			Explanation
Change in service	Alters the delivery of a core service		High	Cease or commence a service Note this must be a 10-YP decision	Nominal service level change
			Medium	a more than nominal alteration of a service	
			Low	A nominal or no alternation of service	
	Transfers the ownership of a strategic asset		High	Majority transfer Note this must be a 10-YP decision	No impact
			Medium	Minority transfer	
			Low	Nominal or no transfer	
Impact of decision	Ability to reverse decision		High	Highly difficult	Council service delivery decision
			Medium	Moderately difficult	
			Low	Low difficulty	
	Consistency with prior decisions		High	Significantly inconsistent	New issue
			Medium	Consistent but has some notable variations	
			Low	Is consistent	
Reputation	Level of public interest known		High	High levels of public interest	Small number of residents with adjoining land impacted
			Medium	Moderate levels of public interest	
			Low	Low level of public interest	
	Impact on proportion of community		High	Impacts large proportion of community	Small number of residents with adjoining land impacted
			Medium	Impacts a subgroup or groups within the community	
			Low	Impacts an individual person or household	
	Degree of impact on affected people		High	High degree	Small number of residents with adjoining land impacted
			Medium	Moderate degree	
			Low	Low degree	

Impact on Financial Strategy	Operating costs		High	change impact is >10% of total Council expenses 2019/20 (\$266 m)	\$19,000 per annum
			Medium	change impact is 10%>5% of total Council expenses 2019/20 (\$266M)	
			Low	change impact is <5% of total Council expenses 2019/20 (\$266m)	
	Operating revenue		High	change impact is >10% of total Council revenue 2019/20 (\$257m)	No impact
			Medium	change impact is 10%>5% of total Council revenue 2019/20 (\$257m)	
			Low	change impact is <5% of total Council revenue 2019/20 (\$257m)	
	Capital Cost		High	change impact is >1% of total Council assets 2019/20 (\$289m)	No impact
			Medium	change impact is 1%>0.5% of total Council assets 2019/20 (\$289m)	
			Low	change impact is <0.5% of total Council assets 2019/20 (\$289m)	
	Timing within budget timeframe		High	Timing moves within the 3 year window (2018/19 to 2020/21)	No impact
			Medium	Timing moves within the 10 year window (2018/19 - 2027/28)	
			Low	no change in timing	

I) Cultural Considerations

[Consider the cultural impacts of the proposed change]	Select what level			Explain
	Participation-involving	Protection-locking in	Partnership-collaborating	
Manaakitanga - improving the quality of life/satisfaction with our environments and standards of living	<input checked="" type="checkbox"/>			
Whanaugatanga - developing vibrant communities/a city that caters for diverse Maaori lifestyles and experiences	<input checked="" type="checkbox"/>			
Rangatiratanga - enhancing Maaori leadership and participation/people engaged in their communities	N/A			N/A
Kaitiakitanga - ensuring sustainable futures/intergenerational reciprocity	<input checked="" type="checkbox"/>			
Wairuatanga - promoting distinctive identify/recognised sense of identity, uniqueness and belonging				N/A
Kiingitanga - acknowledging the history of Kiingitanga and the Kiingitanga movement				N/A

ANNUAL PLAN 2019/20 PROPOSAL

City Safe programme extension to suburban areas

a) Description/Introduction

Extend City Safe service delivery into suburbs via a mobile response capability.

In the action plan that supports the Central City Safety Strategy 2018 - 2021:

- Review City Safe levels of service. Develop an options proposal for extended service to other areas of the city for Council consideration during the 2019/20 Annual Plan

b) Staff Recommendation

That Council approve the change to provide a seven day a week response vehicle (5 additional FTE staff, \$230k) to patrol and respond to complaints of begging and anti-social behaviour in the Hamilton suburban areas. **There is a financial impact of \$2.07m opex across the remaining nine years of the 10YP (\$230,000 per annum).**

c) Relationship to the 10-Year Plan

- The project/service was proposed in the 10-Year Plan and this is a variation to the 10-Year Plan budget or timing
- A new project or service
- The removal of a project/service proposed in the 10-Year Plan
- Other

Explain other

d) Explain what has driven the need for the change

Success of City Safe in the central city to deter begging and anti-social behaviour has resulted in an increase in complaints about such behaviour now occurring in a number of suburban areas where there is no City Safe presence. Police only respond to criminal offending, leaving a significant void that is negatively impacting upon community safety perceptions.

e) Has the issue been considered previously - what was the outcome?

A specific City Safe expansion in support of the proposed Hamilton East Neighbourhood Plan was included in the 10YP but not approved. Complaints from other suburbs have resulted in a new approach being recommended involving a mobile response capability rather than a static staff-intensive suburb-based response.

f) Service Level Impact

This proposal will only be workable with additional investment in staffing. Five additional FTEs will allow for a two-person response vehicle available seven days a week to respond to any complaints from suburban areas. Down time will be spent patrolling suburban shops and enhancing safety. All other operating costs will be met from within existing operating budgets.

g) What are the risks of not doing the proposal?

The success of City Safe in the central city to deter begging and anti-social behaviour has resulted in an increase in complaints about such behaviour now occurring in a number of suburban areas where there is no City Safe presence. There is real potential of a significant negative impact on community perceptions of safety, as voiced at a number of recent community meetings.

h) What are the risks of doing the proposal?

Extension of service that will need to be maintained

i) What are the other possible options?

One option is to retain the status quo, where City Safe staff are concentrated in the central city area. Another is to remove City Safe staff from the central city area as the need arises to respond to complaints from suburban areas, leaving no one to patrol the central city. Police will not attend such issues unless criminal offences are involved.

j) Financial impact**2019/20 and remaining 9 years of the 10-Year Plan**

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Total expenses	0	0	0	0	0	0	0	0	0
Operating surplus/(deficit)	0	0	0	0	0	0	0	0	0
Capital Expenditure									
Capital Expenditure	0	0	0	0	0	0	0	0	0

REVISED BUDGET

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Personnel costs	230	230	230	230	230	230	230	230	230
Depreciation and amortisation expense									
Total expenses	230	230	230	230	230	230	230	230	230
Operating surplus/(deficit)	-230	-230	-230	-230	-230	-230	-230	-230	-230
Capital Expenditure									
Capital Expenditure	0	0	0	0	0	0	0	0	0

VARIANCE - NET Benefit/(Cost) to Council

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Personnel costs	230	230	230	230	230	230	230	230	230
Total expenses	230	230	230	230	230	230	230	230	230
Operating surplus/(deficit)	-230	-230	-230	-230	-230	-230	-230	-230	-230
Capital Expenditure									
Capital Expenditure	0	0	0	0	0	0	0	0	0

k) Significance Assessment

		Select			Explanation
Change in service	Alters the delivery of a core service		High	Cease or commence a service Note this must be a 10-YP decision	Extension of an existing service. Note: City Safe is not defined as a core service
			Medium	A more than nominal alteration of a service	
			Low	A nominal or no alternation of service	
	Transfers the ownership of a strategic asset		High	Majority transfer Note this must be a 10-YP decision	No ownership change of any asset
			Medium	Minority transfer	
			Low	Nominal or no transfer	
Impact of decision	Ability to reverse decision		High	Highly difficult	Elective option that can be reversed if required
			Medium	Moderately difficult	
			Low	Low difficulty	
	Consistency with prior decisions		High	Significantly inconsistent	Would be consistent with earlier decisions around activity to enhance perceptions of safety among community/central city users
			Medium	Consistent but has some notable variations	
			Low	Is consistent	
Reputation	Level of public interest known		High	High levels of public interest	Consistent level of community complaints about anti-social behaviour increase in community and lack of adequate response. Advanced at community meetings
			Medium	Moderate levels of public interest	
			Low	Low level of public interest	
	Impact on proportion of community		High	Impacts large proportion of community	Impacts upon entire community but most notably those who are vulnerable or on their own when visiting shops. Real impacts on safety concerns of community. Also impacts on businesses in areas where people feel threatened
			Medium	Impacts a subgroup or groups within the community	
			Low	Impacts an individual person or household	
	Degree of impact on affected people		High	High degree	Will have significant positive impact on safety concerns of community. Will enhance safety perceptions and reinforce acceptable behaviours in area
			Medium	Moderate degree	
			Low	Low degree	

Impact on Financial Strategy	Operating costs	High	change impact is >10% of total Council expenses 2019/20 (\$266 m)	Low - change is only OPEX increase of \$230k per annum. 230k is made up of 5 FTE staff. Spend on uniform will come from budgets already established within the City Safety team.
		Medium	change impact is 10%>5% of total Council expenses 2019/20 (\$266M)	
		Low	change impact is <5% of total Council expenses 2019/20 (\$266m)	
	Operating revenue	High	change impact is >10% of total Council revenue 2019/20 (\$257m)	N/A - no revenue impact
		Medium	change impact is 10%>5% of total Council revenue 2019/20 (\$257m)	
		Low	change impact is <5% of total Council revenue 2019/20 (\$257m)	
	Capital Cost	High	change impact is >1% of total Council assets 2019/20 (\$289m)	N/A - no capital impact
		Medium	change impact is 1%>0.5% of total Council assets 2019/20 (\$289m)	
		Low	change impact is <0.5% of total Council assets 2019/20 (\$289m)	
	Timing within budget timeframe	High	Timing moves within the 3 year window (2018/19 to 2020/21)	Recommended to commence in 2019/20
		Medium	Timing moves within the 10 year window (2018/19 - 2027/28)	
		Low	no change in timing	

I) Cultural Considerations

[Consider the cultural impacts of the proposed change]	Select what level			Explain
	Participation-involving	Protection-locking in	Partnership-collaborating	
Manaakitanga - improving the quality of life/satisfaction with our environments and standards of living				Specialist input sought. The consideration is for inclusion of all of the above into any designed solution. In particular the concepts of manaakitanga - improving the quality of life and standards of living are very relevant
Whanaugatanga - developing vibrant communities/a city that caters for diverse Maaori lifestyles and experiences				
Rangatiratanga - enhancing Maaori leadership and participation/people engaged in their communities				
Kaitiakitanga - ensuring sustainable futures/intergenerational reciprocity				
Wairuatanga - promoting distinctive identify/recognised sense of identity, uniqueness and belonging				
Kiingitanga - acknowledging the history of Kiingitanga and the Kiingitanga movement				

ANNUAL PLAN 2019/20 PROPOSAL

Decorative lighting in Garden Place and Civic Square

a) Description/Introduction

The addition of decorative lighting in Garden Place and Civic Square to increase amenity of the area after dark. Note: the upgrade of existing lighting to improve the lux rating to address safety and security concern is included within current work programmes and budgets.

b) Staff Recommendation

That Council does not solely fund the decorative feature lighting options. Partnership with the business community could be explored as an option to fund these elements. Staff recommend Council makes a contribution up to \$150,000.

There is a financial impact of \$150,000 capex on the 2019/20 budget.

c) Relationship to the 10-Year Plan

- The project/service was proposed in the 10-Year Plan and this is a variation to the 10-Year Plan budget or timing
- A new project or service
- The removal of a project/service proposed in the 10-Year Plan
- Other

Explain other

d) Explain what has driven the need for the change

The current lighting is due to be upgraded to improve the lux rating. This creates the opportunity to leverage the upgrade to include decorative lighting to improve amenity in addition to improvements in safety and security.

e) Has the issue been considered previously - what was the outcome?

The level of lighting would have been addressed as part of the redevelopment of Garden Place proposed in the draft 2018-28 10-Year Plan. Upon removal of the project, no funding was provided to address lighting improvements in Garden Place or Civic Square.

f) Service Level Impact

Improvement in the amenity of public spaces

g) What are the risks of not doing the proposal?

The functional lighting upgrade will still occur but Council would have lost the opportunity to work with partners to leverage an amenity improvement to Garden Place and Civic Square

h) What are the risks of doing the proposal?

Potential public concern about the spending on upgrading Garden Place

i) What are the other possible options?

Upgrade functional lighting only

j) Financial impact
2019/20 and remaining 9 years of the 10-Year Plan

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Total expenses	0	0	0	0	0	0	0	0	0
Operating surplus/(deficit)	0	0	0	0	0	0	0	0	0
Capital Expenditure									
Capital Expenditure	0	0	0	0	0	0	0	0	0

REVISED BUDGET

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Total expenses	0	0	0	0	0	0	0	0	0
Operating surplus/(deficit)	0	0	0	0	0	0	0	0	0
Capital Expenditure									
To meet additional demand									
To improve level of service									
To replace existing assets (renewals)	150								
Capital Expenditure	150	0	0	0	0	0	0	0	0

VARIANCE - NET Benefit/(Cost) to Council

\$000	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Operating revenue									
Total Operating revenue	0	0	0	0	0	0	0	0	0
Capital revenue									
Total Capital revenue	0	0	0	0	0	0	0	0	0
Total revenue	0	0	0	0	0	0	0	0	0
Expenses									
Total expenses	0	0	0	0	0	0	0	0	0
Operating surplus/(deficit)	0	0	0	0	0	0	0	0	0
Capital Expenditure									
To meet additional demand	0	0	0	0	0	0	0	0	0
To improve level of service	0	0	0	0	0	0	0	0	0
To replace existing assets (renewals)	150	0	0	0	0	0	0	0	0
Capital Expenditure	150	0	0	0	0	0	0	0	0

k) Significance Assessment

		Select			Explanation
Change in service	Alters the delivery of a core service		High	Cease or commence a service Note this must be a 10-YP decision	Decorative lighting in addition to current lighting
			Medium	a more than nominal alteration of a service	
			Low	A nominal or no alternation of service	
	Transfers the ownership of a strategic asset		High	Majority transfer Note this must be a 10-YP decision	Council will continue to own and maintain the lighting assets
			Medium	Minority transfer	
			Low	Nominal or no transfer	
Impact of decision	Ability to reverse decision		High	Highly difficult	Council could remove the decorative lighting
			Medium	Moderately difficult	
			Low	Low difficulty	
	Consistency with prior decisions		High	Significantly inconsistent	The 10-Year Plan excluded the Garden Place upgrade project
			Medium	Consistent but has some notable variations	
			Low	Is consistent	
Reputation	Level of public interest known		High	High levels of public interest	A large volume of feedback on the upgrade of Garden Place was received during the 10-Year Plan
			Medium	Moderate levels of public interest	
			Low	Low level of public interest	
	Impact on proportion of community		High	Impacts large proportion of community	Decorative lighting will postively impact those who traverse Garden Place and Civic Square and surrounding facilities.
			Medium	Impacts a subgroup or groups within the community	
			Low	Impacts an individual person or household	
	Degree of impact on affected people		High	High degree	
			Medium	Moderate degree	
			Low	Low degree	

Impact on Financial Strategy	Operating costs		High	change impact is >10% of total Council expenses 2019/20 (\$266m)	No impact
			Medium	change impact is 10%>5% of total Council expenses 2019/20 (\$266M)	
			Low	change impact is <5% of total Council expenses 2019/20 (\$266m)	
	Operating revenue		High	change impact is >10% of total Council revenue 2019/20 (\$257m)	No revenue
			Medium	change impact is 10%>5% of total Council revenue 2019/20 (\$257m)	
			Low	change impact is <5% of total Council revenue 2019/20 (\$257m)	
	Capital Cost		High	change impact is >1% of total Council assets 2019/20 (\$289m)	\$150,000 capex in 2019/20
			Medium	change impact is 1%>0.5% of total Council assets 2019/20 (\$289m)	
			Low	change impact is <0.5% of total Council assets 2019/20 (\$289m)	
	Timing within budget timeframe		High	Timing moves within the 3 year window (2018/19 to 2020/21)	New project
			Medium	Timing moves within the 10 year window (2018/19 - 2027/28)	
			Low	no change in timing	

I) Cultural Considerations

[Consider the cultural impacts of the proposed change]	Select what level			Explain
	Participation-involving	Protection-locking in	Partnership-collaborating	
Manaakitanga - improving the quality of life/satisfaction with our environments and standards of living				Having adequate lighting within the CBD supports individuals choosing the lifestyle and experiences they desire and improves their satisfaction with our environment
Whanaugatanga - developing vibrant communities/a city that caters for diverse Maaori lifestyles and experiences				
Rangatiratanga - enhancing Maaori leadership and participation/people engaged in their communities				
Kaitiakitanga - ensuring sustainable futures/intergenerational reciprocity				
Wairuatanga - promoting distinctive identify/recognised sense of identity, uniqueness and belonging				
Kiingitanga - acknowledging the history of Kiingitanga and the Kiingitanga movement				

DC Policy Update



Why update?

- Update the Policy to reflect another years worth of information
 - Update capital spend estimates with actuals
 - Update timing of future capital spending
 - Update DC Schedule of Asset projects
 - Update CBD remission provision per resolution
- Proposed small improvements/updates to the Policy

CBD Remission Resolution

Resolved: (Crs Bunting/Macpherson)

That the Council approves the following change to the proposed Development Contributions Policy 2018/19:

- phase out the CBD remission, with a 66% automatic CBD remission to apply until 1 July 2019, 33% July 2020, and no automatic remission from 2021, as explained in issue 2 (para 58-65) of the staff report.

GFA Definition

6.22 **gross floor area (GFA)** means the sum of the gross floor area of all floors of all buildings on a site measured from the exterior faces of the exterior

walls or from the centrelines of walls separating two buildings. Gross floor area shall... :

- a) include elevator shafts, stairwells and lobbies at each floor and mezzanine floors and balconies,
- b) exclude any provided car-parking, ~~incidental or temporary loading and servicing areas and access thereto~~ and building service rooms containing equipment such as lift machinery, tanks, air conditioning and heating plants,
- c)

- Proposed minor amendment is part of a legacy definition borrowed from the District Plan
- Rarely applies in DC assessments, Policy recovery impact negligible
- But, often misunderstood by developers, and complained about or challenged. Intended to relate only to eg a courier window canopy
- Presents issues and not clarity
- **Recommend remove**

Capex update

- Update the Schedule of Assets to reflect actuals and revised estimates/timings
- Update growth projects to recover in the 2019/20 Policy Schedule of Assets
 - Following due diligence / review
 - Option to add further assets identified containing a component of growth
 - Erosion control
 - Certain transport projects (cycles, networks upgrades)
 - Upgrade water treatment plant

Update Model or PPI charges?

- Council has purpose build growth modeling and financing models which staff propose to rerun
- Instead of rerunning models with updated actuals and the Annual Plan programme, Council could adjust charges by PPI (construction cost index)
- The advantage of PPI adjustment is that (in a vacuum) it does not trigger consultation, and is administratively easier
- The advantage of updating for Annual Plan Capes is it keeps the DC Policy linked to Council's current capital programme
- **Recommend update capital programme**

Not a full review

- Policy was comprehensively reviewed last year
- Agreed approach is to update in AP plan years and review in LTP years
- Full reviews align with Council's 10-YP cycle and its extensive public consultation
- Changing policy direction (fully reviewing a policy) every year would not promote business continuity

Consultation

- As changes to the Schedule of Assets will alter the DC charges we will consult on the Policy
- Done leveraging Annual Plan consultation
- It is prudent to consult widely when fully reviewing the policy (an AP update requires less consultation)
- The consultation period is proposed to run for three weeks from 8-26 April

Timeframes

- Council meeting (26 February) – Direct staff to prepare the policy update
- Council meeting (4 April) – Adopt proposed policy for consultation
- Consultation (8-26 April) - Alignment with the Annual Plan
- Council meeting (21 May) – Provide staff final direction on the policy update
- Council meeting (20 June) – Adopt 2019/20 DC Policy

i-SITE Review Update

Councillor Briefing

14 February 2019

A collage of various scenes from Hamilton, including a traditional wooden building, a sports field at night, a modern shopping center, a colorful street art piece, a bridge over a river, a hand holding a glass of orange juice, and a storefront with a sign that says 'FLOWER PLATE'.

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HAMILTON *i* SITE

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0800 Hamilton (4264 5866) | www.visithamilton.co.nz

Local knowledge & hidden gems

At the meeting in December 2017 Council resolved:

That the Council:

- a) *Continues the Hamilton i-SITE service and*
- b) *Requests that staff report back in 6 months on opportunities to restructure the service to return it to a break-even result.*

Review Findings: “its all about a lack of revenue”

- **The Hamilton i-SITE is unable to generate revenue that off-sets the core service provided.**
- **The ability of Hamilton i-SITE to operate at a break-even level is not possible.**
- **In comparison to other i-SITE operations, Hamilton is expensive due to its inability to generate revenue.**



The review findings lead to the obvious question:

Does Council wish to continue the provision of this

Answer:

- If **NO**... then move for closure of the i-SITE.
- If **YES**... then how can we do so more cost effectively and what options can be considered?



OPERATIONAL OPTIONS (current operating cost \$500,000)

No i-SITE service

Basic service (HCC Reception)

- Brochure rack display
- Quick question assistance only
- No visitor website
- No dedicated staff
- Est. \$500k savings pa

Mid-range service

i-SITE integrated within Artspost

- Separate enquiry counter
- Website and access
- 5-7 day per week availability
- No booking service
- Est. 3 FTE
- Est. \$250-270k savings pa

Full-service

i-SITE service status quo

- Some operational savings identified
- 7 days per week availability
- Est. 3 FTE
- Est. \$100k savings pa

Developing HCC's Submission to the New Zealand Productivity Commission's Local Government Funding and Financing Inquiry

14 February 2019 Council Briefing



Purpose of Today's Briefing

- To obtain EMs direction and points for inclusion in HCC's submission to the NZ Productivity Commission's Funding and Financing Inquiry.
- Staff have outlined 7 potential key theme areas that EMs may wish to include in HCC's submission.

Efficiency of the Current Framework for Funding and Financing Local Government

- Government requested Commission to examine adequacy and efficiency of current framework for funding and financing local government.
- Local government costs/pressures have increased recently - particularly fast-growing/declining councils, and councils with high tourism levels.
- Commission investigating different cost drivers for local authorities:
 - Examining scope for councils to manage cost pressures.
 - Looking at new models/tools for funding and financing.

NZ Productivity Commission's Key Dates

- Released Issues Paper late 2018 - contains 49 questions - feedback sought on any issue(s) considered relevant to inform policy recommendations Commission make to Government.
- Issues Paper and submissions to inform Commission's draft report for release June 2019 - submissions due August.
- Final report to Government 30 November 2019.

Timeline to Develop HCC's Submission

- HCC's draft submission (**Draft 1**) circulated to EMs for feedback by 1 March.
- **Draft 1** also sent to Commission by 1 March.
- EMs provide feedback on **Draft 1**
- EMs feedback incorporated into **Draft 2**
- **Draft 2** approved at 14 March Council meeting.
- Final submission then sent to Commission.

Local Government Sector Submissions

- LGNZ and SOLGM provided comprehensive feedback on the Commission's Issues Paper.
- HCC is making a submission to provide the Commission with additional key theme areas for consideration, investigation and inclusion in their draft June 2019 report.
- Further submissions by the sector and HCC will be made on release of the June report by August 2019.

Context – Previous HCC Submissions made to the Commission

- 3 submissions made to Commission between January 2015 and March 2016 on their **'Using land for Housing'** Inquiry and **'Urban Planning'** Inquiries.
- Our 2 submissions to the **'Using land for Housing'** Inquiry noted:
 - Funding of growth infrastructure is the biggest challenge for Hamilton and all growth councils in the housing affordability debate.
 - HCC not in a position to forward fund growth-related infrastructure in all identified growth areas of the city.
- Key message was a form of Government assistance be investigated, and additional funding options made available to minimise pressure on ratepayers and enable large capital investment in infrastructure.
- **Suggested Government investigate zero percent loans to support large capital expenditure in infrastructure, subject to considerations regarding debt levels.**
- Without additional funding sources available to HCC, debt becomes a serious constraint on Council's ability to provide infrastructure to service land for housing.

Context – Previous Submissions Made to the Commission (Cont.)

- HCC's successful bid to MBIE for Peacocke was \$290.4m, comprising \$180.3m from Government's Housing Infrastructure Fund (HIF) 10 year interest-free loan (potentially saving \$70m in repayment) and \$110.1m of NZ Transport Agency subsidies - **without these mechanisms there was almost no ability for Hamilton to enable the growth to occur.**
- HCC's Financial Strategy aims to have growth pay for growth - meaning that the Housing Infrastructure Fund support for Peacocke infrastructure will need the majority paid back by NZTA subsidies and developers through DCs (with around 90% from subsidies/DCs and 10% through rates).
- HCC's submissions to the Commission's '**Using land for Housing**' Inquiry set the initial scene and provided the catalyst for discussions with Government Ministers and representatives over growth funding requirements and our subsequent successful application to the HIF.
- HCC now requires \$50,000 DCs per section to repay the \$180m.

Potential Theme Areas for Inclusion in HCC's Submission

1. Supportive of Interest-Free Government Loans
2. Supportive of New Off-Balance Sheet Financing Tools
3. Efficiency Gains – Support Alignment of Local Government and Government Spending/Programmes
4. Open-Minded on Aggregation for Delivery of Core Services
5. Supportive of a Community Facilities Funding Framework
6. Supportive of Standardisation and Increased Efficiencies in Local Government Systems, Facilities and Services
7. Supportive of Regional Fuel Tax and Variable Road Pricing

1. Supportive of Interest-Free Government Loans

- Interest-free loans offer substantial benefits for councils.
- **Submission supports further rounds of interest-free Government loans via the Housing Infrastructure Fund (HIF) for high growth councils as well as councils facing significant infrastructure challenges.**
- HIF applications still subject to developing a clear business case.
- Further HIF round applications available for:
 - Roothing
 - 3 Waters
 - Land for Parks and Reserves

2. Supportive of New Off-Balance Sheet Financing Tools

- **New financing tools being explored in the Infrastructure Funding and Financing workstream will add to the toolbox available to councils.**
- Such tools will provide ability to finance infrastructure off a councils balance sheet and to have a mechanism that can monetarise “value uplift/value capture” from properties that benefit from lead growth infrastructure, but don’t actively develop (1st wave beneficiaries).

3. Efficiency Gains – Support Alignment of Local Government and Government Spending/Programmes

- **HCC advocates greater alignment of spending and programmes between local and central government is beneficial/critical** e.g. Hamilton-Auckland Corridor Plan offers significant investment and operational alignment opportunities.
- HCC working with Government, iwi and local authorities on Auckland to Hamilton Corridor Plan and Hamilton-Waikato Metro Spatial Plan to progress Urban Growth Agenda spatial planning actions/objectives.
- **For every \$1 HCC spends, Government spends \$8-9 in Hamilton.**
- **Scale important to achieving efficiencies** – particularly Hamilton's position in the metropolitan area and attaining further scale and a commensurate rating base to reflect services it provides to a wider area.

4. Open-Minded on Aggregation for Delivery of Core Services

- HCC made a submission to the Minister of Local Government on Government's 3 Waters Review on 23 October 2018 - refer [here](#)
- **HCC open-minded on the various models being considered by Government over potential management and structure of a 3 Waters model for Greater Hamilton/Waikato.**
- **Government should provide financial support towards investigative work that councils may need to undertake when looking at more cost-effective and efficient 3 waters models.**
- **Recommend Government investigate introducing a 3 Waters subsidy, similar to current NZ Transport Agency funding/subsidy model for roading.**
- **Government assistance for addressing funding gaps in resilience, asset management and service delivery deficiencies (which nationally are estimated to be significant for water and wastewater), including meeting environmental and waters standards, should only be available to councils who are part of an aggregated service delivery model i.e. a CCO.**

5. Supportive of a Community Facilities Funding Framework

- Community facilities delivering regional benefit are being duplicated throughout the country e.g. stadiums.
- **HCC supportive of Community Facilities Funding Frameworks (CFFFs).**
- National guidelines for CFFFs would be beneficial.
- **Collaboration between councils essential to develop and fund facilities that deliver regional benefit e.g. Waikato Regional Theatre.**

6. Supportive of Standardisation and Increased Efficiencies in Local Government Systems, Facilities and Services

- **HCC supports standardisation and increased efficiencies in various local government systems, facilities and services.**
- Differing systems/services currently used throughout NZ's 78 councils e.g. payroll, procurement, information services.
- Waikato Local Authority Shared Services (WLASS) goes some way to addressing standardisation and efficiencies e.g. Shared Valuation Data Service; numerous joint procurement contracts; Waikato Building Consent Group.
- Leveraging ability for obtaining services/products under WLASS still constrained to 12 councils - **with opportunities for much greater collaboration.**

6. Supportive of Standardisation and Increased Efficiencies in Local Government Systems, Facilities and Services (Cont.)

- **WLASS provides a key opportunity to deliver other key services and products regionally and nationally - not just 'back office' corporate activities.**
- All councils use the same legislation - **scale will bring efficiencies.**
- Large corporates do this as do other parts of Government - so why not councils?
- Government may need to regulate to achieve this.

7. Supportive of Regional Fuel Tax and Variable Road Pricing

- **HCC supports Regional Fuel Tax and variable road pricing** – these are potential sensible ideas in the funding and financing toolbox - both used extensively overseas.
- HCC made a submission on 20 April 2018 to the Land Transport Management (Regional Fuel Tax) Amendment Bill –refer [here](#)
- Our submission and hearing appearance supportive of Bill that enables regions to apply for a fuel tax to fund transport infrastructure programmes from 1 January 2021.