

**Notice of Meeting:**

I hereby give notice that an ordinary meeting of Hamilton City Council will be held on:

**Date:** Thursday 27 March 2014  
**Time:** 2.30pm  
**Meeting Room:** Council Chamber  
**Venue:** Municipal Building, Garden Place, Hamilton

Barry Harris  
Chief Executive

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## **Council OPEN AGENDA**

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**Membership**

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

**Quorum:** A majority of members (including vacancies)

**Meeting Frequency:** Monthly

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**21 March 2014**

Jude Pani  
Democracy Manager  
Telephone: 07 838 6883  
Jude.Pani@hcc.govt.nz  
www.hamilton.govt.nz

## **Terms of Reference:**

- To carry out leadership functions including advocacy and facilitation on behalf of the community.
- To exercise all non-delegatable and non-delegated functions and powers of the Council.
- To make those decisions which are required by legislation to be made by resolution of the local authority.
- To consider any matters referred to it from any of the Standing or Special Committees.
- To authorise all expenditure not delegated to staff or other Committees.
- To receive the Council Risk Register and legal issues reports.
- To receive reports from the Audit & Risk Committee.
- To develop and approve the draft Long Term Plan (LTP) (including any amendments or variations) and Annual Plans (including the Budget and Funding and Financial policies); ensure their effective communication to the community; hear submissions and approve the final plan.
- To approve the Hamilton Plan and to retain overview of it through setting direction on key strategic projects and receiving regular reports on its overall achievement
- Make decisions in respect of District Plan matters.
- The authority to agree to settle and submit draft consent orders to the Environment Court relating to an appeal on a Proposed District Plan, Plan Change, Plan Variation or Notice of Requirement to designate land or for a heritage order, or a resource consent application.
- The authority to reject a private plan change request.

## **Financial:**

- To determine all financial matters not delegated.
- To receive reports of the exercise of financial delegated authority pursuant to the Public Bodies Contracts Act 1959.
- To approve Council's borrowing programme and treasury management strategy.
- To undertake the statutory audit processes and to consider and approve the external audit arrangements, to receive the Auditor's reports and to approve the audited annual report.

## **Procedural Matters:**

- Delegation of all Committee powers.
- Adoption of Standing Orders.
- Confirmation of all Standing and Special Committee minutes.
- Approval of Special Orders.
- Employment of Chief Executive, setting of the Chief Executive's performance targets and review of the Chief Executive's Performance and Remuneration (in accordance with the Employment Agreement).
- Other Delegations.

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## **Prayer and Acknowledgements**

### **1 Apologies**

That the apologies be received from Cr Macpherson.

### **2 Confirmation of Agenda**

The Council to confirm the agenda.

### **3 Declaration of Interest**

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

### **4 Public Forum**

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

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

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

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



**Committee:** Council

**Date:** 27 March 2014

**Report Name:** Ordinary Council Minutes - **Author:** Jude Pani  
Open - 27 February 2014

<b>Status</b>	<i>Open</i>
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**1. Recommendation**

2. That Council confirm and adopt as a true and correct record the Open Minutes of the Council Meeting held on 27 February 2014.

**3. Attachments**

4. Attachment 1 - Ordinary Council Minutes - Open - 27 February 2014

Council 27 FEBRUARY 2014 - OPEN



## Council

### OPEN MINUTES

Minutes of a meeting of the Council held in Council Chamber, Municipal Building, Garden Place, Hamilton on Thursday 27 February 2014 at 2.30pm.

#### PRESENT

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

In attendance	Chief Executive, General Manager Performance, General Manager Customer Relationships, General Manager Organisational Development, General Manager Community, General Manager City Infrastructure, General Manager Events & Economic Development, Chief Financial Officer, City Planning Unit Manager, Director of Operations, Event Facilities, Waikato Stadium Community Development & Leisure Manager, Senior Planner, Strategic Land Manager, Parks and Open Spaces Manager, Strategic Property Unit Manager, Strategy Policy Analyst, Communications Advisors x 2 and City Solicitor.
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Committee Advisors	Mrs J C Pani and Mrs M M Birch
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#### Prayer and Acknowledgements

The Opening Prayer was led by Su Ellis, Gayl de Boer, Esme de Boer, and Alex Sands from the local Bahá'í Community.

Council 27 FEBRUARY 2014 - OPEN

### 1. Apologies

There were no apologies.

### 2. Confirmation of Agenda

**Resolved:** (Her Worship the Mayor Hardaker/Cr O'Leary)

**That:**

- a) Council confirm the Agenda noting the late papers relating to Items 7 and C5 circulated on 26 February 2014, and
- b) pursuant to Standing Orders 3.7.5, the Council receives the report "Special General Meeting of LGNZ" to be discussed as item 14A on the 27 February 2014 Council Agenda.

The reason why this item was not on the Agenda was that the information came to hand after the Agenda was prepared and it cannot wait until the next Council meeting as the matter needs to be addressed beforehand.

### 3. Declarations of Interest

Cr Forsyth declared an interest for Item 11 – Community Occupancy Policy Guidelines.

Councillor Mallet declared an interest in respect of the Item 11, being involved as a parent with Riding for the Disabled. He advised Elected Members that he felt that his interest would not affect his impartiality. Councillor Mallet participated in the discussion and voted on the Item.

The Chief Executive clarified that the City Solicitor had confirmed that it is up to each individual to determine whether they have an interest.

### 4. Public Forum

As per Hamilton City Council's Standing Orders, a period was set aside for a Public Forum. The following spoke to Item 8 – Notice of Motion – regarding the reserve status of the Smart Sub-division land. All presenters spoke against the Notice of Motion.

- Jane Landman – Ms Landman provided Elected Members with a copy of her speech.
- Lois Livingstone (Member) and Paula Southgate (Chair) Waikato Regional Council (WRC) – spoke on behalf of the WRC offering to explore partnership and funding opportunities.
- Catherine Smith
- Bruce Clarkson – Chair of Waiwhakareke Advisory Group. Mr Clarkson provided Elected Members with a briefing pack containing information relating to the Waiwhakareke Natural Heritage Park, Urban Forestry and Urban Greening, Ecological Restoration in Hamilton City and Reconstructing Hamilton's Indigenous Ecosystems.
- Mark Servian – Green Party Candidate
- Peter Dornauf
- Warren Stace – Mr Stace provided Elected Members with a copy of his speech.
- Kemble Pudney

Council 27 FEBRUARY 2014 - OPEN

## 5. Confirmation of Minutes

**Resolved:** (Her Worship the Mayor Hardaker/Cr Wilson)

That the Open Minutes of the Ordinary Council Meeting of 30 January 2014 (with corrections to the recording of Cr Yeung vote on Pages 8 and 11) be adopted as a true and correct record.

## 6. Recommendations to Council - Strategy and Policy Committee meeting 5 February 2014

Councillor O'Leary, Chair of Strategy and Policy Committee, presented the recommendations of the Committee Meeting held on 5 February 2014.

**Resolved:** (Crs O'Leary/King)

### 1. Review of Hamilton City's Dog Control Bylaw – Determination Report

- a) That Council determine that a bylaw is the most appropriate mechanism to address the perceived issues relating to managing dog control in the city; and
- b) Council determine that the Dog Control Bylaw 2009 and the Dog Control Policy 2009 be reviewed together and report back to Strategy and Policy Committee in April 2014.

### 2. Stormwater Bylaw – Determination Report

- a) That Council determine that a bylaw is the most appropriate mechanism to address issues relating to stormwater management in Hamilton;
- b) Council resolve that a Statement of Proposal be drafted; and
- c) be reported to a workshop in April.

### 3. Public Art Update

#### Peace Artwork

- a) That Council endorse the Public Art Panel's recommendation to engage a landscape architect to work within the scope of the artist brief approved by Council and to be reported back within 3 months.

#### Ward Lane

- a) That Council endorse the Public Art Panel's recommendation for the Ward Lane mural to proceed;
- b) That the Chair and Deputy Chair of Strategy & Policy Committee are delegated to provide final approval of the concept; and
- c) \$2,000 from the Public Art Support Fund is allocated to graffiti-guard the artwork and neighbouring property.

**The Motion was carried unanimously.**

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**7. Recommendations to Council - Extraordinary Strategy and Policy Committee meeting  
26 February 2014**

Councillor O'Leary, Chair of Strategy and Policy Committee, presented the recommendations of the Extraordinary Committee Meeting held on 26 February 2014. An updated map containing the current location of sensitive sites was tabled. In moving the recommendations Councillor O'Leary advised of the working party membership.

The General Manager, Performance, confirmed that the map would not form part of the Policy document, but would be updated as the situation changed, to ensure that the information provided to the Ministry of Health in response to an application was current.

**Resolved:** (Crs O'Leary/King)

**Psychoactive Substances Policy – Submissions Analysis**

That following public consultation and Council deliberations, the draft Psychoactive Substances Policy is amended for the following changes:

- a) Clause 5.1 "Location of premises from which approved products may be sold" is set as the Central City Area (Option 1),
- b) Clause 4 "Definitions" of **Sensitive Site**, to add to the list - the River, the River Walkway, pharmacies, medical centres, key bus stops and stand-alone public toilets,
- c) Policy to include a definition of educational institutions, medical centres and key bus stops
- d) Council makes all other consequential amendments to the draft Psychoactive Substances Policy, required to give effect to these above decisions,
- e) the amended Psychoactive Substances Policy, as attached to the Ordinary Council Meeting Agenda of 27 February 2014, be adopted, and
- f) Council resolves to submit on the Psychoactive Substances Regulations in support of enabling area prohibition of Psychoactive Substance sales; in addition the working group will consider alternative options available to supplement Council's Psychoactive Substances Policy including the issue of the management of anti-social behaviour in public places, taking into account the Central City Transformation Plan. This will include consideration of both a bylaw and changes to the District Plan, and
- g) The working group referred to in resolution f) consists of the Mayor, Councillors O'Leary, King, Green, Forsyth and Tooman, and the Chairman of HCEA.

**Draft Playground Policy**

- a) That Council deletes the Playground and Play Spaces in Parks Policy, and
- b) Council adopts the proposed Playground Policy, as tabled at the 26 February 2014 Extraordinary Strategy and Policy Committee meeting, amending the first bullet point of Playground Priorities to read:

"Destination playgrounds will be developed according to the demographic needs of the City as determined by the Council."

**The Motion was carried unanimously.**

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## 8. Notice of Motion – Waiwhakareke

General Manager, Community, responded to questions relating to the current and proposed zoning status of the land under consideration.

Elected Members discussed alternative financial and funding options, restrictive covenants, ongoing maintenance costs to ratepayers, land values, potential development contributions, open spaces in Hamilton and volunteer support.

### Motion:

That: (Crs Mallett/King)

1. Council revoke the following Council resolution of 26 September 2013:  
*That Council declares the Smart Sub-division land (lot 2 DP42531) to be reserve and included within the Waiwhakareke Natural Heritage Park (lot 1 DP425316),*
2. That Council sells the Smart Sub-division land (lot 2 DP42531), and
3. That staff report back to the Council meeting of 27 March 2014 on the process to be followed to ensure that the zoning of the Smart Sub-division land (lot 2 DP42531) is appropriate for residential sub-division and allows the sale of the land as such.

### Amendment: (Crs Pascoe/O'Leary)

That staff report back to the Council by May 2014, to allow time for engagement with key stakeholders who have indicated interest in productive financial alternatives to the proposed sale of the land.

**Those for the Amendment:** Her Worship the Mayor Hardaker,  
Councillors Chesterman, Yeung,  
Gallagher, Pascoe, O'Leary, Macpherson,  
Tooman, and Wilson

**Those against the Amendment:** Councillors, Forsyth, King, Green and  
Mallett.

**The Amendment was declared carried and became the Substantive Motion.**

### Amendment: (Crs Forsyth/ Green)

That Council investigate and report back by April 2014 on a sale, with appropriate covenants, that protect the integrity of the park.

**Those for the Amendment:** Her Worship the Mayor Hardaker,  
Councillors Forsyth, O'Leary, King, Green  
and Mallett

**Those against the Amendment:** Councillors Chesterman, Yeung,  
Gallagher, Pascoe, Macpherson, Tooman  
and Wilson.

**The Amendment was declared lost**

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**The Substantive Motion was then put:**

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

That staff report back to the Council by May 2014 to allow time for engagement with key stakeholders who have indicated interest in productive financial alternatives to the proposed sale of the land

**Those for the Motion:**

Her Worship the Mayor Hardaker,  
Councillors Chesterman, Yeung,  
Gallagher, Forsyth, Pascoe, O'Leary,  
Macpherson, Tooman, and Wilson

**Those against the Motion:**

Councillors King, Green and Mallett.

**The Motion was declared carried.**

**The meeting adjourned (3.45pm to 4.10pm) during the above Item.**

Councillor Forsyth retired from the meeting at 5.15pm at the conclusion of the above Item.

**9. Adoption of Standing Orders**

This Item was introduced by the Democracy Manager. Councillors had provided feedback on the Draft Standing Orders to the Democracy Manager which had been incorporated into the draft being presented to Council.

The following further changes were agreed to:

3.20.2 – Delete “all divisions taken;” and “names of any members requesting the recording of their votes;”. Addition “recording the names of those who had voted;”.

Former Councillor, Marijke Westphal, was acknowledged for her previous work on Standing Orders.

**Resolved:** (Crs O'Leary/Wilson)

- a) That the report be received,
- b) That pursuant to Clause 27(1) and (2), Schedule 7 of the Local Government Act 2002 Hamilton City Council approves and adopts as its Standing Orders the document in Attachment 1, including specified amendments, to come into force on 27 March 2014, and
- c) That these newly adopted Standing Orders will replace the Standing Orders previously adopted by Hamilton City Council at a meeting held on 26 September 2007.

**The Motion was carried unanimously.**

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#### 10. Code of Conduct

This Item was introduced by the Democracy Manager.

The following changes were agreed:

3.3 – Delete “dressed up as humour”

3.10 – change “must” to read “should” in the introductory paragraph and change “formal” to “appropriate” in the second bullet point clause.

4. Resolving Issues – Addition. “An elected member, after consultation with the Chief Executive, may elect to go before the Independent Resolution Panel.”

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

- a) That the report be received,
- b) That pursuant to Clause 15(1), Schedule 7 of the Local Government Act Hamilton City Council approves and adopts the Code of Behaviour (Attachment 1 with the changes as agreed in the meeting) as its code of conduct, to come into force on 1 March 2014, and
- c) That this newly adopted Code of Behaviour will replace the Code of Conduct previously adopted by Hamilton City Council.

**The Motion was carried unanimously.**

In respect of any existing complaints, it was agreed that a Complainant would be given the opportunity to decide whether the complaint should be considered under the previous or newly adopted Code of Behaviour.

Councillor Green retired from the meeting at 6.05pm during the above Item.



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# 11. Community Occupancy Policy Guidelines

This Item, for the Council to consider adopting Community Occupancy Policy Guidelines to assist staff in the administration of community occupancies, was introduced by GM Community. The Guidelines were revised following feedback at the 30 January 2014 Council meeting.

**Resolved:** (Crs King/Yeung)

- a) That the report be received, and
- b) That the Community Occupancy Policy Guidelines attached to the report be approved, with the addition of the following clause which would become paragraph 5.5:

## ***"5.5 Rental phase-in period***

*Community groups facing a change of annual rental under the new policy will have any change phased in over a period of two years as shown below:*

- *Year 1 = 50% of the change of annual rental (after subsidies have been applied)*
- *Year 2 and subsequent years = 100% of the change of annual rental (after subsidies have been applied)*

*This phase-in period only applies to community groups that had an agreement at the time the new policy was adopted (November 2013)."*

<b>Those for the Motion:</b>	Her Worship the Mayor Hardaker, Councillors Chesterman, Yeung, Pascoe, O'Leary, King, Mallett and Tooman.
<b>Those against the Motion:</b>	Councillors Gallagher, Macpherson and Wilson..

**The Motion was declared carried.**

**The meeting moved into Public Excluded session from 6.15pm until 8.30pm.**

**The meeting adjourned for dinner from 6.45pm until 7.15pm during the Public Excluded session.**

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## 12. Resolution to Exclude the Public

**Resolved:** (Her Worship the Mayor Hardaker/Cr O'Leary)

### Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

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

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

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Public Excluded Ordinary Council Minutes 30 January 2014	) Good reason to withhold information exists under Section 7 Local Government	Section 48(1)(a)
C2. Variation to Contract 11079 and 11080 for the External Appointments to the Audit and Risk Committee	) Official Information and Meetings Act 1987	
C3. Heritage Advisory Panel Nominations	)	
C4. Seddon Park Facilities Upgrade		
C5. Older Persons' Advisory Panel		

That Peter Roache, Chief Executive of Northern Districts Cricket Association, remain for part of the meeting to provide information to the Council relating to Item C4.

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

Item C1.	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C2.	to protect the privacy of natural persons	Section 7 (2) (a)
Item C3.	to protect the privacy of natural persons	Section 7 (2) (a)
Item C4.	to enable Council to carry out commercial activities advantage	Section 7 (2) (h)
	to enable Council to carry out negotiations	Section 7 (2) (i)
Item C5.	to protect the privacy of natural persons	Section 7 (2) (a)

Council 27 FEBRUARY 2014 - OPEN

## 12. Magellan Lake - Reserve Land Purchase

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

- a) That the report be received,
- b) That the purchase of approximately 4600m<sup>2</sup> of land is approved, for recreation reserve purposes at Flagstaff, for the amount of \$227,120 (plus GST, if any), subject to any final area survey adjustment, and
- c) That the Chief Executive be delegated authority to prepare and execute any documentation and instruments required to complete the purchase of the land.

**The Motion was carried unanimously.**

## 13. Ruakura Board of Inquiry Delegation to Provide Direction

The General Manager, City Environment, presented this report for the Council to put in place a Board of Inquiry Resolution team to enable a rapid response to the Ruakura Board of Inquiry (BoI).

The GM advised that the Resolution team would need to be available at short notice over the March and April 2014 period.

Councillors King, Pascoe and Tooman agreed to be members of the Board of Inquiry Resolution team.

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

- a) That the report be received.
- b) That a Board of Inquiry Resolution team comprising the Chief Executive, The Mayor, the Deputy Mayor and Councillors King, Pascoe and Tooman be given delegated authority to determine and approve Council's position on key issues arising from the Board of Inquiry, and
- c) That the outcomes and decisions of the Board of Inquiry will be reported back to Council.

**The Motion was carried unanimously**

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- 14. Appointment of an Independent Planning Commissioner to hear and decide resource consent 010.2013.00007254.001 - Creators Building Ltd - consent to establish a childcare facility and three dwellings at 33 Rutherford St.**

**Resolved:** (Crs O'Leary/Chesterman)

- a) That the report be received,
- b) That pursuant to section 34A of the RMA, Council:  
Appoints Murray Kivell as hearings commissioner,  
Delegates to Murray Kivell its functions, powers and duties under the RMA in hearing and deciding an application for resource consent 010.2013.00007254.001 by Creators Buildings Ltd to establish a childcare facility and three dwellings at 33 Rutherford St, and
- c) The appointment and the authority delegated under this resolution ceases to have effect on the date of the decision of the hearings commissioner.

**The Motion was carried unanimously.**

- 14A. Special General Meeting of New Zealand Local Government Association (LGNZ) - 13 March 2014**

**Resolved:** (Crs O'Leary/Chesterman)

- a) That the report be received, and
- b) That Council authorise Her Worship the Mayor to exercise a proxy vote on behalf of HCC at the LGNZ special general meeting on 13 March 2014.

**The Motion was carried unanimously**

**The meeting closed at 8.45pm**

**Committee:** Council

**Date:** 27 March 2014

**Report Name:** Extraordinary Council Minutes  
- Open - 4 March 2014

**Author:** Jude Pani

<b>Status</b>	<i>Open</i>
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### 1. Recommendation

2. That Council confirm and adopt as a true and correct record the Open Minutes of the Extraordinary Council Meeting held on 4 March 2014.

### 3. Attachments

4. Attachment 1 - Extraordinary Council Minutes - Open - 4 March 2014

Council 4 MARCH 2014 - OPEN



## Extraordinary Council

### OPEN MINUTES

Minutes of a meeting of the Council held in Council Chamber, Municipal Building, Garden Place, Hamilton on Tuesday 4 March 2014 at 9:30am.

#### PRESENT

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

In attendance	Chief Executive, General Manager Performance, General Manager Customer Relationships, General Manager Organisational Development, General Manager Community, General Manager City Environments, General Manager City Infrastructure, General Manager Events & Economic Development, Chief Financial Officer, Business Manager City Infrastructure, Communications Manager Accounting Manager, Unit Manager Strategy & Research, Waters Manager, City Transportation Manager, Programme Manager Corporate Planning, Programme Manager - Growth and Assets, Community Development & Leisure Manager, Manager Social Development, Parks and Open Spaces Manager, Group Business Manager Community, Programme Manager Strategy Development and Relationship Management, Manager Community Wellbeing, Senior Strategic Policy Analyst, Strategic Policy Analyst and Corporate Projects Accountant.
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Committee Advisors	Mrs J C Pani and Mrs M M Birch
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Council 4 MARCH 2014 - OPEN

**1. Apologies**

There were no apologies.

**2. Confirmation of Agenda**

**Resolved:** (Her Worship the Mayor Hardaker/Cr O'Leary)

The Council confirm the agenda, noting the additional papers (replacement pages 52, 207 and 208; and an additional paper on Playgrounds) that were circulated, and that in accordance with Standing Orders 3.7.5 the Council receives the report – Approval of Development Contributions Remission – to be considered as an item of business to be discussed with the public excluded.

**3. Declarations of Interest**

No members of the Council declared a Conflict of Interest.

**4. Public Forum**

There was no requirement for a public forum session as this meeting was the commencement of the Draft Annual Plan process.

**5. Chairperson's Report**

The Mayor presented her Chairperson's report commenting that she was pleased at what was being presented by the Chief Executive and staff in this Annual Plan budget, and congratulated everyone on the position that Council is in to build for the future.

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

That the Chairperson's Report be received.

**6. 2014/15 Draft Annual Plan**

The Mayor suggested that the meeting work through the recommendations contained in the information provided in the attachments to the agenda and linking back to the Preliminary "Draft" Budget impacts on page 19 of the agenda document. The Council agreed to this process and also to consider recommendations section by section.

The Chief Executive provided an introductory comment stating that he was pleased to put the proposals for the Draft Annual Plan to the Council; year 3 of the Long Term Plan. He commented on the large amount of work and assessment carried out by staff to bring the information to the Council, in particular delivery of the efficiency savings that were committed to at the beginning of the exercise. He said that following this Annual Plan process, the Council was in great shape to have the discussion for the Long Term Plan with the financial performance remaining sound.

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The Chief Financial Officer then presented the report and responded to questions as the Mayor led the Council through the elements of the Draft Annual Plan, Preliminary "Draft" Budget Impacts summarized on pages 19 – 24 of the agenda document.

#### Recommendations Included in the Attachments

##### Attachment 1: Financial Reports

#### 2.4 Financial Strategy

*That the 2014/15 Draft Annual Plan is prepared based on Council's Financial Strategy as contained in the 2012-22 10-Year Plan.*

**Resolved:** Mayor/Cr O'Leary

#### 1.2 Financial Summary

*That the amendments noted in the 'Baseline Review: Assumptions' schedule be approved for inclusion in the 2014/15 Annual Plan.*

**Resolved:** Mayor/Deputy Mayor

The meeting adjourned for morning tea from 10.35am until 10.50am.

#### 1.3 Asset Sales

- a) *That Council includes roading land valued at \$2.43m, as identified in the asset sales list, as sold for the purposes of calculating the opening debt position and interest savings within the 2014/15 Annual Plan.*
- b) *That apart from the properties identified above, that Council does not include any other asset sales in the preparation of the 2014/15 Annual Plan.*
- c) *That an updated list of the assets will be reported back to the Finance Committee as soon as possible.*

**Resolved:** Mayor/Cr Macpherson

#### 1.4 Baseline Review: Other

*That the amendments noted in the 'Baseline Review: Other' schedule be approved for inclusion in the 2014/15 Annual Plan*

**Resolved:** Mayor/Deputy Mayor

The meeting adjourned for lunch from 12.05pm until 12.35pm.

##### Attachment 2: Information Sheets (Purpose of Local Government)

#### 2.1 Aquatic Facilities – Free Access to Pools for Under Fives:

*That Council approves free access to Council-owned and operated swimming pools for children under 5 years of age and approves an increase in the operational budget of \$30,000 to cover the increase in salary and maintenance costs in the 2014/15 Annual Plan.*

**Resolved:** Crs Wilson/Chesterman

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## 2.2 Aquatic Facilities – Reinstate opening hours to 9pm

*That Council reinstates the opening hours at Waterworld to 9pm and approves an increase in the operational budget of \$63,000 in the 2014/15 Annual Plan*

**Resolved:** Crs Chesterman/King

## 2.3 Housing for the Older Person

- a) *The Council will discuss ownership and delivery of the Housing for the Older Persons service; and*
- b) *The Council approves the Housing for Older Persons Discussion Document.*
- c) *A copy of the Discussion Document is to be sent to social housing providers in Hamilton with an invitation to participate in a meeting with Councillors, to be held prior to 27 March 2014, for the purpose of assisting the Council to consider the following:*
  - *Should the Council continue to own and tenancy manage its current housing stock*
  - *If it continues to deliver the service how should that service be delivered and to what level?*
- d) *Staff are to report back to the Council on 27 March 2014.*

**Resolved:** Mayor/Cr Forsyth

## 2.4 Community Assistance Funding

*The Chief Executive is to review the efficiency and cost effectiveness of delivering this service and the policies are to be reviewed as part of the Long Term Plan.*

**Resolved:** Mayor/Cr Chesterman

### Attachment 3: Project Proposals

#### Hamilton Gardens

**Motion:** Mayor/Cr O'Leary

- a) That Council approves the Hamilton Gardens project proposal to complete five themed gardens and infrastructure at the Hamilton Gardens within four years, funded by a 1/3<sup>rd</sup> contribution from the Council.
- b) That Council's one third contribution is capped at \$2.4million.
- c) That Council approves funding of its one third contribution through a targeted rate of \$10 excluding GST per rateable Separately Used or Inhabited part of a Property (SUIP) to commence in the 2014/15 financial year for a continuous period of four years only.
- d) That the targeted rate be held in the Hamilton Gardens Reserve cash fund and applied as the gardens are developed.
- e) That capital funding of \$266,000 for the Surrealist Garden Stage 2 included in the 2012 – 2022 LTP in the 2015/16 year is removed.
- f) That operating costs to support the project are funded from the general rate and are approved at \$130,000 for the 2015/16 year.
- g) That staff to report back to the Annual Plan budget deliberations at the Council meeting in June on progress and status of the Lotteries Significant Projects Fund application for the two thirds balance of the project costs.
- h) Any variation to the project proposal to be reported back to Council.

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**Amendment:** Crs Macpherson/Gallagher

- a) That Council approves the Hamilton Gardens project proposal to complete five themed gardens and infrastructure at the Hamilton Gardens within four years, funded by a 1/3<sup>rd</sup> contribution from the Council.
- b) That Council's one third contribution is capped at \$2.4million.
- c) That Council approves funding of its one third contribution through a targeted rate equivalent to \$10 excluding GST per rateable Separately Used or Inhabited part of a Property (SUIP) (pa) to commence in the 2014/15 financial year for a continuous period of four years only, and that options for calculating this be reported back to the 27 March 2014 Council meeting.
- d) That the targeted rate be held in the Hamilton Gardens Reserve cash fund and applied as the gardens are developed.
- e) That capital funding of \$266,000 for the Surrealist Garden Stage 2 included in the 2012 – 2022 LTP in the 2015/16 year is removed.
- f) That operating costs to support the project are funded from the general rate and are approved at \$130,000 for the 2015/16 year.
- g) That staff to report back to the Annual Plan budget deliberations at the Council meeting in June on progress and status of the Lotteries Significant Projects Fund application for the two thirds balance of the project costs.
- h) Any variation to the project proposal to be reported back to Council.

**The Amendment was put.**

<b>Those for the Amendment:</b>	Councillors Gallagher, Macpherson, and Wilson
<b>Those against the Amendment:</b>	Her Worship the Mayor Hardaker, Councillors Chesterman, Yeung, Pascoe, Forsyth, O'Leary, King, Green, Mallett and Tooman

**The Amendment was declared lost.**

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

#### **Hamilton Gardens**

- a) *That Council approves the Hamilton Gardens project proposal to complete five themed gardens and infrastructure at the Hamilton Gardens within four years, funded by a 1/3<sup>rd</sup> contribution from the Council.*
- b) *That Council's one third contribution is capped at \$2.4million.*
- c) *That Council approves funding of its one third contribution through a targeted rate of \$10 excluding GST per rateable Separately Used or Inhabited part of a Property (SUIP) to commence in the 2014/15 financial year for a continuous period of four years only.*
- d) *That the targeted rate be held in the Hamilton Gardens Reserve cash fund and applied as the gardens are developed.*

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- e) That capital funding of \$266,000 for the Surrealist Garden Stage 2 included in the 2012 – 2022 LTP in the 2015/16 year is removed.
- f) That operating costs to support the project are funded from the general rate and are approved at \$130,000 for the 2015/16 year.
- g) That staff to report back to the Annual Plan budget deliberations at the Council meeting in June on progress and status of the Lotteries Significant Projects Fund application for the two thirds balance of the project costs.
- h) Any variation to the project proposal to be reported back to Council.

**Resolved: Mayor/Cr O’Leary**

**Cr Macpherson left the meeting at 3.05pm**

**The meeting adjourned for afternoon tea from 3.05 -3.15pm**

### Attachment 3: Project Proposals

#### 3.2 Safety in the Central City

*The Council approves the Safety in the Central City project proposal and approves capital budget of \$48,000 and operating budget of \$314,600 for the following:*

Service	Capital Expenditure	Annual Operating Expenditure
Reinstate the daytime City Safe patrol (2 people), covering the CBD six days a week		\$94,000
Install six new CCTV cameras	\$48,000	
Policy and bylaw enforcement costs		\$80,000
Increase vegetation management in key CBD planting sites		\$75,000
Extend the current day time litter collection to Monday – Saturday 11.30 – 2.30pm, Victoria Street – Hood Street to London Street and the close surrounding streets; and Continue the current litter collection Monday – Saturday in Garden Place, Civic Square, PWC Plaza and the Riff Raff statue area		\$65,600

**Resolved: Crs O’Leary/Chesterman**

**Cr Forsyth departed the meeting at 3.20pm at the conclusion of Item 3.2.**

#### 3.3 Playgrounds

*The council approves the Playgrounds project proposal and approves capital budget of \$13,000 and operating budget of \$5,000 in the 2014/15 Annual Plan.*

**Resolved: Mayor/Cr O’Leary**

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#### Attachment 4: Reports – OTHER

##### 4.1 Municipal Pool

- a) *That the Municipal Pool remains closed and that \$20,000 is allocated in the 2014/15 Draft Annual Plan for maintenance of the site.*
- b) *That the future of the Municipal Pool be considered prior to the development of the 2015-25 Long Term plan, taking into account the findings of the Regional Sports Facilities Plan.*

**Resolved:** Mayor/Cr Chesterman

##### 4.2 Public Transport Operations (Buses)

*That the Council allocates \$100,000 in the Draft Annual Plan to enable consultation should Council decide to pursue the transfer of responsibility for regional public transport operations.*

**Resolved:** Crs Chesterman/Tooman

Cr Green departed the meeting at 4.00pm during Item 4.2 and was not present for voting on the item.

##### 4.3 Other Proposals

*That the amendments noted in 'Other Proposals' schedule be approved for inclusion in the 2014/15 Annual Plan.*

**Resolved:** Mayor/Cr Chesterman

#### Attachment 5: Other Financial Reports

##### 5.1 Fees and Charges

*That the draft 2014/15 fees and charges schedule is approved.*

**Resolved:** Crs O'Leary/Pascoe

##### 5.2 Reserve Funds

- a) *That the Rotokauri land sale reserve is closed.*
- b) *That the development contribution reserve is closed.*
- c) *That the reserves contribution fund is analysed and where components of the reserve do not meet the key principles noted in the Reserve Funds Report that those components are removed.*

**Resolved:** Mayor/Cr Chesterman

##### 5.3 Capital Expenditure Programme

*That the draft 2014/15 capital expenditure programme is approved.*

**Resolved:** Crs Chesterman/Mallett



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#### 5.4 Reviews Currently Underway

*That the Indoor Recreation Centre, the North Hamilton Swimming Pool, the North Hamilton Library, outcomes from the theatres review and Art Gallery will be discussed during the 2015-25 Long Term Plan formulation.*

**Resolved:** Crs Chesterman/Mallett

#### 5.5 Change in Rating Base

- a) *That Council consider changing the rating system from land value to capital value.*
- b) *Staff to advise the costs, a recommended process and timeframe at the 27 March 2014 Council meeting.*

**Resolved:** Crs Mallett/Wilson

#### Overall Recommendations

- a) *That this report be received.*
- b) *That the 2012-22 10-Year Plan financial strategy parameters remain unchanged and form the basis of the 2014/15 Draft Annual Plan. These parameters are:*
  - *Debt to revenue ratio capped at 250% reducing to under 200% by Year 7 of the 10-Year Plan.*
  - *With the exception of the proposed Hamilton Gardens targeted rate, average rates increases to existing ratepayers forecast as 3.8% each year, including 2014/15.*
  - *Balancing the books by 2017.*
- c) *That following this meeting staff prepare the 2014/15 draft Annual Plan documents based on Council's decisions, to be reviewed by Audit New Zealand and adopted for public consultation by Council at its meeting on 27 March 2014.*

**Resolved:** Mayor/Cr Chesterman

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

#### Recommendations Included in the Attachments

##### Attachment 1: Financial Reports

##### 1.1 Financial Strategy

*That the 2014/15 Draft Annual Plan is prepared based on Council's Financial Strategy as contained in the 2012-22 10-Year Plan.*

##### 1.2 Financial Summary

*That the amendments noted in the 'Baseline Review: Assumptions' schedule be approved for inclusion in the 2014/15 Annual Plan.*

##### 1.3 Asset Sales

- a) *That Council includes roading land valued at \$2.43m, as identified in the asset sales list, as sold for the purposes of calculating the opening debt position and interest savings within the 2014/15 Annual Plan.*
- b) *That apart from the properties identified above, that Council does not include any other asset sales in the preparation of the 2014/15 Annual Plan.*
- c) *That an updated list of the assets will be reported back to the Finance Committee as soon as possible.*

##### 1.4 Baseline Review: Other

*That the amendments noted in the 'Baseline Review: Other' schedule be approved for inclusion in the 2014/15 Annual Plan*

##### Attachment 2: Information Sheets (Purpose of Local Government)

##### 2.1 Aquatic Facilities – Free Access to Pools for Under Fives:

*That Council approves free access to Council-owned and operated swimming pools for children under 5 years of age and approves an increase in the operational budget of \$30,000 to cover the increase in salary and maintenance costs in the 2014/15 Annual Plan.*

##### 2.2 Aquatic Facilities – Reinstate opening hours to 9pm

*That Council reinstates the opening hours at Waterworld to 9pm and approves an increase in the operational budget of \$63,000 in the 2014/15 Annual Plan.*

##### 2.3 Housing for the Older Person

- a) *The Council will discuss ownership and delivery of the Housing for the Older Persons service; and*
- b) *The Council approves the Housing for Older Persons Discussion Document.*
- c) *A copy of the Discussion Document is to be sent to social housing providers in Hamilton with an invitation to participate in a meeting with Councillors, to be held prior to 27 March 2014, for the purpose of assisting the Council to consider the following:*
  - *Should the Council continue to own and tenancy manage its current housing stock*
  - *If it continues to deliver the service how should that service be delivered and to*

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what level?

- d) Staff are to report back to the Council on 27 March 2014.

#### 2.4 Community Assistance Funding

The Chief Executive is to review the efficiency and cost effectiveness of delivering this service and the policies are to be reviewed as part of the Long Term Plan.

### Attachment 3: Project Proposals

#### 3.1 Hamilton Gardens

- a) That Council approves the Hamilton Gardens project proposal to complete five themed gardens and infrastructure at the Hamilton Gardens within four years, funded by a 1/3rd contribution from the Council.
- b) That Council's one third contribution is capped at \$2.4million.
- c) That Council approves funding of its one third contribution through a targeted rate of \$10 excluding GST per rateable Separately Used or Inhabited part of a Property (SUIP) to commence in the 2014/15 financial year for a continuous period of four years only.
- d) That the targeted rate be held in the Hamilton Gardens Reserve cash fund and applied as the gardens are developed.
- e) That capital funding of \$266,000 for the Surrealist Garden Stage 2 included in the 2012 – 2022 LTP in the 2015/16 year is removed.
- f) That operating costs to support the project are funded from the general rate and are approved at \$130,000 for the 2015/16 year.
- g) That staff to report back to the Annual Plan budget deliberations at the Council meeting in June on progress and status of the Lotteries Significant Projects Fund application for the two thirds balance of the project costs.
- h) Any variation to the project proposal to be reported back to Council.

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The Council approves the Safety in the Central City project proposal and approves capital budget of \$48,000 and operating budget of \$314,600 for the following:

Service	Capital Expenditure	Annual Operating Expenditure
Reinstate the daytime City Safe patrol (2 people), covering the CBD six days a week		\$94,000
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Policy and bylaw enforcement costs		\$80,000
Increase vegetation management in key CBD planting sites		\$75,000
Extend the current day time litter collection to Monday – Saturday 11.30 – 2.30pm, Victoria Street – Hood Street to London Street and the close surrounding streets; and Continue the current litter collection Monday – Saturday in Garden Place, Civic Square, PWC Plaza and the Riff Raff statue area		\$65,600

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### 3.3 Playgrounds

*The council approves the Playgrounds project proposal and approves capital budget of \$13,000 and operating budget of \$5,000 in the 2014/15 Annual Plan.*

## Attachment 4: Reports – OTHER

### 4.1 Municipal Pool

- a) *That the Municipal Pool remains closed and that \$20,000 is allocated in the 2014/15 Draft Annual Plan for maintenance of the site.*
- b) *That the future of the Municipal Pool be considered prior to the development of the 2015-25 Long Term plan, taking into account the findings of the Regional Sports Facilities Plan.*

### 4.2 Public Transport Operations (Buses)

*That the Council allocates \$100,000 in the Draft Annual Plan to enable consultation should Council decide to pursue the transfer of responsibility for regional public transport operations.*

### 4.3 Other Proposals

*That the amendments noted in 'Other Proposals' schedule be approved for inclusion in the 2014/15 Annual Plan.*

## Attachment 5: Other Financial Reports

### 5.1 Fees and Charges

*That the draft 2014/15 fees and charges schedule is approved.*

### 5.2 Reserve Funds

- a) *That the Rotokauri land sale reserve is closed.*
- b) *That the development contribution reserve is closed.*
- c) *That the reserves contribution fund is analysed and where components of the reserve do not meet the key principles noted in the Reserve Funds Report that those components are removed.*

### 5.3 Capital Expenditure Programme

*That the draft 2014/15 capital expenditure programme is approved.*

### 5.4 Reviews Currently Underway

*That the Indoor Recreation Centre, the North Hamilton Swimming Pool, the North Hamilton Library, outcomes from the theatres review and Art Gallery will be discussed during the 2015-25 Long Term Plan formulation.*

### 5.5 Change in Rating Base

- a) *That Council consider changing the rating system from land value to capital value.*
- b) *Staff to advise the costs, a recommended process and timeframe at the 27 March 2014 Council meeting.*

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#### Overall Recommendations

- a) That this report be received.
- b) That the 2012-22 10-Year Plan financial strategy parameters remain unchanged and form the basis of the 2014/15 Draft Annual Plan. These parameters are:
  - Debt to revenue ratio capped at 250% reducing to under 200% by Year 7 of the 10-Year Plan.
  - With the exception of the proposed Hamilton Gardens targeted rate, average rates increases to existing ratepayers forecast as 3.8% each year, including 2014/15.
  - Balancing the books by 2017.
- c) That following this meeting staff prepare the 2014/15 draft Annual Plan documents based on Council's decisions, to be reviewed by Audit New Zealand and adopted for public consultation by Council at its meeting on 27 March 2014.

The meeting moved into public excluded session from 5.10pm until 5.45pm.

#### 7. Resolution to Exclude the Public

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

#### Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

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

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

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Approval of Development Contributions Remission	<ul style="list-style-type: none"> <li>) Good reason to withhold information exists under</li> <li>) Section 7 Local Government</li> <li>) Official Information and</li> <li>) Meetings Act 1987</li> </ul>	Section 48(1)(a)

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

Item C1. to enable Council to carry out negotiations Section 7 (2) (i)

The meeting was declared closed at 5.45pm

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**Committee:** Council**Date:** 27 March 2014**Report Name:** Recommendations to Council -  
Strategy and Policy Committee  
meeting 18 March 2014**Author:** Jude Pani

<b>Status</b>	<i>Open</i>
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**Recommendation to Council:****1. Parking Restriction Changes**

- a) the report be received, and
- b) Council approves the changes to parking restrictions in accordance with the details contained within Attachment 1, Item 9 of the Strategy and Policy Agenda 18 March 2014,

**2. Libraries Strategic Plan and Review Process**

- a) the report be received,
- b) the Strategy and Policy Committee endorses the process proposed in sections 27 to 32 as the steps in developing the Libraries Strategic Plan and Review, and
- c) the Strategy and Policy Committee nominates the following Elected Members:
  - Cr King (Chair)
  - Her Worship the Mayor
  - Cr Gallagher
  - Cr Mallett
  - Cr Yeung
 are to be part of the Working Party for the development of the draft Libraries Strategic Plan and Review.

**3. Public Art Update**

- a) the report be received,
- b) Council supports Option One and agrees to gift Passing Red to Te Awa River Ride Trust, after a suitable site is identified along the Te Awa River Ride cycleway,
- c) \$8000 from the Public Art Support Fund is allocated to move the artwork,
- d) Council delegates authority to the Chief Executive to approve the relocation when the final site is determined, and
- e) options for the Hinemoa Park area are considered as part of a future review of the Sports Parks Management Plan and any outcomes are to be considered in the 2015-2025 Long Term Plan.

**1. Attachments**

2. There are no attachments for this report.

Councillor O’Leary, the Chair of Strategy and Policy Committee will present the recommendations of the Committee meeting held on 18 March 2014.

**Signatory**

Authoriser	
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**Committee:** Council**Date:** 27 March 2014**Report Name:** Recommendations to Council -  
Audit and Risk Committee  
meeting 19 March 2014**Author:** Jude Pani

<b>Status</b>	<i>Open</i>
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**Recommendation to Council:**

1. **Audit New Zealand: Introduction of the New Audit Director (Leon Pieterse), Audit Engagements Letter and Audit Arrangements Letter.**

That:

- a) the report be received,
- b) the Audit and Risk Committee recommends to Council that the Mayor signs of the Audit Engagement letter on Council's behalf,
- c) the Chief Financial Officer negotiates the audit fee and timetable with Audit New Zealand,
- d) subject to the satisfactory outcomes of the points noted in recommendation above that the Audit and Risk Committee recommends to Council that the Mayor signs the Audit Arrangements letter on Council's behalf, and
- e) subject to the satisfactory outcome of the fee negotiation for 2014/2015 and 2016, the Audit and Risk Committee recommends to Council that the Mayor signs the Audit Proposal letter on Council's behalf.

**1. Attachments**

2. There are no attachments for this report.

The recommendations of the Committee meeting held on 19 March 2014 will be presented.

**Signatory**

Authoriser	
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**Committee:** Council

**Date:** 27 March 2014

**Report Name:** Fluoridation Referendum  
Results

**Author:** Tegan McIntyre

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>Relates to the review on the fluoridation of the city water supply.</i>
<b>Financial status</b>	<i>\$100,000 has been added to the 2014/15 budget for both the operational costs (\$50,000) of re-commencing fluoridation and anticipated legal costs.</i>
<b>Assessment of significance</b>	<i>Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is considered to have a high degree of significance.</i>

## 1. Purpose of the Report

- To summarise the consultation process undertaken with affected and interested persons on whether or not to fluoridate the city water supply in order to assist Council to make a decision on this issue.

## 3. Executive Summary

- In response to a number of requests to cease fluoridating the city water supply received through the 10-Year Plan process, Council embarked on a 15 month consultation process in December 2012 to consider whether or not to fluoridate the city water supply.
- The consultation process undertaken since December 2012 included a non-mandatory special consultative procedure (SCP) under the Local Government Act 2002 (LGA) and a non-binding referendum under the Local Electoral Act 2001. This 15 month consultation process satisfies the consultation principles under the LGA. Council is not required to undertake any additional consultation before it decides whether or not fluoridate the city water supply.
- Having ceased fluoridating municipal water on 21 June 2013, and then subsequently taking the issue to a non-binding referendum in response to significant and negative public comment, Council resolved at its meeting on 28 November 2013 that a decision on whether or not to fluoridate the municipal water supply be deferred until a decision of the High Court was available. This court case was on the judicial review proceedings commenced by New Health New Zealand against South Taranaki District Council's decision to fluoridate the water supplies of Patea and Waverley.
- On Friday 7 March 2014, Justice Hansen rejected all grounds of New Health New Zealand's challenge and upheld South Taranaki District Council's decision to fluoridate the water supplies of Patea and Waverley. A summary of the High Court decision is provided in section 35-39 of the report.

8. Council is now in a position to make a decision on whether or not to fluoridate the municipal water supply.

## 9. Recommendation/s from Management

10. That the report be received.
11. That Council chooses either Option 1 or Option 2 as follows:

### Option 1

12. That having considered the public consultation process undertaken since December 2012 on whether or not to fluoridate the city water supply, Council continues to not fluoridate Hamilton City's water supply.

While credible evidence was presented to Council supporting fluoridation of the city water supply, credible evidence was also presented to Council opposing fluoridation of the city water supply. All evidence has been considered carefully by Council and, while finely balanced, Council preference is to continue not to fluoridate the city water supply because:

- i. Application by toothpaste or other means that directly affect the tooth surface are considered much more effective at reducing tooth decay than fluoridation of the city water supply;
  - ii. Fluoridation is wasteful. Of the 224 litres of water used by the average person each day, less than two litres is used for drinking;
  - iii. Communities around the world are rejecting the practise of fluoridation; and
  - iv. There are concerns supported by research that fluoride should not be ingested by babies under six months old; and
  - v. Fluoridation of water supply affects personal choice; and
  - vi. Not fluoridating the city water supply reflects the majority of views expressed through the Council tribunal process.
13. That Council includes information about the reasons for its decision to maintain the status quo (not fluoridate Hamilton City's water supply) in the next publication of City News.

### Option 2

14. That having considered the public consultation process undertaken since December 2012 on whether or not to fluoridate the city water supply, Council re-commences fluoridating Hamilton City's water supply.

While credible evidence was presented to Council opposing fluoridation of the city water supply, credible evidence was also presented to Council supporting fluoridation of the city water supply. All evidence has been considered carefully by Council and, while finely balanced, Council preference is to re-commence fluoridation of the city water supply because:

- i. Fluoridation of the city water supply is recommended by the Minister of Health and the World Health Organisation as an effective means of supporting the dental health of residents of Hamilton City; and
  - ii. Fluoridation of the city water supply more accurately reflects the current views of the Hamilton community as recorded in the referendum of 12 October 2013.
15. That Council includes information about the reasons for its decision to re-commence fluoridating Hamilton City's water supply in the next publication of City News.

## 16. Attachments

17. Attachment 1 - Fluoride - detail on relevant issues
18. Attachment 2 - Fluoride Information Pack 2013-11-08

## Background

19. A Council decision on whether or not to fluoridate the city water supply constitutes a decision of significance for the purposes of Council's Significance Policy because:
  - a) There are parties who are likely to be particularly affected by or interested in the decision;
  - b) The decision will constitute a change to the service level of Council's supply of water which will impact on more than 10% of the City's residents; and
  - c) The decision will affect all or a large portion of the community in a way that is not inconsequential.
20. The Significance Policy requires Council, when making a decision of significance, to use the consultation and decision-making processes set out in sections 82 to 90 of the LGA. The functions of these sections are explained in paragraph 1 and 2 of Attachment 1.
21. Council's consideration of whether or not to fluoridate the city water supply has been the subject of a 15-month consultation process conducted under these provisions of the LGA. Council's objective during this consultation process has been to arrive at fully informed decisions by way of an open and transparent process. This process is described in detail in paragraphs 3 to 8 of Attachment 1, and the views expressed by affected and interested persons during the process is summarised in paragraphs 9 to 11 of Attachment 1.
22. A Fluoride Information Pack was distributed to Councillors on Friday 8 November 2013. This is included again for Councillors information in Attachment 2.

## 23. Key Issues

24. Water supply and public health
25. The LGA requires Council to provide water services within Hamilton City (section 130) and improve, promote and protect public health within the City (section 23).
26. Standards for drinking water are established by the Minister of Health. The Minister of Health has issued the Drinking-Water Standards for New Zealand 2005 (Revised 2008) which recommend fluoridation of municipal water:

*For oral health reasons, the Ministry of Health **recommends** that the fluoride content for drinking-water in New Zealand be in the range of 0.7-1.0mg/L.*

[Emphasis added.]
27. This is a recommendation only. There is no obligation on Council to fluoridate its city water supply.
28. Principles of consultation



29. The principles of consultation listed in section 82(1) of the LGA guide Council's consultation process. These principles are described in Attachment 1. The consultation process undertaken by the Council over the last 15 months satisfies the principles of consultation and the LGA.
30. Sections 77 and 78 of the LGA capture the primary objective of Council's consultation process - to obtain and understand the views of affected and interested persons in order to inform Council's decision-making process.
31. The SCP undertaken by Council between 1 March and 5 June 2013, a Citizens Panel Survey and Quarterly Residents Survey, together with the referendum conducted by the Electoral Officer on 12 October 2013, and the results of the postal survey undertaken by Waikato District Council, has placed Council in a position where:
  - a) It has a very clear and, importantly, current understanding of the views and preferences of persons likely to be affected by, or to have an interest in, whether or not the city water supply is fluoridated; and
  - b) It has satisfied the consultation requirements of the LGA.
32. No additional consultation process is therefore required before a Council decision is made on whether or not to fluoridate the city water supply.
33. However, while Council does not need to undertake any additional consultation, Council must still proceed to comply with the final steps of the consultation process in the course of making any decision on whether or not to fluoridate the city water supply by:
  - a) Receiving the views of affected and interested persons with an open mind;
  - b) Giving those views due consideration; and
  - c) Providing affected and interested persons with information about Council's decision and the reasons for that decision.
34. Receiving the views of affected and interested persons with an open mind and giving those views due consideration means that Councillors must be prepared, despite any pre-dispositions or previous opinions expressed on the fluoride issue, to keep an open mind and honestly consider whether to change their minds in light of the views expressed by affected and interested persons.
35. High Court Ruling
36. New Health New Zealand Inc sought judicial review in the High Court against South Taranaki District Council's decision to fluoridate the drinking water in Waverley and Patea.
37. Justice Hansen rejected all grounds of New Health's challenge. Justice Hansen upheld South Taranaki District Council's decision to fluoridate the drinking water of Patea and Waverley.
38. New Health's grounds for challenging the Council's decision to fluoridate were as follows:
  - There was no legal power to add fluoride to water;
  - If there was power, its exercise constituted a breach of the right to refuse medical treatment under section 11 of the New Zealand Bill of Rights Act 1990; and
  - Council failed to take into account relevant considerations in its decision-making process.
39. In response, the High Court held that:
  - There is an implied power to fluoridate in the LGA 2002;
  - The Health Act confirms that fluoride may be added to drinking water in accordance with drinking water standards;
  - Water is not a food under the Medicines Act 1981 and therefore fluoridating water does not require the consent of the Minister of Health under that Act;

- Fluoridation of water is not medical treatment for the purpose of s11 of the Bill of Rights Act; and
- The Council did carefully consider the detailed submissions presented to it and reached its decision after “anxious consideration of the evidence and careful deliberation”.

## 40. Options

41. On the basis of the consultation process undertaken between December 2012 and today, four decision-making options are available for Council’s consideration:
  - a) Option 1 - A decision to continue to not fluoridate the city water supply; or
  - b) Option 2 - A decision to re-commence fluoridating the city water supply; or
  - c) Option 3 – A decision to re-commence fluoridating the city water supply and to provide an alternative source of water with no added fluoride; or
  - d) Option 4 – A decision to continue to not fluoridate the city water supply and to provide vouchers for free fluoride tablets.
42. Option 1 – A decision to continue to not fluoridate the city water supply
43. Reasons supporting a decision to continue to not fluoridate the city water supply include:
  - a) Application by toothpaste or other means that directly affect the tooth surface are considered much more effective at reducing tooth decay than fluoridation of the city water supply; and
  - b) Fluoridation is wasteful. Of the 224 litres of water used by the average person each day, less than two litres is used for drinking; and
  - c) Communities around the world are rejecting the practise of fluoridation; and
  - d) There are concerns supported by research that fluoride should not be ingested by babies under six months old; and
  - e) Fluoridation of water supply affects personal choice; and.
  - f) Not fluoridating the city water supply reflects the majority of views expressed through the Council tribunal process.
44. Option 2 – A decision to re-commence fluoridating the city water supply
45. Reasons supporting a decision to re-commence fluoridating the city water supply include:
  - a) Fluoridation of the city water supply is recommended by the Minister of Health and the World Health Organisation as an effective means of supporting the dental health of residents of Hamilton City; and
  - b) Fluoridation of the city water supply more accurately reflects the current views of the Hamilton community as recorded in the referendum of 12 October 2013.
46. Option 3 – A decision to re-commence fluoridating the city water supply and to provide an alternative source of water with no added fluoride
47. Reasons supporting a decision to re-commence fluoridating the city water supply are the same as those set out above for Option2.
48. The provision of a source of city water with no added fluoride at the Water Treatment Plant has been considered but is not recommended as it would not only be costly to implement but it would be technically and operationally challenging and would add significant risk to compliance with the drinking water standards.

49. Council could choose to provide a public unfluoridated supply of drinking water at a location to be determined using deionising technology (water cooler type facility), which would provide approximately 1 litre of unfluoridated water per minute.
50. Option 4 – A decision to continue to not fluoridate the city water supply and to provide vouchers for free fluoride tablets (to be redeemed at pharmacies) for members of the community with community service cards.
51. This option is put forward to provide a balance to the options considered. Option 4 provides equity with Option 3 and allows freedom of choice.
52. For those members of the community who wanted fluoridation beyond that provided in fluoride toothpaste, Council could facilitate free access to fluoride tablets. There are several ways this could occur. The most straight forward way could be for Council to sponsor fluoride tablets through a pharmacy or pharmacies using a voucher system. No prescription is needed, however fluoride tablets are a pharmacy-only product. It is suggested that the free vouchers be restricted to holders of community services cards, as they would be representative of the lower income families that the MoH and WDHB are targeting in their dental health programmes.
53. This scheme has been utilized in other places e.g. Ballina Council, Australia. Ballina did find that although a majority supported their fluoride tablet scheme, only a small proportion of the community actually utilised the offer.

#### **54. Financial and Resourcing Implications**

55. Option 1 – A decision to continue to not fluoridate the city water supply
56. This decision will maintain the status quo. There are, therefore, no financial or resourcing implications associated with Option 1.
57. Option 2 – A decision to re-commence fluoridating the city water supply
58. This decision has financial and resourcing implications which will need to be funded from reprioritising existing maintenance and operational budgets across the organisation for the 2013/14 financial year. However, to be financially prudent and conservative ahead of any decision, \$100,000 has been added to the 2014/15 budget for both the operational costs (\$50,000) of re-commencing fluoridation and anticipated legal costs. This is covered further in paragraphs 12 to 16 of Attachment 1.
59. Option 3 – A decision to re-commence fluoridating the City water supply and to provide an alternative source of water with no added fluoride
60. The financial implications of a decision to re-commence fluoridating the city water supply are the same as those set out Option 2 above.
61. Notwithstanding the technical and operational challenges to provide a source of city water with no added fluoride at the Water Treatment Plant, the cost to also provide an alternative source of water with no added fluoride is estimated to be in the order of \$200,000 to \$300,000. There is no current budget for this.
62. An option to provide a public unfluoridated supply of drinking water at a location to be determined using deionising technology is estimated to cost in the order of \$10,000 to \$15,000 to install and up to \$3,000 operational cost per annum and there is no current budget for this.
63. Option 4 – A decision to continue to not fluoridate the city water supply and to provide vouchers for free fluoride tablets.

64. Early estimates indicate this option could be approximately \$7,500 pa. This is based on the experiences of the Ballina Council which spent \$1,521 in 2002/3 on fluoride tablets. Ballina has a population of approximately 40,000.
65. A \$50,000 pa ceiling (the operational costs pa for fluoridation) could be applied to manage costs. As with Options 2 and 3, there is no current budget for this in the current year, but budget for fluoridation has been included in 2014/15.
66. The retail cost of a bottle of 100 tablets of PSM Healthcare's 0.5mg Fluoride tablets is approx \$10.00. Council may be able to source a discounted rate for bulk purchase through and by a pharmacy group.

## 67. Risk

68. Legal risk judicial review
69. Judicial review is a potential legal risk associated with all decision-making options due to the deeply divergent views expressed and evidence presented by affected and interested persons representing both sides of the fluoride debate.
70. Council has received correspondence indicating the intention to initiate judicial review proceedings should Council decide to re-commence fluoridating the city water supply.
71. In order to mitigate this potential risk to the extent practicable, robust and well documented consultation and decision-making processes are essential:
  - a) This report records a robust consultation process that has been comprehensively documented; and
  - b) This report reminds Councillors that they must now receive the views of all affected and interested persons with an open mind, give those views due consideration and, having made a decision, provide those persons with information about and reasons for Council's decision.
72. Legal risk: conflict of interest
73. On the issue of approaching decision-making with an open mind, Councillors Gallagher and Wilson previously identified a conflict of interest regarding the fluoride issue due to their positions on the Waikato District Health Board. As a result, both Councillors excluded themselves from the May and June hearing and decision-making process.
74. Both Councillors have been re-elected to the District Health Board and therefore will individually need to consider and decide if they can approach the decision-making process with an open mind. While they may have pre-existing views, they do need to enter decision-making with the ability to keep an open mind and the ability to be swayed by the views of affected and interested persons expressed during the 15 month consultation process.
75. If either Councillor considers and decides that they cannot bring an open mind to the decision-making, an inherent conflict of interest will exist which can only be resolved by that Councillor stepping down from decision-making.

## Signatory

Authoriser	Blair Bowcott, General Manager Performance Group
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D-1225980

Attachment 1

## Fluoride Issue Supplementary Information

### Consultation and Decision-Making Processes - Sections 82 to 90 of the LGA

1. Sections 82 to 90 of the LGA sit under the subheading of “Consultation” and perform the following functions:
  - a) They record the principles of consultation;
  - b) They state the obligations of Council in relation to consultation with interested and affected persons;
  - c) They describe the SCP;
  - d) They identify the circumstances where Council must use the SCP. The fluoride issue does not fall into any of the circumstances in which Council must, under the LGA, use the SCP;
  - e) They confirm that Council may exercise its discretion and choose to use the SCP in circumstances where its use is not otherwise required by the LGA; and
  - f) By analogy, they also confirm that when Council is undertaking non-SCP consultation, the principles of consultation set out in section 82 of the LGA will guide that consultation process.

### Principles of consultation

2. The principles of consultation listed in section 82(1) of the LGA that guide Council’s consultation process are:
  - a) Council provides affected or interested persons with reasonable access to relevant information;
  - b) Council encourages affected or interested persons to present their views to Council;
  - c) Council gives clear information about the purpose of consultation and the scope of any decision to be made by Council to persons invited or encouraged to present to their views;
  - d) Council gives affected or interested persons a reasonable opportunity to present their views to Council in a manner and format that is appropriate to the preferences and needs of those persons;
  - e) Council receives those views with an open mind and give those views due consideration in making its decision; and
  - f) Council provides information about its decision and reasons for its decision to those persons who presented views to Council.

### Council’s consultation process

- 2 -

3. The 15 month consultation process (that arose from the 10-Year Plan process) conducted by Council included the following steps:
  - a) Council resolved on 11 December 2012 to undertake a non-mandatory SCP under the LGA to consider whether or not to fluoridate the city water supply. This decision was made in response to a number of requests to cease fluoridating the city water supply;
  - b) A Statement of Proposal was notified for submissions on 1 March 2013. Submissions on the Statement of Proposal closed on 2 April 2013;
  - c) A total of 1,557 submissions were made on the Statement of Proposal. 984 submitters indicated they were residents or ratepayers of Hamilton City. A further 74 submitters indicated they were users of the City's water supply, but not residents or ratepayers of Hamilton City;
  - d) The majority of submissions (1,385) opposed fluoridation of the city water supply. 170 submissions supported fluoridation;
  - e) Submitters were heard, in a tribunal type process, by Council over four days on 28 May to 30 May and 4 June 2013. In addition to the substantive presentations, 141 individuals and organisations appeared before Council at the hearing. A summary of the evidence presented at the hearing has been provided to Councillors in the Fluoride Information Pack including web links to tribunal footage;
  - f) The hearing concluded on 5 June 2013 with a Council decision, after extensive deliberation, to cease fluoridating the city water supply. This decision was a challenging and finely balanced one for Council to reach given the deeply divergent views expressed and evidence presented during the hearing. For this very reason, Council's decision attracted strong local and national opposition;
  - g) Council's resolution immediately attracted significant and negative public comment from the community, lobby groups as well as local and national health officials and politicians. The public reaction received comprehensive coverage in both local and national media;
  - h) Fluoridation of the city water supply ceased at midday on 20 June 2013;
  - i) In response to the strong opposition expressed following Council's decision to cease fluoridating the city water supply, Council resolved on 12 July 2013 to direct the Hamilton City Electoral Officer to conduct a non-binding referendum, on whether or not the city water supply should be fluoridated, on 12 October 2013 pursuant to section 9 of the Local Electoral Act 2001;
  - j) Council resolved on 16 July 2013 to approve the following wording for the referendum question:

*The Hamilton City Council does not currently fluoridate the public water supply. The purpose of this poll is to help the Council to determine whether electors want fluoride in the form of hydrofluorosilicic acid added to the public water supply. The result of this poll is not binding on the Hamilton City Council.*

*Should the Hamilton City public water supply be fluoridated?*

- 3 -

*I vote FOR fluoride being added to the water*

*I vote AGAINST fluoride being added to the water*

- k) The Electoral Officer chaired a public meeting on 30 September 2013 at which the Ministry of Health, Waikato District Health Board and Fluoride Free Hamilton were invited to present their respective positions on the referendum question. Representatives of Fluoride Free Hamilton attended and presented to the meeting. The Ministry and District Health Board were not represented at the meeting in person. However, the Electoral Officer did display written material from both parties at the meeting and played two film clips provided by those parties to the meeting. Approximately 80 people attended the meeting;
- l) The Electoral Officer conducted the referendum on 12 October 2013. The referendum asked Hamilton City electors to respond to the question quoted in point j) above. The final results of the referendum were:

Fluoridation Poll Voting Preference	Votes Received	% of Total Poll Vote
<b>I vote FOR fluoride being added to the water</b>	24,635	66.09
<b>I vote AGAINST fluoride being added to the water</b>	11,768	31.57
<b>Informal</b>	9	0.02
<b>Blank</b>	864	2.32
<b>Total</b>	37,276	100

- m) Following the inaugural meeting of the new Council on 31 October 2013, Council met for its first ordinary Council meeting on 28 November 2013 and resolved to defer making a decision on whether or not to fluoridate the municipal water supply until the outcome was known of the High Court judicial review of South Taranaki District Council's decision to fluoridate the water supplies of Patea and Waverley;
- n) The High Court issued its decision on its judicial review of South Taranaki District Council's decision on 7 March 2014; and
- o) Council's consideration of whether or not to fluoridate the municipal water supply was placed on the Agenda of the full Council meeting to be held on 27 March 2014.
4. Council has considered and made seven key resolutions throughout the public process on the fluoride issue:
- 8 June 2012 - a resolution to refer the issue of whether or not to fluoridate the city water supply to Council's Strategy and Policy Committee;
  - 11 December 2012 - a resolution to undertake a SCP to consider whether or not to fluoridate the city water supply;
  - 28 February 20-13 – a resolution determining the Statement of Proposal and tribunal process
  - 5 June 2013 - a resolution to stop fluoridating the city water supply;



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- e) 12 July 2013 - a resolution to conduct a non-binding referendum on whether or not to fluoridate the city water supply;
  - f) 16 July 2013 - a resolution determining the wording of the referendum question; and
  - g) 28 November 2013 - a resolution to defer making a decision on whether or not to fluoridate the municipal water supply until the decision of the High Court in the South Taranaki District Council judicial review proceedings was available for Council's consideration and to assist its decision-making.
5. In addition to Council's own consultation process, Waikato District Council also consulted approximately 2,500 Waikato District residents who receive water from Hamilton City Council.
  6. Waikato District Council conducted a postal survey of these residents in early September 2013 to ensure their views on fluoridating water were considered by Hamilton City Council alongside the views of Hamilton City electors who responded to the referendum conducted by the Electoral Officer.
  7. Waikato District Council asked its residents the same question posed in Hamilton City's referendum. Waikato District Council received 1,263 responses to its postal survey, with the following results:
    - a) 965 people supported fluoridation of water;
    - b) 295 people opposed fluoridation of water; and
    - c) 3 people recorded no view.
  8. Waikato District Council has shared the outcomes of its consultation process with Hamilton City Council.

**Views expressed during consultation**

9. Submitters wanting Council to stop fluoridating the city water supply have expressed the following key reasons for their position:
  - a) Individuals have the right to choose what they ingest;
  - b) Scientific research supports the cessation of fluoridation of the city water supply; and
  - c) Fluoridating water is ineffective.
10. Submitters wanting Council to fluoridate the city water supply have expressed the following key reasons for their position:
  - a) Fluoridating the city water supply is a cost effective population based strategy to prevent dental cavities;
  - b) Scientific research supports fluoridation of the city water supply; and
  - c) Personal experiences illustrate the benefits of fluoridation and the problems associated with non-fluoridation.

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11. Submitters representing both sides of the debate have provided scientifically verifiable information and have been assisted by experts representing the professional disciplines of medicine, dentistry, pharmacology and science.

**Financial and Resourcing Implications**

12. The financial and resourcing implications associated with Option 2, a decision to re-commence fluoridation of the city water supply include the following.
13. The operational cost of fluoridating the city water supply is approximately \$50,000 per annum. When Council made the decision to cease fluoridating water it also resolved that the savings would be re-distributed to other projects and initiatives through the 2013/14 Annual Plan. Accordingly, the operational costs for the re-instatement of fluoridating water are not budgeted in 2013/14 so will need to be covered by reprioritising existing operational budgets across the organisation. However, \$100,000 has been added to the 2014/15 budget for both the operational costs (\$50,000) of recommencing fluoridation and anticipated legal costs (\$50,000).
14. Financial and resourcing implications also arise due to the requirement for the implementation of a number of actions at the water treatment plant including:
  - a) Filling bulk hydrofluorosilicic Acid (HFA) storage tanks;
  - b) Reinstating fluoride pumps and pipeline to deliver HFA into treated water; and
  - c) Procurement of replacement monitoring probes.
15. These actions will be funded from existing maintenance and operational budgets.
16. The time required for re-commissioning works means that fluoridating water could start between 6 and 8 weeks after a Council decision to re-commence fluoridation.

# Fluoridation of the Hamilton Water Supply

## Councillor Information Pack

8 November 2013



## Fluoride Information Pack

A report on the issue of fluoridation of the city water supply and the results of the recent referendum will be considered by the Council on 28 November 2013.

A decision on whether or not to add fluoride back into the city water supply is a matter of "significance" under the Council's Significance Policy (as required by the Local Government Act 2002).

Therefore the Council must comply with the consultation process outlined in Section 82 of the Act in the course of making this decision. The purpose of Section 82 is to (a) ensure the Council is fully informed about the views of its communities, (b) receives those views with an open mind and (c) gives those views due consideration in making its decision.

While the Council does not need to undertake any additional public consultation it does need to be well informed of all information presented to the former Council, and the rationale used for previous decisions, on fluoride.

To this end, to ensure all Elected Members are informed on this issue, this Fluoride Information Pack includes:

- previous Council reports and decisions
- an outline of the public consultation process held in mid 2013 including the Fluoride Tribunal hearings (including a submissions analysis report)
- legal opinions
- consultation and decision making considerations under the Local Government Act 2002 relevant to this matter
- background information on fluoridation and the management of the Hamilton water supply.

Where possible this information is provided by web links.

If you have any questions please contact GM Performance, Blair Bowcott.

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Legal advice	
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## WEB LINKS

Strategy and Policy Committee report (6 December 2012) C-1736  
(Pages 151-157)

Strategy and Policy Committee report (19 February 2013) C-1854  
- Includes Statement of Proposal  
(Pages 35-44)

Extraordinary Council meeting report (28 May 2013) C-2234  
- Includes Submission Analysis Report  
- Includes informal feedback from Quarterly Residents Survey  
- Includes informal feedback from Citizens Panel Survey  
(Pages 5-90 )

Extraordinary Council meeting report (5 June 2013)  
C-2247 (Pages 5-28 )

Extraordinary Council meeting minutes (5 June 2013)  
(Pages 3-10 )

Copies of individual submissions

Tribunal footage (28, 29, 30 May, 4 and 5 June 2013)  
- Please note the tribunal footage is broken up in to 21 clips  
- 28 May - Substantive presentations  
- 4 June - Summary of substantive presentations  
- 5 June - Decision

City news – Inside the Debate (14 June 2013)

Tribunal  
Process



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Partner: L F Muldowney

FILE REF: 348176-1207

7 November 2013

Hamilton City Council  
Private Bag 3010  
Waikato Mail Centre  
**HAMILTON 3240**

**For: Barry Harris**

Dear Barry

#### **Fluoridation decision-making process**

1. Hamilton City Council ('Council') proposes to make a decision on whether or not to fluoridate Hamilton City's municipal water supply. This decision constitutes a decision of significance under Council's Significance Policy. The Significance Policy requires all decisions of significance to comply with sections 82 to 90 of the Local Government Act 2002 ('LGA').
2. Sections 82 to 90 of the LGA set out:
  - (a) The obligations of Council in relation to consultation with interested and affected person;
  - (b) The steps involved in a special consultative procedure ('SCP');
  - (c) The circumstances where Council must use the SCP;
  - (d) The steps involved in a non-SCP consultation process; and
  - (e) Having completed consultation, the requirements as to how Council must make its decision.
3. Council undertook an SCP on the fluoride issue between 1 March and 5 June 2013. The electoral officer conducted a referendum on the fluoride issue on 12 October 2013. These processes, which incorporate the views of affected and interested persons, are recorded in the bundle of documents provided to Councillors. Councillors need to review and familiarise themselves with the content of the bundle of documents before coming to a final decision on whether or not to fluoridate the municipal water supply.
4. The SCP and referendum together mean that Council does not need to undertake any additional consultation before making a decision on the fluoride issue. This is because Council already has a clear and current understanding of the views of affected and interested persons on the issue.



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5. However, in proceeding to make a decision on the fluoride issue, Councillors must now:
  - (a) Receive the views of affected and interested persons with an open mind;
  - (b) Give those views due consideration; and
  - (c) Once a decision is made, provide affected and interested persons with information about Council's decision and the reasons for that decision.
6. Receiving the views of affected and interested persons with an open mind and giving those views due consideration means that Councillors must be prepared, despite any pre-dispositions or previous opinions expressed on the fluoride issue, to keep an open mind and honestly consider whether to change their minds in light of the views expressed by affected and interested persons.
7. Councillors must avoid coming to the decision-making process holding an immovable position - this could constitute pre-determination and place Council's decision at risk if the decision was challenged through judicial review.
8. This is particularly important in the context of the recent Council triennial election process. Fluoridation of the municipal water supply was an election issue, and most candidates (and now Elected Members of Council) took a position on the issue; as they were entitled to do in the democratic process. However, while those views are legitimate and relevant, Councillors must now exercise their decision-making powers by bringing an open mind to whether or not to fluoridate municipal water. Ultimately, whether or not Councillors are swayed by the evidence one way or another is a matter for each individual Councillor to decide.
9. Finally, once a decision is made, Council is required to provide its decision to affected and interested persons, together with an explanation of the reasons why the Council has made that decision.
10. Please advise whether you or the Councillors require any further guidance during the course of the decision-making on this issue.

Yours faithfully  
**TOMPKINS WAKE**



**L F Muldowney**  
Partner



## OVERVIEW

### BACKGROUND

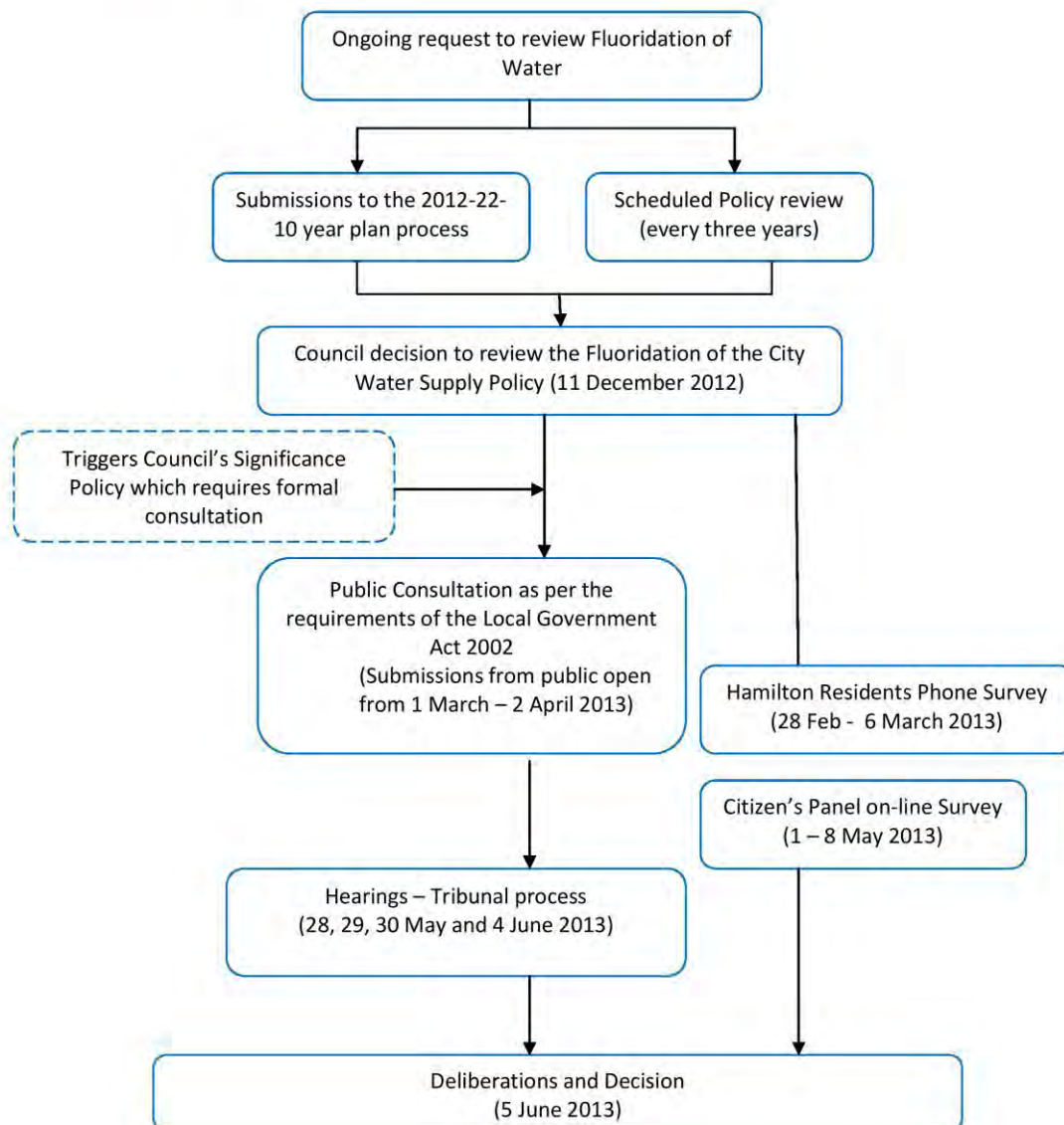
The objective of the recent review was to ascertain community views on the question of fluoridation in order to come to a decision as to whether or not to continue to fluoridate the city water supply.

At its meeting 11 December 2012, Council resolved to undertake community consultation and a tribunal style hearing process to seek feedback on whether or not to add fluoride to the city water supply. The issue of fluoridation triggered Councils Significance Policy and therefore required the use of the Special Consultative Procedure as outlined in the Local Government Act (LGA) 2002.

- Public consultation opened on 1 March and closed on 2 April 2013.
- A total of 1557 submissions were received. The majority (1385) of submissions seek Council to stop the practise of adding fluoride to the city water supply with 170 submissions supporting the continuation of fluoride.
- A tribunal style hearing was held 28, 29, 30 May and 4 June 2013. In addition to the substantive presentations, 141 individuals or representative organisation's presented.
- On the 5 June 2013, Council voted 7-1 to stop the practice of adding fluoride to the public water supply and fluoride dosing was ceased at midday on 20th June 2013.

### SUBMISSIONS – HIGH LEVEL SUMMARY

- The majority (1385) of submissions seek Council to stop the practise of adding fluoride to the city water supply with 170 submissions supporting the continuation of fluoride.
- A total of 984 submitters indicated they were Hamilton residents or ratepayers. A further 74 submitters indicated they were Hamilton water users (but not ratepayers or residents)
- The key reasons for submitters wanting Council to stop the fluoridation of the Hamilton water supply were around individuals having the right to choose what they ingest (994), the links between fluoride to a number of illnesses, risks and harm (807) and the perception that fluoride is considered ineffective (741).
- Of those wishing Council to continue to fluoridate the water supply (170), the key reasons were the perception that fluoridating the water supply is a cost effective population based strategy to prevent dental cavities (124), that there is scientific research to support fluoridation (45) and people citing their own experiences with the benefits (or problems due to the lack) of fluoride (46).

OVERVIEW OF PROCESS

### MANAGEMENT OF FLUORIDE IN THE WATER SUPPLY

- "Fluoride" is a general term used to refer to various chemical compounds of the element fluorine. Those chemicals can be naturally occurring, or manmade.
- Hamilton City Council uses the chemical hydrofluorosilicic acid (HFA) to fluoridate Hamilton's water.
- The Waikato River typically has a background fluoride level of approximately 0.2mg/L.
- Water fluoridation is the act of adding fluoride chemicals to the city water supply. Fluoridation of treated water in Hamilton began in 1966 using powdered sodium fluoride and then changed to liquid hydrofluorosilicic acid (HFA) in 1985.
- The level of fluoride in drinking water recommended by the Ministry of Health is between 0.7-1.0mg/L. Hamilton's target level of fluoride is between 0.70 mg/L and 0.80 mg/L. HFA is added to the treated water supply at a dose rate of approximately 0.5 - 0.6mg/L to achieve this level.
- The New Zealand Drinking Water Standards of New Zealand 2005 (revised 2008) specify a maximum acceptable level of 1.5mg/L of fluoride in treated water. Due to the therapeutic and maximum acceptable levels being relatively close, the water treatment station tightly controls and monitors the fluoride dosing system.
- The practise of adding fluoride to the water supply costs approximately \$48,000 per annum.

### Overview of Hamilton's Fluoridation process

- HFA was sourced from Orica Chemnet, in a bulk liquid form with a certificate of analysis detailing the general quality of the product. HFA was stored at the water treatment plant in a 12500 litre storage tank and 1000 litre process tank, both of which complied with the requirements of the Hazardous Substances and New Organisms Act.
- Routine analyses of the level of Fluoride in treated water were undertaken by an IANZ accredited Laboratory, with results being used to demonstrate compliance with the DWSNZ MAV of 1.5ppm and verify online instrumentation accuracy. Heavy metals such as Arsenic, Cadmium, Lead and Mercury are present at very low levels in HFA and these are measured and reported to us by our Chemical Supplier. All chemicals used at the water plant are supplied in accordance with guidelines developed by the New Zealand Water and Waste Organisation (now known as Water New Zealand).
- HFA is a commonly used chemical for Fluoridation of water and has been used for the fluoridation of Hamilton's drinking water since 1985. Food grade Sodium Fluoride powder could be used to Fluoridate Hamilton's drinking water as an alternative to HFA.
- Sodium Fluoride is approximately 3 times the current cost of HFA. An estimated \$300,000 capital costs for new storage and dosing equipment would be needed for Sodium Fluoride powder to be used at the Hamilton water plant.

### WATER USAGE

- The average daily water consumption per domestic/residential property = 607 litres/day. Based on a Fluoride concentration of 0.75ppm, 607 litres of water contains 0.46 g (or 460mg) of Fluoride.
- Hamilton's estimated average daily water consumption = 224 litres/person/day
- How much water to the average household would be used for personal use?  
The average breakdown of water use in a New Zealand household is:
 

Shower	25.1%	(approx. 156 litres/day)
Washing Machine	21.5%	(approx. 130 litres/day)
Outdoor	18%	(approx. 109 litres/day)
Toilets	16.6%	(approx. 101 litres/day)
Taps	11.4%	(approx. 69 litres/day)



Leaks	3.2%	(approx. 19 litres/day)
Bath tub	1.9%	(approx. 12 litres/day)
Dishwasher	1.3%	(approx. 8 litres/day)
Misc	0.6%	(approx. 4 litres/day)

The volume of water used for drinking purposes is estimated to be approximately 2 litres per person per day (and is accounted for with cleaning and food preparation within the volume attributed to taps).

#### RECENT DECISION MAKING

- Research shows that there are 22 local authorities (out of a total of 67) that add fluoride to public water supplies. Due to large metropolitan city's such as Auckland and Wellington practicing fluoridation, the total population supplied with fluoridated water is around 52%.
- Recent decisions made with regard to fluoridation:
  - Far North District Council - Council made decision to cease adding fluoride (April 2010).
  - Kapiti Coast - Voted 5:5 to continue to add fluoride in Waikanae, Paraparaumu and Raumati but not to start in Otaki or Paekaeakariki (June 2010). NB: In August 2010 they voted to lower amount to 0.7ppm.
  - New Plymouth - Council made decision to cease adding fluoride (Oct 2011).
  - Ruapehu District Council - Council made decision to cease adding fluoride (June 2011).
  - Central Hawkes Bay District Council - Council made decision to cease adding fluoride (Sept 2012).
  - South Taranaki District Council voted to extend fluoridation to Patea and Waverley (Dec 2012). NB Judicial Review lodged against them in April 2013. This is being heard at the High Court 26/27 November 2013.
  - Dunedin City Council - voted to lower amount to 0.7ppm (May 2013).
  - Waikato District Council - plan to extend fluoridation to Te Kauwhata and Hopuhopu (2013).
  - Thames Coromandel DC - vote 5 -5 to continue with fluoridation in Thames but not to extend (May 2013).
  - Whakatane DC - Agreed to hold a non-binding referendum as part of the 2013 local body elections. (Result : 61% in favour).
  - Hastings District Council - Agreed to hold a binding referendum as part of the 2013 local body elections. (Result : 63% in favour).

D-1166717

### Current fluoridation status of NZ Councils

#### North Island

Far North District Council	no (Kaitaia, Kaikohe stopped 31st March 09)
Kaipara District Council	no
Whangarei District Council	no
Auckland Super City	yes (except Onehunga)
Hamilton City Council	no
Hauraki District Council	no
Matamata-Piako District Council	no
Otorohanga District Council	no
South Waikato District Council	yes, but only Tokoroa
Thames-Coromandel District Council	yes, but only Thames
Waikato District Council	yes
Waipa District Council	no
Waitomo District Council	no
Kawerau District Council	no
Opotiki District Council	no
Rotorua District Council	no
Taupo District Council	yes
Tauranga City Council	no
Western Bay of Plenty District Council	no
Whakatane District Council	yes
New Plymouth District Council	no (stopped October 2011)
South Taranaki District Council	yes
Stratford District Council	yes
Gisborne District Council	yes
Central Hawke's Bay District Council	no (stopped September 2012)
Hastings District Council	yes
Napier City Council	no
Wairoa District Council	no
Carterton District Council	no
Hutt City Council	yes, except Petone
Kapiti Coast District Council	yes
Masterton District Council	yes
Porirua City Council	yes
South Wairarapa District Council	no
Upper Hutt City Council	yes
Wellington City Council	yes
Horowhenua District Council	no
Manawatu District Council	yes, but only Feilding
Palmerston North City Council	yes
Rangitikei District Council	no

Ruapehu District Council	no (stopped June 2011)
Tararua District Council	no
Wanganui District Council	no
<b>South Island</b>	
Tasman District Council	no
Nelson City Council	no
Marlborough District Council	no
Buller District Council	no
Grey District Council	no
Westland District Council	no
Ashburton District Council	yes - but only Methven
Christchurch City Council	no
Hurunui District Council	no
Kaikoura District Council	no
Mackenzie District Council	no
Selwyn District Council	no
Timaru District Council	no
Waimakariri District Council	no
Waimate District Council	no
Chatham Islands Council	no
Central Otago District Council	no - but have agreed (2102) to start fluoridating Ranfurly
Clutha District Council	yes - Milton, Kaitangata and Tapanui only started in 2011
Dunedin City Council	yes
Queenstown-Lakes District Council	no
Waitaki District Council	no
Gore District Council	no
Invercargill City Council	yes
Southland District Council	no
<b>Total number of councils</b>	<b>67</b>
<b>Total fluoridating</b>	<b>22</b>

**Committee:** Council

**Date:** 27 March 2014

**Report Name:** Adoption of the Draft 2014/15 Annual Plan

**Author:** Richard Briggs

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>Draft 2014/15 Annual Plan</i>
<b>Financial status</b>	<i>There is budget allocated for the draft Annual Plan. This report seeks a decision on the budget allocation for a rating system review.</i>
<b>Assessment of significance</b>	<i>Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is considered to have a high degree of significance</i>

## 1. Purpose of the Report

- To present the draft 2014/15 Annual Plan for adoption and public consultation.
- To outline the cost, process and timeframe required to review the current rating system and consider the implications of moving to a capital value rating system.

## 4. Executive Summary

- Audit New Zealand has reviewed the draft 2014/15 Annual Plan for legal compliance and is satisfied that it complies with the relevant legal obligations in the Local Government Act 2002.
- The draft Annual Plan Summary document is currently being prepared and will be tabled at this meeting. The Summary is a key communication mechanism and will be included in the 4 April 2014 edition of City News, which is distributed to every home in the city. Additional copies will be printed for all business post boxes and distributed via libraries and Council facilities.
- Following the meeting with social housing providers on 20 March, a late report covering the outcomes of this meeting will be circulated. The draft Annual Plan documents include placeholder information on this topic, pending Council's decisions at this meeting.
- Following this meeting staff will finalise and publish the draft 2014/15 Annual Plan and Summary documents for public consultation. The draft plan will be open for submissions from 2 April – 2 May 2014.
- An 'open day' will be held during the consultation period, providing residents with the opportunity to find out more about the draft plan and its proposals. Staff are currently organising a suitable date, time and venue and will advise Elected Members of the details when confirmed. Staff are planning to hold the 'open day' at the Municipal Building, early on in the consultation period.



10. An outline of the cost, process and timeframe to review the current rating system was requested at the 4 March 2014 Council meeting.
11. It is critical that any decision to change a rating system is sound, logical and supported by robust analysis.
12. A full review would commence in April 2014 and finish in November 2014. Supporting policies would also need to be reviewed as part of the 2015-25 Long Term Plan preparation.
13. A review of the rating system is complex and will require significant internal and external resource. It is expected that it will cost Council \$200,000 to complete the review.
14. A report about Housing of the Older Persons will be circulated.

## **15. Recommendation/s from Management**

16. That the report be received.
17. That Council adopts the draft 2014/15 Annual Plan (Attachment 1) for public consultation.
18. That Council undertakes a review of the rating system during 2014/15 to determine the appropriateness of the current land value system and to give consideration to other rating systems, including capital value.
19. That \$200,000 is included in the draft 2014/15 Annual Plan to fund this review (noting that this cost is offset by growth in the rating base).

## **20. Attachments**

21. Attachment 1 - 2014/15 Draft Annual Plan
22. Attachment 2 - Housing for the Older Persons Report - To be circulated

## **23. Draft 2014/15 Annual Plan**

### **24. Changes in the Operating Position**

25. The 2012-22 10-Year Plan stated an operating surplus of \$9.569m for 2014/15 (year 3). Through the development of the draft 2014/15 Annual Plan changes have been made that impact on that position.
26. A financial summary was presented to the 4 March 2014 Council meeting that showed a negative impact on the operating position of \$38k. Since then the following adjustments have been made and incorporated into the draft Annual Plan. These changes do not impact on Council's ability to achieve the financial strategy. Council will still balance the books by 2017.
  - There was a net positive impact from the introduction of the targeted rate for Hamilton Gardens.
  - An additional \$5k is required to meet the operating impact associated with playground upgrades.
  - A further \$15k was added to the safety in the central city proposal to cover litter collection for a 6 day a week service.
  - Capital expenditure of \$175k has been reclassified to operating expenditure as a correction.

- The transfer of the Meteor Theatre to One Victoria Trust enables Council to remove the depreciation expense associated with this facility from the operating budget.
- A new item has been added for the cost to undertake a rating system review. The impact of this cost has been offset by an increase in rating revenue from growth in the rating base.
- An accounting adjustment was required for the disclosure of finance leases. Funds received from finance leases had been recorded as revenue rather than a source of debt.

<b>SUMMARY OF IMPACTS ON THE OPERATING SURPLUS</b>	<b>Positive / (Negative) Impact</b>
<b>2014/15 10-Year Plan Operating Surplus</b>	<b>\$9,569,000</b>
<b>Adjustments to the 10-Year Plan</b>	
Net Impact presented 4 March 2014	(\$38,000)
Net impact for Hamilton Gardens	\$527,000
Operating Impact from Playground Upgrades	(\$5,000)
Correction to the cost of litter control in CBD	(\$15,000)
Capital expenditure reclassified as Operating	(\$175,000)
Remove depreciation associated with the Meteor Theatre	\$126,000
Cost to undertake a Rating Review	(\$200,000)
Increase in Revenue from Rating Growth	\$200,000
Accounting Adjustments	(\$1,125,000)
<b>2014/15 Draft Annual Plan Operating Surplus</b>	<b>\$8,864,000</b>

## 27. Risk

28. It is a requirement of the Local Government Act 2002 that an Annual Plan must be adopted before the commencement of the first year to which it relates (i.e. by June 2014). There is risk if Council does not meet the timeframes for development of the Annual Plan. There are other statutory processes that must be completed prior to Council adopting its final Annual Plan, e.g. one-month consultation period and hearings.
29. Until the Annual Plan is adopted, there is no authority to set a rate (other than an interim installment under Section 50 of the Local Government (Rating Act) 2002) or to borrow new debt, which would create significant challenges for the delivery of Council services.
30. The risk in not meeting these requirements is currently low.

## 31. Rating Review

### 32. Background

33. A land value rating system is currently used as a basis for assessing the General Rate. General Rates are set on a differential basis on all rateable properties. The differential is based on what the land is being used for. For the 2014/15 period the General Rate will collect \$126m (excluding GST) out of total rates of \$133m.
34. There are three approaches for setting the general rate. In addition to land value there is capital value and annual value (based on market rental returns).

35. Differentials, as currently set, are based around land value, so a move to any other rating system would need to consider the appropriateness of these differentials.

### 36. The Legislation

37. The Local Government Act 2002 (LGA) outlines the requirements for determining the rating system and the process that Council must follow in making a decision.
38. A change in Council's rating system is significant and will have important financial implications for a range of ratepayers within the city. Some ratepayers will likely be adversely affected by many hundreds of thousands of dollars, which increases the risk of legal challenge. It is critical that the steps taken by Council towards introducing any new rating system are sound, logical and supported by robust analysis. A decision that does not have these foundations carries a higher risk of judicial review.
39. Council's decision making in respect of a change to the rating system must comply with the decision making requirements of the LGA. A proposal to change the rating system requires a Special Consultative Procedure (SCP), which is set out in s83 of the LGA. An SCP is required for two reasons:
- A proposal to change the rating system has a high degree of significance, according to Council's Significance Policy.
  - A proposal to change the rating system amends Council's Revenue and Financing Policy. This policy identifies the rating system, including the choice of valuation system, differential rating, uniform annual general charges and targeted rates. Any changes to the Revenue and Financing Policy must be adopted using an SCP.
40. Like any other SCP, a statement of proposal and summary of information is required, the documents need to be made available for public inspection, submissions are then made and Council must provide any interested persons with an opportunity to be heard. A decision then follows.

### 41. Process and Timeframe

42. The substantive process will begin with workshops in April 2014 and will end with Council adopting the preferred rating option in November 2014 (8 months).
43. A further process will involve the review of the Revenue and Financing Policy, Funding Needs Analysis, Remissions Policy, Funding Impact Statement and Rating Resolutions as part of adopting the 2015-25 Long Term Plan.
44. To avoid replicating work previously undertaken, the process will commence with and give consideration to the information previously developed during the 2011 rates review.
45. A recommended process and timeframe is noted below:

#### **Councillor Briefings (April 2014)**

- a. An initial briefing covering:
  - i. Rating law (as it affects a rates review)
  - ii. Rating systems and options
  - iii. Feedback from the 2011 Rates Review
  - iv. Update on rating in the sector
- b. Scope of review:
  - i. General Rate options
  - ii. How do we determine what is appropriate?
  - iii. What is fair/unfair with the current LV system?

iv. What does an appropriate system for Hamilton look like?
c. Confirmation of direction
<b>Modeling Workshops (May 2014/July 2014)</b>
a. The number of workshops is dependent on the number of iterations Council requires to agree that they have developed an appropriate rating system. <ul style="list-style-type: none"> <li>i. Model CV options</li> <li>ii. Determine options for solving perceived issues</li> <li>iii. Develop implementation/ transition options</li> </ul>
b. Confirmation that the proposal is fairer.
<b>Special Consultative Procedure (August 2014/October 2014)</b>
a. Determine Communications Plan
b. Determine Consultation Plan
c. Develop statement of proposal
d. Consult
<b>Consider and Amend Proposal (November 2014)</b>
a. Possibly remodel and develop options.
<b>Adopt preferred option (November 2014)</b>
<b>Re-write Revenue and Financing Policy, Funding Needs Analysis, Remissions Policy, Funding Impact Statement and Rating Resolutions for draft 2015-25 Long Term Plan (December 2014/February 2015)</b>
a. Obtain legal advice on each of these.
b. Confirm policies for inclusion in the Long Term plan.
<b>Consult on Policies in the draft 2015-25 Long Term Plan (March 2015-June 2015)</b>

#### 46. Resourcing and Budget

47. A review of the rating system will require an appropriate amount of both internal and external resource. Consideration has been given to the expected level of interest from the community, the expected level of sentiment towards such of a review and the complexity of the review.
48. The following table includes an outline of the resourcing and budget required.

Item	Reason	Additional Cost
Internal resourcing	<ul style="list-style-type: none"> <li>• Chief Financial Officer</li> <li>• GM Performance</li> <li>• Strategy and Research (2 staff at 0.2 for 6 months)</li> <li>• Strategy Research (SCP, 2 staff at 0.8 for 2 months)</li> <li>• Revenue Manager (0.5 for 6 months)</li> <li>• Revenue staff modeling (0.8 for 10 weeks)</li> <li>• Revenue staff SCP (2 for 4 weeks)</li> <li>• Communications staff</li> <li>• Democracy staff</li> </ul>	Nil
Staff backfill	Impacted by major systems implementations, 30YR Infrastructure Plans and LTP requirements.	\$50,000
Expert Advice and Assistance (part-time)	Rating policies, Rating Reviews, report writing, presentations, review of modeling, draft formal 10- YP	\$80,000

Item	Reason	Additional Cost
	plan documents. Legal Review.	
Communications	From March 2014 to November 2014.	\$20,000
SCP Costs	Flyers, website, call centre, public meetings, advertising, drafting SOP, legal review.	\$80,000
<b>TOTAL</b>		<b>\$230,000</b>

49. The Chief Financial Officer will work to bring the budget for such a review down to \$200,000. Incremental rating growth will offset the cost of the review.
50. It is not possible to determine the exact cost of the 2011 review. The review in 2011 was undertaken prior to the organisational efficiency programme and at the time of this review a greater reliance would have been placed on internal resourcing.
51. Following the organisational efficiency programme, and due to large one-off projects such as the introduction of the new financial computer system, the level of discretionary resource available internally has been significantly reduced. Backfilling and the use of external resourcing will be required to supplement internal resource for the review.

52. **Housing for Older Persons**

53. A report following the meeting with Social Housing Providers on the 20<sup>th</sup> of March is currently being finalised and will be circulated separate to this report.

54. **Risk**

55. Cost Estimate/Timing Incorrect

56. **Risk:** Whilst Council staff intend on leveraging the work undertaken during the previous review, there is a risk that due to the complex nature of such a review that the cost estimates are inadequate to undertake the review and that the proposed timeline is not met. This is a very real risk given the number of projects currently underway that share common resource with this review.

57. **Mitigation:** Tight project management processes will be followed and the Chief Financial Officer will undertake a detailed budget once approval is provided. Regular updates will be presented to the Finance Committee.

58. **Residual risk: High**

59. Judicial Review

60. **Risk:** Any review of the rating system has the potential to be highly contentious and will create significant financial impacts for some ratepayers. This will make the prospect of legal challenge very real, which in turn means that Council will need to ensure it is both substantively and procedurally compliant.

61. **Mitigation:** Following set process and obtaining appropriate legal input is recommended in respect of both the substantive and procedural aspects.

62. **Residual risk: Medium**

**Signatory**

Authoriser	Barry Harris, Chief Executive
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# HAVE YOUR SAY HAMILTON



HAMILTON'S 2014/15 **DRAFT** ANNUAL PLAN

To be read alongside the 2012-22 10-Year Plan



## HAMILTON'S 2014/15 **DRAFT** ANNUAL PLAN

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HAMILTON CITY COUNCIL

## from your MAYOR AND CHIEF EXECUTIVE

### We are pleased to present Hamilton City Council's Annual Plan for 2014/15.

The Council's goal remains the same for the 2014/15 financial year; keep to the financial plan. However, within that financial plan, this budget signals the Council's intention to start reinvesting in the things that matter to Hamiltonians after three years of tight fiscal management.

This is only possible because the Council's books are in great shape and we are on track to deliver the financial targets set back in 2010, or do even better.

There is no change in this Annual Plan to the debt cap set at \$440 million. The \$15 million of operational savings over three years will be delivered as planned. The total rates increase is still set at 3.8% plus we are proposing a targeted rate to fast-track development at Hamilton Gardens.

All of this means the Council is on track to balance the books by 2017.

This Annual Plan sets out proposed changes to the 10-Year Plan, which focus on the city's priorities.

The reinvestment proposals in this Annual Plan build on what we already have. Some of these proposals are:

1. A much stronger commitment to city safety with a significant increase in funding.
2. A four year reinvestment programme in the Hamilton Gardens delivering five new themed gardens and much needed infrastructure to generate more revenue and increasing visitor attraction.
3. Playgrounds of the future with a proposal to upgrade the playground at Minogue Park to a destination playground.
4. Free entry to the pools for under fives.

This Annual Plan also focuses the Council on the new purpose of local government which came into effect in 2012. The Council has reviewed services it

delivers against this new purpose and is considering its role in providing housing for older people. We will also take a closer look at how we provide community grants.

Changes to local government continue as the Government rolls out more initiatives under its Better Local Government programme. The impact of these changes will be a big part of the new 10-Year Plan that will be delivered to the city in 2015. The budget includes some new expenditure to comply with these changes.

Hamilton is growing fast, we are attracting investment and people want to live here. Our city is a major contributor to the New Zealand economy and most importantly, this Council has as a priority of making sure Hamilton continues to provide a great lifestyle for families.



**Julie Hardaker**  
Mayor



**Barry Harris**  
Chief Executive

# YOUR COUNCIL



Andrew King	Leo Tooman	Margaret Forsyth	
Philip Yeung	Garry Mallet	Angela O'Leary	
Dave MacPherson	Karina Green	Julie Hardaker (Mayor)	
Martin Gallagher	Gordon Chesterman (Deputy Mayor)	Rob Pascoe	Ewan Wilson

## COUNCIL COMMITTEES

### Finance Committee

*Monitors Council's budget and performance*

CHAIR – Rob Pascoe

DEPUTY – Garry Mallet

### Strategy and Policy Committee

*Oversees Council's strategy and policy direction*

CHAIR – Angela O'Leary

DEPUTY – Andrew King

### Audit and Risk Committee

*Monitors audit processes, legal compliance and risk*

CHAIR – External Appointee

### CEO Review Committee

*Reviews Chief Executive performance*

CHAIR – Julie Hardaker

To find out more about Council's committees, including sub-committees, see our website:

[www.hamilton.govt.nz/our-council/councilcommittees](http://www.hamilton.govt.nz/our-council/councilcommittees)

## CONTACT DETAILS

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<b>Philip Yeung</b>	027 808 1626	philip.yeung@council.hcc.govt.nz



# OUR VISION FOR HAMILTON

HAMILTON IS A BRIGHT AND INNOVATIVE CITY, BUT WE WANT TO MAKE IT BETTER.

We have a vision for the city which is outlined here. It incorporates our goals and aspirations for Hamilton. Everything the Council does is linked to our vision.



OUR VISION IS TO BE A **SMART CITY**, IN EVERY WAY AND IN EVERYTHING WE DO

WE HAVE A UNIQUE, GREEN AND NATURAL ENVIRONMENT, WITH THE WAIKATO RIVER RUNNING THROUGH THE HEART OF OUR CITY.

WE CELEBRATE OUR DIVERSE COMMUNITY AND ACKNOWLEDGE OUR AGRICULTURAL HERITAGE.

THESE ARE THE **OUTCOMES** AND GOALS WE HAVE FOR HAMILTON:

## PROSPEROUS AND INNOVATIVE

- Hamilton has a strong productive economy and we build on our economic strengths.
- We have a thriving CBD.
- It's easy to do business here.
- Our city grows and prospers in a sustainable way.

## OUTSTANDING CITY LEADERSHIP

- Hamilton is led by effective, open and responsive governance.
- Council's finances are sustainable for the long term.
- We operate efficiently and provide exceptional service.
- The city takes a leadership role regionally and nationally.

## PEOPLE LOVE LIVING HERE

- Hamilton embraces the Waikato River and it is the focal point of our city.
- We value, preserve and protect Hamilton's natural, green environment.
- Our city is attractive, well-designed and compact with outstanding architecture and distinctive public spaces.
- Our city is a fun place to live with a vibrant Arts scene.
- Hamilton is a safe city.
- It's easy to get around.
- We celebrate our people and many cultures.



# Tell us WHAT YOU THINK

## This is Hamilton City Council's draft Annual Plan.

It is a companion to our 10-Year Plan that focuses on the Council's budget and programme for 2014/15.

Tell us what you think about what we're planning, include your ideas and feedback and it will be considered by the Council as part of the decision-making process.

### There are several ways you can make a submission:

#### Online

Fill in a form online at  
[www.hamilton.govt.nz/annualplan](http://www.hamilton.govt.nz/annualplan)

#### Post

Freepost 172189  
Annual Plan Submission  
Hamilton City Council  
Private Bag 3010  
Hamilton 3240

#### Deliver

Bring your submission to  
the Hamilton City Council  
offices, Garden Place

Please include your name and postal or email address.

If you make a submission, you can also indicate if you want to speak in support of it at a Council hearing. All submissions are treated as public documents and will be loaded on to the Council's website with the names and contact details of submitters included.

### Closing date:

**Submissions must be received by the council by 4pm Friday, 2 May 2014**

### Key Dates

March 27	Council adopts the draft Annual Plan for consultation with the community.
April 2 – May 2	Draft Annual Plan open for public submissions.
May 21 – 22	Hearings for submitters who want to speak to Council about their submission.
June 12	Council to make decisions on submissions.
June 27	Council adopts the final Annual Plan.

### More Information

Additional copies of the draft Annual Plan and a summary of it are available from the Hamilton City Council offices in Garden Place, at any branch of Hamilton City Libraries or online at [www.hamilton.co.nz/annualplan](http://www.hamilton.co.nz/annualplan)

**DOWNLOAD A COPY OF THE DRAFT ANNUAL PLAN AT**  
**[www.hamilton.govt.nz/annualplan](http://www.hamilton.govt.nz/annualplan)**

**CALL US ON 838 6699 TO REQUEST A COPY OF**  
**THE DRAFT ANNUAL PLAN TO BE SENT TO YOU**



# REINVESTING IN OUR CITY

AFTER THREE YEARS OF TIGHTLY  
MANAGING THE CITY'S FINANCES  
THE COUNCIL IS IN GREAT SHAPE.

By sticking to our financial plan and living within our means we are now in a much better financial position than originally planned.

This financial turnaround provides the opportunity, while keeping within the financial plan, to start reinvesting in some of the things that matter to Hamiltonians.

It is our priority to support Hamilton's growing economy and great lifestyle, while always managing the city's books in a responsible and transparent way.



#### DID YOU KNOW? →

Over **one million** people visit  
**HAMILTON GARDENS** each year





## HAMILTON CITY COUNCIL

## Year 3 of the 10-Year Plan

This is Hamilton City Council's draft Annual Plan. It is a companion to our 2012-22 10-Year Plan that outlines the Council's budget and programme for 2014/15.

We are heading into the third year of our 10-Year Plan ahead of our financial targets, with an additional \$1.2 million in expenditure savings. This provides the opportunity for some focused reinvestment, but our goals for 2014/15 remain the same – balance the books by 2017, stay under the debt cap of \$440 million and provide certainty to ratepayers.

The 2014/15 budget originally included in the 10-Year Plan has been thoroughly reviewed and some adjustments have been made. These adjustments reflect some new proposals, changes to work programmes, additional savings and some corrections. They also reflect the cost of responding to changes imposed by the Government, such as the new requirement for 30-year infrastructure planning.

Budget variations are outlined in the financial section of this document. Some changes of note are outlined further on this section.

We are also on track to achieve our savings targets. By the end of 2014/15 we will have reduced what it costs to run the city by over \$15 million each year. The following graph shows how we are working towards our savings targets.

**Cumulative savings over three years**



YOU CAN FIND A LIST OF FEES AND CHARGES FOR 2014/15 ON OUR WEBSITE  
[www.hamilton.govt.nz/annualplan](http://www.hamilton.govt.nz/annualplan)

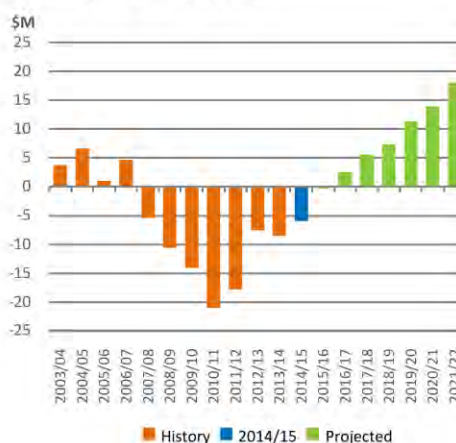
## Balancing the Books

Since 2007/08 the Council has been running at a loss, which means spending more than it is earning and borrowing to pay the difference.

The Council decided in its 2012-22 10-Year Plan to fix this problem over five years. Moderate rates increases each year to existing ratepayers and a programme of reduced spending mean we will balance the books by 2017.

This will put us 'back in the black' for the first time in a decade and allow new assets and upgrades to be paid for through rates instead of borrowing, keeping debt under control. We are on track to achieve this.

**Balancing the Books by 2017**



### MUNICIPAL POOL UPDATE

The Council is waiting on the findings of the Regional Sports Facilities Plan, due in April 2014, before consulting with the community on where to from here for the Municipal Pool.

The plan will provide information on what swimming facilities are needed in the city and region, important context for a decision on the future of the Municipal Pool facility.

In the meantime, we are taking measures to make sure the site is kept secure.

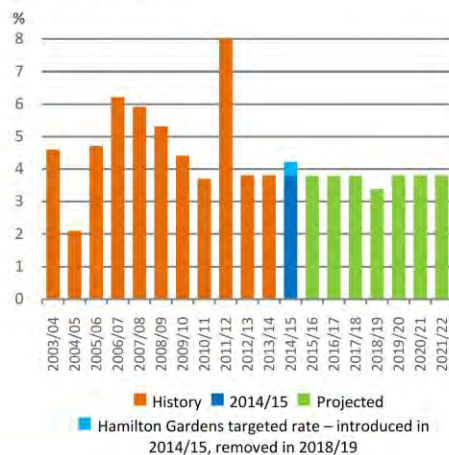
## Rates

The 10-Year Plan includes total rates increases of 3.8% each year to existing ratepayers. Setting rates at this level is an important part of improving the Council's financial position. To manage debt and balance the books, we need to reduce our reliance on debt and pay for more through rates.

Beginning in 2014/15 the Council is also proposing an additional targeted rate of \$10 plus GST per property, per year, for four years to be used only for development at Hamilton Gardens. You can read more about this proposal further on in this plan.

The Council wants to provide certainty for ratepayers about their rates bills, so a targeted rate is considered the best way to fund this proposal. It's the same amount for every ratepayer and you can see exactly where your money will be spent.

**Rates increases to existing ratepayers (percentage increase each year)**



## Debt

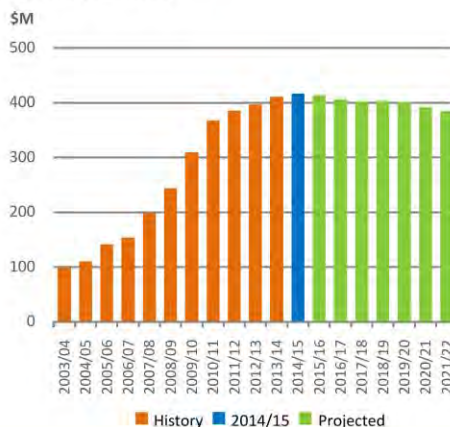
We will begin the third year of our 10-Year Plan around \$30 million under our total overall debt cap of \$440 million. This is better than we originally planned - \$24 million under our budgeted position.

We have reduced debt through asset sales, such as the \$12 million received for the sale of the Council's share in the Novotel and Ibis hotels. We have also received additional income from developer contributions, although we remain conservative in our revenue estimates. By having less debt we are able to reduce our annual interest costs significantly.

We will continue to closely manage debt, and will look at the potential for additional asset sales in 2014/15 to further reduce the debt balance.

To see the details of how the Council's total overall debt figure is calculated, see Note 8 to our financial statements on page 32.

**Total Overall Debt**



## City Growth

All of New Zealand's big cities are grappling with how to pay for the infrastructure needed for growth.

Development contributions are what we charge developers to recoup some of the costs of the growth infrastructure that the Council provides, e.g. new roads, more water pipes and new parks.

In our 10-Year Plan we are conservative about the amount of income we expect to receive from development contributions. While the past year has seen an increase in development activity, economic indicators suggest that the market is still very uncertain.

So we are continuing to take a conservative approach.

In 2014/15 we have budgeted for \$7.6 million in income from development contributions, this is a modest increase from the original budget taking into account the increase in development activity happening in Hamilton. This will go towards paying off debt and helping to pay for future projects in the growth areas.

During 2014/15 we will be planning ahead for the next 30 years, looking at where Hamilton is growing, what infrastructure will be required to service the city and how it will be paid for.



## HAMILTON CITY COUNCIL

## Some changes of note...

**\$10 + gst** additional charge for **4 years** to fast-track the development of **HAMILTON GARDENS**.

**\$362,000** for initiatives to **improve safety** in the **CENTRAL CITY**.

Read more about these four proposals in the next section of this plan.

**\$13,000** extra for a **DESTINATION PLAYGROUND** at Minogue Park.

**\$30,000** for **free access** to Council-owned pools for **CHILDREN UNDER FIVE**.

**\$150,000** to complete the **HAMILTON RIVER PLAN** and seed-fund some potential projects. The total cost of the plan is \$200,000.

**\$63,000** to reintroduce the **9pm WINTER CLOSING** at **WATERWORLD** in response to demand.

**\$30,000** for Hamilton's **150<sup>th</sup> BIRTHDAY** celebrations.

**\$100,000** further **REDUCTION** to the **Libraries collection** budget. This is in addition to the \$250,000 reduction last year put in place to cover a shortfall in revenue. The budget **still includes \$1.048 million** in 2014/15 to purchase new items.

**\$21,000** for **BETTER TECHNOLOGY** to support democratic processes. This includes a **live webcam** for all **meetings** in the Council Chamber and the ability for remote attendance at Council meetings.

**\$660,000** in corporate **INSURANCE premium SAVINGS**.

**\$545,000** in **ENERGY SAVINGS**, both electricity and gas.

**\$80,000** for a **CENTRAL CITY TRANSFORMATION PLAN** to deliver a vision for the Central City precinct and identify opportunities to transform the Central City into a strong commercial and residential centre.

## We're also looking at...

## Operation of the buses

The Council is investigating the transfer of responsibility for bus operations from the Waikato Regional Council (WRC).

The first step is talking with WRC about the potential transfer and investigation into whether the benefits stack up for the city.

This draft plan includes \$100,000 for planning and public consultation should Council decide to go ahead with the transfer.

## A review of the rating system

During 2014/15 the Council wants to consider changing the rating system from land value to capital value.

Capital value is the Government's preferred rating system, and Hamilton is the only metropolitan city in the country still on a land value based rating system.

The budget includes \$200,000 for the review, which will include a full public consultation process separate to this Annual Plan.

## Our role in the social housing sector

The Council is considering its role in the social housing sector and whether housing for older people is a service that we should continue to deliver.

We are talking with social housing providers in Hamilton to hear their views, but the Council has not formed a position or made any decisions at this stage.

We are having this discussion now because the government's social housing reforms and changes to the purpose of local government impact on our ability to deliver this service in the future. *[Place holder text to be updated following 27 March Council meeting]*

## Community grants

The Council provides grants to a range of community and arts sector organisations. The grants are funded by rates and the total budget for 2014/15 is \$1.45 million.

This year we will be looking at how we provide this service to ensure it is delivered in the most efficient and effective way. We will also review our grants policy to make sure it aligns with the new purpose of local government.

## Asset Sales

Our 2012-22 10-Year Plan includes a list of properties that the Council will consider selling to pay off debt. The estimated value of these properties is \$50 million.

We are in the process of reviewing these assets and deciding whether or not to sell. The following list provides an update on the review process.

### Assets sold

The Council has sold the following assets:

- Three lower standard pensioner housing complexes for \$3.7 million. Two of these complexes were sold on the open market, and one was purchased by a social housing provider. Proceeds after costs are going towards looking after the remaining pensioner housing stock.
- The YMCA and neighbouring sites in Pembroke Street. These properties were sold to YMCA Auckland for \$1.9 million.
- Three lots of surplus land for \$1.4 million.
- Hamilton Holiday Park for \$1.9 million.
- The land and buildings containing the Citizens Advice Bureau on Kent Street for \$225,000.
- Council sold its 41.38% shareholding in Hamilton Riverview Hotel Ltd (Novotel and Ibis Hotels) to Tainui Development Ltd (a subsidiary of Tainui Group Holdings Ltd), for \$12 million.
- Use and operation of The Meteor Theatre was transferred to The One Victoria Street Trust for use as a community based performing arts hub.

With the exception of the pensioner housing complexes, all proceeds from the sale of these assets were used to pay off debt.

### Assets approved for sale

The following assets have been approved for sale and are either on the market or the sale process is pending:

- Six lots of surplus land from roading projects.
- Land behind Artspost.
- Commercial properties on Brooklyn Road.
- Sonning car park.
- Victoria on the River site.

### Assets the Council has decided not to sell

The Council has decided not to sell the following properties because it makes sense financially to keep them, or there are community benefits in keeping them.

- Go Bus Depot.
- Jag 2000 Anglesea Street (commercial).
- Mill Street land.
- Metro Judo Hall (land and building).

### Assets still to be reviewed

The review of these remaining properties and decisions on whether or not to sell them will continue in 2014/15 and future years:

- Horotiu Lifestyle Blocks (land).
- Garden Place car park.
- Knox Street car park.
- Organic Recycling Centre (land and building).
- Refuse Transfer Station.
- Peacockes Lane (land and buildings).
- Rotokauri Road (Vacant Land)
- 5.1 hectares of land adjacent to Waiwhakareke Natural Heritage Park.

The Council is currently carrying out a review of its theatres, and decisions on whether or not to sell the Clarence Street Theatre and land on Riverlea Road adjoining the Riverlea theatre will depend on the outcome of that review.

#### DID YOU KNOW? →

There are currently **28 CCTV CAMERAS** throughout the CBD.



#### DID YOU KNOW? →

The Council is the main provider of **swimming lessons** and **water safety** classes in Hamilton, with over **80,000** child visits each year.

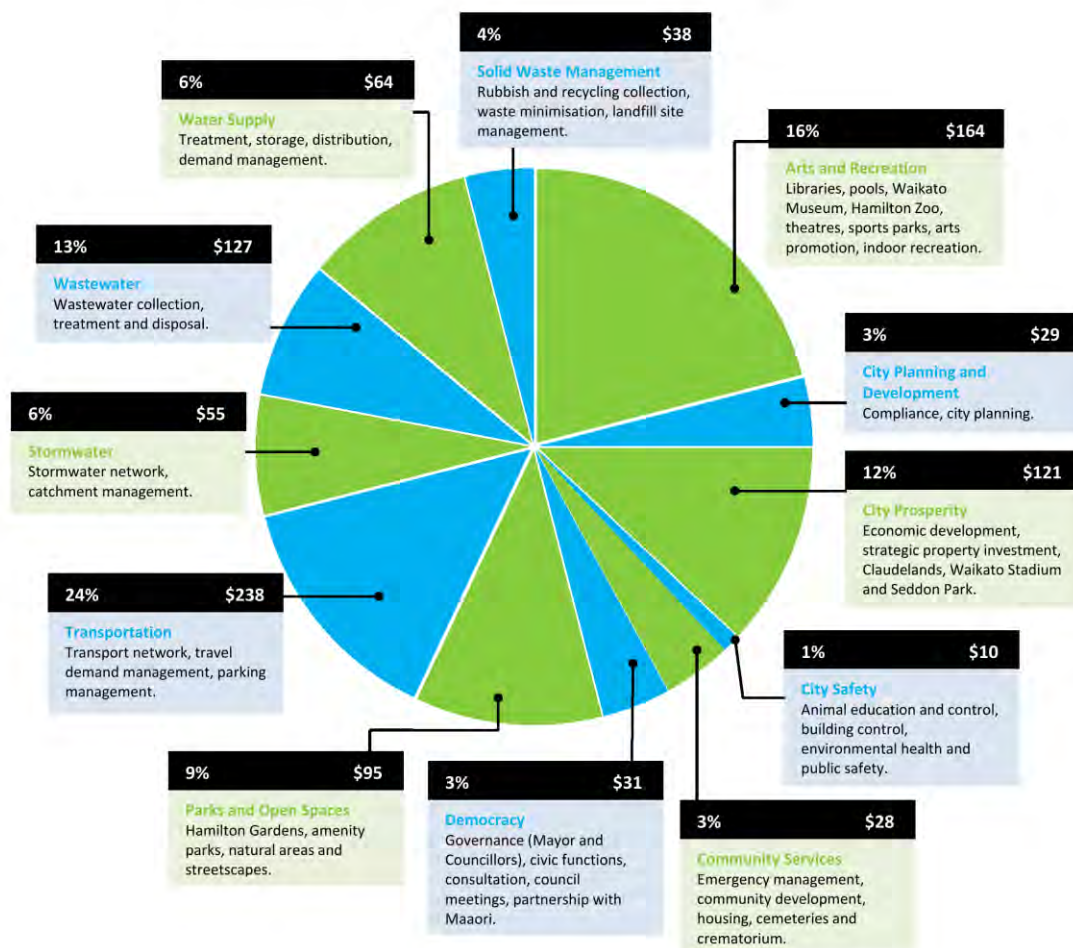




# HOW YOUR RATES WILL BE SPENT

The Council divides its business into 12 service groups. Each service group is funded by a combination of rates, user charges, loans and subsidies.

This graph shows the percentage of rates (commercial and residential) spent on each service group. The figures are for every \$1,000 of rates paid.



# REINVESTMENT PROPOSALS



IT'S TIME TO BUILD  
ON WHAT WE'VE  
GOT AND REINVEST  
IN THE LIFESTYLE  
THAT MAKES  
HAMILTON GREAT  
FOR FAMILIES AND  
BUSINESSES.

WE WANT TO HEAR  
WHAT YOU THINK  
ABOUT THESE FOUR  
PROPOSALS.



**HAMILTON GARDENS** is a much-loved city asset. Our plan is to complete five themed gardens and additional infrastructure at the Gardens over the next four years. To fund the Council's one-third share of the total cost, we are proposing an **ADDITIONAL CHARGE OF \$10 PLUS GST** per property, per year, for four years.

The Council also wants to take action to **IMPROVE SAFETY IN THE CENTRAL CITY**. Six additional services and activities are proposed.

Investing in families is a priority. We want to provide **FREE ACCESS** to Council-owned swimming pools for children under five years of age.

A **DESTINATION PLAYGROUND** is also planned for **MINOGUE PARK** and one-third of the costs will be from other funders.

These proposals are possible because of the **FINANCIAL TURNAROUND** over the last three years. We can achieve them within our debt cap and still balance the books by 2017.

# DEVELOPING HAMILTON GARDENS



## The Proposal

Hamilton Gardens is highly valued by residents and is our biggest tourist attraction. At least one million people visit the Gardens each year.

We are proposing a four-year reinvestment programme for the Gardens, delivering five new themed gardens and additional infrastructure.

The Council's contribution will be \$2.344 million; one-third of the total cost, funded through a targeted rate of \$10 plus GST per property, per year, for four years. The targeted rate will begin from 2014/15.

The remaining two-thirds of the cost, \$4.688 million, will be sought from the Lotteries Significant Projects Fund. The project won't go ahead unless the two-thirds funding is secured from sources other than the Council.

This partnership funding model will enable the city to receive the benefits of capital investment without being left to carry the full burden of costs.

The proposal includes:

- Completion of the two gardens currently in progress – the Tudor Garden and the Surrealist Garden.
- Development of three new gardens – the Concept Garden, Mansfield's Garden and Picturesque Garden.
- A new jetty leading into the Italian Renaissance Garden.
- Turtle Lake car park extension (lower car park – entry from Gate 1).
- An Information Centre upgrade.
- A destination playground.
- Security improvement.

See our website for more information about the Hamilton Gardens proposal. You can download a brochure that provides further details and sketches.

[www.hamilton.govt.nz/annualplan](http://www.hamilton.govt.nz/annualplan)

## Objectives

The objectives of this proposal are to:

- Increase the number of people visiting Hamilton Gardens and the length of time they stay, providing the opportunity to generate more revenue to offset the cost of operating the Gardens.
- By increasing the length of stay, it increases the likelihood of out-of-town visitors staying the night in Hamilton which results in economic benefits to tourism, hospitality and retail sectors.
- Continue to enhance the use and enjoyment of the Gardens and provide reasons for people to re-visit.
- Improve Hamilton's reputation as a destination.
- Help the Gardens reach its goal to be one of the world's leading concept design gardens.
- Leverage access to significant external funding.

## Why a targeted rate?

A targeted rate is proposed for these reasons:

- **Transparency** – residents know how much they are paying and where it is being spent.
- **Justifiable** – only the actual costs of the project are collected.
- **Capital investment without debt** – this proposal has a short term pay-back, delivering each year of the project an outcome that residents can use and enjoy.
- **No impact on the Council's financial goals** – the debt cap stays the same and we will still balance the books by 2017.
- **The funds are for capital investment that grows the community's asset** – they are not for operating costs, which are business as usual.



# SAFETY IN THE CENTRAL CITY

## The Proposal

Over the last five years there has been significant investment in the central city from the Council and the development and business communities.

However, some issues have emerged that are affecting people's enjoyment of the central city. The Council is responding to concerns raised by businesses and the public.

This proposal is to improve safety in the central city in partnership with the Hamilton Central Business Association.

The Council's proposal is to add to its existing services, collectively contributing to an overall outcome of a safer city. The total cost of these additional services is \$362,600 in 2014/15.

The proposal includes:

- Reinstating the daytime City Safe patrol (two people) covering the CBD six days a week (\$94,000).
- Installing six new cameras to extend coverage north to Liverpool Street and south to Bridge Street (\$48,000).
- Offering CCTV monitoring services to local businesses to connect into on a user pays basis.
- A budget to enable policy and bylaw monitoring and enforcement to address behaviours that negatively impact on the central city (\$80,000).
- Increased vegetation management in key CBD sites to raise the appearance standards of the central city (\$75,000).
- Increased litter collection and street and footpath cleaning (\$65,600).

## Hamilton Central Business Association Initiatives

Hamilton Central Business Association (HCBA) is partnering with the Council to respond to the concerns of its business members.

HCBA is working on the following initiatives to support the Council's safety proposal:

- Working with Maaori Wardens to extend their patrols to key times during the day to support the City Safe patrols.
- "Clean the CBD" initiative, which involves water blasting external building facades and some public spaces.
- "Give me a New Sign" initiative, which involves businesses removing tatty signs and replacing them with new ones.
- "Lick of Paint" initiative to refresh the external facades of properties.



## FREE ACCESS TO COUNCIL POOLS FOR CHILDREN UNDER FIVE

The Council recognises how important it is for our city's children to develop aquatic skills for life and wants to provide free access to Council pools for children under five.

It is hoped that this will see an increase in young visitors to these facilities and provide more opportunities for children to develop confidence in the water in a fun and safe environment.

Free access will be offered at both Waterworld and Gallagher Aquatic Centre for casual entries to swimming pool facilities and will rely on an honesty system for proof of age.

It will cost \$30,000 per year to provide this programme; \$20,000 accounts for lost revenue and \$10,000 will cover additional operating costs.

This programme excludes fee-based learn to swim programmes.



## MINOGUE PARK DESTINATION PLAYGROUND

Playgrounds have an important role in providing children with free, safe and fun places to be active and socialise.

Hamilton has four existing destination playgrounds and 82 neighbourhood playgrounds. Some of these neighbourhood playgrounds are ageing, require on-going repairs and upgrades and are not always cost effective to continue to maintain.

The Council's new playground policy aims to create new destination playgrounds across the whole city that are a major attraction for residents, visitors and tourists. These playgrounds are places to stay all day with high quality, creative equipment and additional facilities such as shade, parking and toilets.

In 2014/15 Minogue Park will be the first to be upgraded to a destination playground under this policy.

Minogue Park is located on a popular sports ground frequented by children and youth, is easily accessible, and it has sufficient parking and access to public toilets.

The Council will contribute two-thirds of the cost towards all new destination playgrounds. The remaining one-third will be sought from other funders.

For Minogue Park destination playground the Council's two-thirds will cost \$200,000, so this draft plan includes an additional \$13,000 to make up this amount.

We will also complete the upgrade at Hamilton Lake Domain destination playground in 2014/15 at a cost of \$170,000. Stage one was completed in 2013/14.





## COUNCIL PROJECTS

This is a list of the projects that the Council will carry out during 2014/15. They comprise work to look after our existing assets and new projects.

CAPITAL PROJECTS	PROJECT #	2014/15 10-YEAR PLAN \$000	2014/15 ANNUAL PLAN		
			TOTAL COST \$000	EXTERNAL FUNDING \$000	COST TO COUNCIL \$000
ARTS AND RECREATION					
Funding for new public art	12037	54	50		50
Replacement of libraries assets	9036	88	88		88
Collections purchases for libraries	9037	1,298	1,048		1,048
Replacement of sports parks assets	9058	1,081	1,078		1,078
Replacement of Waterworld assets	9033	354	353		353
Replacement of Gallagher Aquatic Centre assets	9034	70	70		70
Replacement of furniture, fixtures and equipment at theatres	9041	70	70		70
Replacement of technical equipment for theatres	9042	127	126		126
Replacement of museum assets	9035	108	108		108
Hamilton Zoo animal enclosures renewals	9043	119	140		140
Replacement of zoo assets (including animals)	9044	101	101		101
New saimang exhibit at zoo	12046	406	405		405
TOTAL COST OF ARTS AND RECREATION PROJECTS		3,876	3,637	-	3,637
CITY PROSPERITY					
Replacement of fixtures, fittings and equipment at Claudelands	9038	137	137		137
Replacement of furniture, fixtures and equipment rentals at Stadium	9039	74	74		74
Replacement of turf services equipment at Stadia	9040	35	35		35
Installation of Additional Security Cameras	12301		48		48
TOTAL COST OF CITY PROSPERITY PROJECTS		246	294	-	294
COMMUNITY SERVICES					
Replacement of furniture and fixtures at community facilities	9032	11	11		11
Replacement of cemeteries & crematorium assets	9031	168	167		167
TOTAL COST OF COMMUNITY SERVICES PROJECTS		179	178	-	178
PARKS AND OPEN SPACES					
Replacement of parks & open spaces assets	9030	1,106	1,103		1,103
Acquisition of parks	12012	558	556		556
Upgrade of city playgrounds	12036	357	370		370
Planting & track construction at Waiwhakareke					
Natural Heritage Park	12133	54	54		54
Completion of fantasy gardens at Hamilton Gardens	12124	216	216	81	135
TOTAL COST OF PARKS AND OPEN SPACES PROJECTS		2,291	2,299	81	2,218

## HAMILTON CITY COUNCIL

CAPITAL PROJECTS	PROJECT #	2014/15	2014/15 ANNUAL PLAN		
		10-YEAR PLAN \$000	TOTAL COST \$000	EXTERNAL FUNDING \$000	COST TO COUNCIL \$000
SOLID WASTE MANAGEMENT					
Replacement of closed landfill assets	9013	76	75		75
Replacement of Refuse Transfer Station assets	9012	812	810		810
Closed landfill management	12016	162	161		161
Waste Minimisation and Management Plan initiatives	12093	216			
TOTAL COST OF SOLID WASTE MANAGEMENT PROJECTS		1,266	1,046	-	1,046
STORMWATER DRAINAGE					
Replacement of channel lining on the Waitawhiriwhiri Stream	9014	271	270		270
Replacement of stormwater outfalls in Waikato River	9015	164	164		164
Replacement of stormwater assets	9016	325	323		323
Treatment to improve stormwater quality	12017	66	66		66
Stormwater catchment assessment for intensification areas	12018	271	270		270
Stormwater Project Watershed capital works	12019	54	54		54
Rototuna Stormwater	12058	216	215		215
Rotkauri stormwater infrastructure	12059	541	538		538
Peacocke stormwater infrastructure	12060	22	22		22
Local growth related stormwater projects	12061	108	108		108
Stormwater connections	12174	271	271	271	
TOTAL COST OF STORMWATER DRAINAGE PROJECTS		2,309	2,301	271	2,030
TRANSPORTATION					
Replacement of parking enforcement equipment	9010	107	107		107
Replacement of footpaths	9001	1,785	1,780		1,780
Replacement of kerbs and channels	9002	1,490	1,490	671	820
Replacement of road base	9003	649	649	292	357
Road resurfacing	9004	4,344	4,344	1,954	2,390
Replacement of retaining walls and structures	9006	11	11	4	7
Replacement of street lights	9017	503	503	227	277
Replacement of traffic signals	9018	271	271	122	149
Replacement of street signs	9019	55	55	25	30
Replacement of safety barriers	9020	54	54	24	30
New roading in Peacocke	12001		200		200
New roading in Rototuna	12003	27	1,527		1,527
Hamilton Ring Road completion	12005	11,135	11,135	9,239	1,896
Minor improvements to the transport network	12020	607	742	408	334
Lower speeds in residential streets	12021	335			
Bus stop infrastructure	12022	108	108	54	54
Integration of existing areas with new developments in the city	12051	189	189		189
Roading upgrades and development in Rotokauri	12053	291	390		390
Transport network planning	12056	87	85		85
Integration of different transport modes	12172	866	2,007	961	1,046
TOTAL COST OF TRANSPORTATION PROJECTS		22,914	25,647	13,981	11,668



CAPITAL PROJECTS	PROJECT #	2014/15	2014/15 ANNUAL PLAN		
		10-YEAR PLAN \$000	TOTAL COST \$000	EXTERNAL FUNDING \$000	COST TO COUNCIL \$000
WASTEWATER					
Replacement of wastewater pump station assets	9022	890	888		888
Replacement of wastewater assets	9023	3,501	3,493		3,493
Upgrade existing or build new wastewater network in Rototuna	12008	27	27		27
Increase capacity of wastewater pump stations	12024	569	566		566
Upgrade access to wastewater pump stations	12025	108	108		108
Increase capacity of wastewater network in Rototuna	12066	5	5		5
Integrate wastewater network in new areas with existing network	12067	86	87		87
Increase capacity of wastewater network in Rotokauri	12068	456	453		453
Increase capacity of wastewater network in Peacocke	12069	22	22		22
Increase capacity of wastewater network throughout the city	12071	433	432		432
Wastewater connections	12175	271	271	271	
Replacement of wastewater treatment plant assets	9024	896	893		893
Upgrade of wastewater treatment plant systems	12026	379	378		378
TOTAL COST OF WASTEWATER PROJECTS		7,643	7,623	271	7,352
WATER SUPPLY					
Replacement of water mains	9025	2,943	2,938		2,938
Replacement of water meter valves and hydrants	9026	294	293		293
Replacement of water works during intersection upgrades	9027	216	216	108	108
Upgrade or build new water mains in Rototuna	12073	49	49		49
Additional water supply storage in Rototuna	12074	4,869	4,857		4,857
City wide upgrade of water pipes	12076	340	340		340
Upgrade or build new water mains in Rotokauri	12077	372	370		370
Upgrade or build new water mains in Peacocke	12079	16	16		16
Integrate water mains in new areas with existing network	12080	87	87		87
Assessment of demand for water and water loss in the network	12173	433	430		430
Water connections	12176	271	271	271	
Replacement of water reservoir assets	9028	162	162		162
Replacement of water treatment plant assets	9029	525	523		523
Installation of dewatering facility at the water treatment plant	12029	2,813	2,807		2,807
Upgrade of water treatment plant equipment	12030	812	810		810
New structure to extract water from the Waikato River	12031	3,246	3,240		3,240
TOTAL COST OF WATER SUPPLY PROJECTS		17,448	17,409	379	17,030
SUPPORT SERVICES					
Upgrade of specialist software applications	9045	38	38		38
Finance lease funding infrastructure equipment	12014	1,017	1,017		
Upgrade of Council's core software applications (Project Phoenix)	12015	584	584		584
Development of online services & mobile applications	12049	638	640		640
Management of IT environment including security software	12050	530	530		530
Replacement of property assets	9046	3,197	3,190		3,190
Replacement of pensioner housing assets	9047	716	566		566
Replacement of fleet vehicles	9048	865	866		757
Upgrade of Council owned buildings	12047	38	38		38
TOTAL COST OF SUPPORT SERVICES PROJECTS		7,623	7,469	-	7,469

# FINANCIAL STATEMENTS

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## PROSPECTIVE STATEMENT OF COMPREHENSIVE INCOME

### FINANCIAL YEAR ENDING 30 JUNE

	NOTE	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
		\$000	\$000	\$000
<b>Revenue</b>				
Rates, excluding targeted water supply rates	2	126,069	131,394	132,404
Targeted rates for water supply	2	8,055	8,821	8,121
Revenue from activities *	3	40,716	43,157	40,889
Subsidies and grants	3	7,891	13,696	14,582
Development and financial contributions	3	6,362	6,571	7,571
Other revenue	3	13,011	11,900	11,141
<b>Operating revenue (excluding gains)</b>		<b>202,104</b>	<b>215,539</b>	<b>214,708</b>
<b>Expenditure</b>				
Personnel costs		55,800	57,172	56,084
Depreciation and amortisation	5	58,072	59,735	59,609
Finance costs	4	26,012	25,675	24,887
Other expenses *	5	62,564	63,388	65,264
<b>Operating expenditure (excluding losses)</b>		<b>202,448</b>	<b>205,970</b>	<b>205,844</b>
<b>Operating surplus/(deficit)</b>		<b>(344)</b>	<b>9,569</b>	<b>8,864</b>
<b>Other comprehensive income and expenses</b>				
Net gain on revaluation of property, plant and equipment		143,967	143,967	143,967
<b>Total comprehensive income and expense</b>		<b>143,967</b>	<b>143,967</b>	<b>143,967</b>
<b>Total comprehensive income for the year</b>		<b>143,623</b>	<b>153,536</b>	<b>152,831</b>

The accompanying notes form part of these financial statements.

Council takes a prudent approach in the calculation of the balanced budget and removes subsidies on significant one-off capital projects (such as the Ring Road project) and vested assets from the calculation. The reason for this is because this revenue is irregular in nature and distorts the true operational surplus/deficit position of Council.

#### Variations to Council's 2012-2022 10-Year Plan

\* Refer to the individual Funding Impact Statements for detailed commentary on variations.

## HAMILTON CITY COUNCIL

## PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

	NOTE	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
		\$000	\$000	\$000
<b>Balance at 1 July</b>		3,247,481	3,390,624	3,406,177
Total comprehensive income for the year		143,623	153,536	152,831
<b>Balance at 30 June</b>		<b>3,391,104</b>	<b>3,544,160</b>	<b>3,559,008</b>
<i>Total comprehensive income attributable to:</i>				
Hamilton City Council		143,623	153,536	152,831
<b>Total comprehensive income</b>		<b>143,623</b>	<b>153,536</b>	<b>152,831</b>

*The accompanying notes form part of these financial statements.*



# **PROSPECTIVE STATEMENT OF FINANCIAL POSITION** **AS AT 30 JUNE**

	NOTE	2013/14 ANNUAL PLAN \$000	2014/15 10-YEAR PLAN \$000	2014/15 ANNUAL PLAN \$000
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	8	32,000	32,000	25,000
Debtors and other receivables		16,512	17,040	17,661
Prepayments		-	-	-
Inventory		516	533	533
Other financial assets	6	-	-	242
<b>Total current assets</b>		<b>49,028</b>	<b>49,573</b>	<b>43,436</b>
<b>Non-current assets</b>				
Property, plant and equipment		3,739,654	3,898,458	3,898,260
Intangible assets		8,553	9,090	9,090
Investment property		55,549	57,326	57,326
Other financial assets	6	9,047	11,053	9,765
Investment in associates and subsidiaries	* 7	13,431	13,431	7,431
<b>Total non-current assets</b>		<b>3,826,234</b>	<b>3,989,358</b>	<b>3,981,872</b>
<b>Total assets</b>		<b>3,875,262</b>	<b>4,038,931</b>	<b>4,025,308</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Creditors and other payables		17,544	18,105	18,183
Provisions		1,961	2,024	2,024
Employee entitlements		5,986	6,177	6,177
Borrowings	8	112,803	114,561	107,576
<b>Total current liabilities</b>		<b>138,294</b>	<b>140,867</b>	<b>133,960</b>
<b>Non-current liabilities</b>				
Employee entitlements		1,858	1,917	1,917
Provisions		9,185	9,479	9,479
Borrowings	8	334,822	342,508	320,944
<b>Total non-current liabilities</b>		<b>345,865</b>	<b>353,904</b>	<b>332,340</b>
<b>Total liabilities</b>		<b>484,159</b>	<b>494,771</b>	<b>466,300</b>
<b>Net assets</b>		<b>3,391,104</b>	<b>3,544,160</b>	<b>3,559,008</b>
<b>Equity</b>				
Accumulated funds	9	1,580,607	1,591,733	1,609,340
Other reserves	9	1,788,333	1,932,300	1,932,300
Restricted reserves	9	13,395	13,439	13,132
Council created reserves	9	8,769	6,688	4,236
<b>Total equity</b>		<b>3,391,104</b>	<b>3,544,160</b>	<b>3,559,008</b>

The accompanying notes form part of these financial statements.

## **Variations to Council's 2012-2022 10-Year Plan**

\* Sale of investment in the Hamilton Riverview Hotel Ltd.



## HAMILTON CITY COUNCIL

# **PROSPECTIVE STATEMENT OF CASH FLOWS** **FINANCIAL YEAR ENDING 30 JUNE**

	NOTE	2013/14 ANNUAL PLAN \$000	2014/15 10-YEAR PLAN \$000	2014/15 ANNUAL PLAN \$000
<b>Cash flows from operating activities</b>				
<b>Cash will be provided from:</b>				
Rates revenue	2	134,124	140,215	140,525
Fees, rents and charges	3	37,491	43,157	40,889
Government operating subsidies and grants	3	3,225	3,540	4,426
Government capital subsidies and grants	3	7,891	10,156	11,157
Other capital contributions	3	7,963	8,289	7,288
Interest received	3	1,200	-	1,200
Dividends received	3	275	325	100
Sundry revenue	3	412	426	426
		<b>192,581</b>	<b>206,108</b>	<b>206,011</b>
<b>Cash will be applied to:</b>				
Salaries and wages		55,800	57,172	56,084
Payments for supplies and services	*	59,940	60,533	60,533
Interest paid		26,012	25,675	24,887
Goods and services tax paid (net)		1,858	1,917	1,917
		<b>143,610</b>	<b>145,297</b>	<b>143,421</b>
<b>Net cash flow from operating activities</b>		<b>48,971</b>	<b>60,811</b>	<b>62,590</b>
<b>Cash flows from investing activities</b>				
<b>Cash will be provided from:</b>				
Proceeds from sale of assets		-	-	-
		-	-	-
<b>Cash will be applied to:</b>				
Purchase of property, plant and equipment		50,304	65,796	67,903
		<b>50,304</b>	<b>65,796</b>	<b>67,903</b>
<b>Net cash flow from investing activities</b>		<b>(50,304)</b>	<b>(65,796)</b>	<b>(67,903)</b>
<b>Cash flows from financing activities</b>				
<b>Cash will be provided from:</b>				
Loans uplifted		21,151	28,336	28,336
		<b>21,151</b>	<b>28,336</b>	<b>28,336</b>
<b>Cash will be applied to:</b>				
Term investments		1,674	2,025	2,025
Loan repayments		18,144	21,326	20,998
		<b>19,818</b>	<b>23,351</b>	<b>23,023</b>
<b>Net cash flow from financing activities</b>		<b>1,333</b>	<b>4,985</b>	<b>5,313</b>
Net increase/(decrease) in cash held		(0)	-	0
Opening cash and cash equivalents balance		32,000	32,000	25,000
<b>Closing cash and cash equivalents balance</b>		<b>32,000</b>	<b>32,000</b>	<b>25,000</b>

The accompanying notes form part of these financial statements.

## **Variations to Council's 2012-2022 10-Year Plan**

\* Refer to the individual Funding Impact Statements for detailed commentary on variations.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1: STATEMENT OF ACCOUNTING POLICIES

#### REPORTING ENTITY

Hamilton City Council (the Council) is a territorial local authority governed by the Local Government Act 2002 and is domiciled in New Zealand.

The primary objective of the Council is to provide goods or services to the community for social benefit rather than making a financial return. Accordingly, the Council has designated itself and the Group as public benefit entities as defined under New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS).

The prospective financial statements are Hamilton City Council only and do not include transactions related to the group because the differences to the Council financial statements are not material.

#### BASIS OF PREPARATION

The financial information contained within these policies and financial statements is prospective information in terms of FRS-42 Prospective Financial Statements. The purpose for which the information has been prepared is to enable the public to participate in the decision making processes as to the services to be provided by Council over the financial year 2014/15 and to provide a broad accountability mechanism of the Council to the community. The prospective information may not be appropriate for purposes other than those described.

In preparing these prospective financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The information in the prospective financial statements is uncertain and its preparation requires the exercise of judgement. Actual financial results achieved are likely to vary from the information presented and the variations may be material. Events and circumstances may not occur as expected and may or may not have been predicted or the Council may subsequently take actions that differ from the proposed course of action on which the prospective financial statements are based.

The Council authorised the prospective financial statements on 27 March 2014. Council and management of Hamilton City Council accept responsibility for the preparation of the prospective financial statements, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures. No actual results have been incorporated within the prospective financial statements.

#### Statement of compliance

These prospective financial statements are prepared in accordance with New Zealand Generally Accepted

Accounting Practice (NZ GAAP), the Local Government Act 2002. They comply with NZ IFRS, and other applicable financial reporting standards, as appropriate for public benefit entities. In particular, these prospective statements have been prepared in accordance with FRS-42 Prospective Financial Statements.

#### Measurement base

The financial statements have been prepared on a historical cost basis with the exception of certain items identified in specific accounting policies. They are presented in New Zealand dollars (NZD) which is the Council's functional currency and are rounded to the nearest thousand dollars (\$'000).

#### Changes in accounting policies

There have been no changes in accounting policies during the financial year.

#### Standards, amendments, and interpretations issued that are not yet effective and have not been early adopted.

Standards, amendments, and interpretations issued but not yet effective and have not been early adopted, and which are relevant to the Council, are:

- *NZ IFRS 9 Financial Instruments* will eventually replace NZ IAS 39 Financial Instruments: Recognition and Measurement. NZ IAS 39 is being replaced through the following 3 main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting.

Phase 1 on the classification and measurement of financial assets has been completed and has been published in the new financial instrument standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets.

The financial liability requirements are the same as those of NZ IAS 39, except for when an entity elects to designate a financial liability at fair value through the surplus/ deficit. The new standard is required to be adopted for the year ended 30 June 2016. However, as a new Accounting Standards Framework will apply before this date, there is no certainty when an equivalent standard to NZ IFRS 9 will be applied by public benefit entities.

#### Future changes to financial reporting standards

The External Reporting Board (XRB) has introduced a revised Accounting Standards Framework. The revised framework introduces Public Benefit Entity Accounting Standards comprising International Public Sector Accounting Standards (IPSAS), modified as appropriate for New Zealand circumstances. These standards will apply for years beginning on or after 1 July 2014. Council is in the process of transitioning to the revised standards. To date no significant implications have been identified.



## HAMILTON CITY COUNCIL

Any changes as a result of the transition to the new standards will be reflected in the final Annual Plan 2014/2015.

Financial reporting requirements for public benefit entities are frozen in the short term and all new NZ IFRS and amendments to existing NZ IFRS with a mandatory effective date for annual reporting periods commencing on or after 1 January 2012 are not applicable to public benefit entities.

Accordingly, no disclosure has been made about new or amended NZ IFRS that exclude public benefit entities from their scope.

## SIGNIFICANT ACCOUNTING POLICIES

### Subsidiaries

The prospective financial statements show the investment in this subsidiary at cost.

### Associates

The investment in the associate is carried at cost in the prospective statement of financial position.

### Revenue

Revenue is measured at the fair value of consideration received or receivable. It is recognised when the amount of revenue can be reliably measured and when it is probable that future economic benefits will flow to the entity.

### Rates revenue

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.

Revenue from water rates by meter is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year-end, is accrued on an average usage basis.

### Other revenue

Revenue from traffic and parking infringements is recognised when the infringement notice is issued.

New Zealand Transport Agency roading subsidies are recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled.

Other grants and bequests, and assets vested in Council (with or without conditions) are recognised as revenue when control over the assets is obtained.

Interest income is recognised as it accrues, using the effective interest method. The effective interest rate exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this rate to the principal outstanding to determine interest income each period.

Dividend income is recognised when the right to receive payment is established.

Development and financial contributions are recognised as revenue when Council provides, or is able to provide, the service for which the contribution is charged. Otherwise

development and financial contributions are recognised as liabilities until such time Council provides, or is able to provide, the service.

### Borrowing costs

The Council and group have elected to defer the adoption of NZ IAS 23 Borrowing Costs (revised 2007) in accordance with its transitional provisions that are applicable to public benefit entities. Consequently, all borrowing costs are recognised as an expense in the period in which they are incurred.

### Grant expenditure

Non-discretionary grants are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are recognised as expenditure when a successful applicant has been notified of Council's decision.

### Foreign currency transactions

Foreign currency transactions (including those for which foreign exchange contract are held) are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in surplus or deficit.

### Goods and Services Tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis.

### Income tax

Income tax comprises current tax and deferred tax calculated using tax rates (and tax laws) that have been enacted or substantially enacted by the reporting date.

Current tax is the amount of income tax payable for the current period, plus any adjustments to income tax payable in respect of prior periods.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses.

### Property, plant and equipment

#### Additions

Property, plant and equipment is initially recognised at cost or at fair value when an asset is acquired at no cost or for a nominal cost.

Capital work in progress is recognised at cost less impairment and is not depreciated.

#### Disposals

Realised gains and losses on disposals of property, plant and equipment are recognised in surplus or deficit. Any amount included in the asset revaluation reserve in respect of the disposed item is transferred from the reserve to accumulated funds.

**Subsequent costs**

The cost of replacing or improving part of an item of property, plant and equipment is recognised in the carrying amount of an item.

The costs of day-to-day servicing of property, plant, and equipment are recognised in surplus or deficit as they are incurred.

**Revaluation**

Revaluations of property, plant, and equipment are accounted for on a class-of-asset basis. Net revaluation results are credited or debited to other comprehensive income and are accumulated to the asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, the debit balance is recognised in surplus or deficit. Any subsequent increase on revaluation is recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive income.

**Depreciation**

Depreciation is provided on a straight-line basis at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

The useful lives and associated depreciation rates of major classes of assets have been estimated in Table 1.

The residual value and useful life of an asset is reviewed and adjusted if applicable at each financial year end.

Heritage assets are depreciated by a nominal amount to reflect their extremely long life and heritage value.

Depreciation is not provided in these statements on the following assets: land, formation costs associated with roading, investment properties, non-current asset held for sale and work in progress and assets under construction.

Any work undertaken on infrastructure assets to reinstate (termed 'renewal') or add to the service potential is capitalised.

**Investment properties**

Investment property is initially recognised at cost. After initial recognition, all investment property is carried at fair value. Gains or losses arising from fair value changes are included in surplus or deficit.

**Intangible assets**

Computer software licences are capitalised at historic cost and are amortised on a straight-line basis over their estimated useful lives (5 years).

Resource consents which are not attributed to a specific asset are capitalised at historic cost and are amortised on a straight-line basis over their estimated useful lives (7 to 35 years).

**Impairment of non-financial assets**

Non-financial assets are assessed at each reporting period for impairment. Impairment is first recognised as a reversal of previously recorded revaluation reserves for that class of asset. Where no reserve is available, the impairment is recognised in surplus or deficit. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

**Table 1**

Class of property, plant and equipment	Estimated useful life	Depreciation rates
<b>Buildings - Structure/ Fit out/Services</b>	40-100 yrs	1%-2.5%
<b>Plant and Vehicles</b>	3-15 yrs	6.6%-33.3%
<b>Furniture, Fittings and Equipment</b>	5-10 yrs	10%-20%
<b>Library Books</b>	14 yrs	7.1%
<b>Zoo Animal (acquisition costs)</b>	10 yrs	10%
<b>Roads and Traffic Network:</b>		
Top surface (seal)	6 - 18 yrs	5.5% - 16.6%
Pavement (basecourse)	25 - 50 yrs	2% - 4%
Catchpits	50 yrs	2%
Culverts	60 - 80 yrs	1.25% - 1.6%
Footpaths	50 - 70 yrs	1.4% - 2%
Kerbs and traffic islands	70 yrs	1.4%
Signs	12 yrs	8.3%
Street lights	25 yrs	4%
Bridges	150 yrs	0.6%
Traffic signals	15 yrs	6.6%
Barriers	25 - 40 yrs	2.5% - 4%
Bus shelters and parking meters	4 - 10 yrs	10% - 25%
Verge, embankment and retaining walls	60 yrs	1.6%
<b>Wastewater Reticulation:</b>		
Pipes	60 - 100 yrs	1% - 1.6%
Manholes	75 yrs	1.3%
Treatment plant	5 - 100 yrs	1% - 20%
Bridges	75 - 100 yrs	1% - 1.3%
Pump stations	15 - 100 yrs	1% - 6.6%
<b>Stormwater System:</b>		
Pipes	100 yrs	1%
Manholes, cesspits	100 yrs	1%
Service connections and outlets	30 - 100 yrs	1% - 3.3%
<b>Water Reticulation:</b>		
Pipes	60 - 80 yrs	1.25% - 1.6%
Butterfly valves	50 - 75 yrs	1.3% - 2%
Treatment plant	10 - 120 yrs	0.8% - 10%
Meters	20 yrs	5%
Hydrants	50 yrs	2%
Reservoirs	30 - 80 yrs	1.25% - 3.3%

**Inventory**

Inventories are stated at the lower of cost using the first-in-first-out method ('FIFO') or net realisable value unless they are held for consumption in the provision of non-commercial services, which are recorded at cost using FIFO, adjusted for any loss in service potential.



## HAMILTON CITY COUNCIL

**Debtors and other receivables**

Debtors and other receivables are measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

**Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank borrowings are shown within borrowings in current liabilities in the prospective statement of financial position.

**Other financial assets**

Financial assets are initially recognised at fair value plus transactions costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in surplus or deficit.

Financial assets are classified into the following categories for the purpose of measurement:

- Loans and receivables
- Fair value through surplus or deficit
- Held to maturity investment
- Fair value through other comprehensive income

**Loans and receivables**

Loans and receivables are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

They are measured at initial recognition, at fair value, and subsequently carried at amortised cost less impairment losses. Gains or losses when the asset is impaired or derecognised are recognised in surplus or deficit.

**Financial assets at fair value through surplus or deficit**

After initial recognition, financial assets are measured at their fair values with gains or losses on remeasurement recognised in surplus or deficit.

**Held-to-maturity investments**

Held to maturity investments are included in current assets, except for maturities greater than 12 months after balance date, which are included in non-current assets.

After initial recognition they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in surplus or deficit.

**Fair value through other comprehensive income**

Financial assets at fair value through other comprehensive income are measured at fair value, with gains and losses recognised in other comprehensive income, except for impairment losses, which are recognised in surplus or deficit.

On derecognition the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to surplus or deficit.

**Impairment of financial assets**

Financial assets are assessed for objective evidence of impairment at each balance date. Impairment losses are recognised in surplus or deficit.

**Creditors and other payables**

Creditors and other payables are recorded at their face value.

**Borrowings**

Borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Finance charges, premiums payable on settlement or redemption and direct costs are accounted for on an accrual basis to surplus or deficit using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

**Employee entitlements****Superannuation schemes**

Obligations for contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are recognised in surplus or deficit when incurred.

**Other employee entitlements**

Employee entitlements for salaries and wages, annual leave, sick leave, long service leave and other similar benefits are recognised in surplus or deficit when they accrue to employees. Employee benefits to be settled within 12 months are reported at the amount expected to be paid. The liability for long term employee entitlements is reported at the present value of estimated future cash outflows.

**Derivative financial instruments**

Council uses foreign exchange forward contracts and interest rate swaps to manage their foreign currency and interest rate exposure. Derivative financial instruments are recognised initially at fair value. The Council has elected not to hedge account for these derivative financial instruments.

Changes in the fair value of the derivative financial instruments are recognised in surplus or deficit.

**Leases****Finance leases**

At the commencement of the lease term, Council recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to surplus or deficit over the lease period. The amount recognised as an asset is depreciated over the shorter of the lease term and its useful life.

**Operating leases**

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

**Provisions**

Provisions are measured at the present value of the expected future cash outflows required to settle the obligation. The increase in the provision due to the passage of time is recognised as finance costs in surplus or deficit.

**Financial guarantee contracts**

Where the Council enters into contracts to guarantee the indebtedness of other entities, the contract is initially recognised at its fair value based on actuarial assumptions. Assumptions are reviewed annually with any change to the fair value recognised in surplus or deficit as other gains or losses.

**Landfill post-closure costs**

Provision for post-closure costs is initially recognised at its fair value based on actuarial calculations. Assumptions are reviewed annually with any change to the fair value recognised in surplus or deficit and the periodic unwinding of the discount is recognised in surplus or deficit as a finance cost as it occurs.

**Equity**

Equity is the community's interest in Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Accumulated funds
- Revaluation reserves
- Restricted reserves
- Council created reserves

Accumulated funds comprise accumulated surpluses over the years.

Revaluation reserves comprise accumulated revaluation increments/decrements.

Restricted reserves are those funds subject to external restrictions accepted as binding by Council, which may not be revised by Council without reference to the Courts or a third party.

Council created reserves are formally imposed designations of public equity that indicate Council's intention to use a certain level of resources for a special purpose.

**Statement of cash flows**

Cash comprises cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which Council invests as part of its day-to-day cash management.

Operating activities include cash received from all income sources of Council and cash payments made for goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise the change in debt capital structure of Council.

**Budget figures**

The budget figures are those approved by the Council in its 2012-2022 Long Term Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted in preparing these financial statements.

**Critical accounting estimates and assumptions**

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

**Infrastructure assets**

Note 19 provides information about the estimates and assumptions applied in determining the fair value of infrastructure assets.

**Landfill aftercare provision**

Note 25 provides information about the estimates and assumptions surrounding the landfill aftercare provision.



## HAMILTON CITY COUNCIL

**NOTE 2: RATES, EXCLUDING TARGETED WATER SUPPLY RATES**

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
General rates	120,965	126,289	126,694
Targeted rates attributable to activities:			0
- business improvement district	280	280	280
- 100% non-rateable land	906	944	944
- 50% non-rateable land	113	118	118
- Access Hamilton	5,000	5,000	5,000
- Hamilton Gardens	0	0	605
- rates penalties	679	708	708
Less rates charges to Council properties	(817)	(843)	(843)
<b>Total rates, excluding targeted water supply rates</b>	<b>127,126</b>	<b>132,496</b>	<b>133,506</b>
Rates, excluding targeted water supply rates	127,126	132,496	133,506
Targeted water supply rates	8,055	8,821	8,121
<b>Total annual rates income</b>	<b>135,181</b>	<b>141,317</b>	<b>141,627</b>
Total gross rates, excluding targeted water supply rates	127,126	132,496	133,506
Rates remissions	(1,057)	(1,102)	(1,102)
<b>Rates (net of remissions) excluding targeted water supply rates</b>	<b>126,069</b>	<b>131,394</b>	<b>132,404</b>

**NOTE 3: OTHER REVENUE**

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
<b>REVENUE FROM ACTIVITIES</b>			
Arts and Recreation	6,807	7,498	7,497
City Planning and Development	1,085	1,119	1,119
City Prosperity	9,931	10,491	9,895
City Safety	7,083	7,385	7,458
Community Services	3,949	3,879	3,684
Democracy	236	30	30
Parks and Open Spaces	1,040	970	1,260
Solid Waste	318	328	328
Stormwater	25	26	301
Transportation	11,557	12,471	11,243
Wastewater	3,655	3,826	3,826
Water Supply	107	294	294
Less: internal revenue	(1,570)	(1,620)	(1,620)
Less: Operating subsidies and grants	(3,508)	(3,540)	(4,426)
<b>Total revenue from activities</b>	<b>40,716</b>	<b>43,157</b>	<b>40,889</b>
Capital and Operating subsidies	7,891	13,696	14,582
Development contributions	6,362	6,571	7,571
<b>Total capital contributions</b>	<b>14,253</b>	<b>20,267</b>	<b>22,153</b>
<b>Other revenue</b>			
Vested assets	8,153	8,414	8,414
Other contributions/grants	2,971	2,735	1,001
Dividends	275	325	100
Investment income	1,200	0	1,200
Other sundry revenue	412	426	426
<b>Total sundry revenue</b>	<b>13,011</b>	<b>11,900</b>	<b>11,141</b>
<b>Total other revenue</b>	<b>67,980</b>	<b>75,324</b>	<b>74,183</b>

**Variations to Council's 2012-2022 10-Year Plan**

\* Refer to the individual Funding Impact Statements for detailed commentary on variations.



**NOTE 4: FINANCE COSTS**

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
Interest on bank borrowings	25,885	25,531	24,743
Interest on finance leases	127	144	144
<b>Total finance costs</b>	<b>26,012</b>	<b>25,675</b>	<b>24,887</b>

**NOTE 5: OTHER EXPENSES**

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
Arts and Recreation	33,328	33,357	33,813
	6,208	5,755	6,029
	29,210	30,027	29,316
City Safety	9,083	8,894	9,071
Community Services	8,560	8,273	8,432
Democracy	5,274	4,920	5,349
Parks and Open Spaces	15,301	15,254	15,438
Solid Waste	6,186	6,355	6,476
Stormwater	8,507	8,779	8,958
Transportation	42,876	44,453	43,600
Wastewater	23,155	24,069	23,887
Water Supply	18,228	19,375	18,816
Less internal expenses	(1,570)	(1,620)	(1,420)
Less rates charges to Council properties	(817)	(843)	(843)
Less interest on internal borrowing	(1,081)	(1,078)	(1,078)
<b>Total expenses from activities *</b>	<b>202,448</b>	<b>205,970</b>	<b>205,844</b>
Less personnel costs	(55,800)	(57,172)	(56,084)
Less depreciation and amortisation	(58,072)	(59,735)	(59,609)
Less finance costs	(26,012)	(25,675)	(24,887)
<b>Total other expenses</b>	<b>62,564</b>	<b>63,388</b>	<b>65,264</b>

**DEPRECIATION AND AMORTISATION EXPENSES BY GROUP OF ACTIVITY****Directly attributable depreciation and amortisation expense by group of activity**

Arts and Recreation	3,035	3,196	3,196
City Planning and Development	0	0	0
City Prosperity	2,359	2,310	2,184
City Safety	54	39	39
Community Services	145	139	139
Democracy	0	0	0
Parks and Open Spaces	1,465	1,580	1,580
Solid Waste	352	395	395
Stormwater	5,703	5,873	5,873
Transportation	16,825	17,406	17,406
Wastewater	7,450	7,773	7,773
Water Supply	7,144	7,455	7,455
<b>Depreciation and amortisation not directly related to group of activity</b>			
Support services	13,483	13,509	13,509
Business units	57	60	60
<b>Total depreciation and amortisation expense</b>	<b>58,072</b>	<b>59,735</b>	<b>59,609</b>

**Variations to Council's 2012-2022 10-Year Plan**

\* Refer to the individual Funding Impact Statements for detailed commentary on variations.

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**NOTE 6: OTHER FINANCIAL ASSETS**

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
<b>Current portion:</b>			
<b>Loans and receivables</b>			
Loan to Staples Rodway	261	242	242
<b>Total current portion</b>	<b>261</b>	<b>242</b>	<b>242</b>
<b>Non-current portion</b>			
<b>Loans and receivables</b>			
Term deposits with maturities of over 1 year	3,321	5,346	4,300
<b>Unlisted shares</b>			
NZ Local Government Funding Agency	2,000	2,000	2,000
Waikato Innovation Park Ltd	2,400	2,400	2,400
Local Authority Shared Services Ltd	728	728	728
NZ Local Government Insurance Co Ltd	337	337	337
<b>Total non-current portion</b>	<b>8,786</b>	<b>10,811</b>	<b>9,765</b>
<b>Total other financial assets</b>	<b>9,047</b>	<b>11,053</b>	<b>10,007</b>

**NOTE 7: INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES**

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
<b>Investment in associates</b>			
Hamilton Riverview Hotel Ltd *	6,000	6,000	-
Waikato Regional Airport Ltd	7,430	7,430	7,430
<b>Investment in subsidiaries</b>			
Hamilton Properties Ltd	1	1	1
<b>Total investment in associates and subsidiaries</b>	<b>13,431</b>	<b>13,431</b>	<b>7,431</b>

\* Council sold its investment in the Hamilton Riverview Hotel in 2013-14.

**NOTE 8: BORROWINGS**

The city's debt has been issued in accordance with the Local Government Act 2002. The loans are secured through the debenture trust deed over all rates with one exception. The \$1.0m loan used to purchase Victoria on the River property which is secured by first registered mortgage over the property.

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
<b>Current</b>			
Secured loans	112,136	114,040	106,750
Lease liabilities	667	521	826
<b>Total current borrowings</b>	<b>112,803</b>	<b>114,561</b>	<b>107,576</b>
<b>Non-current</b>			
Secured loans	333,266	341,293	319,017
Lease liabilities	1,556	1,215	1,927
<b>Total non-current borrowings</b>	<b>334,822</b>	<b>342,508</b>	<b>320,944</b>
<b>Total borrowings</b>	<b>447,625</b>	<b>457,069</b>	<b>428,520</b>
<b>Total overall debt</b>			
Total borrowings (excluding bank overdraft)	447,625	457,069	428,520
less: Cash investments	(32,000)	(32,000)	(25,000)
less: Term deposits			(4,300)
plus: Reserves	17,151	15,777	17,368
<b>Total overall debt</b>	<b>432,776</b>	<b>440,846</b>	<b>416,588</b>

Council reserves are held in cash and are not used for internal borrowing (i.e. to reduce external borrowing requirements) as they are held for a specific purpose and may be utilised at any time. Refer to Note 9 for a breakdown of Council reserves.

**Debt Servicing Performance Indicators**

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$'000	\$'000	\$'000
Liquidity ratio >110%	>110%	>110%	>110%
Debt to revenue ratio (target 200% by 2019)	238%	232%	219%
Interest to revenue ratio (target <20%)	14%	13%	13%
Debt to cashflow (target <15)	9.7	8.8	8.4

The financial ratios are calculated as follows:

- **Liquidity ratio**  
(total funds available through committed facilities/floating rate notes/bonds/cash held) divided by (external debt).
  - **Debt to revenue ratio**  
(total overall debt) divided by (total operating revenue less vested assets less capital subsidies less revenue from development contributions).
  - **Interest to revenue ratio**  
(total interest) divided by (total operating revenue less vested assets less capital subsidies less revenue from development contributions).
  - **Debt to cashflow**  
(total overall debt) divided by (net surplus/deficit plus depreciation less vested assets less capital subsidies less sundry revenue).
- Council uses synthetic instruments (swaps and FRAs) to manage its interest rate risk profile based on independent professional advice. The specific limits are outlined in the investment and liability management policy.

**NOTE 9: EQUITY**

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$'000	\$'000	\$'000
<b>Accumulated funds</b>			
Balance 1 July	1,581,331	1,581,250	1,600,538
Surplus/(deficit) for the year	(344)	9,569	8,864
Transfer from property revaluation reserve on disposal			
Transfers (to)/(from) restricted and Council created reserves	(380)	914	(62)
<b>Balance at 30 June</b>	<b>1,580,607</b>	<b>1,591,733</b>	<b>1,609,340</b>
<b>Revaluation reserve</b>			
<b>General asset revaluation reserves</b>			
Balance 1 July	1,644,366	1,788,333	1,788,333
Revaluation gains	143,967	143,967	143,967
<b>Balance at 30 June</b>	<b>1,788,333</b>	<b>1,932,300</b>	<b>1,932,300</b>
<b>Restricted and council created reserves</b>			
Balance 1 July	21,784	21,041	17,306
Transfers to/(from) restricted and council created reserves	380	(914)	62
<b>Balance at 30 June</b>	<b>22,164</b>	<b>20,127</b>	<b>17,368</b>
<b>Total equity</b>	<b>3,391,104</b>	<b>3,544,160</b>	<b>3,559,008</b>

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	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
<b>Restricted and Council created reserves</b>			
<b>Restricted reserves</b>			
Cemetery plot maintenance in perpetuity	1,429	1,435	1,541
Dame Hilda Ross library memorial reserve	2	2	2
Domain endowment fund	1,923	1,923	2,144
Roman Catholic schools library reserve	2	3	2
Waikato art gallery endowment reserve	8	9	8
Municipal endowment fund	8,825	8,825	9,435
Project watershed emergency reserve	1,206	1,242	0
<b>Total restricted reserves</b>	<b>13,395</b>	<b>13,439</b>	<b>13,132</b>
<b>Council created reserves</b>			
Access Hamilton reserve	1,374	703	-
Bus shelter (Adshel) reserve	97	82	212
Crime prevention	111	118	-
Hamilton Gardens			527
Housing upgrade reserve	3,756	2,338	3,101
Museum collection reserve	266	282	-
Project watershed operating reserve	(70)	(233)	396
Public art reserve	77	26	-
Rail infrastructure reserve	278	286	-
Retiring gratuity reserve	433	458	-
Rotokauri/Te Rapa land sale reserve	2,184	2,306	-
Zoo animal acquisition reserve	263	322	-
<b>Total council created reserves</b>	<b>8,769</b>	<b>6,688</b>	<b>4,236</b>
<b>Total restricted and Council created reserves</b>	<b>22,164</b>	<b>20,127</b>	<b>17,368</b>

Council has resolved to only hold Reserves where either there is a legislative requirement or to account for funds received from an external source. Reserves that did not meet either of these conditions and have been closed.



**NOTE 10: CAPITAL EXPENDITURE**

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
<b>CAPITAL EXPENDITURE DISCLOSED IN FUNDING IMPACT STATEMENTS</b>			
Arts and recreation *	2,607	3,876	3,627
City planning and development	-	-	-
City prosperity	566	246	293
City safety	20	0	0
Community services	275	179	178
Democracy	-	-	-
Parks and open spaces	2,234	2,291	2,293
Solid waste management	1,217	1,266	1,043
Stormwater drainage	2,038	2,309	2,295
Transportation **	23,003	22,914	25,584
Waste water	6,473	7,643	7,603
Water supply	6,797	17,448	17,362
<b>SERVICE UNITS</b>			
City parks	-	-	-
Information services	1,427	2,807	2,808
Property management	3,647	4,817	4,817
<b>Total capital expenditure</b>	<b>50,304</b>	<b>65,796</b>	<b>67,903</b>
<b>TOTAL CAPITAL EXPENDITURE FUNDED BY:</b>			
Loans	20,347	23,332	25,618
Reserves	963	1,030	1,030
Subsidies **	2,927	13,035	13,981
Other revenue	2,381	2,126	1,001
General rates	23,686	26,273	26,273
<b>Total capital expenditure</b>	<b>50,304</b>	<b>65,796</b>	<b>67,903</b>

**Variations to Council's 2012-2022 10-Year Plan**

\* Library collections renewals have been reduced to fund the reduced revenue targets.

\*\* Correction to the amount of NZTA subsidy able to be claimed on some Transportation projects

**NOTE 11: RECONCILIATION BETWEEN PROSPECTIVE STATEMENT OF COMPREHENSIVE INCOME AND PROSPECTIVE FUNDING IMPACT STATEMENT**

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
<b>Operating surplus/(deficit) per Prospective Statement of Comprehensive Income</b>	<b>(344)</b>	<b>9,569</b>	<b>8,864</b>
<b>Items recognised as income in Statement of Comprehensive Income and as capital expenditure funding sources in Funding Impact Statement:</b>			
Capital subsidies and grants	(4,383)	(10,156)	(11,157)
Development and financial contributions	(7,964)	(8,290)	(7,571)
Recognition of revenue from vested assets and interest on internal borrowing not included in the FIS	(9,234)	(9,492)	(9,492)
<b>Non-cash items recognised in Statement of Comprehensive Income and not included in Funding Impact Statement:</b>			
Depreciation	58,072	59,735	59,609
Provision for LGFA guarantee	30	32	32
Finance leases	(1,371)	(1,029)	0
<b>Operating funding surplus/(deficit) per Prospective Funding Impact Statement</b>	<b>34,806</b>	<b>40,369</b>	<b>40,285</b>
<b>Balance as per Council FIS operating surplus/(deficit) of funding</b>	<b>34,806</b>	<b>40,369</b>	<b>40,285</b>

**Variations to Council's 2012-2022 10-Year Plan**

\* Refer to the individual Funding Impact Statements for detailed commentary on variations.

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## RESERVE FUNDS

Reserves are held to ensure that funds received for a particular purpose are used for that purpose and any surplus created is managed in accordance with the reason for which the reserve was established. Surpluses held in reserves are credited with being restricted reserves. Restricted reserves are reserves that have rules set by legal obligation that restrict the use that the council may put the interest. The council holds 20 reserves, with 7 funds towards. The remaining Council created reserves are monies, discretionary reserves which the council has established for the fair and transparent use of monies.

Restricted reserves and the Housing Upgrade reserve are backed by cash. The remaining reserves are not separately held in cash and the funds are managed as part of the council's treasury management. As debt capacity allows, more reserves will be cash backed.

Below is a list of current reserves outlining the purpose for holding each reserve and the council activity to which each reserve relates, together with summary financial information for the 2014/15 year:

RESTRICTED RESERVES	OPENING BALANCE JULY 2014	DEPOSITS	EXPENDITURE	CLOSING BALANCE JUNE 2015
PURPOSE OF THE FUND	\$000	\$000	\$000	\$000
<b>Cemetery Plot Maintenance in Perpetuity Reserve (Cemeteries and Crematorium Activity)</b>	1,535	87	81	1,541
To maintain and provide for improvements to the cemeteries.				
<b>Domain Endowment Fund (Parks and Open Spaces Activity)</b>	2,144	109	109	2,144
To provide a capital endowment fund for domain land for investment in property. Rental income and interest earned from domain endowment land is used to fund parks and reserves operating costs.				
<b>Dame Hilda Ross Children's Library Memorial Fund (Libraries Activity)</b>	2	0	0	2
To manage a bequest by Dame Hilda Ross given for the purpose of extending the children's collection in the Dame Hilda Ross Memorial Arts Centre (Children's Library). Only the interest income from the fund may be used for purchases.				
<b>Roman Catholic Schools Library Fund (Libraries Activity)</b>	2	0	0	2
To manage a bequest made for the purpose of extending the children's collection in the Children's Library. The interest income from the fund can be used for children's book collection purchases.				
<b>Waikato Art Gallery Endowment Reserve (Arts Promotion Activity)</b>	8	0	0	8
To provide funds for the acquisition of works of art for the Waikato Museum of Art and History.				
<b>Municipal Endowment Fund (Strategic Property Investment Activity)</b>	9,435	498	498	9,435
To provide a capital fund for Crown endowment land vested in the council for investment in property. Rental income and interest earned from the land and property may be used for Council purposes to offset rates.				
<b>Total restricted reserves</b>				13,132

COUNCIL CREATED RESERVES	OPENING BALANCE JULY 2014	DEPOSITS	EXPENDITURE	CLOSING BALANCE JUNE 2015
PURPOSE OF THE FUND	\$000	\$000	\$000	\$000
<b>Bus Shelter Reserve (Travel Demand Management Activity)</b>	226	61	75	212
To manage the income generated from advertising in bus shelters to provide, maintain and enhance passenger infrastructure.				
<b>Hamilton Gardens</b>	0	605	78	527
To provide funds for the development of Hamilton Gardens. Funds are being sourced from a targeted rate over a four year period starting 2014/15.				
<b>Housing Upgrade Reserve (Housing Activity)</b>	3,396	140	435	3,101
To assist in improving council owned housing. There is no specific plan to use this reserve for the coming ten years while the council considers its future role in this activity.				
<b>Project Watershed Operating Reserve (Water Supply and Stormwater Drainage Activities)</b>	558	543	705	396
To fund works relating to river flood protection and erosion control (Project Watershed). Waikato Regional Council is the funding agency and Hamilton City Council carries out agreed works within the city boundary.				
<b>Waste Minimisation Reserve (Waste Minimisation Activity)</b>	0	426	426	0
To encourage a reduction in the amount of waste generated and disposed of in New Zealand, and to lessen the environmental harm of waste. This reserve was created in 2009 as a result of the Waste Minimisation Act 2008. Funding is distributed to local authorities by the Ministry of Environment and expenditure includes grants to others, waste minimisation initiative operating expenses and				
<b>Total restricted reserves</b>				4,236



## Council Funding Impact Statement

The Funding Impact Statement should be read in conjunction with the Revenue and Financing Policy and Rating Policies. Figures in this statement are GST inclusive.

### RATING INFORMATION

#### REPORTING ENTITY

Council sets the following rates under the Local Government (Rating) Act 2002.

- General Rate
- Targeted Rates:
  - Access Hamilton
  - Business Improvement District
  - Hamilton Gardens
  - Non-rateable Services 100%
  - Non-rateable Services 50%
  - Non Domestic Water Supply

Details of the amount of rates to be collected and the categories that will pay these rates are listed below:

#### GENERAL RATE

A general rate is set and assessed on the land value of all rateable land in the City.

General rates are set on a differential basis on the land value of all rateable properties. The differential basis is based on the use to which the land is put. The different categories of rateable land (differential) are outlined in the table below.

This funding mechanism covers all services of Council. The total revenue sought for 2014/15 is \$145.698 million (GST Inclusive).

#### DIFFERENTIAL

Differential rating is used for the general rate only. Other targeted rates are set without differentials apart from non domestic water supply. The quantum of general rates required from each differential sector is calculated on an activity-by-activity basis as described in the Funding Needs Analysis.

The objective of including differentials in the general rate is to achieve a fair and equitable distribution of the general rate between categories of land having regard to matters of social, economic, environmental and cultural well being of the community.

The differentials reflect the fact that some sectors gain a higher share of the benefits of Council services than others.

Every three years at the time of a revaluation, the differential factor will be adjusted to maintain the differential yield of the previous rating year. The revised differential factor will apply until the next review of the LTP when the cost allocation model, rating system, and rating differential factors are reviewed. This post revaluation adjustment to the rating differential factor ensures that the incidence of rates between the rating categories is maintained as a result of the revaluation.

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

SOURCE	CATEGORY	DIFFERENTIAL CATEGORIES	DIFFERENTIAL FACTOR 2014/15	PERCENTAGE OF TOTAL GENERAL RATES 2014/15	GENERAL RATE IN THE DOLLAR (LV) 2014/15 (GST INCL)	RATES REVENUE 2014/15 (GST INCL)
Rates: General Rate	A	Residential	1.0000	63.08%	0.011831	\$91,900,285
	B	Inner City Residential Apartments	0.9800	0.24%	0.011595	\$348,016
	C	Commercial/Industrial	2.2991	26.18%	0.027202	\$38,139,991
	D	CBD Commercial/Ind	2.1842	7.73%	0.025842	\$11,267,324
	E	Multi Unit Residential	1.3854	1.71%	0.016391	\$2,498,485
	F	Rural Residential	0.4844	0.05%	0.005731	\$75,027
	G	Rural Small	0.3405	0.75%	0.004029	\$1,095,684
	H	Rural Large	0.1542	0.26%	0.001824	\$373,286

#### CATEGORY DEFINITIONS – GENERAL RATE DIFFERENTIAL

Each rating unit is allocated to a differential rating category for the purpose of calculating the general rate. Set out below are the definitions used to allocate rating units to categories.

#### CATEGORY A – RESIDENTIAL AND OTHER

All rating units:

- i. Used solely or principally for residential purposes as the home or residence of not more than two households which have available the full Council services; excluding properties in Categories B, C, E; or

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- ii. 2,000 square metres or less in area, used solely or principally for rural purposes, which receive full water and wastewater services from the Council; or
- iii. The residential portion of a property which is used for both residential/ commercial use, i.e. small business operated from residential properties; or
- iv. Bare land marketed for residential section sales not under development or land under development for a residential subdivision and no longer used principally for rural purposes; or
- v. Not otherwise specified in the Category definitions.

**CATEGORY B – INNER CITY RESIDENTIAL APARTMENTS**

All rating units:

- i. Used solely or principally for residential purposes as the home or residence of not more than two households, excluding properties categorised as Category C; and
- ii. Located within the CBD where the Council cannot provide a household refuse collection service.

**CATEGORY C – COMMERCIAL/INDUSTRIAL**

All rating units:

- i. Used solely or principally for commercial or industrial purposes, but excluding properties categorised as Category F or G (note: commercial properties in rural areas will be rated at full commercial and a remission may be applied subject to the Remission of Rates for Commercial Land Use in a Rural Location Policy); or
- ii. Used solely or principally for commercial residential purposes, including, but not limited to, hotels, boarding houses, rest homes, show homes, motels, residential clubs, hostels; or
- iii. The area of a chartered club used for the restaurant, bar and gaming machines, will be rated full commercial; or
- iv. The commercial portion of the property, which is used for both commercial/ residential use, i.e. small business, operated from residential property; or
- v. All vacant commercial/industrial land.

**Definitions**

“Commercial residential purposes” are where a property is being provided for residential accommodation at a fee with the average occupancy period of the property not exceeding three months. Where the average occupancy exceeds three months, the property would be classified under the multi-unit category.

Hostel is the residence or lodging place for persons.

**CATEGORY D – CBD COMMERCIAL/INDUSTRIAL**

All rating units used solely or principally for commercial or industrial purposes within the defined existing and expanded CBD precinct shown in the map on page 78.

**CATEGORY E – MULTI-UNIT RESIDENTIAL**

All rating units used solely or principally for residential purposes where there are three or more dwellings/households on a single title including residential centres, but excluding properties categorised as Category C.

Also includes hostels operated by charitable trusts that are not classified as 100% non-rateable land as defined by the Act.

**CATEGORY F – RURAL RESIDENTIAL**

All rating units used solely or principally for residential purposes as the home or residence of not more than two households that receive all the services of a residential property apart from stormwater, footpaths and traffic/street lighting services.

**CATEGORY G – RURAL SMALL HOLDING**

All rating units less than 10 hectares in area, used solely or principally for rural purposes, excluding properties categorised under Category A paragraph (ii) or Category E.

**CATEGORY H – RURAL LARGE HOLDING**

All rating units over 10 hectares in area which are used solely or principally for rural purposes. For Categories A, F, G and H, rural purposes include agricultural, horticultural or pastoral purposes and the keeping of bees or poultry or other livestock.

**UNIFORM ANNUAL GENERAL CHARGE**

Council does not use a uniform annual general charge.

**TARGETED RATES****Targeted Rate – Non-domestic Water Supply**

The targeted rate for non-domestic water supply funds the operating and depreciation costs of water supplies to Commercial/Industrial, Non-Rateable, Rural properties.

- a) Council will set and assess a targeted rate on a differential basis to all rating units supplied with non-domestic water supply (as defined by Hamilton City Council's Water Supply Bylaw 2008) as follows:
  - i. a fixed amount on every separately used or inhabited part of a rating unit supplied with non-domestic water as follows:
    - \$398 for commercial/industrial properties, non-rateable properties, or other properties with metered supply;
    - \$310 for rural properties receiving a restricted flow supply.



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- ii. a charge per unit of water consumed or supplied on every separately used or inhabited parts of a rating unit in accordance with the following scale:

- commercial/industrial properties, non-rateable properties, or other properties with metered supply - \$1.66 per kilolitre of water supplied after the first 240 kilolitres of consumption or supply;
- rural properties receiving a restricted flow supply - \$1.29 per kilolitre of water supplied after the first 240 kilolitres of consumption or supply.

- iii. The total revenue sought for 2014/15 is \$9.342m (GST inclusive).

- b) Commercial properties without meters will be charged the minimum annual charge of \$398 (GST inclusive) per property or separately used inhabited part of a property.

The total revenue sought for 2014/15 is estimated to be \$208,150 (GST inclusive).

Properties in the Waikato District Council and Waipa District Council supplied with water under contractual arrangements will be charged according to Council's Fees and Charging schedule.

#### Targeted Rate – Access Hamilton

This targeted rate contributes funding for transportation.

The targeted rate for Access Hamilton funds the work programmes and/or financing costs relating to this project.

A targeted rate relating to Access Hamilton set and assessed at a uniform rate per dollar of capital value on all categories of rateable property (excluding 100% non-rateable and 50% non-rateable properties).

The amount raised by this targeted rate will be transferred into a reserve fund and these funds will be used to fund any of:

- Investigation or associated Access Hamilton capital costs
- Debt servicing of loan funded Access Hamilton capital projects
- Subsidies of transport initiatives, design and feasibility studies and other operational costs linked to the Access Hamilton strategy.

The targeted rate will be \$0.00025153 per dollar of capital value (GST inclusive). The total revenue sought for 2014/15 is \$5,750,000 (GST inclusive).

#### Targeted Rate – Business Improvement District (BID)

This targeted rate contributes funding for economic development.

The defined area of the CBD precinct is shown in the map attached.

All separately used or inhabited parts of a rating unit within the precinct will be charged the following targeted rate for the Business Improvement District. The total revenue sought for 2014/15 rating year is \$322,000 (GST inclusive).

- a) a fixed amount of \$230 (GST inclusive) per separately used or inhabited parts of a rating unit within the defined area; and
- b) a rate per dollar of capital value required to meet the total revenue (after allowing for the total revenue raised by the fixed amount of \$230 (GST inclusive) per rating unit or separately used portion of a rating unit, is \$0.00004103 (GST inclusive).

The targeted rate income will be transferred to the Hamilton Central Business Association to fund the respective programmes for the 2014/15 financial year as outlined in their Business Plan.

#### Targeted Rate – Hamilton Gardens

The targeted rate contributes funding to develop themed gardens and infrastructure at the Hamilton Gardens within the next four years.

Council's contribution of \$2.696 million (GST inclusive) is 1/3<sup>rd</sup> of the total cost and the remaining 2/3<sup>rd</sup>s of \$5.391 million (GST inclusive), will be sought from Lotteries' Significant Projects Fund.

Council's portion will be funded by a targeted rate of \$11.50 (GST Inclusive) per separately used or inhabited part of each rating unit within the city boundary.

The total revenue sought for 2014/15 is \$695,750 (GST inclusive).

#### Targeted Rate – 100% (fully) Non-rateable Properties

The targeted rate for Non-Rateable properties for water, refuse and wastewater represents a charge for the operating, financing and depreciation costs for these activities.

Council rates a number of categories of non-rateable land assessed under the Act.

The properties which are 100% (fully) non-rateable (excluding water supply, refuse collection and wastewater rates) are defined in the Act.

These funding mechanisms cover the Water, Refuse and Wastewater services and will only be charged if the property receives the service. The total revenue sought for 2014/15 is \$1,085,600 (GST inclusive).

#### DETAILS OF TARGETED RATES

##### Non-rateable Water Targeted Rate

- a) a fixed amount of \$398 (GST inclusive) per separately used or inhabited part of a rating unit; and
- b) a rate per dollar of land value required to meet this category's share of the full cost of the service, after allowing for the total revenue raised by the

## HAMILTON CITY COUNCIL

fixed amount of \$398 (GST inclusive) per property, is \$0.0026010 (GST inclusive).

#### Non-rateable Refuse Targeted Rate

- a) a fixed amount of \$135 (GST inclusive) per separately used or inhabited part of a rating unit; and
- b) a rate per dollar of land value required to meet this category's share of the full cost of the service, after allowing for the total revenue raised by the fixed amount of \$135 (GST inclusive) per property, is \$0.000846 (GST inclusive).

#### Non-rateable Wastewater Targeted Rate

- a) a fixed amount of \$409 (GST inclusive) per separately used or inhabited part of a rating unit; and
- b) The rate per dollar of land value required to meet the full cost of this category's share of the wastewater services, after allowing for the total revenue raised by the fixed amount of \$409 (GST inclusive) per property, is \$0.0026450 (GST inclusive).

#### Rating of 50% Non-rateable Land

Council rates a number of categories of 50% non-rateable land as defined in the Act. This funding mechanism covers all the services of Council. The total revenue sought for 2014/15 is \$135,700 (GST inclusive).

#### Rating of Community Organisations (Arts Based) – 50% Non-rateable

Land in this category will be rated at the 50% general residential rates, which is a rate per dollar of land value of \$0.0059155 (GST inclusive).

#### Rating of Sporting and Cultural Organisation – 50% Non-rateable

Land in the category of Sporting and Cultural Organisations - 50% non-rateable will be rated at the 50% general residential rates, which is a rate per dollar of land value of \$0.0059155 (GST inclusive).

#### Horsham Downs Hall Rate

Council invoices and collects the following rate on behalf of Waikato District Council. For further information refer to their LTP. The 2014/15 rate for the Horsham Downs Hall is \$25 (GST inclusive) per property for properties within the Hamilton City boundary within a defined radius of the Hall.

#### SEPARATELY USED OR INHABITED PART (SUIP) OF A RATING UNIT DEFINITION

Any part of a rating unit that is, or is able to be, separately used or inhabited by the ratepayer, or by any other person or body having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement.

For clarification, this means that each flat within a block of flats, or each shop within a block of shops, for example, would be charged the relevant targeted rate. The same would apply to a farm with more than one

dwelling, (i.e. worker accommodation), or a residential property with a separate fully self-contained unit available for visitor accommodation.

To avoid doubt, each use that involves a different activity that is conducted by a person, company, or organisation different to the ratepayer is considered to be a separate use. For example, if a photographic processing franchise operated within a store is operated by the store's staff, it is not a separate use. However if the same franchise is operated by a person, company, or organisation different to the store operator, it is considered a separate use.

#### Inspection of Rating Information Database

In accordance with the Local Government (Rating) Act 2002, the District Valuation Roll and Rates Records are available for public inspection at the Council Offices, Garden Place, Hamilton, between the hours of 8.00am and 4.45pm on all business days of the week.

#### Objections

The Local Government (Rating) Act 2002 provides for the right of objection to Council's implementation of their rating policies. Any objections to the allocation of property use to the council differential categories needs to be in writing to the Revenue Manager for consideration.







## HAMILTON CITY COUNCIL

## RATES SAMPLE

	2012 Land Value	2012 Capital Value	BID UNITS	SU/P (units)	2014/15 General Rates	2014/15 Access Hamilton Rates	2014/15 BID Rates (incl UAC)	Hamilton Gardens Rate	2014/15 Total Rates	2013/14 General Rates	2013/14 Access Hamilton Rates	2013/14 BID Rates (incl UAC)	2013/14 Total Rates	Change in Total Rates \$	Change in Total Rates %
<b>RESIDENTIAL</b>															
Temple View	80,000	220,000	1	1	947	55		11.50	1,013	912	56		968	45	4.6%
Rototuna North	210,000	520,000	1	1	2,485	131		11.50	2,627	2,394	132		2,526	101	4.0%
Flagstaff	245,000	650,000	1	1	2,899	163		11.50	3,074	2,793	166		2,958	116	3.9%
Hamilton Central	115,000	175,000	1	1	1,361	44		11.50	1,416	1,311	45		1,355	61	4.5%
Forest Lake	134,000	380,000	1	1	1,585	96		11.50	1,692	1,527	97		1,624	68	4.2%
Glenview	155,000	265,000	1	1	1,834	67		11.50	1,912	1,767	67		1,834	78	4.3%
Huntington	195,000	450,000	1	1	2,307	113		11.50	2,432	2,223	115		2,337	95	4.1%
Fairfield	205,000	550,000	1	1	2,425	138		11.50	2,575	2,337	140		2,477	98	4.0%
Flagstaff	350,000	770,000	1	1	4,141	194		11.50	4,346	3,989	196		4,185	161	3.8%
Riverlea	315,000	690,000	1	1	3,727	174		11.50	3,912	3,591	176		3,766	146	3.9%
Saint Andrews	480,000	820,000	1	1	5,679	206		11.50	5,897	5,471	209		5,680	217	3.8%
Flagstaff	770,000	1,660,000	1	1	9,110	418		11.50	9,539	8,777	423		9,199	340	3.7%
Frankton	750,000	980,000	1	1	8,873	247		11.50	9,131	8,549	250		8,798	333	3.8%
Hamilton East	1,300,000	3,325,000	1	1	15,381	836		11.50	16,229	14,818	847		15,664	565	3.6%
<b>INNER CITY RESIDENTIAL APARTMENTS</b>															
Hamilton Central	118,000	210,000	1	1	1,368	53		11.50	1,433	1,319	53		1,372	61	4.4%
Hamilton Central	235,000	490,000	1	1	2,725	123		11.50	2,860	2,626	125		2,750	110	4.0%
<b>INDUSTRIAL</b>															
Te Rapa Park	650,000	1,880,000	1	1	17,681	473		11.50	18,165	17,035	479		17,514	651	3.7%
Frankton	1,510,000	2,175,000	3	3	41,074	547		34.50	41,656	39,574	554		40,128	1,528	3.8%
Avalon	1,760,000	5,600,000	1	1	47,875	1,409		11.50	49,295	46,126	1,426		47,552	1,743	3.7%
Beerscourt	4,250,000	8,700,000	2	2	115,607	2,188		23.00	117,818	111,385	2,215		113,599	4,219	3.7%
<b>COMMERCIAL</b>															
Suburban Commercial	1,300,000	3,400,000	36	36	35,362	855		414.00	36,631	34,071	866		34,936	1,695	4.9%
Hamilton East Commercial	2,450,000	9,800,000	1	1	66,644	2,465		11.50	69,121	64,210	2,495		66,705	2,416	3.6%
Suburban Large Retail	13,000,000	217,000,000	16	16	353,621	54,583		184.00	408,388	340,706	55,254		395,959	12,429	3.1%
Suburban Large Retail	10,100,000	165,000,000	121	121	274,737	41,503		1391.50	317,632	264,702	42,013		306,715	10,917	3.6%
<b>COMMERCIAL WITH BID RATE</b>															
CBD Small Retail	120,000	195,000	1	1	3,101	49		11.50	3,798	2,988	50		3,662	136	3.7%
CBD Small Retail	290,000	820,000	1	1	7,494	206		11.50	8,373	7,220	209		8,080	293	3.6%
CBD Small Retail	450,000	840,000	1	1	11,629	211		11.50	12,116	11,204	214		11,683	433	3.7%
CBD Retail	1,060,000	8,750,000	2	2	27,392	2,201		23.00	30,435	26,392	2,228		29,448	987	3.4%
CBD Large Office	2,150,000	16,000,000	10	10	55,559	4,025		115.00	62,655	53,530	4,074		60,578	2,077	3.4%
CBD Large Retail	3,975,000	15,000,000	1	1	102,720	3,773		11.50	107,350	98,970	3,819		103,650	3,700	3.6%
CBD Large Retail	9,200,000	76,200,000	69	69	237,742	19,167		793.50	276,699	229,062	19,403		267,540	9,159	3.4%

## RATES SAMPLE

2012 Land Value	2012 Capital Value	BID UNITS	SUP (units)	2014/15 General Rates	2014/15 Access Rates (incl UAC)	Hamilton Gardens Rate	2014/15 Total Rates	2013/14 General Rates	2013/14 Access Rates (incl UAC)	2013/14 Total Rates	Change in Total Rates \$	Change in Total Rates %
<b>MULTI UNITS</b>												
Frankton - 4 Units	185,000	500,000	4	3,032	126	46.00	3,204	2,921	127	3,049	155	5.1%
Hamilton East - 10 Units	225,000	940,000	10	3,688	236	115.00	4,039	3,553	239	3,792	247	6.5%
Whitiora - 4 Units	425,000	640,000	4	6,966	161	46.00	7,173	6,711	163	6,874	299	4.3%
<b>RURAL RESIDENTIAL</b>												
Pukete	220,000	425,000	1	1,261	107	11.50	1,379	1,215	108	1,323	56	4.2%
Hamilton East	710,000	1,280,000	1	4,069	322	11.50	4,402	3,921	326	4,246	156	3.7%
Nawton	1,325,000	1,514,000	1	7,593	381	11.50	7,986	7,316	385	7,701	285	3.7%
<b>RURAL SMALL (&gt; 0.2 AND &lt; 10 HECTARES)</b>												
Melville	425,000	440,000	1	1,712	111	11.50	1,835	1,649	112	1,762	73	4.1%
Te Kowhai	840,000	1,200,000	1	3,384	302	11.50	3,698	3,260	306	3,566	132	3.7%
Te Rapa North/Ruakura	185,000	380,000	1	745	96	11.50	852	718	97	815	37	4.5%
<b>RURAL LARGE (&gt; 10 HECTARES)</b>												
Glenview- 23.137Ha	1,400,000	2,100,000	6	2,554	528	69.00	3,151	2,461	535	2,995	156	5.2%
Te Kowhai - 20.000Ha	2,900,000	3,100,000	1	5,290	780	11.50	6,081	5,096	789	5,885	196	3.3%
Peacockes - 167.89Ha	9,900,000	10,810,000	4	18,059	2,719	46.00	20,824	17,394	2,753	20,147	677	3.4%

Rates for sample properties of various types in various locations (properties are chosen to illustrate a range of values and may not be typical of the stated column).

## HAMILTON CITY COUNCIL

### COUNCIL PROSPECTIVE FUNDING IMPACT STATEMENT

#### FINANCIAL YEAR ENDING 30 JUNE

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	120,587	125,883	125,457
Targeted rates (other than targeted rate for water supply)	6,301	6,341	6,947
Subsidies and grants for operating purposes	3,508	3,831	4,426
Fees charges and targeted rates for water supply	46,649	49,288	43,944
Interest and dividends from investments	1,475	325	1,300
Local authorities fuel tax, fines, infringement fees, and other receipts	4,105	4,446	4,446
<b>Total operating funding</b>	<b>182,625</b>	<b>190,114</b>	<b>186,520</b>
<b>Applications of operating funding</b>			
Payments to staff & suppliers	120,252	122,481	119,761
Finance costs	26,012	25,677	24,887
Other operating funding applications	1,554	1,587	1,587
<b>Total applications of operating funding</b>	<b>147,819</b>	<b>149,745</b>	<b>146,235</b>
<b>Surplus/(deficit) of operating funding</b>	<b>34,806</b>	<b>40,369</b>	<b>40,285</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	4,383	10,156	11,157
Development and financial contributions	7,964	8,290	7,571
Increase/(decrease) in debt	3,008	7,010	9,338
Gross proceeds from the sale of assets	-	-	108
Lump sum contributions	-	-	-
<b>Total sources of capital funding</b>	<b>15,355</b>	<b>25,456</b>	<b>28,174</b>
<b>Applications of capital funding</b>			
Capital expenditure:			
- to meet additional demand	6,538	9,162	9,162
- to improve the level of service	16,363	26,526	28,979
- to replace existing assets	27,403	30,106	29,760
Increase/(decrease) in reserves	(1,817)	(1,994)	(1,467)
Increase/(decrease) of investments	1,674	2,025	2,025
<b>Total application of capital funding</b>	<b>50,161</b>	<b>65,825</b>	<b>68,459</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(34,806)</b>	<b>(40,369)</b>	<b>(40,285)</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>



## ARTS AND RECREATION – PROSPECTIVE FUNDING IMPACT STATEMENT

### FINANCIAL YEAR ENDING 30 JUNE

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	20,813	21,566	21,492
Targeted rates	224	230	230
Subsidies and grants for operating purposes	-	-	-
Fees and charges	6,807	7,498	7,136
Internal charges and overheads recovered	-	-	-
Interest and dividends from investments	226	-	30
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
<b>Total operating funding</b>	<b>28,070</b>	<b>29,294</b>	<b>28,888</b>
<b>Applications of operating funding</b>			
Payments to staff & suppliers	21,649	21,652	21,402
Finance costs	913	721	698
Internal charges and overheads applied	5,354	5,421	5,421
Other operating funding applications	41	42	42
<b>Total applications of operating funding</b>	<b>27,957</b>	<b>27,836</b>	<b>27,563</b>
<b>Surplus/(deficit) of operating funding</b>	<b>113</b>	<b>1,458</b>	<b>1,325</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	283	292	240
Increase/(decrease) in debt	3,032	3,378	3,290
Gross proceeds from the sale of assets	-	-	25
Lump sum contributions	-	-	-
<b>Total sources of capital funding</b>	<b>3,315</b>	<b>3,670</b>	<b>3,555</b>
<b>Application of capital funding</b>			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	395	941	941
- to replace existing assets	3,088	4,240	3,992
Increase/(decrease) in reserves	(55)	(53)	(53)
Increase/(decrease) of investments	-	-	-
<b>Total application of capital funding</b>	<b>3,428</b>	<b>5,128</b>	<b>4,880</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(113)</b>	<b>(1,458)</b>	<b>(1,325)</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Variations to Council's 2012-2022 10-Year Plan

- \* Following a review of library fees during 2012-13 the Library revenue target was reduced due to a decrease in income from penalty charges associated with late returns. Revenue for City Theatres has also reduced to reflect a target that more accurately reflects the market demand and usage for these facilities.

- \*\* Library collections renewals have been reduced to fund the reduced operating revenue targets mentioned above.

## HAMILTON CITY COUNCIL

CITY PLANNING AND DEVELOPMENT – PROSPECTIVE FUNDING IMPACT STATEMENT  
FINANCIAL YEAR ENDING 30 JUNE

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	3,834	3,865	3,852
Targeted rates	41	41	41
Subsidies and grants for operating purposes	-	-	-
Fees and charges	1,085	1,119	1,052
Internal charges and overheads recovered	-	-	-
Interest and dividends from investments	35	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
<b>Total operating funding</b>	<b>4,995</b>	<b>5,025</b>	<b>4,945</b>
<b>Applications of operating funding</b>			
Payments to staff & suppliers *	4,743	4,325	4,447
Finance costs	40	7	7
Internal charges and overheads applied	994	1,006	1,006
Other operating funding applications	-	-	-
<b>Total applications of operating funding</b>	<b>5,777</b>	<b>5,338</b>	<b>5,460</b>
<b>Surplus/(deficit) of operating funding</b>	<b>(782)</b>	<b>(313)</b>	<b>(515)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt **	948	540	737
Gross proceeds from the sale of assets	-	-	5
Lump sum contributions	-	-	-
<b>Total sources of capital funding</b>	<b>948</b>	<b>540</b>	<b>742</b>
<b>Application of capital funding</b>			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	48	86	86
- to replace existing assets	114	148	148
Increase/(decrease) in reserves	4	(7)	(7)
Increase/(decrease) of investments	-	-	-
<b>Total application of capital funding</b>	<b>166</b>	<b>227</b>	<b>227</b>
<b>Surplus/(deficit) of capital funding</b>	<b>782</b>	<b>313</b>	<b>515</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>(0)</b>

**Variations to Council's 2012-2022 10-Year Plan**

\* With the proposed changes to the Resource Management Act and Council progressing the Proposed District Plan, it is now anticipated that additional resources (including legal) will be required to ensure all legal obligations are met.

\*\* Increase in debt as a result of the above variation.



# CITY PROSPERITY – PROSPECTIVE FUNDING IMPACT STATEMENT

## FINANCIAL YEAR ENDING 30 JUNE

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	15,182	15,901	15,847
Targeted rates	164	169	169
Subsidies and grants for operating purposes	-	-	-
Fees and charges	9,931	10,491	9,785
Internal charges and overheads recovered	-	-	-
Interest and dividends from investments	374	325	414
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
<b>Total operating funding</b>	<b>25,651</b>	<b>26,886</b>	<b>26,215</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff & suppliers	15,029	15,708	14,877
Finance costs	7,413	7,555	7,279
Internal charges and overheads applied	2,215	2,240	2,240
Other operating funding applications	461	470	470
<b>Total applications of operating funding</b>	<b>25,118</b>	<b>25,973</b>	<b>24,866</b>
<b>Surplus/(deficit) of operating funding</b>	<b>533</b>	<b>913</b>	<b>1,349</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	197	206	193
Increase/(decrease) in debt	1,658	1,624	1,237
Gross proceeds from the sale of assets	-	-	11
Lump sum contributions	-	-	-
<b>Total sources of capital funding</b>	<b>1,855</b>	<b>1,830</b>	<b>1,441</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	506	355	355
- to replace existing assets	699	854	901
Increase/(decrease) in reserves	(491)	(491)	(491)
Increase/(decrease) of investments	1,674	2,025	2,025
<b>Total application of capital funding</b>	<b>2,388</b>	<b>2,743</b>	<b>2,790</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(533)</b>	<b>(913)</b>	<b>(1,349)</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Variations to Council's 2012-2022 10-Year Plan

- \* Council can no longer charge rentals to the Telecommunication companies for cellular equipment on Council Reserve land. This will result in reduced revenue.

## HAMILTON CITY COUNCIL

**CITY SAFETY – PROSPECTIVE FUNDING IMPACT STATEMENT**  
**FINANCIAL YEAR ENDING 30 JUNE**

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	1,544	1,259	1,255
Targeted rates	17	13	13
Subsidies and grants for operating purposes	103	106	106
Fees and charges	6,981	7,279	7,243
Internal charges and overheads recovered	-	-	-
Interest and dividends from investments	18	-	2
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
<b>Total operating funding</b>	<b>8,663</b>	<b>8,657</b>	<b>8,619</b>
<b>Applications of operating funding</b>			
Payments to staff & suppliers	7,192	7,048	6,984
Finance costs	61	46	45
Internal charges and overheads applied	1,600	1,622	1,622
Other operating funding applications	3	3	3
<b>Total applications of operating funding</b>	<b>8,856</b>	<b>8,719</b>	<b>8,654</b>
<b>Surplus/(deficit) of operating funding</b>	<b>(193)</b>	<b>(62)</b>	<b>(35)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	274	139	106
Gross proceeds from the sale of assets	-	-	6
Lump sum contributions	-	-	-
<b>Total sources of capital funding</b>	<b>274</b>	<b>139</b>	<b>112</b>
<b>Application of capital funding</b>			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	19	28	28
- to replace existing assets	66	48	48
Increase/(decrease) in reserves	(4)	1	1
Increase/(decrease) of investments	-	-	-
<b>Total application of capital funding</b>	<b>81</b>	<b>77</b>	<b>77</b>
<b>Surplus/(deficit) of capital funding</b>	<b>193</b>	<b>62</b>	<b>35</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>(0)</b>

**COMMUNITY SERVICES – PROSPECTIVE FUNDING IMPACT STATEMENT**  
**FINANCIAL YEAR ENDING 30 JUNE**

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	3,581	3,664	3,652
Targeted rates	39	39	39
Subsidies and grants for operating purposes	54	56	56
Fees and charges	3,895	3,823	3,581
Internal charges and overheads recovered	-	-	-
Interest and dividends from investments	55	-	4
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
<b>Total operating funding</b>	<b>7,624</b>	<b>7,582</b>	<b>7,332</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff & suppliers	6,708	6,471	6,415
Finance costs	159	111	108
Internal charges and overheads applied	1,140	1,151	1,151
Other operating funding applications	6	6	6
<b>Total applications of operating funding</b>	<b>8,013</b>	<b>7,739</b>	<b>7,680</b>
<b>Surplus/(deficit) of operating funding</b>	<b>(389)</b>	<b>(157)</b>	<b>(348)</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	347	48	231
Gross proceeds from the sale of assets	-	-	7
Lump sum contributions	-	-	-
<b>Total sources of capital funding</b>	<b>347</b>	<b>48</b>	<b>238</b>
<b>APPLICATION OF CAPITAL FUNDING</b>			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	252	82	82
- to replace existing assets	174	319	318
Increase/(decrease) in reserves	(468)	(510)	(510)
Increase/(decrease) of investments	-	-	-
<b>Total application of capital funding</b>	<b>(42)</b>	<b>(109)</b>	<b>(110)</b>
<b>Surplus/(deficit) of capital funding</b>	<b>389</b>	<b>157</b>	<b>348</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>(0)</b>

## HAMILTON CITY COUNCIL

# DEMOCRACY – PROSPECTIVE FUNDING IMPACT STATEMENT

## FINANCIAL YEAR ENDING 30 JUNE

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	4,004	4,079	4,065
Targeted rates	43	43	43
Subsidies and grants for operating purposes	-	-	-
Fees and charges	236	30	17
Internal charges and overheads recovered	-	-	-
Interest and dividends from investments	49	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
<b>Total operating funding</b>	<b>4,332</b>	<b>4,152</b>	<b>4,125</b>
<b>Applications of operating funding</b>			
Payments to staff & suppliers	1,924	1,535	1,897
Finance costs	56	10	10
Internal charges and overheads applied	2,845	2,935	2,935
Other operating funding applications	-	-	-
<b>Total applications of operating funding</b>	<b>4,825</b>	<b>4,480</b>	<b>4,842</b>
<b>Surplus/(deficit) of operating funding</b>	<b>(493)</b>	<b>(328)</b>	<b>(717)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	666	570	957
Gross proceeds from the sale of assets	-	-	2
Lump sum contributions	-	-	-
<b>Total sources of capital funding</b>	<b>666</b>	<b>570</b>	<b>959</b>
<b>Applications of capital funding</b>			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	50	91	91
- to replace existing assets	119	156	156
Increase/(decrease) in reserves	4	(5)	(5)
Increase/(decrease) of investments	-	-	-
<b>Total applications of capital funding</b>	<b>173</b>	<b>242</b>	<b>242</b>
<b>Surplus/(deficit) of capital funding</b>	<b>493</b>	<b>328</b>	<b>717</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>



**PARKS AND OPEN SPACES – PROSPECTIVE FUNDING IMPACT STATEMENT**  
**FINANCIAL YEAR ENDING 30 JUNE**

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	11,203	11,847	11,807
Targeted rates	121	126	731
Subsidies and grants for operating purposes	-	-	275
Fees and charges	1,040	970	916
Internal charges and overheads recovered	-	-	-
Interest and dividends from investments	118	-	83
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
<b>Total operating funding</b>	<b>12,482</b>	<b>12,943</b>	<b>13,812</b>
<b>Applications of operating funding</b>			
Payments to staff & suppliers	9,370	9,236	9,144
Finance costs	1,663	1,600	1,560
Internal charges and overheads applied	1,448	1,463	1,463
Other operating funding applications	96	98	98
<b>Total applications of operating funding</b>	<b>12,578</b>	<b>12,397</b>	<b>12,265</b>
<b>Surplus/(deficit) of operating funding</b>	<b>(96)</b>	<b>546</b>	<b>1,547</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	81
Development and financial contributions	469	493	453
Increase/(decrease) in debt	2,329	1,970	1,448
Gross proceeds from the sale of assets	-	-	9
Lump sum contributions	-	-	-
<b>Total sources of capital funding</b>	<b>2,798</b>	<b>2,463</b>	<b>1,991</b>
<b>Applications of capital funding</b>			
Capital expenditure:			
- to meet additional demand	316	440	440
- to improve the level of service	691	1,010	1,010
- to replace existing assets	1,698	1,559	1,561
Increase/(decrease) in reserves	(3)	-	527
Increase/(decrease) of investments	-	-	-
<b>Total application of capital funding</b>	<b>2,702</b>	<b>3,009</b>	<b>3,538</b>
<b>Surplus/(deficit) of capital funding</b>	<b>96</b>	<b>(546)</b>	<b>(1,547)</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

## HAMILTON CITY COUNCIL

**SOLID WASTE – PROSPECTIVE FUNDING IMPACT STATEMENT**  
**FINANCIAL YEAR ENDING 30 JUNE**

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	4,703	5,023	5,006
Targeted rates	51	54	54
Subsidies and grants for operating purposes	-	-	-
Fees and charges	318	328	293
Internal charges and overheads recovered	-	-	-
Interest and dividends from investments	43	-	7
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
<b>Total operating funding</b>	<b>5,115</b>	<b>5,405</b>	<b>5,360</b>
<b>Applications of operating funding</b>			
Payments to staff & suppliers	4,366	4,508	4,691
Finance costs	204	168	163
Internal charges and overheads applied	726	733	733
Other operating funding applications	10	10	10
<b>Total applications of operating funding</b>	<b>5,306</b>	<b>5,419</b>	<b>5,597</b>
<b>Surplus/(deficit) of operating funding</b>	<b>(191)</b>	<b>(14)</b>	<b>(237)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	1,394	1,365	1,360
Gross proceeds from the sale of assets	-	-	5
Lump sum contributions	-	-	-
<b>Total sources of capital funding</b>	<b>1,394</b>	<b>1,365</b>	<b>1,365</b>
<b>Applications of capital funding</b>			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	422	491	275
- to replace existing assets	992	1,079	1,072
Increase/(decrease) in reserves	(211)	(219)	(219)
Increase/(decrease) of investments	-	-	-
<b>Total application of capital funding</b>	<b>1,203</b>	<b>1,351</b>	<b>1,128</b>
<b>Surplus/(deficit) of capital funding</b>	<b>191</b>	<b>14</b>	<b>237</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>(0)</b>

# **STORMWATER – PROSPECTIVE FUNDING IMPACT STATEMENT** **FINANCIAL YEAR ENDING 30 JUNE**

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	6,789	7,289	7,265
Targeted rates	73	78	78
Subsidies and grants for operating purposes	-	-	275
Fees and charges	25	26	10
Internal charges and overheads recovered	-	-	-
Interest and dividends from investments	64	-	18
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
<b>Total operating funding</b>	<b>6,951</b>	<b>7,393</b>	<b>7,646</b>
<b>Applications of operating funding</b>			
Payments to staff & suppliers	1,215	1,337	1,273
Finance costs	488	440	425
Internal charges and overheads applied	313	316	316
Other operating funding applications	26	27	27
<b>Total applications of operating funding</b>	<b>2,042</b>	<b>2,120</b>	<b>2,041</b>
<b>Surplus/(deficit) of operating funding</b>	<b>4,909</b>	<b>5,273</b>	<b>5,605</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	271.00
Development and financial contributions	575	609	538
Increase/(decrease) in debt	(3,418)	(3,400)	(3,947)
Gross proceeds from the sale of assets	-	-	2
Lump sum contributions	-	-	-
<b>Total sources of capital funding</b>	<b>(2,843)</b>	<b>(2,791)</b>	<b>(3,136)</b>
<b>Applications of capital funding</b>			
Capital expenditure:			
- to meet additional demand	157	878	878
- to improve the level of service	925	833	833
- to replace existing assets	1,241	1,039	1,026
Increase/(decrease) in reserves	(257)	(268)	(268)
Increase/(decrease) of investments	-	-	-
<b>Total application of capital funding</b>	<b>2,066</b>	<b>2,482</b>	<b>2,469</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(4,909)</b>	<b>(5,273)</b>	<b>(5,605)</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>(0)</b>

## HAMILTON CITY COUNCIL

### TRANSPORTATION – PROSPECTIVE FUNDING IMPACT STATEMENT

#### FINANCIAL YEAR ENDING 30 JUNE

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	25,154	26,312	26,224
Targeted rates	5,271	5,280	5,281
Subsidies and grants for operating purposes	3,351	3,669	3,714
Fees and charges	4,514	4,783	1,817
Internal charges and overheads recovered	-	-	-
Interest and dividends from investments	282	-	397
Local authorities fuel tax, fines, infringement fees, and other receipts	3,692	4,019	4,019
<b>Total operating funding</b>	<b>42,264</b>	<b>44,063</b>	<b>41,452</b>
<b>Applications of operating funding</b>			
Payments to staff & suppliers *	11,936	12,907	11,850
Finance costs	7,557	7,527	7,338
Internal charges and overheads applied	3,278	3,311	3,311
Other operating funding applications	456	466	466
<b>Total applications of operating funding</b>	<b>23,227</b>	<b>24,211</b>	<b>22,965</b>
<b>Surplus/(deficit) of operating funding</b>	<b>19,037</b>	<b>19,852</b>	<b>18,487</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	4,383	10,156	10,156
Development and financial contributions	2,312	2,317	2,155
Increase/(decrease) in debt	(2,273)	(8,532)	(4,356)
Gross proceeds from the sale of assets	-	-	21
Lump sum contributions	-	-	-
<b>Total sources of capital funding</b>	<b>4,422</b>	<b>3,941</b>	<b>7,976</b>
<b>Applications of capital funding</b>			
Capital expenditure:			
- to meet additional demand	5,470	1,147	1,147
- to improve the level of service	9,123	13,085	15,754
- to replace existing assets	9,469	10,276	10,276
Increase/(decrease) in reserves	(603)	(715)	(715)
Increase/(decrease) of investments	-	-	-
<b>Total application of capital funding</b>	<b>23,459</b>	<b>23,793</b>	<b>26,462</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(19,037)</b>	<b>(19,852)</b>	<b>(18,486)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>0</b>

#### Variations to Council's 2012-2022 10-Year Plan

- \* An increase in the collection rate for parking infringements fees has resulted in Council reviewing the allowance made for debt that was previously classified as uncollectable.



# **WASTEWATER – PROSPECTIVE FUNDING IMPACT STATEMENT** **FINANCIAL YEAR ENDING 30 JUNE**

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	15,652	16,681	16,625
Targeted rates	169	178	178
Subsidies and grants for operating purposes	-	-	-
Fees and charges	3,655	3,826	3,746
Internal charges and overheads recovered	-	-	-
Interest and dividends from investments	135	-	193
Local authorities fuel tax, fines, infringement fees, and other receipts	413	427	427
<b>Total operating funding</b>	<b>20,024</b>	<b>21,112</b>	<b>21,169</b>
<b>Applications of operating funding</b>			
Payments to staff & suppliers	7,829	8,351	8,035
Finance costs	4,280	4,285	4,145
Internal charges and overheads applied	1,579	1,596	1,596
Other operating funding applications	260	266	266
<b>Total applications of operating funding</b>	<b>13,948</b>	<b>14,498</b>	<b>14,042</b>
<b>Surplus/(deficit) of operating funding</b>	<b>6,076</b>	<b>6,614</b>	<b>7,127</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	270.00
Development and financial contributions	2,305	2,405	2,225
Increase/(decrease) in debt	(1,039)	(148)	(800)
Gross proceeds from the sale of assets	-	-	9.00
Lump sum contributions	-	-	-
<b>Total sources of capital funding</b>	<b>1,266</b>	<b>2,257</b>	<b>1,704</b>
<b>Applications of capital funding</b>			
Capital expenditure:			
- to meet additional demand	370	926	926
- to improve the level of service	986	1,801	1,801
- to replace existing assets	5,775	5,926	5,886
Increase/(decrease) in reserves	211	218	218
Increase/(decrease) of investments	-	-	-
<b>Total application of capital funding</b>	<b>7,342</b>	<b>8,871</b>	<b>8,831</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(6,076)</b>	<b>(6,614)</b>	<b>(7,127)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>(0)</b>

## HAMILTON CITY COUNCIL

### WATER SUPPLY – PROSPECTIVE FUNDING IMPACT STATEMENT

#### FINANCIAL YEAR ENDING 30 JUNE

	2013/14 ANNUAL PLAN	2014/15 10-YEAR PLAN	2014/15 ANNUAL PLAN
	\$000	\$000	\$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	8,128	8,397	8,369
Targeted rates	88	90	90
Subsidies and grants for operating purposes	-	-	-
Fees charges and targeted rates for water supply *	8,162	9,115	8,348
Internal charges and overheads recovered	-	-	-
Interest and dividends from investments	76	-	152
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
<b>Total operating funding</b>	<b>16,454</b>	<b>17,602</b>	<b>16,959</b>
<b>Applications of operating funding</b>			
Payments to staff & suppliers	5,539	6,334	5,677
Finance costs	3,178	3,207	3,109
Internal charges and overheads applied	1,260	1,275	1,275
Other operating funding applications	195	199	199
<b>Total applications of operating funding</b>	<b>10,172</b>	<b>11,015</b>	<b>10,260</b>
<b>Surplus/(deficit) of operating funding</b>	<b>6,282</b>	<b>6,587</b>	<b>6,699</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	379.00
Development and financial contributions	1,823	1,968	1,767
Increase/(decrease) in debt	(910)	9,456	9,075
Gross proceeds from the sale of assets	-	-	6.00
Lump sum contributions	-	-	-
<b>Total sources of capital funding</b>	<b>913</b>	<b>11,424</b>	<b>11,227</b>
<b>Applications of capital funding</b>			
Capital expenditure:			
- to meet additional demand	225	5,771	5,771
- to improve the level of service	2,946	7,723	7,723
- to replace existing assets	3,968	4,462	4,376
Increase/(decrease) in reserves	56	55	55
Increase/(decrease) of investments	-	-	-
<b>Total application of capital funding</b>	<b>7,195</b>	<b>18,011</b>	<b>17,925</b>
<b>Surplus/(deficit) of capital funding</b>	<b>(6,282)</b>	<b>(6,587)</b>	<b>(6,698)</b>
<b>Funding balance</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Variations to Council's 2012-2022 10-Year Plan**

\* Revenue from sale of water to commercial and bulk users is reduced to align with current volume projections.

# SERVICE PERFORMANCE MEASURES



This part of the Annual Plan includes **what you can expect from our services** and the **measures** we'll use to report back on our performance.

YOU CAN EXPECT...	MEASURES	2014/15 TARGETS
<b>ARTS AND RECREATION</b>		
Arts Promotion   Hamilton Zoo   Indoor Recreation   Libraries   Sports Parks   Swimming Facilities   Theatres   Waikato Museum		
1. Quality experiences for residents who use Council's arts and recreation facilities.	1.1. The percentage of Residents Survey respondents who provide a rating, satisfied with the Council's arts and recreation facilities: <ul style="list-style-type: none"> <li>Hamilton Zoo</li> <li>Garden Place Library</li> <li>Suburban Libraries</li> <li>Waterworld</li> <li>Gallagher Aquatic Centre</li> <li>Founders Theatre</li> <li>Clarence St Theatre</li> <li>The Meteor</li> <li>Waikato Museum</li> <li>Outdoor sports areas</li> </ul>	90% 85% 84% 75% 75% 75% 65% 60% 80% 65%
	1.2. The number of visits to the Zoo, libraries, swimming facilities and the Museum each year: <ul style="list-style-type: none"> <li>Hamilton Zoo</li> <li>Libraries</li> <li>Swimming facilities</li> <li>Waikato Museum</li> </ul>	120,000 1 million 580,000 118,000
2. Facilities that support a range of activities and learning opportunities.	2.1. The number of events and activities run by or hosted at the libraries, and the number of attendees: <ul style="list-style-type: none"> <li>Number of events and activities</li> <li>Number of attendees</li> </ul>	350 10,000
	2.2. The number of people participating in education programmes at: <ul style="list-style-type: none"> <li>Hamilton Zoo</li> <li>Swimming facilities</li> <li>Waikato Museum</li> </ul>	8,000 30,000 8,000
	2.3. The number of activities held at the theatres each year.	150
3. Widely accessible facilities.	3.1. The percentage of Residents Survey respondents who provide a rating, satisfied with library opening hours.	75%
	3.2. The number of closures of sports grounds for club sport during a season.	No more than 6 closures per sports ground during each 6 month season.
	3.3. Zoo and pool entry charges to be within 20% of the average charge for other similar NZ facilities.	Plus or minus 20% of the average charge for other similar NZ facilities.



## HAMILTON CITY COUNCIL

YOU CAN EXPECT...	MEASURES	2014/15 TARGETS
<b>CITY PLANNING AND DEVELOPMENT</b>		
City Planning   Planning Guidance and Compliance		
4. Applications to be processed within agreed timeframes.	4.1. The percentage of land use and subdivision consent applications processed within agreed timeframes.	100%
5. Regular monitoring of land use consent conditions.	5.1. The percentage of land use consents monitored.	95%
	5.2. The percentage of resource consents monitored that are meeting their conditions.	80%
6. A District Plan that will ensure quality development	6.1. The percentage of survey respondents who provide a rating agreeing that they have pride in the city's look and feel.	65%
<b>CITY PROSPERITY</b>		
Economic Development   Strategic Property Investment   Claudelands   Waikato Stadium and Seddon Park		
7. An economic return to the city from events hosted at Council's event facilities.	7.1. The percentage of people attending ticketed events who are from outside the city.	60%
	7.2. The number of national and international events held at Claudelands, Waikato Stadium and Seddon Park.	130
8. The funding for Claudelands from rates to reduce over time.	8.1. The net revenue received from users of Claudelands.	\$2.2 million
9. A financial return from the Council's commercial property investments.	9.1. The financial return on the Council's commercial property investments.	8%
	9.2. The percentage of Council's commercial and retail premises that are occupied.	90%
<b>CITY SAFETY</b>		
Animal Education and Control   Building Control   Environmental Health and Public Safety		
10. A reliable and timely response to requests for dog control.	10.1. The percentage of urgent requests involving threats to public safety responded to within 60 minutes.	95%
	10.2. The percentage of routine requests for dog control issues responded to within 48 hours.	90%
11. Buildings granted consent to comply with construction standards.	11.1. Maintain the Council's Building Consent Authority (BCA) accreditation.	Maintain our BCA accreditation
12. Premises selling food and liquor to be regularly monitored.	12.1. The percentage of high risk premises selling food and liquor monitored annually.	100%
	12.2. The percentage of food premise compliance issues resolved within agreed timeframes.	100%
13. A reliable and timely response to excessive noise complaints.	13.1. The percentage of complaints about excessive noise responded to within 30 minutes.	95%
14. Activity in the CBD to be proactively monitored.	14.1. The percentage of priority incidents in the CBD area detected and reported by CCTV cameras and City Safe Patrols.	90%
<b>COMMUNITY SERVICES</b>		
Cemeteries and Crematorium   Community Development   Emergency Management   Housing		
15. Professional and people-focused services.	15.1. The percentage of key stakeholders survey respondents who provide a rating, satisfied with the services at Hamilton Park Cemetery.	90%
	15.2. The percentage of housing tenant survey respondents who provide a rating, satisfied with Council's landlord service.	80%



YOU CAN EXPECT...	MEASURES	2014/15 TARGETS
	15.3. The percentage of stakeholder survey respondents who provide a rating, satisfied with the Council's community development services..	85%
16. The cost of housing to be recovered through rents.	16.1. The percentage of annual costs of the housing activity recovered through rentals.	100%
17. Council to always be ready for an emergency.	17.1. The Ministry of Civil Defence's rating of Hamilton's overall capability for an emergency event.	60%
18. Council to work together with others on community issues.	18.1. The number of inter-agency groups facilitated by the Community Development Team and the total combined number of meetings these groups hold.	10 inter-agency groups that meet at least 60 times
19. Community spaces to be well used.	19.1. The percentage of bookable time that Enderley Community Centre, the Celebrating Age Centre and Fairfield Hall are used by the community: <ul style="list-style-type: none"> <li>Enderley Community Centre</li> <li>Celebrating Age Centre</li> <li>Fairfield Hall</li> </ul>	90% 90% 60%
20. A timely response to graffiti removal requests.	20.1. The percentage of graffiti removal jobs completed within two working days.	85%
<b>DEMOCRACY</b>		
21. Responsible management of the city's finances.	21.1. The percentage that rates increase to existing ratepayers each year.	3.8%
	21.2. The percentage by which the Council's total overall debt exceeds income.	235%
22. Timely and open access to public information.	22.1. The percentage of official information requests responded to within 20 working days.	100%
	22.2. The number of complaints about the Council withholding information upheld by the Ombudsman.	0
	22.3. The percentage of Residents Survey respondents who provide a rating, satisfied with the information the Council provides to the community about its services, facilities, projects and plans.	60%
23. Opportunities to be involved in decision-making processes.	23.1. The percentage of Residents Survey respondents who provide a rating, satisfied with the opportunities the Council provides for community involvement in decision-making.	50%
<b>PARKS AND OPEN SPACES</b>		
Amenity Parks   Hamilton Gardens   Natural Areas   Streetscapes		
24. Well presented parks and streetscapes.	24.1. The percentage of Residents Survey respondents who provide a rating, satisfied with parks and gardens in the city.	75%
25. Playgrounds in areas of highest demand.	25.1. The percentage of high demand areas in the city that have a playground.  <b>New Measure<sup>1</sup></b> 25.1. The percentage of high demand suburbs in the city that have a playground.	97% <b>New Targets:</b> 2014/15: 85% 2021/22: 85%

<sup>1</sup> **Reason for the change:** The Council's Playgrounds Policy has been revised. The proposed new measure and target better reflect how playgrounds will be distributed throughout the city.

## HAMILTON CITY COUNCIL

YOU CAN EXPECT...	MEASURES	2014/15 TARGETS
26. The city's public natural spaces to be protected and gradually restored.	26.1. The total number of native plants planted in natural areas each year.	15,000 – 20,000
27. A high standard of presentation at Hamilton Gardens.	27.1. The percentage of Residents Survey respondents who provide a rating, satisfied with Hamilton Gardens.	95%
<b>SOLID WASTE</b> Rubbish Collection   Waste Minimisation   Landfill Site Management		
28. A reliable refuse and recycling collection.	28.1. The number of weeks with more than 20 complaints about uncollected household rubbish and recycling.	0
	28.2. The percentage of customer complaints about uncollected rubbish and recycling resolved within 24 hours.	95%
29. Council to promote and encourage recycling and reuse.	29.1. The total volume of waste produced per residential property.	600kg
	29.2. The percentage of waste recovered for recycling.	34%
<b>STORMWATER</b> Network Management   Catchment Management		
30. An effective stormwater system that protects properties from flooding.	30.1. The number of buildings flooded each year.	Less than 5
	30.2. The number of reported incidences of surface water flooding on private residential property that are due to network capacity or maintenance issues.	Less than 6
31. Council to minimise the impact of stormwater on the city's waterways.	31.1. The percentage of days tested where Council-managed stormwater discharges meet bathing water standards.	50%
<b>TRANSPORTATION</b> Transport Network   Travel Demand Management   Parking Management		
32. Roads, cycleways and footpaths to be kept in good condition.	32.1. The number of potholes, cycleway faults and footpath trip hazards identified each year.	No more than 750
	32.2. The number of complaints about the "look and feel" of the network, including cleanliness and landscaping.	<del>No more than 670</del> <b>New Targets<sup>2</sup>:</b> <u>2014/15:</u> No more than 1,550 <u>2021/22:</u> No more than 1,550
33. A transport network that is safe to use.	33.1. The number of fatal and serious injury crashes per 10,000 people in Hamilton.	A steady or decreasing trend for the 5-year average results
	33.2. The percentage of fatal and serious casualties in urban Hamilton that involve pedestrians, cyclists and motorcyclists.	
	33.3. The percentage of fatal and serious casualties occurring as a result of crossing/turning crashes in urban Hamilton.	
34. Predictable motor vehicle travel times.	34.1. The percentage of extra time taken to travel key routes in the city during peak travel times.	50%

<sup>2</sup> **Reason for the change:** As reported in the Council's 2012/13 Annual Report, an error was identified with the data-set used to set the original target for litter complaints. As a result, the targets were set too low. The 2012/13 result was 1,345 complaints. The proposed new targets are based on trends shown through the correct data-set.

YOU CAN EXPECT...	MEASURES	2014/15 TARGETS
35. Enough car parks in the CBD for shoppers and people doing business.	35.1. The percentage of on-street car parks that are full, between 8am – 5pm on weekdays.	Average of no more than 85% each year.
36. Transport infrastructure and services that support sustainable travel choices.	36.1. The percentage of Hamilton primary schools with active school travel plans.	96%
	36.2. The number of bus trips per capita.	Between 30 - 35 trips per capita
<b>WASTEWATER</b>		
Wastewater Collection   Wastewater Treatment and Disposal		
37. Reliable wastewater services.	37.1. The number of unplanned interruptions to service.	No more than 500
	37.2. The percentage of service interruptions to customers resolved within eight hours.	100%
38. Risks to people's health and our waterways will be minimised.	38.1. The number of wastewater overflows from pump stations and the treatment plant directly into streams and the Waikato River.	No more than 100
	38.2. The percentage of days tested where water discharged from the Wastewater Treatment Plant meets bathing water standards.	70%
<b>WATER SUPPLY</b>		
Water Treatment and Distribution   Water Storage   Water Demand Management		
39. High quality water.	39.1. Maintain the city's current high Ministry of Health water grade.	Aa water grade
40. A reliable supply.	40.1. The number of unplanned interruptions to service.	No more than 410
	40.2. The percentage of service interruptions to customers resolved within 8 hours.	100%
41. Sustainable management of water resources.	41.1. The number of days each year the city's demand for water exceeds the amount the Council is allowed to take from the Waikato River.	0
	41.2. Litres of water lost in the network through leaks per connection, per day.	Less than 110 L

## Placeholder for Attachment 2

Housing for the Older Persons Report - To be circulated



**Committee:** Council**Date:** 27 March 2014**Report Name:** Hamilton Gardens  
Management Plan**Author:** Peter Sergel

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>The Hamilton Gardens Management Plan has links to four key city strategies – Sustainable Hamilton, Economic Development Agenda, Active Hamilton and Hamilton Arts Agenda.  The Plan is based on the recently adopted Hamilton Gardens Strategic Plan 2013-23.</i>
<b>Financial status</b>	<i>There is not budget allocated</i>
<b>Assessment of significance</b>	<i>Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

## 1. Purpose of the Report

- Under the Reserves Act 1977, local authorities are required to follow a defined public consultation process in relation to developing or reviewing a management plan.
- This report summarises the hearings and deliberations conducted by a Hearings Panel appointed by the Strategy & Policy Committee, in relation to the Draft Hamilton Gardens Management Plan.
- This report seeks a Council resolution to adopt the Operative Hamilton Gardens Management Plan, as recommended by the Hearings Panel.

## 5. Executive Summary

- Management plans outline the use, management and future development of park reserves.
- The management plan for Hamilton Gardens has been prepared in consultation with the community in a process prescribed by section 41(6) of the Reserves Act.
- The Hearings Panel considered submissions received and heard submissions from submitters in regard to the Draft Plan. Overall there was positive support from submitters for the concept and developments outlined in the Draft Plan.
- The Operative Plan incorporates changes approved by the Hearings Panel and is recommended for adoption.

## 10. Recommendation/s from Management

- That the report be received, and
- That the Operative Hamilton Gardens Management Plan be adopted, and that submitters be advised of the adopted plan and thanked for their submissions.

### 13. Attachments

14. Attachment 1 - Operative Hamilton Gardens Management Plan 2014
15. Attachment 2 - Submissions Analysis Report

### 16. Key Issues

#### 17. Background

- This is the third review of the Hamilton Gardens Management Plan. The previous review was completed in 2000.
- A total of 411 submissions were received during the initial public consultation carried out in June to July 2013. Key themes were considered by the Hamilton Gardens Strategic Plan Working Party and taken into account in the formulation of the Draft Plan.
- On 26 September 2013 Council adopted the Draft Plan as a draft and approved for it to be made available for public consultation. A total of 17 submissions were received to the Draft Plan over the 2-month consultation period.
- On 5 February 2014 the Strategy & Policy Committee appointed a Hearings Panel to hear and deliberate on submissions to the Draft Plan and make a recommendation to Council in regard to the plan.
- On 7 March 2014 the Hearings Panel considered 17 submissions and heard submissions from 6 submitters in regard to the Draft Plan, and accepted recommendations from staff in the Submissions Analysis Report (attached). The Panel resolved to make a recommendation to Council to adopt the amended Draft Plan as the Operative Plan.
- Once approved and made operative by Council, the plan will guide the future development, management, use and protection of Hamilton Gardens.

#### 18. Strategic alignment

- The plan has been shaped and informed by the Hamilton Gardens Strategic Plan 2013-2023, adopted by Council on 26 September 2013.

#### 19. Legislative requirements or legal issues

- The management plan process has adhered to the consultation requirements outlined in sections 41(6) and 119 of the Reserves Act 1977.

#### 20. Environmental sustainability

- There are no environmental sustainability issues associated with the Plan. Conservation of natural and cultural features, asset management and controlling long-term use are covered in the plan.
- In their submission to the Draft Plan, the Waikato Regional Council stated their intention to support projects associated with native plant restoration and biodiversity at Hamilton Gardens, through the provision of expert advice.

#### 21. Consultation

- Refer item 19, above.

22. Treaty requirements/implications

- Input from Waikato-Tainui has been actively sought during the consultation process. Consistent with the intent of the Joint Management Agreement Council has entered into with Waikato-Tainui, an advisor nominated by Tainui was appointed to the Hearings Panel.

23. Implementation issues

- Submitters and other stakeholders will be advised as soon as possible of the Operative Plan, explaining the affect (if any) on those submitters and stakeholders.

24. Options (if applicable)

- Council adopts the amended Draft Plan as the Operative Plan, based on the recommendation of the Hearings Panel.
- Council does not adopt the amended Draft Plan as the Operative Plan, and the management plan adopted in 2000 stays in force.
- Council does not adopt the amended Draft Plan as the Operative Plan, and a further round of consultation, hearings and deliberations is carried out.

**25. Financial and Resourcing Implications**

26. The plan does not bind Council to ongoing funding, but does provide direction for the Gardens' development priorities to be considered in the 2015-25 Long Term Plan.

**27. Risk**

28. If Council does not adopt the amended Draft Plan as the Operative Plan, the management plan adopted in 2000 will stay in force which does not have such strong alignment with the Council's vision and strategic goals for Hamilton Gardens.

**Signatory**

Authoriser	Lance Vervoort, General Manager Community
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# HAMILTON GARDENS

## OPERATIVE MANAGEMENT PLAN 2014





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## 1.0 INTRODUCTION

### 1.1 MANAGEMENT PLAN PROCESS

The Management Plan for Hamilton Gardens is prepared to meet the requirements of the Reserves Act (1977). The Act defines the purpose, general form and process of public consultation for development and review of the Management Plan. It also requires the classification of the reserve to ensure management and development are appropriate for the classified principal purpose. Hamilton Gardens is classified as Recreation Reserve, except for the Hamilton East Cemetery, which is classified as Local Purpose Reserve - Cemetery.

*[Reference Appendix 6.2]*

The primary objectives of areas classified as Recreation Reserve are:

- "to allow the public freedom of entry and access"; and
- "to conserve those qualities of the reserve which contribute to the pleasantness, harmony and cohesion of the natural environment".

The preparation of the Draft Management Plan followed an extensive consultation process involving workshops, an open day and publicity through a City News feature, website and social media postings and press releases. A total of 411 submissions were received.

The purpose of this Management Plan is to define strategies, objectives and policies for the development, operation, management

and public use of Hamilton Gardens. The proposed revised plan was promoted so parties with an interest could have their say and to ensure that changing expectations were considered. Submissions on the draft plan closed on 5 December 2013. Submitters had an opportunity to speak to them at a Council subcommittee in March 2014. The final plan is expected to be approved by full Council in late March 2014.

Since the last management plan was adopted in 2000, new plans, legislation and strategies have been developed that have had a significant impact on this latest plan.

Management Plans are an important park management tool, and provide a full link between the legislation, wider Council plans and policies and the more detailed operational plans and standards specific to Hamilton Gardens. This Management Plan will influence other planning and management processes including policy reports, interpretation plans, contracts, marketing plans, key performance indicators, operational plans, design standards, job descriptions, business plans, development plans, the quality management plan and the asset management plan.

## 1.0 INTRODUCTION

# 1.2 EVOLUTION OF THE HAMILTON GARDENS MANAGEMENT PLAN

Hamilton Gardens is made up of areas that were the East Town Belt, the Hamilton East Cemetery, a former Rifle Range Reserve and the site of a closed city rubbish tip. It was not recognised as the site for a future city gardens until the 1950s, but little development occurred until the 1960s when a portion of the area known as the Victorian Flower Garden was partially developed.

With the development of the Rogers Rose Garden for the 1971 World Rose Convention, a general plan for the Governors Lawn was drawn up. The first comprehensive plan was developed with the initial Hamilton Gardens Management Plan, produced in 1980. This was primarily a development plan rather

than a policy document, but the concepts and artist impressions generated enthusiasm and support for the 1980s development programme, including the construction of the Hamilton Gardens Pavilion. The original Management Plan was reviewed in 1992 when the concept was substantially refined in a shorter policy document.

A second review in 2000 refined the concept further, but maintained the overall direction, themes and values underpinning the vision for Hamilton Gardens since 1980. It also broadened the scope, providing a strategic element and development priorities. This third review seeks to build on the strengths of the previous plan.

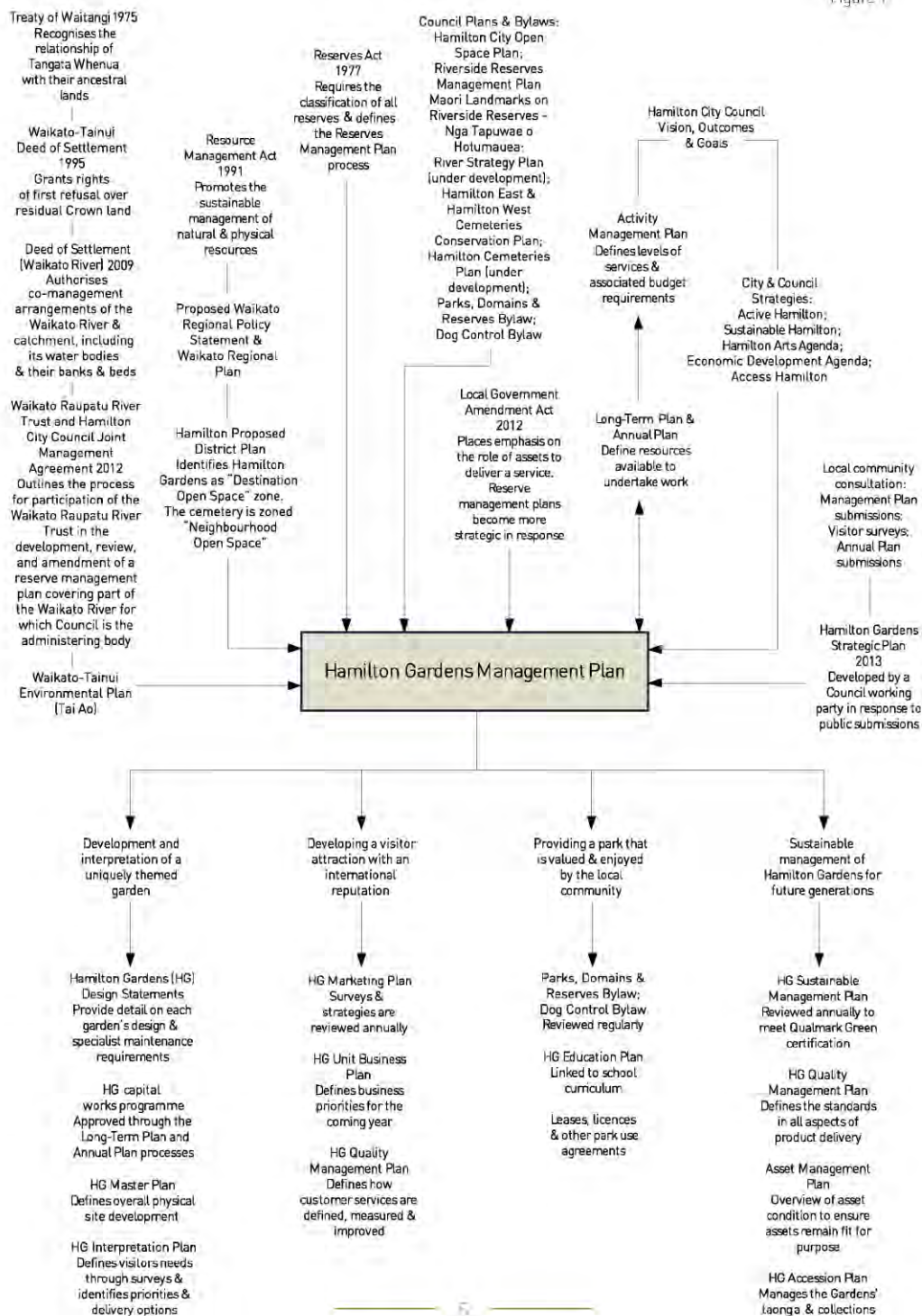




## 1.1 INTRODUCTION

## 1.3 PLANNING CONTEXT FOR THE HAMILTON GARDENS MANAGEMENT PLAN

Figure 1





## 1.0 INTRODUCTION

## 1.4 HAMILTON GARDENS STRATEGIC PLAN

A Hamilton Gardens Strategic Plan was developed by a working party including councillors, specialist advisers and Council staff after workshops and public submissions. It is an aspirational plan setting new goals and directions. The decision on whether some of those will be achieved will be dependent on other processes and outside agencies, so the inclusion of projects in the Strategic Plan doesn't necessarily mean that Council is committed to funding them.

The Hamilton Gardens Strategic Plan has shaped and informed this Draft Management Plan. While the Draft Management Plan makes all of the strategic goals possible, its wider purpose (outlined in section 1.1) makes it a very different kind of plan. For example, it includes operational policy that defines how the park will be managed on a day-to-day basis.

The Hamilton Gardens Strategic Plan has defined a vision, four strategic goals and a number of strategic objectives within a ten year time frame.

**VISION:**  
Hamilton Gardens  
is internationally  
recognised as a uniquely  
themed garden.

**A. Hamilton Gardens is a "must-see" visitor destination.**

A.1 Develop marketing and product initiatives to achieve the vision, increase visitor numbers and assist with financial sustainability of the gardens.

A.2 Improve visitor facilities and infrastructure to enhance the visitor experience.

A.3 Improve connections between the Gardens and the Waikato River.

**B. The 12 garden designs are completed and the unique themes understood and appreciated.**

B.1 Complete the remaining 12 planned gardens within 10 years.

B.2 Help visitors understand and appreciate the Garden's unique concept by developing an interpretation plan.

**C. Hamilton Gardens delivers increased value and enjoyment to the local community.**

C.1 Increase the number of public activities and events that complement the Gardens environment.

C.2 Retain recreational use of the Gardens by the local community.

C.3 Maintain and enhance access to the Gardens.

C.4 Provide educational programmes for schools that link to the curriculum.

C.5 Develop resources for children and families.



**D. Hamilton Gardens is supported by a sustainable business and funding model, including the protection of its conservation values.**

D.1 Develop a clear and sustainable funding plan and business model.

D.2 Protect the principles of conservation, garden authenticity and accessibility required by the Reserves Act and Treaty Settlement principles.

D.3 Provide skilled and committed people to deliver on the Strategic Plan.

D.4 People and assets are kept safe and secure through the development and implementation of security and asset management.



## 2.0 DEVELOPMENT AND INTERPRETATION OF A UNIQUELY THEMED GARDEN

### GOAL:

To develop and interpret a uniquely themed concept garden that addresses the context, meaning and history of gardens

### 2.1 THE CONCEPT

Since 1980 Hamilton Gardens has been planned as a "conceptual garden" and this now appears to have become a significant garden type - although it is too soon to be certain if it is to be the major garden trend of the early 21st Century. Conceptual gardens are generally an extension of conceptual art and they have been defined as "gardens that seek to portray an idea or concept, rather than provide a landscape solution or plant collection". In the case of Hamilton Gardens, the specific concept has more in common with a modern gallery or museum than the traditional botanic garden. For example, the concept of New York's Guggenheim Museum has the same theme, although referring to art, not gardens: "promoting an understanding of the context, meaning and history of art".

At the time of writing there is reasonable confidence no other garden in the world has this theme. This point of difference provides Hamilton Gardens with a significant advantage. It has wide appeal, extending well beyond people who just have an interest in plants; providing the designs have historic integrity, the story of gardens reflects the story of civilisations, their arts, technology, beliefs and lifestyles.

### POLICY:

Hamilton Gardens will be developed as a series of theme gardens that collectively interpret the Gardens' theme. Each garden will sit within one of five thematic garden collections:

- Paradise Garden Collection
- Landscape Garden Collection
- Productive Garden Collection
- Fantasy Garden Collection
- Cultivar Garden Collection

*(Strategic Plan objective B:1)*



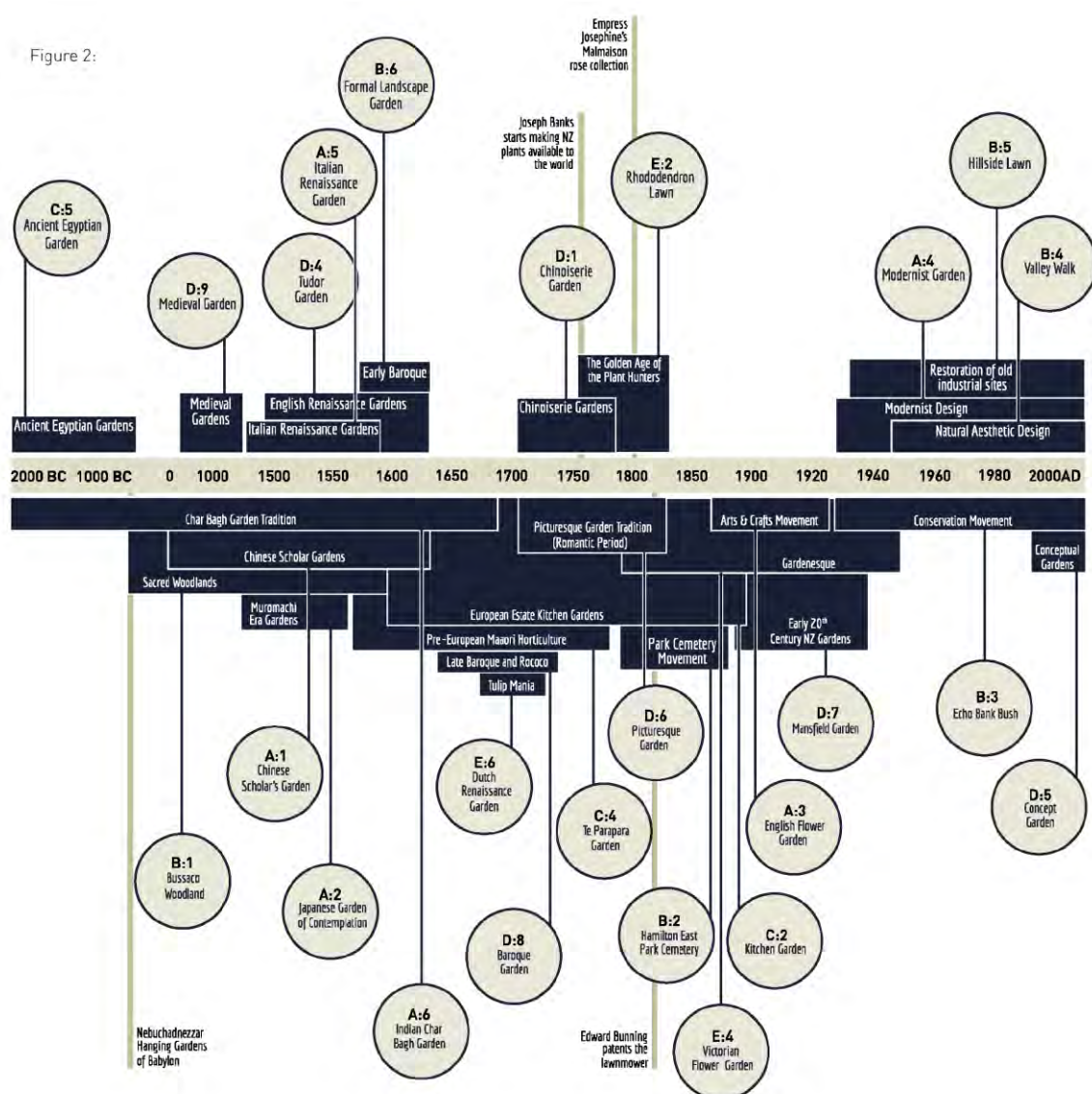
## 2.0 DEVELOPMENT AND INTERPRETATION OF A UNIQUELY THEMED GARDEN

### TIMELINE

The timeline in Figure 2 shows how the collections of existing and proposed gardens span the history of civilisation. The horizontal lines show major movements, cultures or traditions, while the vertical lines show where the Hamilton Gardens examples sit relative to those. Apart

from the Surrealist Garden, other planned gardens will follow the same theme of historical context. For example, the Rogers Rose Garden traces the development of the rose, from the species carried along the Silk Route to the latest modern hybrids,

Figure 2:



## 2.0 DEVELOPMENT AND INTERPRETATION OF A UNIQUELY THEMED GARDEN

### 2.2 GARDEN COLLECTIONS

#### A. Paradise garden collection

A collection of gardens representing significant small enclosed garden design traditions. "Paradise" is derived from the Persian word *pairidaeza* meaning "enclosed garden". The gardens representing different cultures and historic periods have each evolved to fulfil a different purpose.



A:1 Chinese Scholar's Garden  
*(Existing)*

An interpretation of the 10th-12th Century Sung Dynasty gardens that were designed as natural worlds of imagination and surprise. There have been proposals to improve the historic integrity of this garden with more appropriate rock work and a grey tiled gallery along the two walls adjacent to the pond. Funds to build this garden were raised by the Chinese Garden Trust.



A:2 Japanese Garden of  
Contemplation *(Existing)*

An example of the 14th-16th Century Muromachi Period garden designed for quiet contemplation, meditation and study. This garden is comprised of three types of Muromachi garden: the Zen Garden, the Scroll Garden, and the Stroll Garden. Funds to build this garden were raised by the Japanese Garden Trust.



A:3 English Flower Garden  
*(Existing)*

An example of the English 19th Century Arts and Crafts gardens designed as a setting for plant collections and planned seasonal colour compositions. Funds to develop this garden were provided by Mrs Kathleen Brailthwaite, a former Hamilton Mayoress.



A:4 Modernist Garden *(Existing)*

A late 20th Century garden designed for outdoor living with a design form influenced by modern art movements. Funds to develop this garden were raised by the American Modernist Garden Trust.



A:5 Italian Renaissance Garden  
*(Existing)*

An interpretation of a 15th-16th Century Renaissance garden in which the owners sought to rationalise, control and improve upon nature. Funds to develop this garden were raised by the Renaissance Garden Trust.



A:6 Indian Char Bagh Garden  
*(Existing)*

An interpretation of a 16th-17th Century symbolic four-quartered Islamic garden built for the Mughal aristocracy as an escape from a harsh dry environment. Between the 8th and 18th centuries this form of four-quartered garden spread throughout the Muslim world from Asia to North Africa and Spain. Funds to develop this garden were raised by the Indian Char Bagh Garden Trust.



## B. Landscape garden collection

Different attitudes and philosophies about modifying the landscape have ranged from veneration and domination, to conservation and restoration. This collection of gardens demonstrates how each of these different philosophies has shaped people's attitudes to nature.



**B:1 Bussaco Woodland**  
*(Substantially complete)*

In ancient times the natural world was mostly seen as a threat but from the 3rd to 17th Centuries, specific tranquil, isolated woodland areas in Europe and Asia were valued as aesthetic and religious retreats. The associated philosophies were inspired by figures like Confucius, Laozi and St Francis of Assisi. This area will require further development with planting and lookouts.



**B:2 Hamilton East Park Cemetery**  
*(Existing)*

This is an example of the influence of the late 19th/early 20th Century Park Cemetery Movement that sought to improve community behaviour with improved environmental conditions. Park cemeteries evolved from the philosophies of people like Jeremy Bentham and are significant because they were really the first urban parks open to the general public.



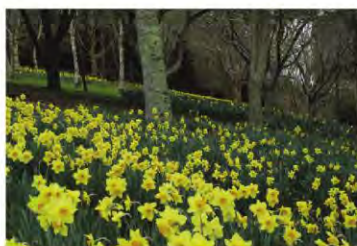
**B:3 Echo Bank Bush** *(Existing)*

The existing very steep area of remnant indigenous flora is maintained as an example of the 20th Century conservation tradition associated with philosophers Henry Thoreau and Witty Lange. Apart from the removal of unwanted plants, little development is proposed except for a boardwalk providing access into the area so that people can see the bush and spectacular cliff face.



**B:4 Valley Walk** *(Half the area fully developed)*

This landscape garden in the 20th Century Naturalistic/Aesthetic style uses plants indigenous to the Hamilton district to recreate a semi-natural looking environment. Although generally considered a contemporary form, it is derived from the original philosophies of Johan von Goethe and Jens Jensen. The main portion of the gully between Turtle Lake and Hungerford Crescent is almost complete. The remaining portion of the gully east of Hungerford Crescent is yet to be developed as a Waikato wetland. Eventually an underpass under Hungerford Crescent should join the two sections and complete the link in the circuit around the Landscape Garden Collection.



**B:5 Hillside Lawn** *(Existing)*

This is an example of the major landscape trend involving the restoration of disused industrial sites and parkland. In this case the site was the city rubbish dump in the 1960s.



**B:6 Formal Landscape Garden**  
*(Proposed)*

A classic 17th/18th Century Baroque garden which projected the owner's power and wealth. These highly structured gardens reflect complete domination of the natural world by man, a philosophy usually associated with Niccolo Machiavelli and Blaise Pascal. It is proposed the front façade of a Baroque mansion would screen the proposed ring road intersection with the garden stretching westward between formal blocks of trees. Since it will take at least a decade for the tree framework to mature, the garden may be developed in two stages with the first involving levelling the site and planting the surrounding tree framework.

## C. Productive garden collection

A collection of gardens representing different forms of productive gardening, ranging from early agriculture and estate kitchen gardens to a modern form of sustainable gardening.



C:1 Herb Garden *(Existing)*

A traditional herb garden displaying plants for culinary, cosmetic, perfume and medicinal purposes, particularly those used by 19th Century New Zealand colonists. This garden was developed in conjunction with the Waikato Herb Society.



C:2 Kitchen Garden *(Existing)*

Based on the traditional 17th-19th Century European kitchen gardens, this garden displays a range of vegetables and small fruits maintained by Wintec students and staff. This is a display garden so produce is not always harvested at the optimum time.



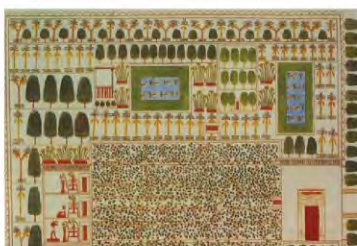
C:3 Sustainable Backyard Garden *(Existing)*

A small enclosed garden demonstrating modern principles of sustainable food production on a backyard scale. This garden was developed in conjunction with the Waikato Permaculture Trust.



C:4 Te Parapara Garden *(Existing)*

A garden demonstrating traditional Maaori horticulture, with particular reference to the gardens along the local Waikato riverbanks in pre-European times. Funds to develop this garden were raised by the Te Parapara Garden Trust.



C:5 Ancient Egyptian Garden *(Proposed)*

The recreation of a 2000 BC Egyptian garden representing one of the very first decorative and functional garden traditions of the ancient world. While quite a lot is known about ancient Egyptian gardens, there are no known examples of a life-size one being recreated.



## D. Fantasy garden collection

This collection represents the different genres of garden fantasy that have transcended different cultures and inspired most garden design innovation. These gardens include references to mythical gardens, other cultures and climates, elements of mysticism and surrealism, and gardens that provide a setting for fantasy events and artwork.



**D:1 Chinoiserie Garden *(Existing)***

A garden incorporating elements of Chinoiserie design, which were fashionable and fanciful European interpretations of Oriental design in the late 18th and 19th Centuries. Funds to develop this garden were raised by the Lions Club of Hamilton-Chartwell and Friends of Hamilton Gardens.



**D:2 Tropical Garden *(Existing)***

A common garden fantasy is to use plants from other climatic regions, such as an alpine garden in London or an English flower garden in the Las Vegas desert. This example is a lush tropical-looking garden growing in a temperate Waikato climate with frosts. Funds for this garden were raised by the Hamilton Gardens Development Trust.



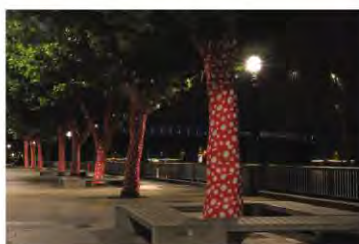
**D:3 Surrealist Garden *(Under development)***

A garden exploring the mysterious world of fantasy and the subconscious mind with distortions of scale and surreal garden features. Everything in the garden will be five times the normal size and the giant topiary figures may even move. Funds are being raised by the Hamilton Gardens Development Trust.



**D:4 Tudor Garden *(Under development)***

An interpretation of a 16th Century English Renaissance garden with a raised gallery, small banqueting pavilion and intricate knot garden. The fantasy elements are the collection of mythical, heraldic animals. Funds for this garden are being raised by the Hamilton Gardens Development Trust.



**D:5 Concept Garden *(Proposed)***

A 21st Century garden that seeks to portray an idea or statement rather than a design solution, in a manner similar to conceptual art.



**D:6 Picturesque Garden *(Proposed)***

An artificially created wild natural landscape with artificial historic features representing the 18th Century Picturesque garden tradition often associated with the Romantic Period.



**D:7 Mansfield Garden *(Proposed)***

Recreation of the early 19th Century New Zealand garden described in Katherine Mansfield's fictional story, *The Garden Party*.



**D:8 Baroque Garden *(Proposed)***

A 18th/19th Century German or Austrian Rococo /Baroque garden which provided a dramatic theatrical setting; the garden equivalent of classical music.



**D:9 Medieval Garden *(Proposed)***

An example of a 13th Century European courtyard garden based, as many were, on the famous poem, *Roman de la Rose*.



## E. Cultivar garden collection

A collection of gardens telling the story behind well-known garden plants selected and bred for the garden. This will include the stories of the plant hunters, collectors, breeders and speculators.



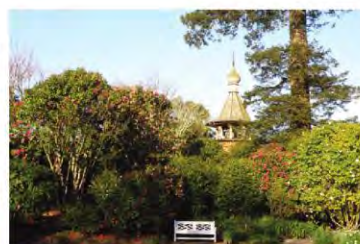
E:1 Rogers Rose Garden  
(Existing)

Several rose collections telling the story of the history and development of the modern rose from specie roses grown in the ancient world to the modern hybrid. These stories include Empress Josephine's Malmaison roses, Jean Baptiste Guillot and the first hybrid tea rose, Francis Meilland and the Peace rose and trials of the latest rose releases. Developed in conjunction with the Waikato Rose Society.



E:2 Rhododendron Lawn  
(Existing)

A selection of species and cultivars focusing on the development of azalea and rhododendron. Further development will include collections of significant species, historic classics, Jury hybrids, species collected by the plant hunters and modern New Zealand hybrids.



E:3 Hammond Camellia Garden  
(Existing)

A garden showing the range of Camellia from species to a diversity of modern cultivars. Developed in conjunction with the Waikato Camellia Society.



E:4 Victorian Flower Garden  
(Existing)

A garden featuring tender tropical and temperate plants selected and grown for their exotic colour. These were usually displayed in glasshouses and bedding schemes laid out on perfect, flat lawns in the 19th Century Gardenesque tradition. Further period features could be added such as a floral clock, band stand or statue of Queen Victoria.



E:5 New Zealand Cultivar Garden  
(Proposed)

A garden displaying New Zealand plants selected and bred for foliage and flower colour.



E:6 Dutch Renaissance Garden  
(Proposed)

A 17th Century Dutch Renaissance garden telling the story of the golden age of plant importation by the Dutch East India Trading Company and tulip speculation in the 1630s.



## 2.0 DEVELOPMENT AND INTERPRETATION OF A UNIQUELY THEMED GARDEN

Figure 3:

### GARDEN COLLECTIONS



#### GARDENS

##### Paradise Garden Collection

(A collection of gardens representing significant enclosed garden traditions.)

- A:1 Chinese Scholar's Garden
- A:2 Japanese Garden of Contemplation
- A:3 English Flower Garden
- A:4 Modernist Garden
- A:5 Italian Renaissance Garden
- A:6 Indian Char Bagh Garden

##### Landscape Garden Collection

(A collection representing different historic philosophical interpretations of an idealised landscape.)

- B:1 Bussaco Woodland
- B:2 Hamilton East Park Cemetery
- B:3 Echo Bank Bush
- B:4 Valley Walk
- B:5 Hillside Lawn
- B:6 Formal Landscape Garden

##### Productive Garden Collection

(Gardens representing some different forms of productive gardening.)

- C:1 Herb Garden
- C:2 Kitchen Garden
- C:3 Sustainable Backyard
- C:4 Te Parapara Garden
- C:5 Ancient Egyptian Garden

##### Fantasy Garden Collection

(Gardens representing the different forms of garden fantasy.)

- D:1 Chinoiserie Garden
- D:2 Tropical Garden
- D:3 Surrealist Garden
- D:4 Tudor Garden
- D:5 Concept Garden
- D:6 Picturesque Garden
- D:7 Mansfield Garden
- D:8 Baroque Garden
- D:9 Medieval Garden

##### Cultivar Garden Collection

(Gardens that tell the story of well-known plants selected and bred for the garden.)

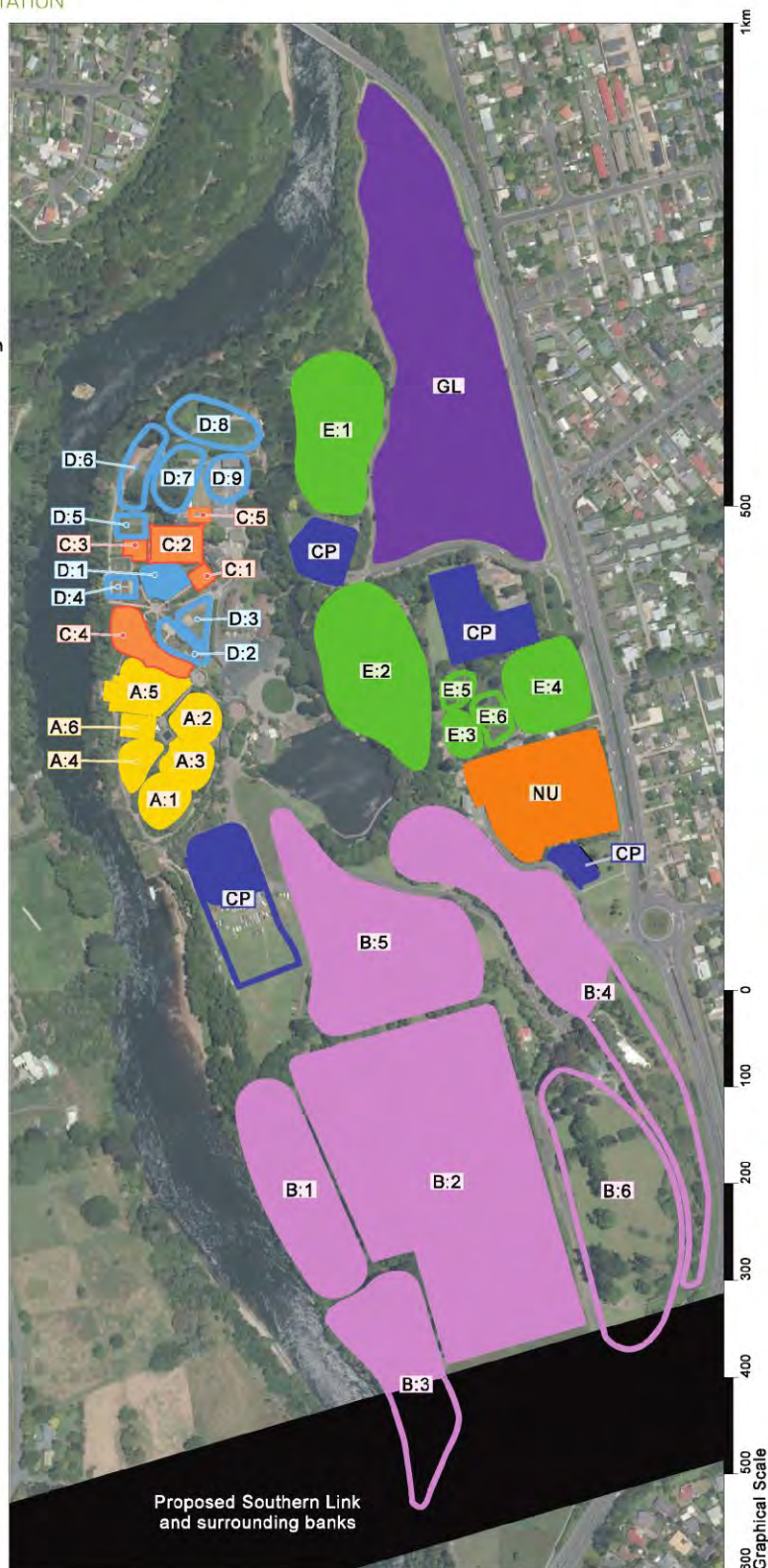
- E:1 Rogers Rose Garden
- E:2 Rhododendron Lawn
- E:3 Hammond Camellia Garden
- E:4 Victorian Flower Garden
- E:5 New Zealand Cultivar Garden
- E:6 Dutch Renaissance Garden

CP Car Parks

NU Hamilton Gardens Nursery

GL Governors Lawn

 Hamilton City Council  
Te Kaitiaki o Kōwhiri



## 2.0 DEVELOPMENT AND INTERPRETATION OF A UNIQUELY THEMED GARDEN

### 2.3 GARDEN INTERPRETATION

Garden visitors have diverse needs that can only really be met with different forms and levels of information. On-site casual visitors usually anticipate a relaxed and enjoyable experience, information cannot be forced on them and should generally be relevant, easy to understand and presented as part of a narrative or story. However, many visitors want to know more about the gardens they are experiencing and feedback suggests that most people enjoy Hamilton Gardens more when they know more.



Traditionally park interpretation has focused on signage, guide books, brochures and information centres but new mobile technology is taking some of the emphasis away from these traditional options. When the Hamilton Gardens Management Plan was last reviewed nobody was anticipating the technology now available and there is no longer the clear division between on-site and off-site information systems. However, while the form of delivery is constantly evolving, the basic content will generally remain much the same.

The concept for Hamilton Gardens provides a number of opportunities to engage people's interest in specific subjects that interest them, not just plants and gardening. The wide range of examples can be as diverse as the conservation movement, cooking with herbs or religious symbolism. Engagement can also be promoted through the telling of stories; a strength of the Hamilton Gardens concept is that it can tell many stories from different cultures and periods in history.

There will always be a place for some signage. Garden entrance signs are important to make the visitor aware of the garden they are about to enter. Research has also shown that information signs should be

located at entrances, clearly laid out and readable within 20 seconds. Too many signs can turn a garden into a museum exhibit. The other major consideration is the cost of vandalism to signs that periodically occurs. So, while there will always be a place for signage, other opportunities are becoming available such as the mobile devices that most people now carry.

At present there is very limited mobile network or wireless coverage over the Hamilton Gardens site because of the topography. This restricts development of electronically delivered garden interpretation and frustrates some tourists. Mobile technology provides an ideal medium to tell stories with scope for pictures and even music appropriate to each garden. Mobile applications (apps) can be tailored to particular types of visitor, such as a Chinese language guide, or a young children's guide where they can discover what's behind 10 mysterious doors. On entering a garden, the relevant information can be triggered by field beacons or GPS positioning.

For someone with a very specific interest, links can also be provided to a vast range of information from other sources. It is anticipated on-site access to the website and downloadable apps will in time gradually replace most of the need for printed site maps. The Information Centre may also be able to capitalise on new technology with large, interactive touch screen instead of displays and brochure racks. A theatre for an audio visual introduction to the Gardens may still be desirable because while this information can easily be made available online, it isn't as dramatic as a large screen in a darkened room.

#### POLICY

Interpretation at Hamilton Gardens will focus on explaining the concept, the gardens and the promotion of other local attractions and visitor amenities.

*[Strategic Plan objective B:1]*

#### Goal

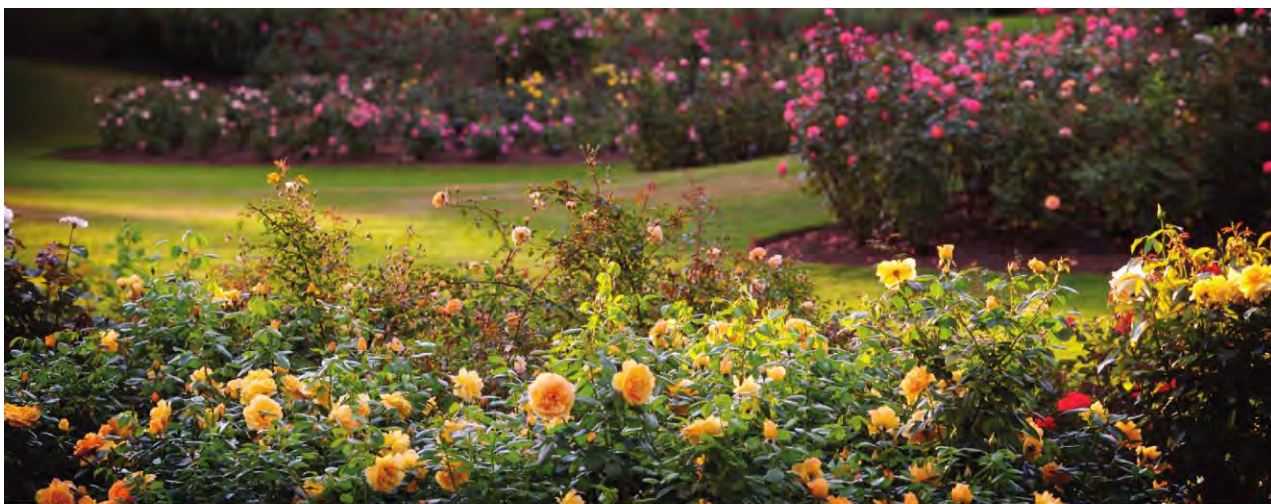
To develop and interpret a uniquely themed concept garden that addresses the context, meaning and history of gardens.

#### KEY ACTIONS

The following priorities are proposed, subject to resources being available:

1. By 2018 complete the three gardens currently under development: The Tropical Garden, Tudor Garden and Surrealist Garden;
2. Complete development of the other nine proposed gardens with priority given to those located in the central enclosed area as they are likely to provide the best return on investment for the city;
3. Introduce wireless connectivity and/or mobile network coverage for the lower areas of the site;
4. Develop downloadable apps, and implement garden entrance beacons or a GIS positioning system to allow full advantage to be taken of mobile technology;
5. Develop more information on each garden which can be used in different media;
6. Introduce further interpretive and directional signage; and
7. Complete the existing gardens such as the Valley Walk and Echo Bank Bush.





## 3.0 DEVELOPING HAMILTON GARDENS AS A "MUST-SEE" VISITOR DESTINATION

### GOAL:

To enhance the identity and prosperity of Hamilton with an internationally recognised garden

### 3.1 PROMOTING HAMILTON GARDENS

The event and visitor industries are interdependent and play an important role in the local economy. When the Waikato Expressway bypasses the city in 2019, enticing travellers to turn off into Hamilton will become a significant challenge. Part of the solution will be the promotion of Hamilton Gardens as a "must-see" attraction, along with prominent signage from State Highway 1.

Marketing of Hamilton Gardens is focused on four key objectives:

- Promoting the reputation and awareness of Hamilton Gardens, its concept and point of difference;
- Encouraging people to visit Hamilton Gardens and, in the case of visitors to the city, to stay in the district longer;
- Developing the business opportunities associated with Hamilton Gardens, such as tour packages and event bookings; and
- Encouraging support and sponsorship for ongoing garden development.

A marketing plan is developed for Hamilton Gardens annually. At the time of writing, the marketing budget is modest, but each plan can easily be expanded, or priorities changed as resources and opportunities become available. Monthly visitor survey results point to the effectiveness of marketing strategies, and pedestrian and vehicle counters monitor trends in visitor use. Some surveys are targeted at specific customer groups such as tour companies or event organisers. Survey results suggest local residents are aware of and visit Hamilton Gardens, so marketing is focused on tourists.

With modest resources, marketing has focused on target markets, partnerships, leveraging off other brands, and the visitors themselves. Opportunities for marketing directly to or from the visitor during their visit could be substantially increased if Hamilton Gardens had mobile network or wireless coverage. Overseas visitors would then be



### 3.0 DEVELOPING HAMILTON GARDENS AS A "MUST-SEE" VISITOR DESTINATION

#### 3.1 PROMOTING HAMILTON GARDENS

able to share their photographs immediately with friends and family via social media.

New technology provides the opportunity to personalise messages in a specific language, or to a specific market segment. It may also change the way donations and sponsorship are sought. For example, with a decreasing number of people carrying cash, the donation box could be replaced with a direct appeal to the visitor through their mobile device.

Working in partnership with other organisations such as Hamilton & Waikato Tourism or the Hamilton Gardens Cafe will make shared resources go further. There are also opportunities to leverage off other brands, particularly at a local level. For example, the Hamilton Gardens Arts Festival was originally organised by Gardens staff as a way of promoting local awareness of Hamilton Gardens. The Scarecrow Festival was organised to promote awareness of the Kitchen Garden. These events attract independent sponsorship and support while still promoting Hamilton Gardens.

Recently more attention has been given to promoting Hamilton Gardens as an events venue, particularly since more city facilities have been developed and compete directly with the Hamilton Gardens Pavilion. Themed events utilising specific gardens, such as conference drinks or dinner, can also be used to promote Hamilton as an event venue in competition with other cities. Higher charges could be considered where an event had exclusive use of a garden, such as pre-dinner drinks in the Renaissance Garden. The Reserves Act limits the number of times this can happen in a year and defines a process to advertise closure of garden areas.

Work has also begun on adding value to a garden visit by promoting tourist packages to meet market demand. Survey results suggest a small entry fee into Hamilton Gardens would discourage most tour companies because the commission wouldn't cover their costs. However, a package worth between \$30 and \$50 per person - perhaps involving a garden tour, boat trip and meal - provides sufficient commission to tour operators. In some cases packages are being tailored for a specific market (or customer) request.



#### POLICY:

Hamilton Gardens staff will work with strategic partners to promote Hamilton Gardens as an iconic "must-see" destination.

*(Strategic Plan objective A:1)*

#### POLICY:

Tourist and event products that offer added value will be developed to meet market demand and increase revenue opportunities.

*(Strategic Plan objective A:1)*



### 3.0 DEVELOPING HAMILTON GARDENS AS A "MUST-SEE" VISITOR DESTINATION

## 3.2 IMPROVING VISITOR FACILITIES

While visitors generally come to see the gardens, other facilities and services contribute to their overall Hamilton Gardens experience. These include parking, orientation, toilet facilities, souvenirs, obtaining information, the quality of the cafe and the helpfulness of staff.

Hamilton Gardens has all-weather parking for approximately 500 cars and seven buses. In fine weather when the ground is dry, parking can be made available for another 1000 cars on grassed areas. However, more than 50 per cent of the permanent car parks are accessed through Gate 2, but most visitors choose to use Gate 1, so the Turtle Lake car park is often full. An all-weather extension to this car park will be required, although the subsurface landfill in the area may require a flexible paved surface.

There are four public toilet facilities within Hamilton Gardens. The new toilet facility near the cafe and information centre is generally well received and the toilets inside the Pavilion were recently upgraded. There are old toilets in the Victorian Flower Garden requiring improvement. Two further toilets are proposed: one near the Rogers Rose Garden and one of the proposed playground sites, and the other will be considered for the western Baroque Garden end of the Enclosed Gardens once the rest of the central group of gardens are developed. Sewer connections are difficult in the lower areas of Hamilton Gardens where pump stations are required.

Entrance signage can be developed to improve visitors' orientation and understanding of the concept without giving the impression of entering a theme park. Signage and the playground are covered in sections 3.3 and 4.3 respectively.

The Hamilton Gardens Cafe and Lakeside Function Centre are leased by Council to a private operator. The primary benefit of the cafe to Hamilton Gardens is in catering for the garden visitor and tour groups. The function centre side of the operation improves the economic viability of the business. The current operator's lease runs from 2012 to 2017 with a right of renewal to 2022, and includes a key performance indicator around customer satisfaction.

Some of the regular surveys undertaken in Hamilton Gardens assess the cafe in terms of the range, price and quality of food, cleanliness and customer service. Further improvements will be made to the facility itself, particularly the terraces overlooking Turtle Lake and screening off the cafe service yard.

The primary roles of the Information Centre are to:

- Provide information about Hamilton Gardens;
- Promote Hamilton Gardens' features, other local attractions and visitor facilities;
- Offer a booking service for events held within Hamilton Gardens;
- Provide an operations centre for public use of the gardens and Pavilion;
- Provide a contact centre for visitors who have questions or meet locals;
- Generate income through the sale of merchandise such as guides and souvenirs;
- Encourage cash donations towards garden development; and
- Hire equipment such as mobility scooters, wheelchairs, chairs and chess pieces.

The Reserves Act allows for commercial activities on reserves providing they are "necessary to enable the public to obtain the benefit and enjoyment of the reserve or for the convenience of persons using the reserve". For the sale and hire of goods, this has been interpreted as items falling into one of three categories:

- Interpretative guides, maps and apps for Hamilton Gardens and the local region;
- Approved souvenirs of Hamilton Gardens which may include items directly related to the garden theme; and
- Sale or hire of equipment that may be needed by visitors while enjoying the gardens, such as umbrellas, sun block, or camera batteries.

At present the Friends of Hamilton Gardens run the shop and hire service with all profits going towards Hamilton Gardens projects. There is general agreement the retail offering, particularly Hamilton Gardens souvenirs, should be of a very high standard. Council will be working with the Friends to make further improvements to customer service and the retail offer.



#### POLICY:

Permanent on-site car parks are provided for normal visitor levels while temporary on-site parking is provided for major events.

*[Strategic Plan objective A:2]*

#### POLICY:

The Hamilton Gardens Cafe and Lakeside Function Centre will support and complement public use of Hamilton Gardens and Pavilion.

*[Strategic Plan objective A:2]*

#### POLICY:

The role of the Information Centre is to assist garden visitors and tourists and to promote Hamilton Gardens' features and other city and regional attractions. All trading activities in the Centre should support and enhance these roles.

*[Strategic Plan objective B:2]*

### 3.0 DEVELOPING HAMILTON GARDENS AS A "MUST-SEE" VISITOR DESTINATION





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





#### LOCATION MAP

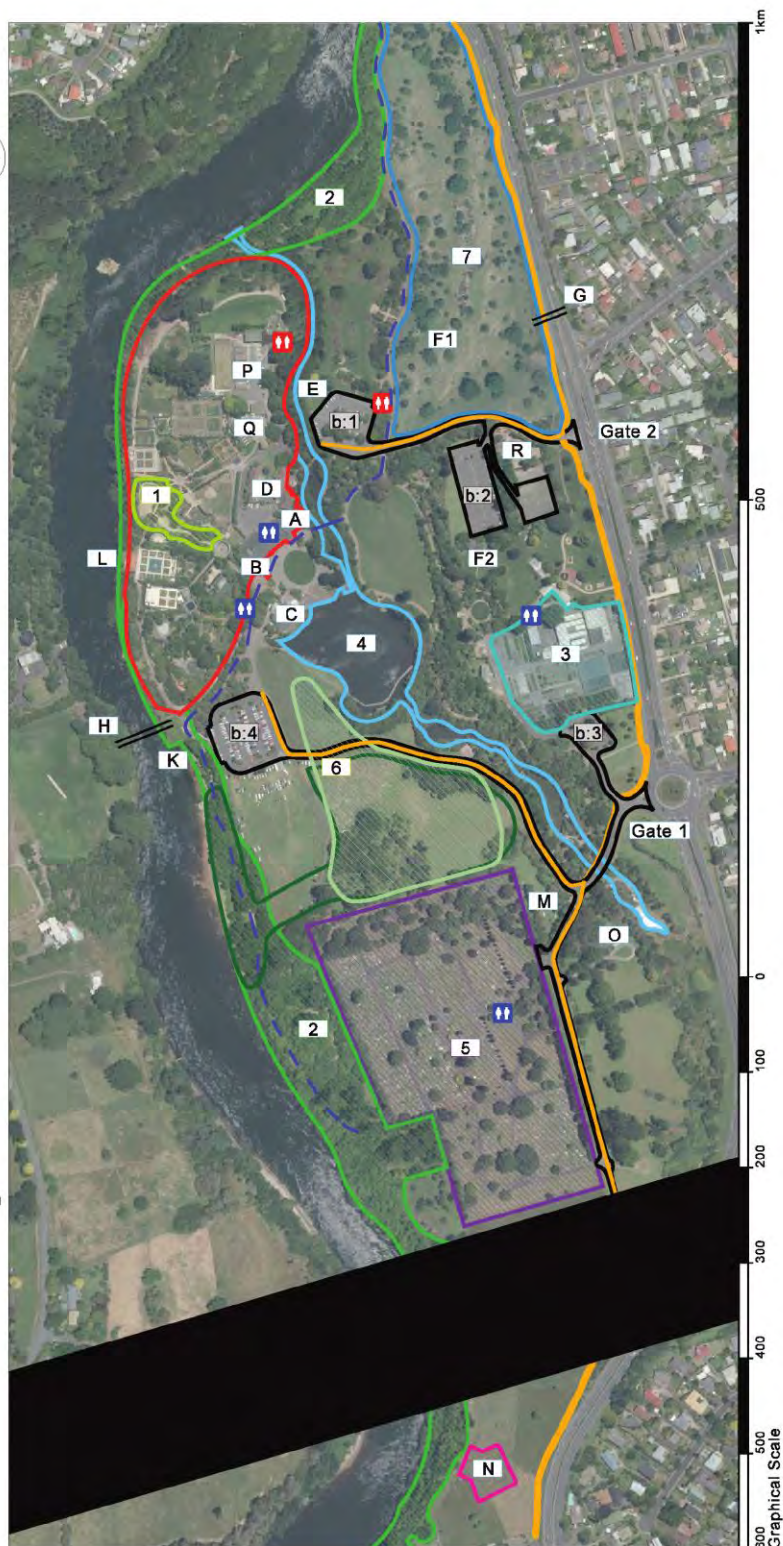
##### KEY

-  Planned Southern Links Expressway & Surrounding Banks
-  Roads and Car parks
-  Designated Cycleways
-  Main Walkway
-  Enclosed Gardens (Dogs Prohibited)
-  Dog Exercise Area
-  1 - Te Parapara Garden
-  2 - Riverbanks
-  3 - Municipal Nursery
-  4 - Turtle Lake and Stream
-  5 - Hamilton East Cemetery (Dogs Prohibited)
-  6 - Landfill Site
-  7 - Governors Lawn

##### Carparks

-  Rose Garden Car park
-  Camellia Garden Car park
-  Valley Walk Car park
-  Turtle Lake Car park

-  Hamilton Gardens Pavilion
-  Information Centre
-  Cafe and Function Centre
-  Wintec Horticultural School
-  Existing playground
-  Proposed new playground site (Option 1)
-  Proposed new playground site (Option 2)
-  Proposed pedestrian and cycle underpass
-  Possible future pedestrian bridge
-  Existing toilets
-  General location of proposed toilets
-  Current jetty site
-  Possible future jetty location
-  Stationmaster's House
-  Narrows Redoubt
-  Girl Guides (Hardy Centre)
-  Wintec demonstration yard
-  Maintenance Centre
-  Mulch yard





### 3.0 DEVELOPING HAMILTON GARDENS AS A "MUST-SEE" VISITOR DESTINATION

## 3.3 ENHANCING A HIGH QUALITY GARDEN ENVIRONMENT

Most of the world's highly regarded gardens have elements or associations that engage the imagination, such as a religious or historic association. Almost all provide an attractive, peaceful garden environment where people can escape to with minimal commercial intrusion or other distractions. There is usually a carefully planned sequential experience creating anticipation and surprise. Design is a key element of an attraction such as Hamilton Gardens, so it is important a high standard of design is achieved and maintained. While the concept includes considerable diversity, there should still be some unifying themes and continuity in elements such as signage.

A lot of thought has been given to the way people will experience Hamilton Gardens as they move from space to space, so consideration must be given to the design intent and the planned sequence. For example, in some gardens the most striking feature is at the entrance and after that nothing quite matches the original impression. With lessons learnt from the great gardens, Hamilton Gardens' entrances are kept deliberately low key to reveal a little at a time, building anticipation to create a sense of surprise and personal discovery. The visitor can never be sure what they will discover around the next corner.

Another key objective is to engage the imagination, and the concept of Hamilton Gardens provides many opportunities to include this. In the different gardens you might imagine yourself as a Renaissance prince, Mughal emperor or Chinese scholar, or having tea with the vicar in an English flower garden. Some gardens include mysterious doors and mythical beasts. The stories of A Hundred and One Nights were told in an Indian Char Bagh Garden rather like this one. The Mansfield Garden, Medieval Garden and Egyptian Garden are proposed recreations of famous fictional gardens. In the Tropical Garden or display houses you could believe you are in a luxuriant tropical setting, while in the Surrealist Garden you may feel as if you are only 30cm tall.

Another important aim in this "theatre of illusion" is to minimise distractions of the everyday world. Hamilton Gardens staff try to create a magical world where the plants never look diseased or stressed in dry weather, there are no weeds or litter, paths

and walls are clean, the water sparkles, there is no evidence of vandalism or distracting noisy activities, people are friendly and flowers bloom in robust profusion. Creating this illusion requires considerable hard work and constant vigilance.

Services such as power and water are generally laid underground or otherwise screened from public view. Most pump rooms and electrical stations within Hamilton Gardens are already well screened. Automatic irrigation systems have been installed through the central areas to allow night-time irrigation of gardens and lawns. Apart from improving presentation standards, conserving water and reducing labour costs, night-time irrigation avoids disruption to visitor access.

Service lanes through the central areas link most gardens to the maintenance centre. The intention is the service lane and service nodes within the Enclosed Gardens are completely hidden from public view and blocked from public access so visitors are unaware they even exist. Cars and trucks are not permitted beyond defined roadways, except for service vehicles and controlled parking on some grassed areas in dry weather.

To meet every demand Hamilton Gardens could quickly become filled with a wide variety of signs detracting from a magical garden setting, and in some areas like the Japanese Garden of Contemplation it isn't appropriate for any form of sign to be used. So, as in the previous plan, there are restrictions on signage that is neither interpretive or directional.

The only permanent commercial signs permitted will be for valid on-site permanent commercial activities. At present that involves the cafe and the river boat operation. A commercial sign relevant to a new development may be permitted during the period of development. Signs advertising events, or sponsors associated with the event, are permitted on a temporary basis in accordance with the provisions in the District Plan. Standard event signs are permitted on the Cobham Drive frontage for a period of no more than two weeks prior and during an event. They must also meet the requirements of NZTA and the District Plan.



#### POLICY:

The physical and visual intrusion of utility services will be minimised, including roading, services and utility structures. Park "service only" lanes within the Enclosed Sector will be screened from public view where practical. Unauthorised vehicle access will be restricted beyond the main entrance roads and designated car parks. Bicycle access is restricted to roads and designated cycleways within Hamilton Gardens.

#### POLICY:

All signs will be designed and located so as not to detract from the gardens and signage standards and colours will ensure brand continuity. Signage within Hamilton Gardens will be restricted to signs necessary for direction, interpretation, acknowledgement and promotion of garden projects and events located within Hamilton Gardens. Signs that recognise sponsorship will be limited to the life of the event.

## 3.0 DEVELOPING HAMILTON GARDENS AS A "MUST-SEE" VISITOR DESTINATION

## 3.4 IMPROVING THE GARDENS' CONNECTION WITH THE WAIKATO RIVER

The Waikato River is an outstanding natural asset for Hamilton Gardens and, in terms of urban riverscapes, it could be considered world class. Hamilton Gardens is one of the few places where most city visitors are likely to get a close view of the river. While this management plan recognises the importance and scope of river-related development, this is currently being reviewed in the wider city context of the River Strategy Plan.

The Waikato-Tainui Environment Plan emphasises the importance of the Waikato River as a *tupuna* (ancestor) which has *mana* (prestige) and in turn represents the *mana* and *mauri* (life force) of the *iwi*.

The 2003 Plan Nga Tapuwae O Hotumauae: Maori Landmarks on Riverside Reserves outlines principles for the management of 17 historic pa sites located within riverside reserves, including the Ngati Wairere Te Parapara Pa which was located on the Hamilton Gardens site. The cultural status of the river to local hapu has been recognised in the 2009 Waikato-Tainui and Crown Deed of Settlement which requires joint management of the Waikato River and its riverbanks to restore and protect its health and wellbeing for future generations. These documents, particularly the Waikato River Joint Management Agreement between Hamilton City Council and Waikato-Tainui, provide the basis for consultation and partnership in regards to any river use or riverside development. The process for participation as outlined in the Joint Management Agreement has been followed in the development of this management plan.

A river tour boat currently operates from the Hamilton Gardens jetty located in the centre of the site below the Turtle Lake car park. This jetty is currently in a poor state of repair and substantial work is required to upgrade or replace it and improve access from the car park. Swimmers are attracted to this spot by the adjacent cliffs which they can dive off and this also creates behaviour problems and a safety hazard. An alternative jetty site is proposed below the Renaissance Pavilion. With stairs and possibly a lift inside the Pavilion, visitors arriving by boat would have direct access into the heart of the Enclosed Gardens. The storeroom within that Pavilion could also be converted into a small audio visual theatre to provide a dramatic introduction for tourists arriving by boat.

There are six riverside gardens still to be developed or completed. The Tudor Garden

and Lawn Court are still to be finished, the Concept Garden, Picturesque Garden and Baroque Garden are planned for future development and decking is still to be constructed over to the steep cliffs within Echo Bank Bush. Eventually the river walkway south to Hammond Park will run along the top of the cliff at the eastern end of Hamilton Gardens and over or under the planned Southern Links arterial route that divides the horse paddock and crosses the river. A longer term project may be a pedestrian bridge over the river to provide access to the reserve land below the Glenview Club.

More river vistas can be opened up from the riverside gardens and river walks. However, the need to retain riverbank stability means without extensive retaining structures most river views will be framed vistas rather than wide panoramas. Riverside gardens can be designed so the river will be presented in different ways, at different heights and discovered when entering the various gardens.

The higher riverbanks at the eastern end of Hamilton Gardens are on a formation called the Walton subgroup which is relatively stable, but the riverbanks in the centre and western end have a sandy substrate which is susceptible to slip and erosion. Several metres of riverbank have been lost in the Chinese, Modernist and Renaissance garden sections just in the last decade. The problem is increased by fluctuating river levels and the likelihood the river bed will continue to degrade because the Karapiro Dam is cutting off sediment supply. Strategies to maintain riverbank stability include maintaining vegetation cover on steep banks, progressive replacement planting, removal of large unstable trees, control of stormwater discharge, confining public access across banks and the establishment of appropriate ecotone planting within river margins.

The tree framework on the banks and river terraces opposite the western end of the site form a backdrop for many views within Hamilton Gardens and contribute quite significantly to the total Hamilton Gardens character. It is important for these tree groups to be retained and extended to conceal the proposed road south from Cobham Bridge and residential development south of the Glenview Club. Hamilton Gardens has become increasingly noticeable from the river itself as views into the site are created and garden features are visible against the skyline.

**POLICY:**

River views will be opened up where this does not compromise riverbank stability. Opportunities will be sought to preserve and increase tree groups on the riverbank opposite Hamilton Gardens.

*[Strategic Plan objective A:3]*

**POLICY:**

Further development of the riverbank or stream will be undertaken in consultation with Waikato-Tainui through the processes specified in the Joint River Management Agreement, as well as Waikato Regional Council.

*[Strategic Plan objective A:3]*

**Goal**

To enhance the identity and prosperity of Hamilton with an internationally recognised garden.

**KEY ACTIONS**

Seven priorities are proposed, subject to resources being available:

1. Develop and promote various value-added tour packages, in conjunction with key partners;
2. Improve river access to Hamilton Gardens;
3. Introduce mobile network coverage so visitors can promote their visit.
4. Improve and enhance the Information Centre and the retail offer;
5. Upgrade, replace or add toilet facilities;
6. Improve the cafe including upgrading the outdoor eating terrace; and
7. Extend the permanent parking surface of the Turtle Lake car park to cater for day-to-day demand.





## 4.0 PROVIDING A PARK THAT IS VALUED AND ENJOYED BY THE LOCAL COMMUNITY

### GOAL:

To enhance the value of Hamilton Gardens to the local community

### 4.1 IMPROVING THE ECONOMIC BENEFIT TO THE LOCAL ECONOMY

Generating an economic return to the city is not the primary function of Hamilton Gardens - but it is a significant benefit. In 2003 Council commissioned a major study by Horwath HTL and Waikato University involving 807 interviews with Hamilton Gardens visitors from outside the region. The figures were updated in 2008. It indicated visits to the city motivated by Hamilton Gardens added approximately \$8.9 million to the local economy and a total economic output of approximately \$22 million. While Council doesn't directly benefit, it does represent a good return on investment to the local community.



The strategic challenge is to increase this economic benefit by attracting more out-of-region visitors and encouraging them to stay longer. Research has shown if travellers can be engaged for three to four hours, they are more likely to stay overnight and increase their spending on accommodation, meals, shopping and entertainment. Four strategies are being developed to address this opportunity:

- Many out-of-region visitors to Hamilton Gardens don't visit other local attractions or use local accommodation, so more can be done to promote these through the Information Centre and directly on visitors' mobile devices;
- At present, tourists spend on average two hours in Hamilton Gardens and there are opportunities to lengthen visits by developing more gardens and enhancing interpretation with stories to engage the visitor. When a visitor remains on site for more than two hours they're more likely to stop for refreshments which also lengthens the visit;

- There is an opportunity to partner more with other local attractions and accommodation providers to offer packages to promote longer stays;
- Some initial work has been done on events within the Gardens, specifically for tour groups. For example, one American tour company wants an on-site garden tour combined with a New Zealand wine lecture and a cooking demonstration. This has encouraged the tour group to base themselves in Hamilton.

### POLICY:

Opportunities will be sought to lengthen the stay of more city visitors by working with strategic partners and improving on-site engagement.

*[Strategic Plan objective A:1]*



#### 4.0 PROVIDING A PARK THAT IS VALUED AND ENJOYED BY THE LOCAL COMMUNITY

### 4.2 EVENTS AND ACTIVITIES

Hamilton Gardens has become one of the most frequently used events venues in the city, and the majority of events are organised by and for the local community. The diverse range of events contributes to the life of the city and provides vibrancy to the Gardens. Events are probably the most effective way of promoting local awareness of Hamilton Gardens and its features. However, occasionally outdoor events can block access, cause damage, or disrupt the peaceful escape casual visitors and tourists may be seeking. At times there are multiple events occurring at the same time and these can conflict with each other or be disrupted by park maintenance activities. It is critical there is some control and criteria around why, when and where events are held and how they are managed.

#### Outdoor events

There are two categories of organised outdoor event in Hamilton Gardens; controlled events and discretionary events.

Controlled events are generally permitted, but a booking is required for a specific time and site within Hamilton Gardens. The booking process gives the event organiser some certainty of venue availability but not exclusive use. The process helps park managers avoid conflicts in use, provides them with an opportunity to make users aware of any restrictions or conditions, and any damage is covered with a bond. Examples of controlled events include weddings, free performances, corporate picnics and team building activities.

Discretionary events may:

- Require exclusive use of an outdoor area, for example a paid entry outdoor concert;

- Have a significant impact on park assets and other park users, such as an event with amplified sound;

- Require special permission or consents, such as a food stall, or an event held outside normal opening hours.

Discretionary events may be declined. Approved events will often be subject to further approvals and consents such as public notification of a closure of a section of the reserve, fireworks consent or a site safety plan.

In assessing the desirability of a discretionary event within Hamilton Gardens, the following issues are considered:

- Location, duration and time of day;
- Compatibility with Management Plan policy;
- Legal requirements (e.g. bylaws, on-site lease obligations, safety plans, NZTA Management Plans, Reserves Act, Hamilton District Plan, operator's licence, liquor licence);
- Characteristics of the event, such as whether it is a public or private event, numbers of people, temporary structures or services that may be required, whether the event is for commercial gain or charitable benefit;
- Precedence set for future requests;
- Disruption to other park visitors and other booked events. This includes disruption from noise or disruption to access and tolerance levels vary depending on the proposed location within the site;
- Compatibility with the garden setting and garden themes and the potential to offend cultural or spiritual beliefs relating to certain garden areas;
- Impact on the asset, the potential for damage, wear and tear and other hidden costs, and opportunities available to mitigate

any adverse effects;

- Safety and security considerations including the security of other assets and the safety of other park users;
- Capacity of the venue, for example parking, power supply, wet weather alternative;
- The availability of more appropriate alternative venues or park facilities elsewhere in the city;
- Potential benefit to Hamilton Gardens and the city such as city promotion, or garden interpretation.

Hire and bond costs for outdoor areas vary with the type of event, the event's commercial nature, and potential for damage and disruption. The event may also be required to have an approved site safety plan and to cover the associated costs, such as extended security patrols. Hire charges are set by Council in each Annual Plan. At present the high banks surrounding the lower gardens are effective at reducing noise from events for local residents. The control of unreasonably noisy events on parks is administered by Council through legislation, the District Plan and other Council policies.

Most outdoor events held in Hamilton Gardens at present do not have exclusive use of a particular area. This rule could be relaxed when it may help make an outdoor theatrical or musical performance financially viable. Exclusive use would be available for other events if organisers were prepared to pay for this privilege, such as a corporate function. The disadvantage of this is tourists who are only staying for a limited period may lose the opportunity to experience a particular garden.

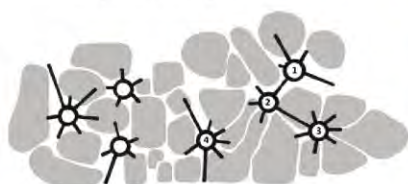




## 4.0 PROVIDING A PARK THAT IS VALUED AND ENJOYED BY THE LOCAL COMMUNITY

### 4.2 EVENTS AND ACTIVITIES

Instead of the usual garden circuit loop, the inner gardens have a spider circulation system specifically to accommodate events in the individual gardens. It means access to a particular garden is more direct and if an event is blocking a garden it can easily be bypassed and revisited later. The diagram shows four circulation hubs (or spiders) have been developed (1. Fern Court, 2. Piazza, 3. Cloud Court, 4. Time Court), while another three hubs are proposed between the proposed future gardens.



#### Hamilton Gardens Pavilion

Hamilton Gardens Pavilion has three purposes:

- Attracting events complementing and promoting Hamilton Gardens;
- Supporting community activities through discounted hire rates;
- Providing an important wet weather back-up for outdoor events that enhance the Gardens, such as outdoor concerts and festivals.

The Pavilion was originally developed primarily for horticultural events and horticultural education, but these activities have declined in number and the Pavilion is now used by a much wider range of events. For example, exhibitions, large weddings, festivals, product launches, flower shows, conferences, workshops, national art awards, lectures, sports events, pet shows, fairs, commercial expos, meetings, award dinners, religious ceremonies and concerts.

Various proposals have been made to improve the suitability of the two larger exhibition rooms for specific use, such as conferences. However, those changes would alter the simplicity and flexibility allowing the venue to accommodate a diverse range of events. Some improvements can still be made, such as replacing the dividing doors and improving the walls. The Pavilion's integration with the surrounding gardens could be improved with a covered access way between the Piazza and the Central Court at the southern end of the Pavilion. In the long term, consideration could be given to replacing the Central Court roof with a translucent material to create a high-quality conservatory with space planting and events. At some stage the Chartwell Room will need to be upgraded as a modern seminar room with suspended ceiling, pleasant outlook and appropriate technology.



#### POLICY:

Outdoor events will be permitted and encouraged within Hamilton Gardens with consideration given to possible disruption to other park visitors, the impact on asset maintenance and compliance with booking conditions. Commercial events may be permitted where they enhance public use of the park.

*[Strategic Plan objective C.1]*

#### POLICY:

Exclusive use may be granted to a specific outdoor area to generate revenue or support an appropriate artistic event.

*[Strategic Plan objective C.1]*

#### POLICY:

The purpose of the Hamilton Gardens Pavilion is to encourage activities to complement and promote Hamilton Gardens and support local community events, particularly horticultural, cultural and educational activities.

*[Strategic Plan objective C.1]*

Most events held in Hamilton Gardens are not open to the public, but the following are regular public events: ANZAC Concert, Bonsai Show, Bottle and Collectable Show, Caged Bird Show, cat shows, Chrysanthemum Show, Creative Fibre Exhibition, daffodil shows, Dahlia shows, Doll and Teddy Bear Show, Dutch Festival, Hamilton Antique Fair, Hamilton Gardens Arts Festival, Hispanic Spring Festival, Italian Festival, karate competitions, lily shows, Model Boat Regatta, Model Railroaders' Expo, natural health expos, orchid shows, Waikato Pacific Rose Bowl Festival, pipe band competitions, Pumpkin Festival, Quilt Makers Expo, rose shows, Salvation Army Christmas Concert, Scarecrow Festival, Spring Orchid Show, Stations of the Cross, Textile Art Show, Tree Crops Plant Sale, Tulip Festival, Waikato Maths Competition, Waikato Science Fair, Wedding Expo.



#### 4.0 PROVIDING A PARK THAT IS VALUED AND ENJOYED BY THE LOCAL COMMUNITY

### 4.3 CATERING FOR CASUAL COMMUNITY USE

Annual Residents Surveys over the years have consistently shown around 85 per cent of residents have visited at least once in the last year. This is a very high figure compared to other New Zealand parks. Casual park users who are having a picnic, walking the dog, playing informal sports, flying a kite or just enjoying family time don't necessarily need a lot of development. However, surveys and feedback have identified the need for two facilities; a safer Cobham Drive crossing and a larger playground.



There are not a lot of parks in Hamilton East and local residents have been promoting a safer and more convenient Cobham Drive crossing. This is covered in section 4.5 of this document. When an underpass beside Gate 2 is developed, local community use of the area known as the Governors Lawn will increase, particularly during weekends. The open lawns also make it one of the most suitable spaces within Hamilton Gardens for neighbourhood-park activities.

While play equipment could be located in several sites it is proposed to develop a larger playground on the Governors Lawn where there is more space. Eventually another toilet will be located nearby. An alternative playground location could be near the Camellia Garden car park. The playground could be developed with a garden theme, such as swings under pergolas and a turf maze. It should be remembered children also love to explore the theme gardens and there are other child-friendly projects planned, such as the children's guide book and app. The Surrealist Garden is essentially a magical children's garden with everything in it five times the normal size, including moving topiary, giant insects and talking flowers.



The Dog Control Bylaw requires dog owners to have their dog under control to avoid the animals becoming a nuisance to other park visitors. There are three areas within Hamilton Gardens with different restrictions on dogs, with the exception of permitted "working dogs" as defined in the bylaw. (See the Location Map, Figure 4).

- Within the designated Dog Exercise Area on the Hillside Lawn, dog owners are free to exercise their dogs off their leads. Event bookings are not normally taken for this space to avoid any conflict with regular dog walkers;
- No dogs are permitted within the Enclosed Sector defined by the security fence. The gardens being developed in this area include sensitive features and tight narrow spaces;
- In almost all other areas of Hamilton Gardens, dogs are permitted provided they are on leads. Under the Hamilton City Cemeteries and Crematorium Bylaw "no dogs or other animals are allowed in the cemetery unless a guide dog or hearing ear dog, or a dog kept by the Police or any constable, an officer of the Customs Department or the Ministry of Defence".

This plan proposes increasing the Dog Exercise Area to include the flat area beside the river because it is valued as an area where dogs can swim and cool off in summer. The adjacent areas are not included because they would either create conflicts in use or intrude into a recognised riverside biodiversity hotspot.



#### POLICY:

Local community use will be encouraged at the Governors Lawn area of Hamilton Gardens.

#### POLICY:

Dogs will be managed in accordance with the Dog Control Bylaw which requires dogs to be on leads other than in designated Dog Exercise Areas where they may be exercised free of restraint. Dogs are not permitted within the Enclosed Sector or Hamilton East Cemetery.



#### 4.0 PROVIDING A PARK THAT IS VALUED AND ENJOYED BY THE LOCAL COMMUNITY

### 4.4 PROVIDING AN EDUCATIONAL RESOURCE

Education groups involved in Hamilton Gardens have included schools, tertiary institutions, specialist clubs and other educational tours. The opportunities to increase educational use of the site have been limited by resources.

At present, teachers prepare their own teaching resources, but Hamilton Gardens could develop material specific to the Gardens and aligned to the New Zealand curriculum. Class visits often involve parents and bus hireage, so they must be planned in advance and often go ahead in poor weather. While not warranted by demand at present, eventually there may need to be a dedicated classroom at Hamilton Gardens.

The concept of the Gardens is diverse enough to support a wide range of educational topics. This is clearly demonstrated in the list of topics staff have recorded from school visits: Haiku poetry, Māori culture (horticulture, carving and traditional tools), Asian history, natural sciences, ecology, orienteering, plant adaption to different climates, Narrows Redoubt, landscape design, permaculture, home economics, general social studies, insects, art, photography, biodiversity, giant pumpkins, architecture, companion planting, Shakespeare's contemporaries, design, scarecrow competitions, tourism, growing vegetables, symbolism, rose judging, the Italian Renaissance, plant propagation, the evolution of British society, French rose breeders, the Modernist Movement, China's impact on European art and notable identities buried in the cemetery.

Links will be fostered with tertiary institutions including polytechnics, universities and scientific organisations involving education programmes and research to benefit the Gardens. Hamilton Gardens has played a significant role in parks industry training through staff training programmes, apprenticeships, Botanic Gardens of Australia and New Zealand (BGANZ) internships, on-site seminars and conferences, and staff presenting papers at conferences. There is also some involvement with garden hobbyist groups, including combined seminars and demonstrations.

The Wintec Horticultural Education Centre has been located at Hamilton Gardens since 1987, providing industry training in subjects related to horticulture including amenity horticulture, arboriculture, landscape design, floral art and various block courses. The location was chosen to provide students with an on-site practical teaching resource and a mutually beneficial partnership with Council.

Wintec and Council staff have undertaken various joint projects such as promoting careers in horticulture, community education programmes, scholarships, fibre optic networking, applied research and seminars. Staff and students at the Centre maintain the Kitchen Garden which is open to the public. There are opportunities to extend student involvement, particularly at the Municipal Nursery. Apart from the main lecture block, the Centre also has a demonstration yard with two barns and glasshouses and uses undeveloped land for practical exercises. These areas are closed to the public. Eventually garden development at the western end of the Enclosed Sector will mean concentrating these demonstration areas into a much smaller space.



#### POLICY:

Educational opportunities associated with Hamilton Gardens will be developed and promoted including school, tertiary, industry and community education. Where possible this will be done in partnership with others.

*(Strategic Plan objective C.4)*

#### POLICY:

The Wintec Horticulture School will be encouraged to continue and enhance their involvement in Hamilton Gardens.

*(Strategic Plan objective C.4)*

#### 4.0 PROVIDING A PARK THAT IS VALUED AND ENJOYED BY THE LOCAL COMMUNITY

### 4.5 IMPROVING ACCESS INTO AND THROUGH HAMILTON GARDENS

Hamilton East residents have difficulty gaining access to Hamilton Gardens because of the dangers of crossing Cobham Drive – a busy section of State Highway 1. An underpass has been proposed by NZTA below Cobham Drive just west of Gate 2, but while the plan exists, no timeframe for its construction has been identified. Another underpass has been proposed under Cobham Drive to provide pedestrian and cycle access from the Hillcrest area when the E:1 link is developed along the East Town Belt and across the eastern end of Hamilton Gardens.

At present there are five recognised entrances into Hamilton Gardens. All vehicle access is through Gates 1 and 2 on Cobham Drive. Pedestrian and cycle access is provided under Cobham Bridge linking Hamilton Gardens to the city's river walkway system. A walkway provides access from the eastern end of Hamilton Gardens up to Cobham Drive and Howell Avenue. The jetty located near the Turtle Lake car park provides access from the Waikato River. Land has been purchased as reserve below the Glenview Club and opposite the main Turtle Lake car park. It will preserve the attractive outlook from that area of Hamilton Gardens and provides the opportunity for a future pedestrian bridge.

A cycleway has been developed for cyclists passing through Hamilton Gardens. It runs alongside Cobham Drive down Hungerford Crescent and then up alongside Cobham Drive near the entrance to Howell Avenue (see Location Map, Figure 4). Cyclists visiting Hamilton Gardens can enter on either roadway, but are expected to dismount when approaching the central area. All bicycles, rollerblades, skateboards, scooters and similar devices are discouraged within the Gardens and excluded from the Enclosed Gardens and Lakeside Court for safety reasons.

The river walkway cuts across the site passing alongside the Rogers Rose Garden through the Lakeside Court. Eventually the intention is to continue the river walkway along the eastern end of Hamilton Gardens to link up with the existing river walkway in Hammond Park and improve access

from the Riverlea area. Plans for the E:1 link through the horse paddocks include a continuation of the river walkway under the proposed road.

The location and design of internal paths is generally governed by levels of use, the planned hierarchy of paths, requirements of park service vehicles, site topography and the planned sequential experience of each garden area. In some areas the most direct route is deliberately avoided to lead people into certain areas or to make the site appear larger. It is recognised there won't be paths where everyone wants to walk.



Wherever possible the grade, width and surface of paths have been made suitable for wheelchairs and mobility scooters. The path above the waterfall up to the Valley Walk car park and the river walkway east of the Outdoor Chapel still need to be graded and paved to make them suitable for disabled access. Where steep banks make the grade impractical, alternative access is usually provided. However there is currently no suitably graded path between the upper and lower gardens and car parks. A path with a gradient of 1:12 is eventually proposed to link these areas, possibly as part of the proposed New Zealand Cultivar Garden development.

#### POLICY:

Access into Hamilton Gardens will ensure easy, safe vehicular, cycle and pedestrian access.

*(Strategic Plan objective C:3)*

#### POLICY:

Paths within Hamilton Gardens will provide access for a majority of people to a majority of points of interest, including access for people with mobility restrictions.

*(Strategic Plan objective C:3)*

#### Goal

To enhance the value of Hamilton Gardens to the local community.

#### KEY ACTIONS

The following seven priorities are proposed, subject to resources being available:

1. Implement various strategies to encourage visitors to stay in the district longer and contribute more to the local economy;
2. Encourage more community events that complement Hamilton Gardens;
3. Develop educational material relevant to the school curriculum;
4. Improve paths to increase accessibility for those with disabilities;
5. Improve the Pavilion to meet customer expectations and needs;
6. Relocate and further develop a significant destination playground by the Governors Lawn; and
7. Improve links to local neighbourhoods including a Cobham Drive crossing and river walkway.





## 5.0 SUSTAINABLE MANAGEMENT OF HAMILTON GARDENS

### GOAL:

To protect and sustain Hamilton Gardens for future generations

### 5.1 CONSERVATION OF NATURAL AND CULTURAL FEATURES

#### Natural features

The remnant bush on the steep riverbanks below the Hamilton East Cemetery is considered to be one of the district's more significant original Waikato seed sources. This stretch of riverbank, referred to as Echo Bank Bush, is managed as an important natural feature of Hamilton Gardens. Management of this flora will follow the policy in the Riverside Reserves Management Plan. This includes control and removal of all exotic plants, additional planting using only eco-sourced species propagated from local plants, management of the bush so it becomes a self-sustaining unit and public access confined to paths and boardwalks to avoid damage.

Waikato Regional Council sees Hamilton Gardens as an important natural link in the river wildlife corridor through the city. Annual planting programmes aim to increase the diversity of fruit, seed and nectar plants to provide a continuity of seasonal food supply for birds. Vegetation overhanging ponds and the lake and river margins are particularly

effective in encouraging insects for birds and bats, as well as providing a refuge for water fowl and fish. Further development of the Valley Walk will feature a small Waikato wetland and, like the rest of the Valley Walk, will only feature plants native to the Waikato district.

Notable natural fauna within Hamilton Gardens includes a local long-tailed bat population and a number of 'bat roosts' have been installed for them. Some of the more isolated riverbanks feature glow worms. Monarch butterflies spend winter on some of the pines and are encouraged by the annual planting of 200 swan plants within garden areas. Recently more planting such as nettles has been undertaken to encourage native butterflies.

While bird life is encouraged with plants providing food and habitat, the most challenging limitation is the control of predators such as wild cats, mustelids, rats, magpies and possums. Pest control is increased around biodiversity hotspots

and at certain times, such as when tui are nesting. Hamilton Gardens was the first site in the city to have tui nesting since records were kept. Monarch butterfly numbers have been limited by predator wasps. Control of all pests is planned as part of a wider strategy for riverside reserves based on the Pest Management Strategy prepared by the Waikato Regional Council.

The use of residual chemicals is being reduced through the gradual introduction of a more integrated pest management strategy aiming to increase reliance on biological control. However, in Hamilton's warm humid climate, collections such as the massed hybrid rose display and rhododendron borders mean that some chemical control will probably be required for the foreseeable future. To minimise effects on desirable insect populations, preference is given to non-toxic or low-toxic substances where there is no effective form of cultural or biological control. Evaluation of alternatives to inorganic, residual chemical pest control will be continued.



Ducks, particularly ducklings, are a significant attraction at Hamilton Gardens but numbers need to be managed as they can make a mess and damage ornamental water plantings. Turtle Lake was named after the various pet turtles released there. While these turtles provide another very popular attraction for children, their continued presence is dependent on Waikato Regional Council guidance.

### Cultural features

One of the many significant riverside pre-European Māori settlements called Te Parapara was located in the centre of Hamilton Gardens. It was once the home of Haanui, a famous Ngāti Wairere chief. Te Parapara was renowned as the site of sacred rituals associated with the harvesting of food crops and there was a Tuahu or sacred alter on site associated with this. The land was appropriated by the Crown in the 1860s and put to strategic use as the Narrows Redoubt and town rifle range. In 1879 the area was declared domain land and handed over to the Hamilton East Domain Board. The Borough lost control of the domain lands in the early 20th Century, and the area was used for various other purposes. This included a sand quarry over the lower area which resulted in the loss of any remains of Te Parapara. The Council purchased the old rifle range land from the Crown in 1957 and its status changed from domain to reserve land available for everyone's use and enjoyment.

The significance of the area as Ngāti Wairere ancestral land is outlined in the Waikato-Tainui Environmental Plan. This recognises cultural traditions of protecting the land, the historic associations and taonga. The physical focus for this recognition has been the highly significant Te Parapara Garden which includes references to the area's cultural heritage, including the figures of notable historic identities and other carvings specific to this district.

There are few remains of the early European settlement of the area apart from the Narrows Redoubt at the eastern end of the site and an earthen fence probably created by the early Irish community of Hamilton East who grazed the area. The Station Master's House was relocated to beside the cemetery in 1984. Many of the settlers and prominent citizens of early Hamilton were buried in the Hamilton East Cemetery from 1866. The cemetery was closed for burials in 1957 other than for reserved plots and ashes interments. Since 1979 Council has integrated the maintenance of the Hamilton

East Cemetery into Hamilton Gardens. Work will retain the historic integrity of the site while improving the aesthetic appeal through appropriate planting. All aspects of burial and memorialisation remain the responsibility of the Cemetery and Crematorium staff.

Many smaller features within Hamilton Gardens are also significant, ranging from the old Baptist Church cupola on top of the Pavilion, to old prints. Because of their intrinsic value and cultural associations, features such as the Japanese Pavilion, Russian Bell Tower and the Chris Booth sculpture are likely to increase in cultural significance over time. These diverse elements must be maintained appropriately and professional advice is sought where needed.

Records systematically maintained and properly stored will become valuable heritage items. In most cases, the material being stored has no immediate value but it will become valuable to future generations, even items such as photographs and ephemera such as old Hamilton Gardens Arts Festival brochures.

An accession plan should be developed to:

- Record the history and inventory of taonga items and important institutional memory;
- Ensure preservation and appropriate maintenance of items;
- Generate, record and archive interpretive information;
- Provide assurance to those who have made a gift and record any commitments made to the donor; and
- Define an acquisition and disposal procedure.



### POLICY:

Park management will seek to conserve ecological features, such as remnant indigenous flora on the riverbanks, bird, bat, and butterfly populations and rare native and exotic plants.

*[Strategic Plan objective D:2]*

### POLICY:

Invasive and noxious flora and fauna will be controlled or removed and staff will continue to work with other agencies to improve pest control throughout the site.

*[Strategic Plan objective D:2]*

### POLICY:

Park management will recognise the significant cultural heritage of this site.

*[Strategic Plan objective D:2]*

### POLICY:

Institutional knowledge relevant to Hamilton Gardens, as well as historic site features and associations, including taonga, will be appropriately conserved under an accession plan.

*[Strategic Plan objective D:2]*



## 5.0 SUSTAINABLE MANAGEMENT OF HAMILTON GARDENS

### 5.2 OPTIMUM ASSET MANAGEMENT

There are three systems supporting the asset management programme within Hamilton Gardens – an asset management system, Design Statements and the Hamilton Gardens Quality Management System.

– An online asset management system called Hansen 8 is being developed to record all assets and their condition. This integrated system will feed into other Council systems and influence maintenance, rehabilitation and replacement work and future resourcing commitments.

– A series of about 50 design statements will specify specialist maintenance requirements and standards to be met for each garden area.

– The Hamilton Gardens Quality Management System prescribes several processes to ensure assets and services are meeting the needs and expectations of park users.

The standards of asset management will be determined by the resources Council makes available. If the intention is to create a world renowned garden, then the standards required may be higher than for some other Council assets. With limited resources, work programmes are often determined by a variety of outside influences and priorities specific to Hamilton Gardens.

The design statements specify standards of garden maintenance for each area and are unique to Hamilton Gardens. The gardens are audited regularly to identify specific actions to be taken to meet the optimum standards. For other on-site activities, standards are defined in many different

forms. For example, contract specifications (cleaning of toilet facilities), New Zealand safety standards (roadside maintenance), sustainable management practice (Qualmark Green), lease agreements (Hamilton Gardens Cafe and Lakeside Function Centre), service level agreements (mowing), building codes (structural inspections), industry standards (plants purchases), consents (water extraction) or Council policy (health and safety). Generally standards in most areas are constantly rising.

There has always been a planned hierarchy of garden development within Hamilton Gardens. The more detailed, higher maintenance gardens are located in the central areas where the most visitors circulate. The more natural, robust, lower maintenance features are located at the outer ends of the park. This means the central gardens will eventually all be on an automatic irrigation system while the outer areas will have to survive on natural rainfall.

This management plan cannot cover all aspects of asset management at Hamilton Gardens, but there are two areas of specialist asset management that need to be mentioned; water quality and landfill management.

#### Water quality

Within the Enclosed Gardens there are two forms of water feature; the artificial pools and the natural looking ponds needed to support aquatic flora and fauna. These are kept clean using techniques such as backwashed sand filters to reduce sediment

and phytoplankton, anti-fouling paint, ultrasound treatment, ultraviolet light, manual cleaning and low level chlorination, and algicide dosing.

Water flowing down the Valley Walk gully system largely comes off Cobham Drive and a local residential area. This means the flow is very uneven and water quality difficult to control. Developing the gully floor west of Hungerford Crescent as a Waikato wetland will complement the theme of the Valley Walk. The wetland will improve water quality by acting as a filter and it should also even out the water flow, particularly as it affects the Turtle Lake waterfall. This very small wetland will demonstrate how attractive a Waikato wetland garden can look.

The water quality in the Valley Walk ponds and Turtle Lake is being improved through weirs to reduce suspended solids, and the aeration provided by the waterfall and with planting on steep banks to reduce erosion. The water quality in the lake has generally improved over the past decade, but it is gradually silting up. Dredging may be required on the northern side within the life of this Management Plan to avoid the emergence of a mudflat.

At times, invasive aquatic weeds particularly *Ceratophyllum demersum* (Hornwort) and *Egeria* need to be controlled in Turtle Lake. This is done on an as-needed basis with the appropriate consents and NIWA guidance. Without this regular control, the lake can become choked with unsightly surface floating weeds. It is unrealistic to eliminate all aquatic weed from Turtle Lake, but there



## 5.0 SUSTAINABLE MANAGEMENT OF HAMILTON GARDENS

### 5.2 OPTIMUM ASSET MANAGEMENT



are at least three ecological benefits to keeping the aquatic weed under control.

- The treatment used has a minimal effect on native aquatic plants and fish so those populations can re-establish and biodiversity in the lake is encouraged. Maintaining a good cover of native aquatic plants will in turn discourage invasive weed growth;
- If Hornwort is constantly controlled it avoids the "boom-bust" cycle of invasive weeds and the subsequent unpleasant smell as it dies back and rots; and
- Excessive growth of Hornwort will by itself cause oxygen depletion at night with detrimental effects on aquatic fauna such as fish.

#### Landfill management

Most of the lower area of Hamilton Gardens was a sand pit and used as a dump for non-toxic waste such as clay and tree stumps. However, a three-hectare portion of Hamilton Gardens is an old excavated pit that was used for household refuse disposal in 1973 and 1974. (Area defined on the Location Map, Figure 4.) The rubbish fill ranges in depth between 2m to 9m. The landfill is monitored for gas and leachate and is now regarded as a stable landfill site. The Resource Management Act (1991) requires closed landfills to have resource consents that promote sustainable management practices. Management of this landfill is outlined in the Hamilton City Council Cobham Drive Closed Landfill

Aftercare Management Plan. A separate reserves landfill strategy for the city had not been developed at the time of this review.

Any development, contouring or substantial change above the 1974 landfill site will require further consents. Apart from the Turtle Lake car park, the cap generally consists of about 700mm of sand and silt soils. There are seven criteria to be met in the management of this cap:

- The aim is to maintain a minimum of 700mm cover over the refuse;
- Any exposed refuse should be covered or the area fenced off from public access until an appropriate cover can be laid;
- The design and construction of any future drainage infrastructure is able to accommodate design storms, settlement and leachate and gas corrosion;
- There must be adequate stormwater control measures to prevent exposure of refuse through erosion or excessive ponding or water ingress into the landfill which will cause the formation of leachate;
- The surface should be regularly inspected for distressed vegetation, cap cracking, significant settlement and ponding. Any cracks in the cap must be repaired by filling;
- No fires are permitted on the surface;
- Any site development relating to park activities must take into account other requirements of the Hamilton City Council Development Manual.

#### POLICY:

Standards of presentation and maintenance will be appropriate to a national visitor attraction but with higher standards in the central gardens relative to the outer, more natural areas of the site.

*[Strategic Plan objective D:1]*

#### POLICY:

Water quality within Hamilton Gardens will continue to be monitored to meet the set targets. Improvements to the water quality will be made where there are practical solutions. Hamilton Gardens' water treatment systems will aim to ensure all water flowing into the Waikato River is as clean and clear as possible.

*[Strategic Plan objective D:2]*

#### POLICY:

Turtle Lake will be maintained in a healthy condition through the control of invasive aquatic flora and fauna and the encouragement of indigenous aquatic plants.

*[Strategic Plan objective D:2]*

#### POLICY:

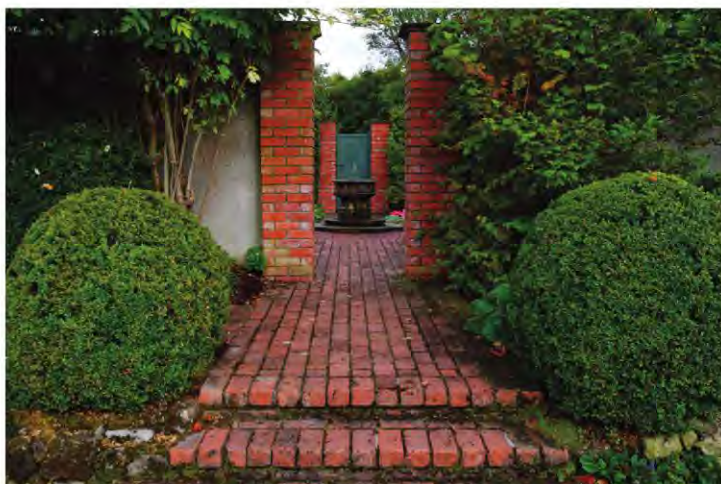
Management of the land over the 1974 landfill site will retain the integrity of the landfill cap in accordance with the Aftercare Management Plan for the site.

*[Strategic Plan objective D:2]*



## 5.0 SUSTAINABLE MANAGEMENT OF HAMILTON GARDENS

### 5.3 MAINTAINING DESIGN INTEGRITY



For the Hamilton Gardens concept to be successful each garden needs to have a reasonable level of design authenticity and each garden type has been extensively researched to achieve this. Improvements and change will inevitably occur, but they should generally be made with an understanding of the design intent. For example, in the Japanese Garden of Contemplation most of the significant rocks have a traditional name and a relationship to one another. There are different zones within the garden dictating the types of plants that can be used. There are also the traditional rules that have defined key elements of the layout.

This type of information is being recorded in Design Statements that will eventually cover each garden zone. Essentially they are technical staff manuals controlled under the Hamilton Gardens' quality system, with six primary functions:

- Providing an overview of the design concept;
- Outlining the specific maintenance requirements of each garden;
- Specifying the optimum maintenance standards;
- Recording relevant institutional memory such as how a garden was developed;
- Providing technical information, such as paint colours; and
- Providing references to further relevant information, such as reference books.

The thematic zones cover most of the site and it is important incongruous or inappropriate elements are not introduced to distract from a particular garden's theme. In some gardens, new additions can be tested against historic styles, in others the concept itself provides the lead. For example, most of the planting from Gate 1 to the Information Centre has been confined to indigenous plants to make a statement about this being a New Zealand garden.

The range of gardens can also accommodate most temperate garden plants, but the challenge is to locate the right plants in the right garden. Again, there isn't always an historical context; the intended tropical effect in the Tropical Garden limits the types of plants that will look appropriate. With the range of plants available through the New Zealand nursery trade diminishing, the role of the Municipal Nursery in propagating existing stock will remain important to maintain the integrity of some gardens. Apart from the problems of theft and damage, plant labels are not always appropriate, particularly in some of the historic gardens. Plant labels should be used where a plant type is relevant to the story of the garden.

For Hamilton Gardens to be more convincing than the 19th Century Mixed Style, each garden will require design authenticity and will need to be visually screened from

its neighbours. The Design Statements also specify views which need to be kept open. The management of these views is a long-term strategy involving tree growth, the anticipation of future views, screening of unwanted views, the emphasis and composition of views, emphasis of particular features, space modulation and the planned progressive sequence of views. With over-planting in some areas this may mean the removal of some mature trees.

Preserving some open, sweeping spaces is important to provide the Gardens with a grand public scale, to allow groups of trees to be fully appreciated, to help with visitor orientation, to give depth to some views and to provide a contrast to the smaller enclosed garden features. Different areas will also require planting and development of a different scale. For example, the open sweeping lawns along the Cobham Drive frontage provide an appropriate grand scale appreciated from moving cars.

#### POLICY:

Design and maintenance, including structures and artwork, will preserve the thematic integrity of each garden area. Screening will be maintained between gardens.

#### POLICY:

Plant collections and successional planting will support each area's design theme and plant labels will be used where appropriate to the theme.

## 5.0 SUSTAINABLE MANAGEMENT OF HAMILTON GARDENS

### 5.4 CONTROLLING LONG-TERM USES

Over the past 40 years Council has gradually relocated facilities within Hamilton Gardens that have not related to the garden theme. These have included netball courts and clubrooms, dog dosing strip, Go Kart track, Boy Scouts Hall, the Royal Air Force Association Clubrooms and Sillary Street Indoor Bowling Club Hall.

There are several existing lease areas within Hamilton Gardens and all but two are now clearly related to the garden theme.

- The lease for the Garden Cafe and Function Centre runs from 2012 to 2017 with a right of renewal to 2022. There is a long-term need for this facility;

- Wintec has a lease for the Wintec Horticultural Education Centre facilities which runs from April 2013 to March 2023. In general terms the buildings are leased and the open spaces are covered by a shorter term licence. The Centre has been operating at its present site since 1987 and will be encouraged to remain at Hamilton Gardens. If the Horticultural Centre is relocated, the preferred option is facilities are utilised by another horticultural education provider. In the longer term, space at the western end of the Enclosed Sector will be required for the development of new gardens and Wintec are aware they will need to look at more efficient use of the available space and reduce the footprint for their practical demonstration areas;

- The Girl Guides Association has a lease on the Hardy Training Centre building until March 2014. This will be renewed until 2019 but in the longer term the Girl Guides site

will be required for the planned Formal Landscape Garden;

- The Hamilton Light Horse Club has a lease to graze the paddocks at the eastern end of Hamilton Gardens. The five-year lease terminates in 2014 with a five-year right of renewal. With the proposed Southern Links Ring Road Extension dividing the paddocks, there is limited benefit in developing this area as a permanent garden feature;

- Two residences are located within Hamilton Gardens to help maintain the security of the asset. One is located in the Municipal Nursery and the other adjacent to the Hamilton East Cemetery. Rental is charged and they are not necessarily occupied by Council staff members.

Lease reviews are subject to relevant Council policy and the procedures required by the Reserves Act (1977) and the Guides and Policies in the Exercise of the Reserves Act, No. 2 – Leasing of Reserves and Other Rights of Occupation (1978). No major new leases are currently foreseen in the term of this plan. If a major new facility was proposed and had a significant impact on Hamilton Gardens, Council would also undertake a review of this Management Plan providing further opportunity for public consultation, particularly in regard to its impact on the rest of Hamilton Gardens. Because Hamilton Gardens is a popular visitor destination, there may be interest in locating private tourist operations on site. Any new leases may be considered where:

- The activity is clearly complementary and supports the policy of this plan and does not

compromise proposed or potential garden development, or the aesthetic values of Hamilton Gardens;

- The proposed activity demonstrates economic viability and provides assurance that resources will be available for reinstatement work if the venture fails;

- It is not appropriate for Council to provide or operate such a facility;

- The potential lessee needs some security for a long-term investment and exclusive rights over a defined area for a long period.

Licences to Occupy are generally given for shorter periods than a lease and they do not give exclusive rights over a defined area. Licences must also be advertised for public comment following the Reserves Act public consultation procedure and they must be compatible with the policies and plans of this Management Plan. There are currently licences for the demonstration areas used by Wintec and others may be considered. For example, the tour boat operation may require a licence to moor at the Hamilton Gardens' jetty.

#### POLICY:

Leases will be restricted to building sites only except where additional areas are essential to the function for the leased purpose. Renewal of leases and the issue of licences will only be considered where they clearly meet the needs of garden users, relate to the overall garden theme and comply with the Reserves Act (1977).





## 5.0 SUSTAINABLE MANAGEMENT OF HAMILTON GARDENS

### 5.5 FUNDING AND SPONSORSHIP

Operational and capital funding for Hamilton Gardens is determined through the Long Term Council Community Plan (LTCCP or 10-Year Plan) and Annual Plan processes. At present the primary revenue streams for Hamilton Gardens are plant sales from the Municipal Nursery and the hire of various garden venues for events. An increasing emphasis is being placed on increasing income streams and the main opportunities are from adding value to the Gardens as an event location and visitor destination. For example, the exclusive use of a particular garden for an event, or the commission structure on the supply of equipment and services rather than hiring an empty site. For tour groups it may mean combining a guided tour with the commission on a river trip and a lunch.

Development priorities set out in the previous Management Plan remain relevant, namely:

- Completion of the central theme gardens;
- Catering for increased use; and
- Improving standards of presentation and customer service.

The timing of the E:1 Southern Link at the eastern end of the site will be dependent on central government and Council funding priorities. The proposed deep cut and topography will mean that most of the remaining land between the cemetery and Narrows Redoubt will effectively become steep roadside planting. It has been suggested that the proceeds resulting from the sale of this land could be used to advance other garden development.

Over the past 35 years, Hamilton Gardens has derived benefit worth many millions of dollars directly from the community, including cash sponsorship, gifts in kind and volunteer work. Hamilton Gardens has been recognised nationally for its sustained programme of fundraising, particularly through the establishment of specialist trusts to support the development of specific gardens. The reason this has worked well is the aim of each trust has aligned with the operative Management Plan and successive trust boards have been committed to achieving quality and design integrity. Before any sponsorship is accepted that will have a significant impact on operating costs, it must be approved by Council. This is because permanent new assets become Council

property and there can be a significant budget impact from ongoing maintenance and renewal costs. Gifts in kind have not always been successful, largely because of quality issues. Generally, Council prefers to obtain competitive tenders and enter into a contractual arrangement with the supplier to ensure that goods or services meet required standards.

#### Sponsorship signs

Sponsorship valued at more than \$1000 may be recognised on a low-maintenance plaque for the life of the asset being sponsored. Sponsor recognition of a specific garden feature should exceed \$10,000 in value. Sponsor recognition will be confined to a single sponsor plaque in each garden in an approved location. A sponsors' board recognising recent major sponsorship over \$100,000 in value may be displayed in a prominent location. Permanent recognition of community groups that have made a major contribution to Hamilton Gardens are confined to wall plaques in the Piazza. A major contribution is considered to be an asset worth at least \$200,000.

#### Commemorative signs and plaques

Too many memorial plaques can give the impression of a garden of memories. Experience in other parks suggests they create long-term problems out of all proportion to any income gained. Since the 2000 Management Plan, commemorative plaques have been limited to people who have had a direct and continuous association of at least 20 years in which they played a leading role in achieving something significant for Hamilton Gardens. Any event commemorated on a seat should be of significance to the history of Hamilton Gardens.

Volunteers help in a number of areas usually under some form of agreement. For example, the volunteers in the Information Centre currently work under a Heads of Agreement between the Friends of Hamilton Gardens and Council. Some groups and individuals assist Hamilton Gardens by undertaking maintenance tasks or organising events that will promote Hamilton Gardens. The most important controls around their involvement include health and safety





## 5.0 SUSTAINABLE MANAGEMENT OF HAMILTON GARDENS

### 5.5 FUNDING AND SPONSORSHIP



The Friends of Hamilton Gardens Incorporated Society was formed in 1988 to provide a key focus for community involvement. The primary objectives of the Friends are to:

- Promote awareness, use and enjoyment of Hamilton Gardens;
- Promote and assist Council with the development of Hamilton Gardens; and
- Conduct such activities that will promote membership of the society and support its initiatives.

Over the past 20 years the Friends have raised substantial funding for garden development. They have supported the specialist trusts and often provided the resources to finish off important smaller projects. Volunteers from the Friends have been attending the Information Centre every day and take part in other practical projects such as propagating plants for sale. Though independent, the Friends work closely with Gardens staff.



#### POLICY:

The Friends of Hamilton Gardens will be supported and other opportunities for wider public involvement will be encouraged.

#### POLICY:

Ongoing staff development, training programmes and records of maintenance requirements will ensure that skills and specialist knowledge are available to maintain garden areas to a high standard.

*[Strategic Plan objective D:3]*

#### POLICY:

Community support and sponsorship for developments will be encouraged and pursued where the development meets the following criteria:

- Appropriate to the concept and policies in this plan;
- Resources are available to meet the ongoing operating, maintenance and renewal costs;
- Standards are high and there are assurances of quality control; and
- The project is able to be completed, if not all resources are able to be offered initially.

*[Strategic Plan objective D:1]*

#### POLICY:

Sponsor recognition will be restricted to permanent plaques at one location within each substantial project. Commemorative plaques are not permitted except as commemoration of a significant event or person associated with Hamilton Gardens.

## 5.0 SUSTAINABLE MANAGEMENT OF HAMILTON GARDENS

### 5.6 SECURITY OF PARK ASSETS AND PEOPLE

Records suggest the number of incidents of damage to park assets has generally been increasing over the years. In response, the following strategies have been implemented:

- Security guard patrols are provided in the late afternoon and evening;
- Sensitive and valuable park assets are mostly located within the fenced off Enclosed Garden Sector with a single entrance overlooked by the Information Centre. The Enclosed Sector is closed from sunset until 7am. This area is alarmed at night with motion sensors that set off alarms alerting the monitoring centre and on-site guard;
- Suspicious activity within the park is notified and monitored, often in liaison with local police;
- Where possible, graffiti is removed or damage is repaired immediately;
- Theft from cars is discouraged through staff patrols, cameras and warning signs. Several offenders have now been caught through a programme of surveillance, monitoring and reporting of suspicious activity;
- Night-time vehicle barriers restrict vehicle entry between 11pm and 6am.

Other strategies have been considered, such as:

- Linking the security cameras directly with the city monitoring centre through the existing fibre optic network and a wireless network so the response to any incident can be immediate;
- More sensors linked to the contracted security company and perhaps also linked to the automatic irrigation system;
- More security patrols including patrol staff being accompanied by dogs.

Most of the world's botanic gardens within cities are closed at night and there may come a time when a security fence will be required along the Cobham Drive frontage. A disadvantage of developing an underpass to Hamilton East, extending the river walk south and possibly providing a bridge to Melville, is that they allow more night time activity and would provide more entry and escape routes. This disadvantage could be overcome with gates that are closed at night.

Hamilton Gardens has had a good personal safety record probably because it is heavily used, with a continued staff presence and strong sense of ownership. The personal safety of staff and visitors is very important for the long-term use and sustainability of Hamilton Gardens. A single incident can give a park an unwarranted negative reputation.

The principles of Crime Prevention through Environmental Design [CPTED] can minimise risk. For example, having open clear sightlines to key areas such as car parks, the playground and toilet entrances.

Apart from festival events or events in the Pavilion and restaurant, access into Hamilton Gardens is discouraged at night. Entrance roads, car parks and paths that lead to facilities regularly used at night are lit at least to the standard for parks required by the NZS 6701:1983, Code of Practice for Road Lighting. In keeping with the Safe Cities philosophy, access beyond these main paths is discouraged with little permanent lighting.

#### POLICY:

Different forms of security will be used to safeguard park assets. The Enclosed Sector which accommodates the more vulnerable garden features will be closed and alarmed at night.

*(Strategic Plan objective D:4)*

#### POLICY:

Where practical, consideration will be given to improving the safety of park visitors and their property through park management, design and technology. Park lighting will be provided only in those areas promoted as available to the public at night.

*(Strategic Plan objective D:4)*

#### Goal

To protect and sustain Hamilton Gardens for future generations.

#### KEY ACTIONS

The following seven priorities are proposed, subject to resources being available:

1. Develop a model gully restoration including a Waikato wetland in the upper area of the Valley Walk;
2. Develop value-added services for event organisers;
3. Improve security systems and processes;
4. Improve plant collection management and recording;
5. Continue to make improvements to water quality in various water features. This may include dredging silt from Turtle Lake;
6. Implement sustainable management practices to minimise waste and utilise energy and water efficiently; and
7. Develop a system for recording and interpreting information and items of cultural or historic significance to this park.





## 6.0 APPENDICES

### 6.1 IMPACT OF CHANGES TO THE PLANNING FRAMEWORK

**Hamilton's Urban Growth Strategy** identifies new links in the arterial roading network that will have a significant impact on Hamilton Gardens. An arterial connection called the Southern Link is proposed through the horse paddock at the eastern end of Hamilton Gardens. This means the English Landscape Garden proposed in the previous plan will no longer be an option. Another planned arterial route will run for a short distance along the opposite riverbank roughly across from the Rogers Rose Garden. The view of this road may eventually be softened with planting but traffic noise is likely to increase at the western end of Hamilton Gardens. Development of the Peacocke Growth Cell on the opposite side of the river will change the rural views currently seen from the eastern riverbanks in Hamilton Gardens.

**The Hamilton Proposed District Plan** identifies the Hamilton Gardens site as a "Destination Open Space" zone recognising its significance as a high-quality recreational and community resource. This zone can accommodate a broad range of recreational and cultural activities, including a cafe or restaurant. Parts of the Hamilton Gardens site are also covered by "Significant Natural Area" and "Waikato Riverbank and Gully Hazard Area" overlays which aim to protect natural gully and riverbank areas and preserve ecological corridors within the city. The Hamilton East Cemetery is zoned "Neighbourhood Open Space".

The existing **10-Year Plan** includes proposed development at Hamilton Gardens over the

next 10 years. This plan is subject to its three yearly review and public consultation process in 2014. While the Management Plan directs development, the 10-Year Plan process determines when funding may be available. Currently the latter plan identifies funding towards the completion of the Tropical Garden, the Tudor Garden and the Surrealist Garden by 2018.

**The Treaty of Waitangi Act (1975)** recognises the relationship of Tangata Whenua with their ancestral lands, waahi tapu and other taonga. The Reserves Act requires Council to consult and have regard to the views of iwi and hapu for any development or use that may affect these values. In August 2008 Waikato-Tainui and the Crown signed a Deed of Settlement recognising joint management of the Waikato River, its banks, river bed, water and its streams and waterways, which includes portions of Hamilton Gardens. The primary objective is to protect the health and well being of the river. In 2003 a management plan, Nga Tapuwae o Hotumauea - Maori Landmarks on Riverside Reserves Management Plan, was prepared to provide further specificity for the management of 17 historic pa sites located within riverside reserves: one pa site is Te Parapara.

**The Local Government Amendment Act (2012)** places an emphasis on the role of assets to deliver a service to the community. An asset such as a park exists and is maintained appropriately to deliver a service, whether the park service is a sports venue or the conservation of heritage values. This

fundamental requirement is reflected in this Draft Management Plan, where the emphasis is now on strategy and service delivery, rather than the traditional emphasis on protecting park values.

**An Activity Management Plan (2012)** has been developed and defines the levels of service Council will provide and the associated budget requirements. It covers a 10-year period and is formally reviewed at three-year intervals, although can be reviewed more frequently. The next formal review is due late 2013/early 2014.

**Hamilton City Council's vision** is "to be a smart city in every way and in everything we do". The vision incorporates the Council's goals and aspirations for Hamilton. Hamilton Gardens makes a contribution to eight of these outcomes, as follows:

- Hamilton has a strong productive economy and we build on our economic strengths;
- Our city grows and prospers in a sustainable way;
- We operate efficiently and provide exceptional service;
- The city takes a leadership role regionally and nationally;
- Hamilton embraces the Waikato River and it is the focal point of our city;
- We value, preserve and protect Hamilton's natural green environment;
- Our city is attractive, well designed and compact with outstanding architecture and distinctive public spaces; and
- Our city is a fun place to live with a vibrant arts scene.

### 6.2 SCHEDULE OF LAND COVERED BY THIS PLAN

LOT NUMBER	PLAN NUMBER	AREA (Hectares)	DESCRIPTION	GAZETTE NOTICE CLASSIFYING LAND PARCEL	CT No	DOCUMENT No	LEGAL PURPOSE (Classification)
Sec 4	SO 353272	0.1607	NA	2008 pg 2229	435662	7829125.1	Recreation Reserve
Sec 8	SO 353272	0.0192	NA	2008 pg 2229	435662	7829125.1	Recreation Reserve
Sec 9	SO 353272	0.1457	NA	2008 pg 2229	435662	7829125.1	Recreation Reserve
Sec 26	NA	1.7123	Hamilton East Town Belt	1985 pg 141	435662	H571265	Recreation Reserve
Pt Sec 23	NA	4.2295	Hamilton East Town Belt	1985 pg 141	435662	H571265	Recreation Reserve
Pt Sec 24	NA	2.6157	Hamilton East Town Belt	1985 pg 141	435662	H571265	Recreation Reserve
Pt Sec 25	NA	1.5563	Hamilton East Town Belt	1985 pg 141	435662	H571265	Recreation Reserve
Pt Sec 27	NA	1.6792	Hamilton East Town Belt	1985 pg 141	435662	H571265	Recreation Reserve
Pt Sec 28	NA	2.3083	Hamilton East Town Belt	1985 pg 141	435662	H571265	Recreation Reserve
Pt Sec 31	NA	0.9096	Hamilton East Town Belt	1985 pg 141	435662	H571265	Recreation Reserve
Pt Sec 30	NA	2.3560	Hamilton East Town Belt	1985 pg 141	435662	H571265	Recreation Reserve
Pt Sec 29	NA	1.8723	Hamilton East Town Belt	2008 pg 2228	435662	7829123.1	Recreation Reserve
Allot 483	NA	11.6850	Kirikiriroa Parish	1985 pg 141	SA37A/148	H571265	Recreation Reserve
Allot 252A	NA	19.1718	Kirikiriroa Parish	1984 pg 3174	452526	H542615	Recreation Reserve
Sec 1	SO 401691	0.4145	NA	2008 pg 4259	452526	7980435.1	Recreation Reserve
<b>TOTAL AREA</b>		<b>50.8361</b>					



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## SUBMISSIONS ANALYSIS REPORT – DRAFT HAMILTON GARDENS (RESERVES ACT) MANAGEMENT PLAN

### Summary of Submissions

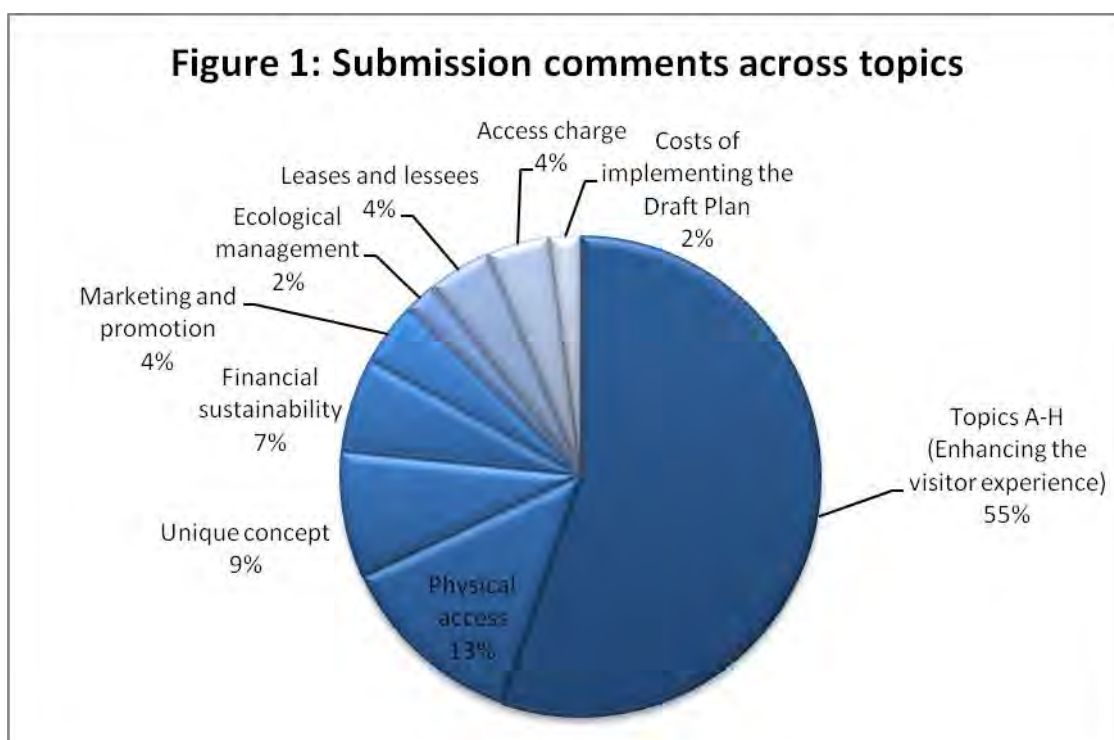
<b>This Report:</b>	This report provides a summary of the main themes and points included in submissions to Council's consultation on the Draft Hamilton Gardens (Reserves Act) Management Plan, and staff recommendations.
<b>Submission Period:</b>	30 September 2013 – 6 December 2013
<b>Total Submissions:</b>	17
<b>Hearing Requests:</b>	7
<b>Hearing Dates:</b>	7 March 2014

### SUMMARY OF SUBMISSIONS

Seventeen submissions, containing a total of 47 comments, were made to the Draft Hamilton Gardens Management Plan (Draft Plan). Sixteen topics emerged, with most submitters commenting on more than one topic in their submission.

Figure 1 shows the spread of comments across the topics. Twenty-six of these comments, representing 55 per cent of total comments, were across topics related to enhancing the visitor experience at Hamilton Gardens (topics A to H). As a single topic, physical access (topic O) attracted the most comments with 6 comments received, representing 13 per cent of total comments. Although discussed in the Draft Plan, physical access to Hamilton Gardens is not covered by the scope of the Draft Plan or within the direct control of the Gardens. Community events (topic F) was another common topic with 5 comments received.

A number of submissions stated overall support of the Draft Plan, while no submissions rejected the Draft Plan as a whole.



### SUMMARY OF SUBMISSIONS BY TOPIC

The following tables show the key topics that are discussed in the submissions and the number of submissions that commented on each of these topics.

Topic	Number of submissions commenting on the topic
A. New garden development	4
B. Information Centre	4
C. Child-friendly facilities	2
D. Interpretation	3
E. River interface	3
F. Community events	5
G. Value-added services	1
H. Education	4
I. Access charges	2
J. Unique concept	4
K. Financial sustainability	3
L. Marketing and promotion	2
M. Ecological management	1
N. Leases and lessees	2

Topic	Number of submissions commenting on the topic
O. Physical access	6
P. Costs of implementing the Draft Management Plan	1

## GENERAL – WITHIN THE SCOPE OF THE DRAFT PLAN

### A CLOSER LOOK

TOPIC A: New garden development  
**4 submissions comment on this topic**

Four submissions support development of the proposed additional feature gardens as being central to the realisation of the vision of Hamilton Gardens becoming an internationally recognised uniquely themed garden and delivering significant economic benefit to Hamilton. One submission proposes accelerated completion of the remaining 9 proposed gardens.

*Whilst we agree with the strategic goals on page six of the Plan we encourage Council to accelerate development over a shorter term than 10 years as there is already evidence as to the economic benefits of the Gardens to our region and the planned developments can only add to those benefits.*

*Complete the three gardens currently under development and the nine other proposed gardens. The full completion of the gardens will without doubt build on the current experience and enable Hamilton Gardens to be a significant and world class, must-see visitor attraction.*

Staff recommendation: Submissions noted. No change to Draft Plan.

Gardens capital development priorities will be deliberated by Council in the 2015-25 Long Term Plan.

## TOPIC B: Information Centre

**4 submissions comment on this topic**

It is suggested the information centre is upgraded and expanded, offering visitors a vibrant entry point to Hamilton Gardens and a high quality retail offering. It is also suggested that the scope of the information centre be expanded to become the main Visitor Information Centre in Hamilton.

*Research indicates that relatively few domestic or international tourists stay in Hamilton. Most tend to call into the Gardens, thanks to its international reputation and proximity to SH1. The advantage of the Gardens for the rest of Hamilton needs to be maximised by establishing the main Hamilton Visitor Information centre there, and by connecting it with other attractions within the city, such as downtown Waikato Museum & Arts Centre, and the shopping CBD.*

*The Friends feel it is essential to upgrade the information centre and the shop. At present it is not of a national, nor international standard.*

Staff recommendation: Submissions noted. No change to Draft Plan.

The information centre at Hamilton Gardens provides visitors with information about the Gardens, Hamilton and surrounding areas, but it is not a commercial I-site operation. Operational improvements are made in consultation with the Friends of Hamilton Gardens who currently manage the shop. Capital development priorities, such as expanding the space for merchandise and interactive interpretation, will be deliberated by Council in the 2015-25 Long Term Plan.

## TOPIC C: Child-friendly facilities

**2 submissions comment on this topic**

An expanded playground in a new location is perceived as desirable, located close to complementary amenities such as toilet facilities.

Staff recommendation: Submissions noted. No change to Draft Plan.

A strategic goal is for the Gardens to deliver increased value and enjoyment to the local community. The Governors Lawn and an area adjacent to the Camellia Garden car park are proposed as potential locations for an expanded playground in the Draft Plan. These locations take into account the currently proposed location of a Cobham Drive underpass which would provide the local Hamilton East community with convenient access to the playground. Gardens capital development priorities, such as an expanded playground and supporting amenities, will be deliberated by Council in the 2015-25 Long Term Plan. Council will consult with the community about the form and location of a new playground, if funding is approved.

## TOPIC D: Interpretation

**3 submissions comment on this topic**

Enhanced interpretation is supported, being perceived as being critical to enhancing the visitor experience and length of visit.

*Improving information about each of the gardens and the Gardens site itself, including recording stories of those who developed the site, is significant to securing its long-term future and will*



*serve to enhance visitor appreciation of the site.*

*The proposal to improve internet access, and through this, information via wifi about the Gardens, is a fantastic suggestion and will really enhance visitor experience and boost numbers.*

Staff recommendation: Submissions noted. No change to Draft Plan.

The Draft Management Plan discusses a number of ideas for improving interpretation for Hamilton Gardens. While work is underway with a number of initiatives, some of the ideas will require additional budget. Gardens capital development and operational priorities will be deliberated by Council in the 2015-25 Long Term Plan.

TOPIC E: River interface

**3 submissions comment on this topic**

Improved river access is seen as important to creating an attractive first impression for visitors arriving at Hamilton Gardens by boat. Improving vistas of the river from the Gardens is also supported.

*In the immediate term HWT recommends that a key focus be on improving the current berthage that the River Explorer currently uses given the state of the jetty and troublesome locals who compromise the River Cruise visitor experience and its relationship with the Gardens. The opportunity to improve view shafts towards the river and access from below the Renaissance Pavilion will improve the connection and add a special dimension for those visitors arriving by boat.*

Staff recommendation: Submissions noted. No change to Draft Plan.

Opening up more river vistas by the removal of vegetation is an environmental challenge, requiring careful management due to riverbank stability and ongoing problems with erosion. Gardens capital development priorities, such as a developing a new jetty below the Renaissance Pavilion, will be deliberated by Council in the 2015-25 Long Term Plan. Consultation with Waikato-Tainui will need to follow processes outlined in the joint river management agreement.

TOPIC F: Community events

**5 submissions comment on this topic**

A number of submissions support the increased use of Hamilton Gardens for community events to enhance the vibrancy of the Gardens, improve community wellbeing, and potentially increase overnight stays.

*Thank you for providing the excellent Draft Hamilton Gardens Management Plan. New Plymouth highlight there gardens with night lighting and a festival. Night lighting certainly creates a great sense of drama and invites people to stay overnight in the city.*

*In particular I support: ...- C1 I support increasing the number of events and activities held at this venue. Hamilton lacks events and entertainment, this will be a great contribution to community well being.*

*We applaud the ideas of increasing the usage of the Gardens' facilities. We already have Scarecrows in the gardens, the Pumpkin Festival, Garden Club, and another eight activities planned for the coming year.*

Staff recommendation: Submission noted. No change to Draft Plan.

Hamilton Gardens has become one of the most frequently used events venues in the city, and the majority of public events are organised by and for the local community. A strategic objective is to increase the number of public activities and events complementing the Gardens environment. Sponsorship would probably be required for any new high-profile community events.

TOPIC G: Value-added services

**1 submission comments on this topic**

The development of added-value visitor experiences at the Gardens and in partnership with other tourism operators is considered vital to attracting more visitors and increasing overnight stays.

Staff recommendation: Submission noted. No change to Draft Plan.

Work is underway with local tourism providers and Hamilton & Waikato Tourism to develop and promote tourist product. The nature of the industry means that it will take 18 months to 2 years to see a substantial increase in tourist group visits to Hamilton Gardens.

TOPIC H: Education

**4 submissions comment on this topic**

Further development of educational partnerships, learning opportunities and resources at Hamilton Gardens for the community and visitors is supported.

*In particular I support: ...- C4 I support the use of the gardens as a site for teaching opportunities for children and see there to be an opportunity for adult learning classes as well. It makes sense to use a resource/venue that is currently available to improve teaching opportunities for children.*

Staff recommendation: Submission noted. No change to Draft Plan.

The development of education resources and partnerships will be developed over time, however the development of interpretation is a higher priority linked more closely to the achievement of Hamilton Gardens' vision. Gardens capital development and operating priorities will be deliberated by Council in the 2015-25 Long Term Plan.

## TOPIC I: Access charges

**2 submissions comment on this topic**

One submission stated the need for continuing free access for all, particularly Hamilton residents. The other submission proposed a discretionary entry fee for people over the age of 18.

Staff recommendation: Submissions noted. No change to Draft Plan.

The Draft Plan does not propose entry charges. During the initial consultation phase of the Draft Plan, one of the most-stated aspects that the public loves about Hamilton Gardens is that it has free entry and is therefore able to be enjoyed by all walks of life and visited often.

The Entry Fee Analysis Report prepared by Horwath HTL in June 2013 indicates that residents and residents from elsewhere in the Waikato would have a very high degree of price sensitivity to being charged entry to Hamilton Gardens.

## TOPIC J: Unique concept

**4 submissions comment on this topic**

The Hamilton Gardens concept is recognised as unique. With further enhancement, it is suggested Hamilton Gardens has the potential to become a world-recognised “destination garden”.

*It is my considered opinion that should Hamilton Gardens adopt and deliver the “uniquely themed garden” seen as the vision for the garden, that Hamilton could join the ranks of the (world’s top five) destination gardens. This is because the vision, as stated, is indeed unique in the world, relevant to both casual visitors and educators alike and visually spectacular (as we in garden tourism say in the vernacular, it has the “WOW” factor!).*

*The strength of these gardens is its unique concept, we all need to understand and appreciate the integrity of the Hamilton Gardens, and not risk this through over commercialisation. We regard the Gardens as a cultural concept versus a tourism product.*

Staff recommendation: Submissions noted. No change to Draft Plan.

It is pleasing to receive endorsement of the Gardens’ unique concept, particularly from an international gardens expert.

## TOPIC K: Financial sustainability

**3 submissions comment on this topic**

Ensuring ongoing and sufficient funding for the maintenance and development of Hamilton Gardens is perceived as important to achieving the Gardens’ vision. Two key stakeholder groups, the Hamilton Gardens Development Trust and the Friends of Hamilton Gardens, overtly state their support of current and future external funding initiatives.

*The authenticity of the design of Hamilton Gardens is central to its remarkable success now, and will also be so in the future. Design authenticity needs to be preserved by ensuring adequate funding is given: this means that the Council needs to commit funding to developing the remaining themed gardens.*

*The Friends believe that the Hamilton Gardens should be able to rely on predictable and*



*sustainable Hamilton City Council funding. This ensures that presentation, maintenance, and upgrading occur at the appropriate times. This would ensure that the Gardens always looked at their best.*

Staff recommendation: Submissions noted. No change to Draft Plan.

Development of a sustainable funding plan is a key strategic objective, as stated in the Draft Plan.

Gardens maintenance priorities will be deliberated by Council in the 2015-25 Long Term Plan.

TOPIC L: Marketing and promotion

**2 submissions comment on this topic**

Increasing awareness of Hamilton Gardens through increased marketing and promotion activity, and improved signage within the city, is also seen as important to attaining international recognition.

Staff recommendation: Submissions noted. No change to Draft Plan.

Hamilton Gardens will continue to work with tourism industry partners, local and international media and units of Council to increase awareness of and the reputation of the Gardens. A dedicated marketing staff member is now in place. Efforts of Council to increase directional signage from within Hamilton are acknowledged. The Gardens will advocate for appropriate signage with New Zealand Transport Agency in the planning of the Southern Links.

TOPIC M: Ecological management

**1 submission comments on this topic**

One submission is focused entirely on the ecological management of the Hamilton Gardens site. It is suggested that the Draft Plan should contain more specific policies around the protection, enhancement and restoration of “Significant Natural Areas” and ecological restoration of the gully system. It is suggested that the plan is amended to include reference to key regional policies and plans.

Staff recommendation: Submission upheld in part. The following amendments will be made to the Draft Plan.

- Figure 1 on page 5 will be amended to read, “*Proposed Waikato* Regional Policy *Statement & Waikato Regional* Plan”.
- The first policy on page 29 will be amended to read, “Park management will seek to conserve *ecological features, such as* remnant indigenous flora on the riverbanks, bird, bat and butterfly populations, and rare native and exotic plants”.
- The first Key Action on page 36 will be amended to read, “Develop a *model gully restoration including* a Waikato wetland in the upper area of the Valley Walk”.

The Draft Plan aligns with the Gardens’ strategic goal of protecting its conservation values.

Conservation of existing indigenous flora and fauna is a key priority in the Draft Plan, however ecological restoration is not the sole objective as the Gardens is defined as “recreation reserve” rather “nature reserve” under the Reserves Act. The extent of any ecological restoration will be dependent on funding.

TOPIC N: Leases and lessees

**2 submissions comment on this topic**

A current lessee, GirlGuiding NZ, opposes the proposed use of its leased space to accommodate development of the Formal Landscape Garden, stating that this is at odds with “providing areas for the recreation and sporting activities and the physical welfare and enjoyment of the public” under the Reserves Act 1977.

Staff recommendation: Submissions noted. No change to Draft Plan.

The first Management Plan was developed in 1979 and in that plan and each subsequent management plan, Hamilton City Council has had a stated objective of relocating lessees whose activity does not align with the Gardens’ concept. All lessees were made aware of the need to relocate eventually. Four non-aligning lessees have already moved from Hamilton Gardens. Wintec and the Hamilton Gardens Cafe do align with the Gardens’ concept.

The area where GirlGuiding NZ is located is not identified as being an immediate development priority, but is identified as area needed for the development of the proposed Formal Landscape Garden.

## GENERAL – OUTSIDE THE SCOPE OF THE DRAFT PLAN

### A CLOSER LOOK

TOPIC O: Physical access

#### 6 submissions comment on this topic

This topic attracted the greatest number of submission comments. Resolving the many physical access barriers is seen as imperative to increasing use of the Gardens by residents and visitors. Pedestrian, cycle, bus and riverboat access needs to be safe and disabled-friendly.

*Improving pedestrian access is key to maximising the potential use of the Gardens. The two proposed underpasses—one connecting with Hamilton East and the other aiming to connect with the Hillcrest area—need to be fast-tracked.*

*It is very difficult to value and use a resource you can’t get to. For many locals, this is the everyday reality. Walking the kids to the best park in town, or strolling with your visiting aunt to the most beautiful gardens in the country, is a life-threatening exercise for most, and an impossibility for the elderly and those with mobility impairments.*

Staff recommendation: Submissions noted. No change to Draft Plan.

Roading infrastructure, access and sustainable transport planning is outside the scope of Reserves Act management plans and outside the mandate of Hamilton Gardens. The relevant submissions were forwarded to the Transportation and City Development units for response.

“The Transportation Unit acknowledges the request for improvement of access to the Gardens from the nearby residential areas which lie across the state highway. Council is aware of these issues and has made recommendations to the New Zealand Transport Agency (NZTA), who are the road controlling authority for Cobham Drive. In regard to a crossing near Grey Street, Council will follow up again with NZTA to seek a higher priority for this work in their next review of forward planning schedules. The proposal to construct an underpass near Sillary Street unfortunately did not receive approval in the previous funding plan.

In terms of access for the Hillcrest area, Council is currently in the design stage of the section of the Ring Road from Cambridge Road to Cobham Drive. While the project is currently in the early stages, an intention to include safe pedestrian access across the roads at this junction is planned. The form

Council Agenda 27 March 2014- OPEN

of the intersection has not yet been developed, but Transportation staff will be advising stakeholders about this project.”

TOPIC P: Costs of implementing the Draft Plan  
**1 submission comments on this topic**

One submission commented on the absence of costs in the Draft Management Plan.

Staff recommendation: Submissions noted. No change to Draft Plan.

It is inappropriate for costs to be shown in a Reserves Act management plan as it creates the erroneous assumption by the community that the key actions will be funded and implemented, and the expected life of each management plan is approximately 10 years. Gardens capital development and maintenance priorities will be assessed against other priorities, and be open for public consultation and deliberated by Council through the 2015-25 Long Term Plan process.



**Committee:** Council**Date:** 27 March 2014**Report Name:** Waikato Triennial Agreement  
2013-2016**Author:** Blair Bowcott

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

## 1. Purpose of the Report

- To adopt the Waikato Triennial Agreement 2013/2016

## 3. Executive Summary

- Section 15 of the Local Government Act (LGA) requires local authorities within a region to enter into an agreement containing protocols for communication and coordination during the period until the next triennial election.
- The LGA requires the agreement no later than 1 March following the election.
- The Waikato Mayoral Forum met on 17 February 2014 to discuss the draft 2013/2016 triennial agreement.
- The draft agreement records the intention of councils in the Waikato to work closely together and also encapsulates the work and activities of the Mayoral Forum and Local Authority Shared Services Ltd (LASS). The draft agreement supersedes the 2010-2013 triennial agreement.
- The draft agreement was endorsed by the Mayoral Forum and is now presented for approval.

## 9. Recommendation/s from Management

- That the report be received
- That Council approve and sign the Waikato Triennial Agreement 2013-2016

## 12. Attachments

- Attachment 1 - Waikato Triennial Agreement 2013-2016

## Signatory

Authoriser	Blair Bowcott, General Manager Performance Group
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## 2013-2016 Waikato Triennial Agreement

### Waikato Triennial Agreement – 2013-2016

#### **SCOPE**

The Triennial Agreement represents the shared desire of local government in the Waikato region to work collaboratively, to maximise efficiency and to promote sustainable development in their respective communities.

It is also intended to align our efforts to attract central government funding, to interact with neighbouring regions in a coherent manner and to foster projects of a strategic nature within the region.

It incorporates the work and activities of the Waikato Mayoral Forum.

This document is deemed to duly constitute fulfilment of section 15 of the Local Government Act 2002.

#### **PURPOSE**

Through this Triennial Agreement, local authorities agree to work together to support the purpose of the Local Government Act.

#### ***10 Purpose of local government***

- (1) *The purpose of local government is—*
  - (a) *to enable democratic local decision-making and action by, and on behalf of, communities; and*
  - (b) *to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.*
- (2) *In this Act, **good-quality**, in relation to local infrastructure, local public services, and performance of regulatory functions, means infrastructure, services, and performance that are—*
  - (a) *efficient; and*
  - (b) *effective; and*
  - (c) *appropriate to present and anticipated future circumstances*

The agreement provides an opportunity for improved communication, collaboration, co-ordination and shared services at all levels of local government in the Waikato region whilst

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recognising a significant level of formal and informal co-operation already exists between local authorities.

The success of the Triennial Agreement will be demonstrated through expanded relationships that help local authorities to work co-operatively and collaboratively to advance community goals (outcomes).

### ***SIGNATORIES***

The parties:

- Hamilton City Council
- Hauraki District Council
- Matamata-Piako District Council
- Otorohanga District Council
- Rotorua District Council
- South Waikato District Council
- Taupo District Council
- Thames-Coromandel District Council
- Waikato District Council
- Waikato Regional Council
- Waipa District Council
- Waitomo District Council

### ***PRINCIPLES***

Signatories to this agreement recognise that:

1. The communities within the region are diverse and encompass a range of desired outcomes. Issues and concerns that are shared by some local authorities may be of little relevance to others. The Triennial Agreement acknowledges that it will be appropriate to have a range of sub-agreements on local issues between and among local authorities.
2. Collaboration among local authorities, at both a political and operational level, is necessary to address increasingly complex governance issues. Many issues cannot be solved by any one agency acting alone.

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3. Collaboration can aid in effective and efficient planning, and encourage shared services and a collective approach, to reduce costs, increase available resources and help to make strategic judgements about the allocation of resources.
4. Collaboration can assist authorities promote outcomes consistent with the purpose of the Local Government Act.
5. We recognise the need for open communication, information sharing and seeking agreement on strategic issues.
6. We will speak as one voice when there is agreement for this to happen.
7. We recognise and respect that common direction on all strategic issues may not be achieved given that each party to the agreement has functions, obligations and rights to make decisions for their area which may conflict with the position of other signatories to this agreement.
8. We recognise that aligning and influencing central government policy is important to the delivery of good quality local infrastructure, local public services and regulatory functions in a way that is most cost effective for households and businesses.

#### **GENERAL APPROACH TO COLLABORATION**

Signatories to this agreement will endeavour to:

1. Hold a meeting of Mayors, the Regional Chairperson supported by their Chief Executives at least once every six months to discuss any pertinent issues and to review the performance of the agreement. These meetings will be under the banner of the Waikato Mayoral Forum. The Regional Chief Executives' Forum will also meet regularly to advance initiatives as requested by the Mayors and Regional Chairperson. Local Authority Shared Services (LASS) in conjunction with the appointed Triennial Chairperson will coordinate each meeting and keep minutes which will be distributed to each Council within the region following the meeting. All public communications from these meetings will be approved by all participants prior to their release.
  2. Share resources for the purpose of preparing background information on the various communities within the region. Such information may include demographics, survey
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data and scientific studies and the analysis of social, economic, environmental and cultural trends.

3. Seek to attract investment and government support in the region by aligning community interests, working collaboratively through Waikato Mayoral Forum work streams and other options, developing agreed positions on matters of importance to the region and continuing to develop and strengthen existing joint approaches to engaging with Government agencies and other organisations. (See Appendix A for current initiatives which will be amended from time to time).
  4. Determine and prioritise strategic collaborative initiatives and projects..
  5. Promote communication and co-operation among the region's local authorities with respect to shared services and other collaborative opportunities.
  6. Provide early notification of, and participation in, decisions that may affect other local authorities in the region.
  7. Make draft strategies, policies and plans available to all local authorities in the region for discussion and development.
  8. Provide guidance on the implementation of strategic collaborative projects and monitor progress.
  9. Utilise Waikato Mayoral Forum work streams and other collaborative options to ensure that all local authorities can participate in identifying, delivering and funding facilities and services of significance to more than one Council.
  10. Invite Government Ministers, relevant officials, corporate, community leaders and Iwi leaders to meet to discuss issues of strategic importance to the region.
  11. Advocate for strategic investment in the region and promote the strategic benefits and advantages of the Waikato.
  12. Meetings in relation to the agreement will be coordinated and recorded by the Councils who are parties to the agreement.
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13. Make media statements or comment on matters of strategic importance to the region and generally be the "voice" for the Waikato region on such matters.
14. If necessary, establish one or more joint committees or other joint governance arrangements to give better effect to communication and coordination or to assist with identifying, delivering and funding facilities and services of significance to more than one district, or to consider proposals for new regional Council activities.

***SIGNIFICANT NEW ACTIVITIES PROPOSED BY THE REGIONAL COUNCIL***

If the Regional Council or a regional Council-controlled organisation proposes to undertake a significant new activity then section 16 of the Local Government Act 2002 shall be adhered to.

The Regional Council agrees to discuss the issues involved at one or more of the existing fora and to provide preliminary draft proposals to the affected Councils for early comment, including any amendments to the Regional Council's significance policy.

Where the Regional Council proposes to undertake a significant new activity that involves one or more territorial authorities within the region the following protocols will apply:

1. The Regional Council will as soon as practicable inform all territorial authorities within the region of the nature, scope and reasons for the proposal.
2. Territorial authorities will be given a reasonable period of time, but no less than 40 working days, to respond to any such proposal. The Regional Council will fully consider any submissions on the proposal made by territorial authorities within the region.
3. Should there be substantive disagreement between the local authorities on whether the Regional Council should undertake the activity; the parties will refer the matter to mediation as set out in the process in this agreement for resolving disagreement.

***CONSULTATION IN RELATION TO THE REGIONAL POLICY STATEMENT***

For the purpose of meeting the requirements of clause 3A of Schedule 1 to the Resource Management Act 1991, the consultation process to be used by affected local authorities in relation to any further changes to the Waikato Regional Policy Statement will be developed and agreed to by all the local authorities. Protocols will be developed that ensure affected

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territorial authorities have full and effective involvement in the scoping and drafting of any changes to the Waikato Regional Policy Statement.

***TERM OF THE BODY***

The Triennial Agreement will continue to operate until such time as it is either amended by the accord of all parties or is renewed following the 2016 local government elections.

***RESOLVING DISAGREEMENT***

In the event of a disagreement over the terms of this agreement, the parties agree to refer the issue to mediation for a resolution. If no agreement is forthcoming, a mediator will be appointed by the president of the Waikato Bay of Plenty District Law Society. .

***AUTHORITY***

This agreement is signed by the following on behalf of their respective authorities:

***COUNCIL***

Hamilton City Council

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Mayor

Date

Hauraki District Council

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Mayor

Date

Matamata-Piako District Council

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Mayor

Date

Otorohanga District Council

---

Mayor

Date

Rotorua District Council

---

Mayor

Date

South Waikato District Council

---

Mayor

Date

---

Taupo District Council

---

Mayor

Date

Thames-Coromandel District Council

---

Mayor

Date

Waikato District Council

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Mayor

Date

Waikato Regional Council

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Chairperson

Date

Waipa District Council

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Mayor

Date

Waitomo District Council

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Mayor

Date

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## Appendix A: Waikato Mayoral Forum Work Streams

Work stream	Details	Councils involved
<b>Planning</b>	Spatial Plan development – the development and implementation of a spatial plan for the Waikato (The Waikato Plan) as a method of ensuring a common voice and vision for the councils in the region. The Waikato Plan will be used to demonstrate to central government, funders and other stakeholders collective agreement around funding priorities in the region.	<ul style="list-style-type: none"> <li>▪ Waikato Regional Council</li> <li>▪ Hamilton City Council</li> <li>▪ Waipa District Council</li> <li>▪ Waikato District Council</li> <li>▪ Taupo District Council</li> <li>▪ Otorohanga District Council</li> <li>▪ South Waikato District Council</li> <li>▪ Matamata-Piako District Council</li> <li>▪ Waitomo District Council</li> <li>▪ Hauraki District Council</li> </ul>
Bylaws	Review of bylaws, plans and strategies to look at the opportunities for collaboration, common evidence base and to minimise duplication.	<ul style="list-style-type: none"> <li>▪ Waikato Regional Council</li> <li>▪ Hamilton City Council</li> <li>▪ Waipa District Council</li> <li>▪ Waikato District Council</li> <li>▪ Taupo District Council</li> <li>▪ Otorohanga District Council</li> <li>▪ South Waikato District Council</li> <li>▪ Matamata-Piako District Council</li> <li>▪ Waitomo District Council</li> <li>▪ Hauraki District Council</li> <li>▪ Thames-Coromandel District Council</li> </ul>
<b>Regional Economic Development Strategy</b>	Development of a draft Waikato Economic Development Strategy	<ul style="list-style-type: none"> <li>▪ Waikato Regional Council</li> <li>▪ Hamilton City Council</li> </ul>

		<ul style="list-style-type: none"> <li>▪ Waipa District Council</li> <li>▪ Waikato District Council</li> <li>▪ Taupo District Council</li> <li>▪ Otorohanga District Council</li> <li>▪ South Waikato District Council</li> <li>▪ Matamata-Piako District Council</li> <li>▪ Waitomo District Council</li> <li>▪ Hauraki District Council</li> </ul>
<b>Roading Maintenance</b>	Advancing a Centre of Excellence for Asset Management in the Waikato including data collection, technical knowledge and the development of asset management plans.	<ul style="list-style-type: none"> <li>▪ Waikato Regional Council</li> <li>▪ Hamilton City Council</li> <li>▪ Waipa District Council</li> <li>▪ Waikato District Council</li> <li>▪ Taupo District Council</li> <li>▪ Otorohanga District Council</li> <li>▪ South Waikato District Council</li> <li>▪ Matamata-Piako District Council</li> <li>▪ Waitomo District Council</li> <li>▪ Hauraki District Council</li> <li>▪ Thames Coromandel District Council</li> </ul>
<b>Two Waters</b>	Progressing investigations into alternative approaches to maximise the benefits and potential of water and wastewater activities in the Waikato. Of particular concern will be the opportunity for savings and for building resilient	<ul style="list-style-type: none"> <li>▪ Waikato Regional Council</li> <li>▪ Hamilton City Council</li> <li>▪ Waipa District Council</li> <li>▪ Waikato District Council</li> <li>▪ Taupo District Council</li> <li>▪ Otorohanga District Council</li> <li>▪ South Waikato District</li> </ul>

	networks.	<p>Council</p> <ul style="list-style-type: none"> <li>▪ Matamata-Piako District Council</li> <li>▪ Waitomo District Council</li> <li>▪ Hauraki District Council</li> <li>▪ Thames Coromandel District Council</li> </ul>
<b>Governance</b>	<ul style="list-style-type: none"> <li>▪ To look at the governance implications arising from outcomes generated by other workstreams.</li> <li>▪ Recommend to the Waikato Mayoral Forum proposed governance arrangements for work streams.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Waikato Regional Council</li> <li>▪ Hamilton City Council</li> <li>▪ Waipa District Council</li> <li>▪ Waikato District Council</li> <li>▪ Taupo District Council</li> <li>▪ Otorohanga District Council</li> <li>▪ South Waikato District Council</li> <li>▪ Matamata-Piako District Council</li> <li>▪ Waitomo District Council</li> <li>▪ Hauraki District Council</li> <li>▪ Thames Coromandel District Council</li> </ul>

**Committee:** Council

**Date:** 27 March 2014

**Report Name:** Mayoral Forum Spatial Plan Project

**Author:** Blair Bowcott

<b>Report Status</b>	<i>Open</i>
<b>Strategy, Policy or Plan context</b>	<i>The Waikato Spatial Plan will provide information for long term planning across a wide spectrum of strategies and plans.</i>
<b>Financial status</b>	<i>There is budget allocated</i>
<b>Assessment of significance</b>	<i>Having regard to the decision making provisions in the LGA 2002 and Councils Significance Policy, a decision in accordance with the recommendations is not considered to have a high degree of significance</i>

## 1. Purpose of the Report

- To gain Council approval to develop a Waikato Spatial Plan.

## 3. Executive Summary

- The Mayoral Forum has been investigating the potential for a Waikato Spatial Plan as a basis for identifying the region's high priority strengths, challenges and opportunities, and as a way of developing a collective voice for the region.
- The work to date has been focused on establishing a common evidence base within the region.
- The Mayoral Forum has considered the outcome of this initial work and concluded that there is merit in pursuing development of a Waikato Spatial Plan, and that a Joint Committee of Councils should be established to guide the development and adoption of the Spatial Plan. The establishment and terms of reference of the Joint Committee will be presented to a future Council meeting for consideration.
- A comprehensive report from the Mayoral Forum Spatial Plan Governance Group is attached outlining the project and the rationale for the recommendation.

## 8. Recommendation/s from Management

- That the report be received.
- That Hamilton City Council support the development of a draft Waikato Spatial Plan.

## 11. Attachments

- Attachment 1 - Waikato Mayoral Forum: Stage 2 of the Waikato Spatial Plan 17 March 2014



**13. Financial and Resourcing Implications**

14. Council's contribution to the development of the Waikato Spatial Plan is already budgeted and incorporated into the three year financial commitment to the Mayoral Forum, covering all five workstreams.

**Signatory**

Authoriser	Blair Bowcott, General Manager Performance Group
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## Report to

**Date:** 27 March 2014  
**To:** Hamilton City Council  
**From:** Waikato Mayoral Forum  
**Subject:** **Waikato Mayoral Forum: Stage 2 of the Waikato Spatial Plan**

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### 1 Purpose

The purpose of this report is to seek Council approval to progress to stage two of the Waikato Spatial Plan project, and to establish a joint committee structure to guide the development and adoption of the spatial plan.

### 2 Recommendations

That Council:

1. Receive the report **Waikato Mayoral Forum: Stage 2 of the Waikato Spatial Plan**
2. Support the development of a draft Waikato Spatial Plan.
3. Endorse the establishment of a joint committee to guide the development, adoption and implementation of the Waikato Spatial Plan, noting that the terms of reference of the Joint Committee will be presented to a future Council meeting for consideration.

### 3 Background

The Waikato Mayoral Forum are tasked with the delivery of an integrated work programme that consists of six work streams designed to get the best out of the regional economy and to identify opportunities for more efficient and effective service delivery to ratepayers. The work streams that make up this programme include:

- Governance
- Planning
- Bylaws & Policies (arose out of Planning)
- Economic Development
- Roothing
- Waters

In October 2012 the Governance Group received a position statement that desired three broad collective outcomes:

1. We want local authorities in the Waikato Region to adopt a best practise approach to governance in the Waikato for matters of common interest at a regional, sub-regional and local level.
2. We want local authorities, Iwi and key stakeholders to develop, adopt and maintain a collective vision for the Waikato including consideration of high priority issues that affect the social, economic, environmental and cultural well-being of the Waikato communities.
3. We want the collective voice of the Waikato to be the basis for engagement with central government to improve coordination in policy, investment and delivery of services for the Waikato community.

Discussions with central government officials that informed this position statement were clear; without a collective voice on high priority issues, the Waikato will not get traction on new initiatives from Central Government.

A similar theme of promoting a “collective voice” was also discussed in the Mayoral Forum’s Planning Group, who independently considered that such a collective voice would help to focus the planning effort undertaken in the Waikato. A focus on high priority regional issues would help streamline planning, reduce regulatory clutter and improve opportunities for economic development in a more certain regulatory environment.

### 3.1 A Waikato Spatial Plan

In response to the position statement, the Mayoral Forum commenced investigation into the potential for a Waikato Spatial Plan as a basis for identifying the regions high priority strengths, challenges and opportunities, and as a way of developing a collective voice for the region.

Nationally, there has been considerable discussion on whether the approaches to spatial planning in Auckland should be extended to the rest of New Zealand, and in particular to other growth areas. Most recently the report of the Local Government Infrastructure Efficiency Expert Advisory Group (March 2013) recommended that:

*Rationalisation and better alignment of legislative and regulatory frameworks would substantially improve infrastructure delivery...the most significant is that spatial planning (similar to the Auckland Model) should be mandated for use elsewhere in New Zealand. We consider this one action would have the greatest beneficial impact.*

Progress of a Waikato Spatial Plan will ensure the Waikato Region is well placed to respond to any changes in legislative requirements. In addition, with the Bay of Plenty also considering the preparation of a Spatial Plan, the upper North Island will be well placed to provide a cohesive strategy for engaging with central government on necessary policy and investment decisions of benefit to the three regions.

### 3.1.1 The Waikato is Successful when it Collaborates

The Mayoral Forum acknowledged that strategic collaboration undertaken between local authorities in the past had resulted in some significant investment opportunities for the Waikato; therefore having a “collective voice” is strategically important for the Waikato. Examples of strategic collaboration included:

1. Collective action by the Waikato Regional Transport Committee secured \$215M Crown funding for land transport initiatives, which is largely been invested in the Waikato Expressway and doubling the capacity of the East Coast Main Trunk Line.
2. Consistent advocacy over 15 years that the \$2 billion Waikato Expressway is the region's number one transport priority - the Expressway as a Road of National Significance and its target for completion in 2020.
3. Doubling the capacity of the East Coast Main Trunk Line as a result of the Crown grant - \$13 million project which has supported Fonterra expanding capacity of the Crawford Street inland port and provides important links to Ruakura supporting the business case for an inland port.
4. Lake Taupo Protection Trust secured a combined fund of \$81M to reduce nitrogen leaching into Lake Taupo over 15 years.
5. Waikato - Tainui's river settlement with the Government - the Waikato river authority administers a combined fund of \$220 million to restore and protect the health and well-being of the Waikato River. This is unique to the Waikato and is an example of collaborative relationships to achieve better service delivery

There is no current mechanism through which high priority regional issues and opportunities can be explored, other than statutory committees such as the Regional Transport Committee.

A Waikato Spatial Plan provides an opportunity for the Waikato to have a strategic conversation to identify priorities that contribute to the Waikato's social economic environmental and cultural well-being over the next 20-30 years.

### 3.1.2 Project Stages

The key steps towards developing the Waikato Spatial Plan as set out in the diagram below. We are currently at Stage One of this process – developing a common evidence base, which was completed by February 2013.



Prior to progressing to the next stages of the project, the Waikato Mayoral Forum must determine the value of developing a full Spatial Plan for the Region, using the data contained in the technical reports as a starting point for a collaborative discussion.



## 4 Key Findings of Stage One

Stage one has involved nine key tasks:

1. Development of a demographic profile for the Waikato
2. An assessment of economic wellbeing
3. An assessment of social wellbeing
4. An assessment of cultural wellbeing
5. An assessment of environmental wellbeing
6. A stocktake of infrastructure that supports our regional communities
7. A series of workshops held with staff from each local authority on the strengths and challenges they perceive in achieving the Council adopted community outcomes.
8. A summary report that draws the key threads from the above
9. A discussion paper on appropriate governance frameworks to develop, adopt and implement a spatial plan under current legislative conditions.

The executive summary from the Summary Report is provided in Attachment A. It outlines that the assessment undertaken through the technical reports identified a number of strengths, challenges and opportunities. While they are all important there are too many for the region to focus on at once. The table below identifies some 'headline' strengths, challenges and opportunities that the region can focus on now and that can be used as the basis for developing a spatial plan.

<b>Strengths</b>	<ul style="list-style-type: none"> <li>• Nationally significant transport juncture and connections to Auckland and Tauranga</li> <li>• Contribution to national economy through important industry sectors</li> <li>• Hamilton as the Waikato centre for innovation, employment and services</li> </ul>
<b>Challenges</b>	<ul style="list-style-type: none"> <li>• Declining rural populations and associated decline in services</li> <li>• An ageing population and shrinking skill base</li> <li>• Water quality and efficient water allocation</li> <li>• Economic inequalities across the region</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>• Maximising opportunities, including investment, through aligned planning</li> <li>• Leveraging Maori development</li> <li>• Connectivity to the Upper North Island</li> </ul>

The research work undertaken to date indicates if a spatial plan is commissioned for the Waikato Region with a number of specific outcomes clearly defined, the document will provide a useful tool for performance improvement, speaking with one voice and having a clearly agreed regional direction.

While the detail of a spatial plan is yet to come it is a process which will provide a framework for ongoing joined up thinking.

## 5 What benefits might a Spatial Plan provide?

Spatial planning gives geographical expression to the economic, social, cultural and ecological policies of society<sup>1</sup>. It is an instrument used to manage 'sustainable development' of a town, city, region or even a country. Spatial planning is about shaping economic, social, cultural and environmental dimensions of society through 'place making'.<sup>2</sup>

The primary objective for the Waikato Spatial Plan will be:

*To contribute to the Waikato's social, economic, environmental, and cultural well-being through a comprehensive and effective long-term (30-year) strategy for Waikato's growth and development.*

The Spatial Plan will also:

1. Develop a shared vision and collective voice on the high priority regional and sub-regional issues that will improve the quality of living for people and communities in the Waikato over the next 30-years.
2. Developing and implementing the Waikato Plan will provide an important opportunity to identify, negotiate and agree on priorities and actions across multiple parties including local and central government, the private sector and non-government organisations. The process of developing the Waikato Plan will also:
  - a. Provide a shared evidence base from which to make investment and policy decisions that are efficient and effective in a collective way;
  - b. Help define communities of interest that cross local authority boundaries such as labour markets, catchment management, co-management and freight and logistics;
  - c. Improve the efficiency and effectiveness of local authorities, central government and communities to address high priority issues; and
  - d. Help to rationalise the existing planning and service delivery system for people and communities.

There are significant gains to be made and potential benefits in undertaking spatial planning for the region. This includes:

- Enhanced coordination of 'Whole of Government' investment – efficiency savings by acting collectively with central Government on high priority issues. For every \$1 that local authorities invest in their communities, Central Government invests \$8. Better coordination of this investment on collectively agreed issues will improve community outcomes.
- Improving coordination of Government, Regional and Local policy.
- Enables a joined up debate on local government form.
- Consistency with where the Local Government Commission is heading in terms of speaking with one region-wide voice, strategic long-term planning, simplified and streamlined processes and efficiency initiatives such as shared services.
- Efficiency savings for NZ Inc and Waikato ratepayers (cost savings could be anywhere from \$40-\$50M over 10 years just for having fewer plans, policies, bylaws and common planning procedures)<sup>3</sup>

<sup>1</sup> European Regional / Spatial Planning Charter (Torremolinos Charter), 1983

<sup>2</sup> A potential strategic spatial planning model for the Waikato Region – Research Report, Jan Huijbers, December 2011

<sup>3</sup> A Business Case for Completing the Waikato Plan, January 2013

## 6 Examples of collaboration in a spatial framework

The Mayoral Forum, through the Waikato spatial plan project, is supporting two projects that represent the collaborative nature of spatial planning:

1. The Waikato Sport and Recreational Facilities Plan being run by Sport Waikato
2. The Waikato Creative Facilities Plan being run by Creative Waikato

Both of these projects are being led by the community trusts that have an interest in developing community wellbeing through sport and creative activities. Both projects have a strategic objective developing a proactive planning document that informs local and regional decision making on sporting and creative facilities in the Waikato region (refer Attachment B).

The Mayoral Forum is supporting both project through the use of the common evidence base developed through stage one of the Waikato Spatial Plan project, which means that both facilities plans will provide a robust basis for future decision making.

Examples of issues that the plans will help the Waikato grapple with are:

- How do we continue to deliver sporting and recreational facilities that meet the needs of our changing communities?
- Many of the high value recreational assets (indoor courts and aquatic facilities) are aging and will be programmed for renewal or replacement over the next 15 years. How might we collaborate on shared facilities for the benefit of multiple communities
- There are strategic gaps in sporting and recreational facilities within the region, where might these be located and how might they be funded.
- How do we collaboratively manage significant regional facilities that we currently enjoy or might desire in the future?

These issues are best addressed in collaboration between local government (who provide community facilities), government departments (e.g. Ministry of Education who provide recreational facilities) the sporting codes that represent players and funders (e.g. Lion Foundation) who provide a significant amount of annual funding in support of our sporting and recreational facilities.

It is this collaborative approach that is modelled in a spatial plan process.

## 7 Spatial Plan Governance

The development, adoption and implementation of a spatial plan will require a governance structure representative of the Waikato region and can hear submissions and make decisions. The Mayoral Forum have received advice from Helen Atkins (Partner, Atkins, Holm, Majurey), and her paper is contained in Attachment C.

Helen's paper notes that governance options for the preparation/development of the Spatial Plan are:

- Local legislation;

- The Triennial Agreement;
- The Mayoral Forum; or
- The Joint Committee.

Paper concludes that the most effective mechanism to aid in the preparation/development of the Spatial Plan is a joint committee of all the Councils' of the region.

The Mayoral Forum has identified the formation of a joint committee as the most appropriate mechanism for developing and adopting a Waikato Spatial Plan. The project team are advancing a draft terms of reference for consideration by the Spatial Plan governance group.

## 8 Next Steps

The Waikato Mayoral Forum considers there is merit in pursuing development of a Waikato Spatial Plan under a joint committee structure.



To establish the project, the following steps need to be completed:

- Councils confirm they wish to progress with a Waikato Spatial Plan
- Project scope, programme and budget need to be updated
- Engagement with key influencers in the Waikato on the project aims and scope
- A joint committee is formed and a terms of reference approved
- The resources to complete the project need to be identified and confirmed, but will include:
  - A project director and project manager responsible for ensuring the project remains on task.
  - A Project Advisory Group comprising senior executives from participating Councils
  - A technical working group which includes representation from participating Councils
  - A lead author to prepare the draft document
  - Stakeholder communications leader

The project establishment will be completed by the end of April, and the draft Spatial Plan will be completed by the end of 2014, with consultation being undertaken through Council's Long Term Plan process.

This paper seeks Council's commitment to progress on with preparing and engaging on a draft Waikato Spatial.



## 9 Conclusions

Where the Waikato collaborates has historically had a collective voice on issues, successful investment outcomes have resulted.

The Waikato Spatial Plan project is an opportunity for local authorities to provide leadership and collectively speak with one voice on high priority issues that it wishes to address. Whilst the project would be facilitated by local government, it will involve key agencies that have a significant influence over the outcomes being sought by the region, and this will include central government agencies and NGO's and other agencies that deliver services and facilities to our communities.

The high priority strengths, challenges and opportunities identified are collective matters to be addressed by all local authorities, government and communities in the Waikato. The spatial plan project will provide a mechanism through which we can have a single conversation and target initiatives that:

- Build on our strengths
- Address our challenges; and
- Maximise the opportunities before us.

It is important that Councils collectively support the project. Unless there is commitment to moving forward, particularly in terms of the headline strengths, challenges and opportunities identified from stage one of the project, the potential benefits of having completed the technical work and the opportunity to align with the Government's policy and operational context will be lost.

**ATTACHMENT A: Executive Summary of the Waikato Spatial Plan Summary Report**

# Waikato Spatial Plan Summary Report



## High-Level Executive Summary

February 2014

Waikato Mayoral Forum

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## Summary

### Purpose and Context

The purpose of this Report is to summarise the findings of the work undertaken to date and to identify high priority issues which the Waikato Region can have a collective voice on. This report is a summary of comprehensive technical reports which have been developed for the Waikato Spatial Plan project on demographics, economic, social, cultural and environmental well-being, and infrastructure.

This Summary Report will be an important communication for the Waikato Region. It will inform discussions on strategic collaboration between local authorities, infrastructure providers, communities and the Crown, and can be considered the Mayoral Forum's communication to the Waikato on the rationale for a Waikato Spatial Plan, including the core strengths, challenges and opportunities that should be considered in the Spatial Plan project.

This Spatial Planning work is being developed in a context of central government objectives around building a more productive, competitive economy and better public services. It is also being developed at a time of Local Government legislation changes and reorganisation proposals. The consistent themes that have emerged from these reforms are:

- Improving the efficiency and effectiveness of local government
- Enhancing economic development
- Providing value for money

### Benefits of Spatial Planning

There is a need to provide a mechanism within which efficiency and effective collaboration on priority issues and responses across the Waikato can be achieved – that mechanism is the Waikato Spatial Plan.

There are significant gains to be made and potential benefits in undertaking spatial planning for the region. This includes:

- Enhanced coordination of 'Whole of Government' investment – efficiency savings by acting collectively with central Government on high priority issues
- Improving coordination of Government, Regional and Local policy
- Consistency with where the Local Government Commission is heading in terms of speaking with one region-wide voice, strategic long-term planning, simplified and streamlined processes and efficiency initiatives such as shared services
- Efficiency savings for NZ Inc and Waikato Ratepayers (cost savings could be anywhere from 40 to 50 million over 10 years just for having fewer plans, policies, bylaws and common planning procedures)<sup>4</sup>

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<sup>4</sup> A Business Case for Completing the Waikato Plan, January 2013



- A framework for central government engagement (eg to increase awareness of the implications of rural depopulation and the economic and social impacts of rural service decline)

When the Waikato Region has acted in a collective manner, this has proven to be effective when seeking additional Government investment. Recent examples include:

- ✓ Collective action by the Waikato Regional Transport Committee secured \$215M of Crown Funding for land transport initiatives, which has been largely invested in the Waikato Expressway and doubling the capacity of the East Coast Main Trunk Line.
- ✓ Consistent advocacy over 15 years or more that the \$2 billion Waikato Expressway is the region's number one transport priority – the Expressway is a Road of National Significance and is targeted for completion in 2019.
- ✓ Doubling the capacity of the East Coast Main Trunk Line as a result of the Crown Grant – a \$13 million project which has supported Fonterra expanding capacity at the Crawford St inland port and provides important links to Ruakura supporting the business case for an inland port.
- ✓ Lake Taupo Protection Trust secured a combined fund of \$81M to reduce nitrogen leaching into Lake Taupo over 15 years.
- ✓ Waikato-Tainui's River Settlement with the Government – the Waikato River Authority administers a combined fund of \$220M to restore and protect the health and wellbeing of the Waikato River – this is unique to the Waikato and is an example of collaborative relationships to achieve better service delivery.

#### Headline Regional Strengths, Challenges and Opportunities

The Waikato region is diverse, with different issues, conditions and interests across the region. Consequently, opportunities for strategic local government collaboration exist on three different levels; the macro or national level, regional level, and sub-regional level.

The technical reports which underpin this Summary Report have identified key strengths, challenges and opportunities for the Waikato region. A methodology has been developed which identifies the matters which are nationally, regionally or sub-regionally significant. This will help the Spatial Plan to identify priority areas for local government to collaborate on.

The assessment undertaken using the methodology has identified a number of strengths, challenges and opportunities. While they are all important there are too many for the region to focus on at once. The table below identifies some 'headline' strengths, challenges and opportunities that the region can focus on now and that can be used as the basis for developing a spatial plan.

<b>Strengths</b>	<ul style="list-style-type: none"> <li>▪ <b>Nationally significant transport juncture and connections to Auckland and Tauranga</b> The region is a nationally significant juncture for freight and transport, and has good connections to large and growing populations in Auckland and Tauranga. The transport network in the Waikato region is vital to the nation's economic prosperity as it provides important access for freight and people to key destinations including major urban centres, ports, industry, sub-regional employment centres and tourism locations. The Waikato has a good quality road transport network including two of the busiest rail lines in New Zealand.</li> <li>▪ <b>Contribution to national economy through important industry sectors</b></li> </ul>
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	<p>The Waikato region has a significant proportion of New Zealand's export-facing industries. Dairy, meat, forestry, aquaculture, agri-business, tourism, education, energy and mining/quarrying are already the largest contributors to economic growth. The Waikato region is responsible for about a third of New Zealand's dairy production.</p> <ul style="list-style-type: none"> <li>▪ <b>Hamilton as the Waikato centre for innovation, employment and services</b> Hamilton city makes the most significant contribution to the region's gross domestic product (GDP), at an estimated 45 per cent and its estimated GDP per capita in 2012 was both the highest in the region and higher than the national average. It is the region's "central business district" with concentrations of employment, research, tertiary education and manufacturing. Hamilton's industry strengths are inextricably linked to the primary production of the surrounding region.</li> </ul>
<b>Challenges</b>	<ul style="list-style-type: none"> <li>▪ <b>Declining rural populations and associated decline in services</b> Ongoing rural depopulation is leading to altered local demand and consumption patterns affecting the provision, location and affordability of services (eg schools, retail, health care, leisure and transport).</li> <li>▪ <b>An ageing population and shrinking skill base</b> Except for a handful of territorial areas, all foreseeable growth in New Zealand will be at 65+ years, and most will see decline in other age groups. Every year for the next 15 years a successively larger cohort will retire (or reduce its participation) and will be 'replaced' by a successively smaller cohort at labour market entry age, driving an increase in competition for labour and presumably labour costs.</li> <li>▪ <b>Water quality and water allocation</b> The health of the region's fresh water bodies is declining - particularly in terms of nutrient concentrations and health for aquatic organisms. Competition for water is also an issue. A significant proportion of the region's surface water resources are already fully allocated meaning that there is little available for additional users.</li> <li>▪ <b>Economic inequalities across the region</b> Economic growth has been uneven across the territorial authorities in the region. There has been variation in GDP growth, employee counts and income levels. This poses a challenge if we want economic growth in the region to raise the living standards and well-being of all residents and economies, not just a select few.</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>▪ <b>Maximising opportunities, including investment, through aligned planning</b> The Region currently has over 640 non-RMA strategies, policies and plans, and a wide range of policies and standards within existing District Plans. There are opportunities, including through the development of a Spatial Plan, to align the planning frameworks which will assist local authorities and key stakeholders to identify strategic opportunities, recognise any trade-offs and make strategic policy decisions on high priority issues. There are potentially significant cost and service delivery efficiencies to be achieved through an aligned planning approach.</li> <li>▪ <b>Leveraging Maori development</b> Māori economic participation and investment offers significant potential for the Waikato region. Waikato iwi are active investors in the region. There are opportunities to partner with Māori/iwi for economic development due to their unique advantages and long-term commitment to the future of the region and its people.</li> </ul>



	<ul style="list-style-type: none"> <li>▪ <b>Connectivity to the Upper North Island</b> The Waikato region lies at the productive heart of New Zealand's economic engine room, the population and economic growth area of the Upper North Island (Waikato, Bay of Plenty, Auckland and Northland). The Waikato's transport connections in particular can facilitate the growth of the Upper North Island. The region has nationally significant road and rail infrastructure and important connections to the Ports in Auckland and Tauranga.</li> </ul>
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Before the future emphasis of the headline regional strengths, challenges and opportunities is finally confirmed, there is a need to undertake as the first stage of the Phase 2 spatial plan development, a three dimensional layering exercise to better understand how these outcomes impact on each other from a four well-beings perspective.

#### **Conclusions and Recommendations**

The research work undertaken to date indicates if a spatial plan is commissioned for the Waikato Region with a number of specific outcomes clearly defined, the document will provide a useful tool for performance improvement, speaking with one voice and having a clearly agreed regional direction.

While the detail of a spatial plan is yet to come it is a process which will provide a framework for ongoing joined up thinking.

The next step is for the Waikato Mayoral Forum to determine the value of developing a full Spatial Plan for the Region, using the data contained in the technical reports as a starting point for a collaborative discussion.

A Spatial Plan represents a significant opportunity for the Waikato region and its communities, and one which may not arise again given the current operating climate. Failure to collaborate strategically may potentially expose the region to a number of risks and costs. The region needs to use the spatial plan process to set some priorities and progress these through phase 2 of the project.

The Mayoral Forum has received a significant amount of quality information and advice. However, unless there is commitment to moving forward, particularly in terms of the headline strengths, challenges and opportunities identified, the benefits of having completed all of the technical work and the opportunity to align with the Government's policy and operational context, will be lost.

**ATTACHMENT B: Project Update: Waikato Regional Sport and Recreational Facilities Plan**





## Waikato Regional Sports Facility Plan – Summary Update Report

March 2014

### Key Objective

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The overarching outcome in the development of the Plan is to establish an evidence-based, informed direction on the significant decisions, guidance and recommendations about what should be done and crucially, what should not be done, with a clear outline of priorities – that is, the development of a proactive planning document that informs local and regional decision making in regards to Sports Facilities in the Waikato.

### Background

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The plan is a key deliverable of the Waikato Mayoral Forum Integrated Work Programme, under the Waikato Spatial Planning stream.

The Waikato based Local Authorities are all collectively supporting the development of the plan. The plan is being led by Sport Waikato with financial support from both Sport NZ and the Waikato Mayoral Forum integrated work programme.

### Project Scope and Methodology

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A number of data collection processes have been undertaken to inform the development of the Waikato Sport facility Plan. These include:

- A sports facility review survey of council officers and sports facility owners/managers. This generated over 350 individual survey responses referring to over 700 specific facilities,
  - A sports facility needs survey of regional sports associations and groups. This generated over 20 responses,
  - A sports facility survey of Waikato schools. This generated 115 responses from the Waikato Region. It was supplemented with Ministry of Education data on pools and gymnasiums from all 310 schools in the Waikato Region,
  - A summary of major demographic trends in each of the Waikato's local council areas.
- In addition to this work a range of secondary data sources were also reviewed such as regional and national sports facility strategy documents and supplementary data.

### Current Status

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Preliminary draft summary workshop notes have been prepared for:

- Indoor courts/stadiums.
- Aquatic facilities.
- School facilities.

Draft reports are in progress for other facility types (e.g. playing fields, tennis courts, club rooms etc). All these draft and in-progress notes are subject to revision as additional data are sourced and database processing identifies new content.

### Preliminary Key Points

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#### Waikato Facilities Survey - Response Breakdown

The survey generated 356 individual responses, including reference to 723 specific sports facilities. Table 1 shows the breakdown by facility type. The composition of the 'Other facilities' category is presented in Table 2. We will be refining and updating the facility data as we continue to move forwards.

Table 1: Facility types reported in the survey

Facility type	No. reported
Playing Field	146
Club Rooms	147
Changing Rooms	94
Indoor Court / Stadium	61
Tennis Court	59
Netball Court	39
Swimming Pool	28
Bowling Green	27
Squash Court	22
Athletics Track	15
Artificial Turf Field	4
'Other facilities'	81
<i>Total number</i>	723

Table 2: 'Other facilities' list

'Other facility' types	No. reported
- golf course	18
- bike park	13
- equestrian	12
- grandstand	5
- open space	5
- sheds/shelters	5
- croquet greens	4
- fitness centre	4
- outdoor basketball	4
- cricket wicket/ nets	3
- Motorsport facilities	3
- skate park	2
- airstrip	1
- performance space	1
- softball diamond	1
<i>Total number</i>	<i>81</i>

#### Preliminary Key Points:

- The population is projected to be largely static, or declining, in 6 of the 10 local Waikato authorities. The only exceptions are overall increases in Hamilton City (37%), Waikato District (32%) and Waipa District (19%). In all cases the population is aging. The overall picture is of higher numbers of older people and, at best current levels of younger people.
- Attention should be increasingly placed on meeting the needs of older people as well as increasing the proportions of youth engaged in sport. In some districts maintaining current demand will be particularly challenging given the overall population decline.
- Sports facility provision is currently uneven, with some areas relatively over-supplied and some undersupplied.
- Most facilities tend to be relatively old and in need of upgrading (subject to demand / priority).



- Asset management of facilities – the quality of AM regionally would appear to be variable.
- Sports facility demand is uneven, with pressure on after-work and weekend times in particular, and under-utilisation of most (non-school) facilities during weekdays. Some facilities have very low use levels. Few are at or above capacity (with a few exceptions at peak times).

#### Preliminary Operational Implications:

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- Partnerships are likely to be increasingly important.
- We can't keep doing what we have always done for the same \$\$.

#### Preliminary Options Going Forward

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- Collaborate to do more (strategically) = better returns on our spend.
- Don't collaborate (strategically) = do less.
- Continue to rate communities in face of declining ability to pay.
- Accept a declining level of services as we spread limited funds across multiple facilities

#### Next Steps

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The project control team (PCG) is working towards the following timetable:

1. Draft plan for targeted consultation - early April
2. Finalise plan - late April
3. Plan forms part of Waikato Spatial Plan

#### **Matthew Cooper**

Chief Executive

Sport Waikato

ATTACHMENT C: Discussion paper. Waikato Spatial Plan Governance and Related Issues

**ATKINS | HOLM | MAJUREY**

## **MEMORANDUM**

**TO:** Waikato Spatial Plan – Governance Group  
**FROM:** Helen Atkins  
**DATE:** 4 February 2014  
**SUBJECT:** **WAIKATO SPATIAL PLAN – GOVERNANCE AND RELATED ISSUES**

### **INTRODUCTION**

1. The purpose of this memorandum is to address the governance issues associated with the preparation and longer term implementation of the Waikato Spatial Plan ("**Spatial Plan**").

### **SUMMARY**

2. It is considered that short of legislation the best mechanism for facilitation of the preparation and longer term implementation of the Spatial Plan is a joint committee of all the councils of the region ("Joint Committee").
3. This memorandum explains why the Joint Committee is recommended and sets out a list of matters as the basis for the terms of reference for such a Committee.

### **THE MECHANISM FOR BRINGING THE SPATIAL PLAN TO LIFE**

4. The only formal spatial plan in place in New Zealand at present is the Auckland Plan. This Plan was mandatorily required as a result of the legislative changes that gave effect to the Auckland Council.
5. A number of other regions have various initiatives in place around spatial plan but none has reached the same stage as what legislative reform in Auckland has achieved.
6. With the election year at a national level already in full swing there are no legislative reforms programmed by central government over and above those already signalled that would provide any legislative basis or mandate for regional spatial planning.
7. In this memorandum no distinction is made between preparation/development, adoption and implementation. This is because much of this focus at this initial stage is on the preparation/development phase and much of how that phase occurs and operated will necessarily dictate the best options for the adoption and implementation phases.

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8. The options for the preparation/development of the Spatial Plan are:
- (a) Local legislation – noting that national legislation is not going to occur;
  - (b) The Triennial Agreement;
  - (c) The Mayoral Forum; or
  - (d) The Joint Committee.

Each of these options is now discussed.

#### **Local legislation**

9. Local legislation is not bound by the same constraints as national legislation but it does require the focus and attention of at least the sponsoring Minister in order to get momentum and keep momentum. Due to the various steps involved in promoting local legislation it is considered very unlikely that any such bill would be enacted in this calendar year. For this reason this option is not considered any further.

#### **The Triennial Agreement**

10. The Triennial Agreement could be used as a mechanism to articulate the principles of the Spatial Plan. In fact the current draft Agreement does refer to the Spatial Plan at a very high level.
11. Due to the nature and function of the Triennial Agreement, and the requirement to have it signed off by 1 March 2014 it is not considered practical or appropriate for the Agreement to do anything more than signal the intention of the regions Councils of having the Spatial Plan.

#### **The Mayoral Forum**

12. To date the Mayoral Forum has been the venue to discuss matters of region wide import including the Spatial Plan. It is expected that with the continuation of the Forum as signalled in the Triennial Agreement that the Spatial Plan will be a topic for agendas of that body.
13. One option is to use the Mayoral Forum to prepare/develop the Spatial Plan. While this has advantages of using a body that is already set up and running with a proven track record there are some difficulties.
14. The main difficulty with utilising the Forum for such an intensive focus on the Spatial Plan is that it is currently has a consultative, communication and collaborative function. The Forum is not a formal decision making body of the Council members and does not have delegations from its member Councils to make decisions.



15. Any change in focus for the Forum in relation to the Spatial Plan would require:
  - (a) A significant commitment of time by Forum members to focus on the Spatial Plan to the potential detriment of other matters:
  - (b) Specific delegations from the member Councils to give the Forum clear terms of reference and delegated decision making powers and functions.
16. It is therefore recommended that the role of the Forum in relation to the Spatial Plan remains as it is and a separate Joint Committee is the mechanism by which the Spatial Plan is prepared/developed and implemented.

#### **The Joint Committee**

17. As signalled in the summary to this memorandum the most effective mechanism to aid in the preparation/development of the Spatial Plan is a joint committee of all the Councils' of the region.
18. The region already has some experience of the working of a joint committee in the context of Future Proof. Likewise other councils in the country have explored the use of joint committees for similar region wide initiatives<sup>1</sup>.
19. The Joint Committee must include at least one member from each Council and can include other members, including non-Council members (such as NZTA, iwi, and other important stakeholders) as determined by the Committees terms of reference.
20. The Local Government Act 2002 sets out the broad framework and perimeters for committees of council. In general terms the following will be dictated by the documentation that sets up the Joint Committee such as agreed terms of reference and associated delegations:
  - (a) The membership including allowing for voting and non-voting membership, co-opted members and ex-officio membership;
  - (b) The structure and relationship with Standing Orders, including how it is arranged, how the chair, deputy chair and other members are appointed and replaced from time to time;
  - (c) The objectives and specific responsibilities including outputs within agreed timeframes;

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<sup>1</sup> Canterbury region in relation to water management; Wellington region in relation to a regional strategy

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(d) The remuneration and other financial matters, such as commissioning work to be undertaken.

21. The challenges in setting up the Joint Committee are not to be underestimated as it is important that not only the Joint Committee is set up correctly but that each Council member has the appropriate delegations and reporting structures in place to support and be supported by the Joint Committee.

#### **BEYOND THE PREPARATION/DEVELOPMENT PHASE**

22. It is not the purpose of this memorandum to traverse the details of the adoption and implementation phases of the Spatial Plan as that will need to be properly considered once the mechanism for preparation/development is agreed.
23. Suffice to say here that the Joint Committee (with the support of appropriate delegations) can be charged with the responsibility of imposing the mechanism for adoption and implementation of the Spatial Plan. There is legislative provision in the Local Government Acts, Land Transport Acts and the Resource Management Act to provide for appropriate back-up for adoption and implementation.

Yours faithfully

**ATKINS HOLM MAJUREY**



Helen Atkins

**Partner**

**Direct dial:** 09 304 0421  
**Email:** helen.atkins@ahjmlaw.com



## Resolution to Exclude the Public

### Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

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

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

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Ordinary Council Minutes - Public Excluded - 27 February 2014	) Good reason to withhold information exists under Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
C2. Extraordinary Council Minutes - Public Excluded - 4 March 2014	)	
C3. Youth Council Advisory Panel		
C4. Appointment of Panel of Independent Hearings Commissioners for certain RMA matters		

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

Item C1.	For the reasons as stated in the Agenda	Section 7 (2)
Item C2.	For the reasons as stated in the Agenda	Section 7 (2)
Item C3.	to protect the privacy of natural persons	Section 7 (2) (a)
Item C4.	to protect the privacy of natural persons	Section 7 (2) (a)