



**Property Asset Management Plan
2021 – 2031**



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EXECUTIVE SUMMARY

Introduction

Taupo District Council owns an extensive range of property assets throughout the district, to provide or support a wide range of services including:

- Providing a Safe Community to work, live & play
- Regulatory Services i.e. dog pounds
- Facilities for activities i.e. culture, recreation, sport & events
- Social housing for the elderly
- Community venues (community halls)
- Commercial properties that serves the community ie housing social services
- Council support services ie offices, works depots
- Investment services (property held for development or sale at a future date)

This Asset Management Plan (AMP) produced for property and facility assets owned and managed by the Taupo District Council provides a 10 year outlook commencing July 2021.

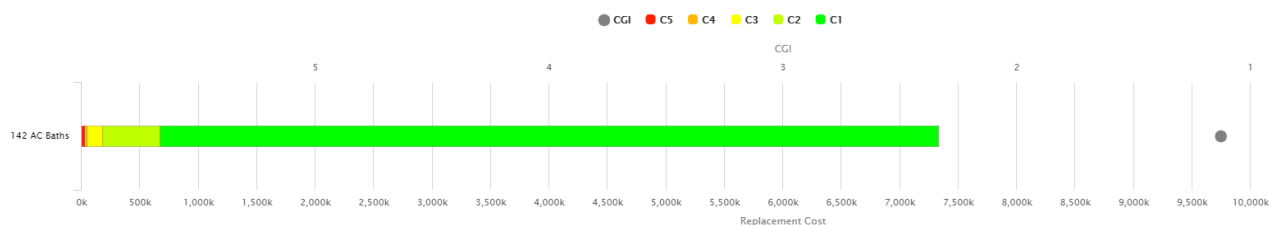
One of the main purposes of Local Authorities under the LGA 2002 is “to meet the current and future needs of communities for good quality local infrastructure, local public services and performance of regulatory functions in a way that is most cost effective for household and businesses”. The AMP demonstrates how the Council's goal of delivering the agreed levels of service will be achieved through effective and sustainable management.

TDC use SPM software for capturing assets into a main database. From this the facilities team take the key elements of property asset management:

- Taking a lifecycle approach
- Developing cost-effective management strategies for the long-term
- Providing a defined level of service and monitoring performance
- Understanding and meeting the impact of growth through demand management and infrastructure investment
- Managing risks associated with asset failures
- Sustainable use of physical resources
- Continuous improvement in asset management practices

The Taupo District Council district's property assets include land, buildings and CCTV. Some of the buildings are modern and have been refurbished however there are some more than 50 years old. Throughout their lifecycles, the council's building components renewal plan ensures that all the buildings, (new and old) are maintained to provide the level of service that the customer requires. Where possible the functional life of some building assets can be extended with the use of modern engineering practices and monitoring.

Comprehensive asset data is held in Council's SPM asset management program. Assets are rated on a scale of 1-5, with 5 being the lowest standard. Renewal is ideally undertaken at condition grade 5, but may occur earlier to fit in with planning practicalities. EG:



Council owns and manages properties & land valued at a depreciated replacement value of \$193 million as at 30 June 2019. This Property AMP enables Council to manage and demonstrate its stewardship of assets on behalf of its communities in order to provide services cost-effectively, both now and into the future.

Land assets include farming land and high value commercial real estate including:

- Residential land east of the Taupo township from Wharewaka to the Napier Road
- Some industrial land to the east of Crown Rd and the industrial area
- A few sites and buildings are held for investment purposes (refer to table below for these)

Council owns other investment properties that are not covered by this investment plan, such as the forestry block on State Highway 5 and also in Tirohanga.

Funding for these assets is grouped within the LTP under the heading of Community Facilities, which includes asset areas such as Property, Land, CCTV, Parks and Reserves.

Property Strategic Vision:

To provide the required levels of service for Council’s buildings and associated assets in the most cost-effective manner (through the creation, operation, maintenance, renewal and disposal of assets) for existing and future customers throughout the district.

A fundamental objective is to identify potential opportunities for reductions in asset lifecycle costs for all property assets.

Levels of Service

The major levels of service for Council’s property assets are:

- Property is adequately provided throughout the Taupo District to facilitate council operations and services
- Customers are satisfied with the function and appearance of Council property
- There are no adverse environmental impacts from council owned property
- The Council property is adequately maintained to ensure compliance with all building regulations and there is no risk in terms of health and safety for users.

Future Demand

Consideration has been given to the optimistic discussions with developers, actual consent numbers over the past three years, demographic considerations and officers’ estimates when estimating the potential lot numbers outlined in the DC Policy and the Growth Model.

Growth is forecast to occur principally in the Taupo & Kinloch. The areas that are not predicted to have any growth due to current capacity levels are Hatepe, Motuoapa, Whareroa, and Five Mile Bay/Waitahanui. The total estimated new lots for the district over the next LTP period (2021-2031) is estimated at 1304 lots.

Lifecycle Management Tactics

The objective of life cycle management is to meet the required level of service in the most cost-effective manner. In general, the decisions that are made about management (design, acquisition, operation, maintenance, renewal or disposal) need to meet the following objectives:

- Safety
- Legal compliance
- Improved environmental outcomes
- Good quality assets that are fit for purpose
- Reduced operating and maintenance costs
- Genuine need met or community benefit obtained

- **On Buildings:** Council’s current strategy is to maintain what it has rather than purchase or build new facilities. However, improvement projects due to statutory compliance requirements and/or health and safety reasons are referred to as major projects and in some cases, does not increase the value of the property, it most cases it supports the activity in the building to meet compliance and Health & Safety of the occupants or visitors.
- **On Land Holdings:** Council has acquired and subsequently sold a significant amount of land holdings that are available for development and sale. On-going funding for development and infrastructure of Council’s land has been included in the long-term plan. The purpose of these development projects is for the enhancement/maximisation of land sales and profit, and each project will be individually considered for approval by Council.

RISK MANAGEMENT

The risk management process is an integral part of good management practice. It is an iterative process of continuous improvement that is embedded into existing practices or business improvement. The main elements of the risk management process to be used at Taupō District Council are consistent with the risk management standard AS/NZS 4360:2004.

Some of council's critical risks include public venues like AC Baths, Great Lake Centre, Taupo Event Centre, Libraries, Museum and the i-Sites. These take priority over other properties in terms of management and reactive unplanned maintenance work. Other risks for the property team to manage include:

- Asbestos Management
- Seismic Building Standards
- Contractor Management
- Pandemic Response

A full and detailed list is available as part of the AMP

ASSET MANAGEMENT PRACTICES

Council uses a range of decision making tools to establish its maintenance, renewal and new works expenditure, including: process, analysis and evaluation techniques for life cycle asset management; information systems to store and manipulate data; and data and information from a number of sources including SPM (asset management system) and finance records.

PLAN IMPROVEMENT PROGRAMME

Councils are required to have plan improvement programmes to improve their asset management planning. Council staff will continue to work through the various elements of the improvement plan.

Council's property assets (CCTV & facilities) managed by the Facilities Team is listed below.

FACILITY	NUMBER OF PROPERTIES	REINSTATEMENT VALUE as per QV Valuation 30/06/19 for insurance purposes (excl plant, equip and contents) TOTAL: \$193,706,926
Category 1 – Safer Community		\$307,150
Taupo/Turangi/Mangakino CBD (CCTV)		\$307,150
Category 2 - Regulatory Services	2	\$1,237,100
Taupo & Turangi Animal Pounds		\$1,237,100
Category 3 - Venues	7	\$111,241,315
AC Baths		\$32,088,115
Mangakino Pools		\$1,414,000
Turangi Genesis Energy Aquatic Centre		\$13,479,200
Great Lake Centre		\$29,081,000
Taupo Events Centre		\$29,623,000
Mangakino Sports Hall		\$2,054,000
Turangi Gymnasium		\$3,502,000
Category 4 - Public Libraries	2	\$10,057,000
Taupo		\$7,319,000
Turangi		\$2,738,000
Category 5 - Heritage, Culture & Public Art	1	\$2,545,700
Taupo Museum		\$2,545,700
Category 6 - Community Halls	11	\$11,487,500
Acacia Bay		1,015,100
Arts & Craft Hall (Turangi)		569,000
Kinloch		431,800
Mangakino Community Centre		859,900
Red Cross Hall (Turangi)		223,000
River Rd		333,500
Tirohanga		1,198,600
Turangi Senior Citizens		1,218,000
Waipahihi		1,772,600
Waitahanui		2,083,000
Whakamaru		1,783,000
Category 7 - Social Housing	58	\$10,687,400
Housing for the Elderly Complex - RR Rd/Konini Street Taupo	30	\$5,384,300
Housing for the Elderly Complex - Woodward St Taupo	11	\$2,149,400
Housing for the Elderly Complex - Mangakino	11	\$1,648,600
Housing for the Elderly Complex - Turangi	6	\$1,505,100
Category 8 - Property Investments	7	\$11,148,200
Commercial – 11 Manuka St (leased), Waiora House, Venture Centre, Rauhoto St		\$8,602,200
Visitor Centres - Taupo & Turangi i-Sites,		\$2,546,000

Residential Housing – Broadlands Rd & Delany Dr		\$362,159
Category 9 - Administration Property	11	\$14,582,500
9 Rifle Range Rd (Prefab bldings)		\$1,358,702
40 Manuka St (Parks Depot)		\$4,959,000
11 Manuka St (Archives Building)		\$1,566,200
Taupo Civil Defence Sheds		\$535,600
Kaimanawa St Cricket Pavilion		\$608,400
Turangi Admin Offices – Service Centre, Depot, Omori Depot		\$2,026,900
Mangakino – Service Centre & Library; Depot		\$2,109,000
Category 10 – Other facilities	46	\$21,469,600
Owen Delany Park – Grandstand Venue (incl ticket booths, seating and floodlighting)		\$8,709,300
Taupo Superloo		\$1,364,700
Public Conveniences (district wide)	57	\$10,990,000
Kinloch Golf Course – clubhouse and machinery shed		\$405,600

NEW CAPEX PROJECTS:

Accordingly, the long term plan includes budgets for the following improvement projects: (full list available in Section 4 of the Property AMP)

Taupō CBD CCTV	Additional CCTV cameras for NZ Police (as per agreement)	Improvement current level of service
Dog Pound Refurbishment	Upgrade to a more fit for purpose facility that will allow for the more effective control of diseases like Parvo	ILOS
Housing for the Elderly	Asbestos removal, insulate, seismic strengthening, extraction fans (Healthy Homes Standards)	ILOS/Compliance
Archive Building	Fire Detection & gas suppression system for archive building	ILOS/Compliance
Venture Centre Storage	Fitout of the venture centre storage unit to safely and securely house oversized and less fragile museum artefacts	ILOS
Turangi Depot Refurbishment	Refurbishment of the Turangi Depot which houses Parks and Reserves staff	ILOS
Waiora House redevelopment	New facility for the provision of Health Services for the community	ILOS
Turangi Events Centre	New facility for a fit for purpose, multi purpose 2 court indoor recreation centre	ILOS
ODP Grandstand	Upgrade of floodlights, digital screens, PA system	ILOS

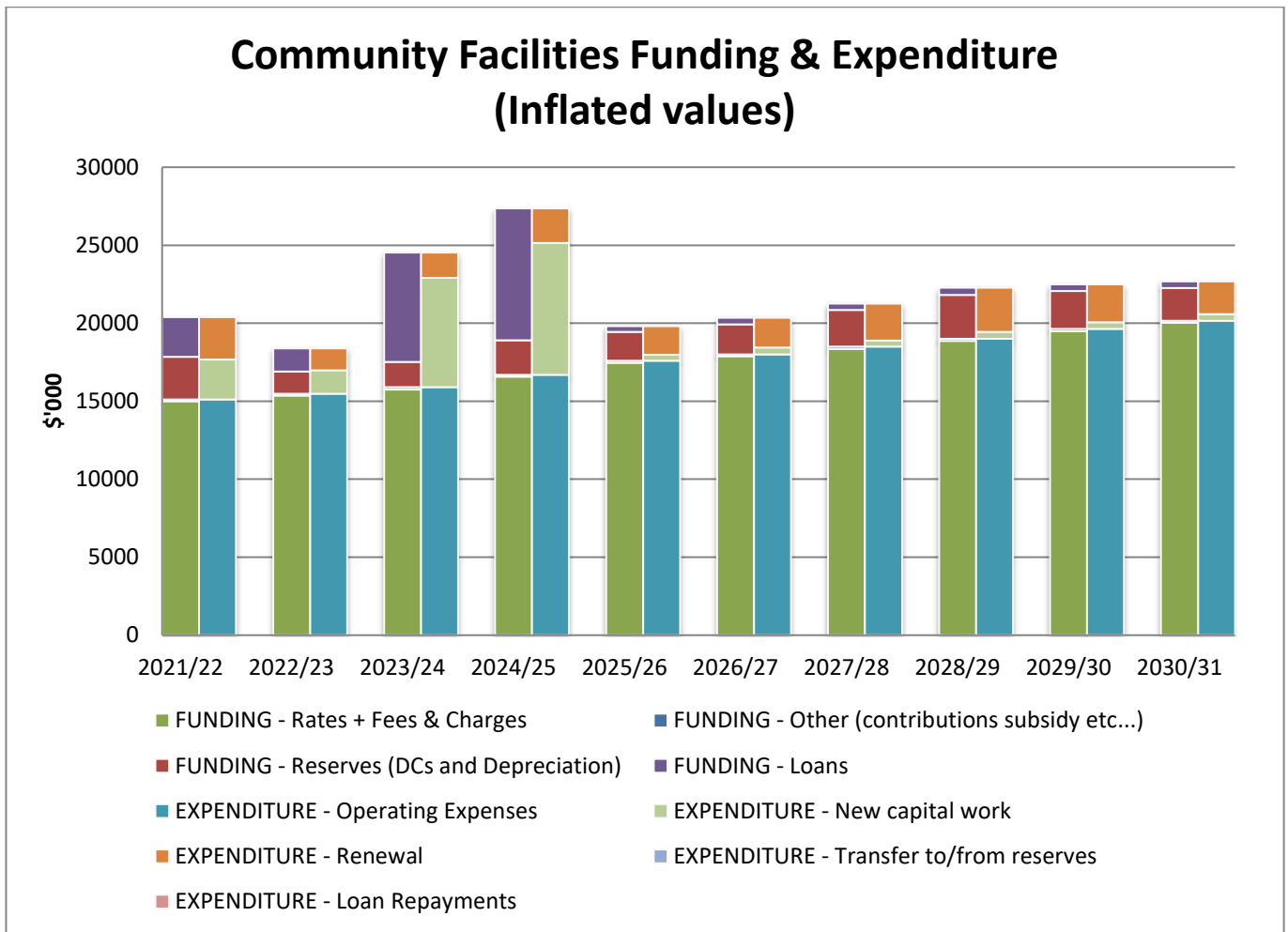
Plans which make up the TDC Asset Management System



***TDC Department Asset Management Plans (AMP-s)**

- **Transportation**
- **Water Supply**
- **Wastewater**
- **Stormwater**
- **Council Properties**
- **Parks and Reserves**

Plans in the TDC AM System as per the IIMM 2014 section 2.1



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1. Background

The Taupo District

The Taupo district is located at the southern end of the Waikato region. Taupo is unique in that it straddles four regions. Parts of the district are also in the Bay of Plenty region, the Hawkes Bay region and Horizons region.

The land area of the Taupo District is 6345 square kilometers, 615 km² of which are contained in Lake Taupo. The district has a usually resident population of 32,910 (census 2013). The district has three main towns, being Taupo, Turangi and Mangakino. In addition to this are the settlements of Whakamaru, Atiamuri, Tirohanga, River Road, Kinloch, Rangitaiki, Waitahanui, Hatepe, Waitetoko, Te Rangiita, Motutere, Motuoapa, Tokaanu, Waihi, Pukawa, Omori, Kuratau and Whareroa. Council has parks assets in most of these settlements.

Parks land and assets are spread throughout the district, with most concentrated on the three main towns. Taupo is the largest town in the district, and in 2019 the population was around 33,500¹. It has developed from its roots as an outpost of the Armed Constabulary and a world famous trout fishing destination. Taupo is relatively geographically isolated, with the closest main centers being Rotorua (1 hour's drive), Napier (1.5 hours) and Hamilton (2 hours). Due to this relative isolation, Taupo has become fairly self-sufficient in terms of its sporting and community infrastructure. Sharing infrastructure with neighboring towns has not been feasible or desirable due to the distances needed to travel, so the Taupo community has provided its own.

Mangakino and Turangi townships owe much of their development to hydroelectricity projects on the Waikato and Tongariro Rivers, and many of the parks assets date from this period of development. Both these towns have experienced a decline in population since the completion of the hydro schemes. Mangakino has a population of around 780, and Turangi has around 5,200. Turangi and Mangakino are around 35 and 45 minutes drive from Taupo and have their own recreation and sporting facilities. Residents also travel through to Taupo for scheduled matches as required, or to use Taupo facilities where these are not available in the smaller centers.

Taupo's natural assets and its central location in the North Island have meant that it has long been a popular holiday destination. Taupo has capitalized on this natural advantage by promoting itself as the Event Capital of New Zealand. Council (and other providers) have developed infrastructure to meet the needs of not only the usually resident population but also the influx of visitors that occur in holiday periods and as a result of events. This includes a range of parks assets and other community infrastructure.

Taupo District Council (Council) provides a range of community infrastructure assets to communities in the Taupo District. Many of these assets include, or are located in Council parks, reserves and open spaces. These assets have been acquired by Council in many ways including:

- Vesting in Council on subdivision and development
- Purchase or construction by Council
- Gifting or donation by members of the community
- Acquisition from previous local authorities as a result of boundary changes and amalgamations
- Vesting of land and assets by the Crown

Land and assets have been acquired by Council over an extended period of time and are in varying conditions. The character and demands of the Taupo district have also changed and will continue to change over time. One of the challenges faced by Council is ensuring that the parks assets provided will meet the current and future needs of the district's communities in a way that is cost-effective, environmentally sustainable, and contributes to the achievement of community outcomes.

¹ Taken from taupo.biz – Taupo District Housing Review & Recommendations Report

1.1 Asset Management Planning

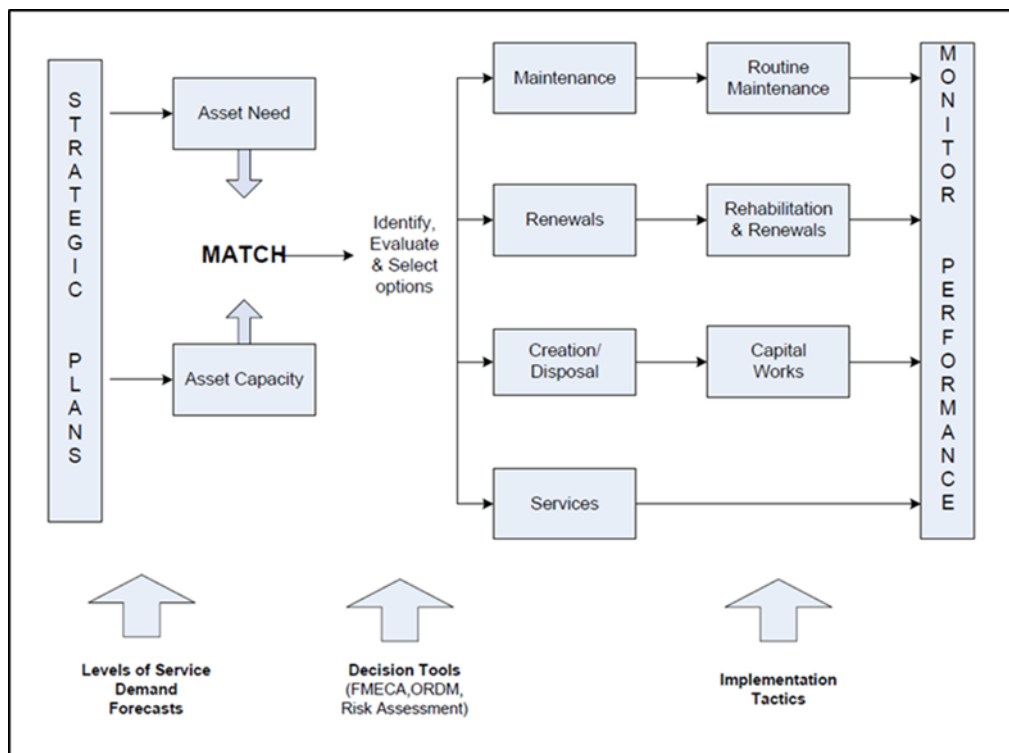
The goal of infrastructure asset management is to meet a required level of service in the most cost effective manner through the management of assets for present and future customers. The key elements of asset management are:

- Taking a lifecycle approach
- Developing cost-effective management strategies for the long-term
- Providing a defined level of service and monitoring performance
- Understanding and meeting the impact of growth through demand management and infrastructure investment
- Managing risks associated with asset failures
- Sustainable use of physical resources
- Continuous improvement in asset management practices

The AMP process is intended to demonstrate that Council is managing the assets responsibly, and that customers will be consulted over the price/quality trade-offs resulting from alternative levels of service. AMP's are therefore concerned with outlining optimal life cycle management strategies and providing details of the associated costs. This identification of future needs, management options, and cash flows, provides the ability to even out peak funding demands and account for asset depreciation loss of service potential.

The main benefits derived from AM planning are:

- Alignment with the TDC Asset Management Policy and TDC Infrastructure Strategy.
- Improved understanding of service level options and standards.
- Optimum lifecycle (long term) costs are identified for an agreed level of service.
- Better understanding and forecasting of asset related management options and costs.
- Managed risk of asset failure.
- Improved decision making based on costs and benefits of alternatives.
- Clear justification of forward works programmes and funding requirements.
- Improved accountability over the use of public resources.
- Improved customer satisfaction and organisational image.



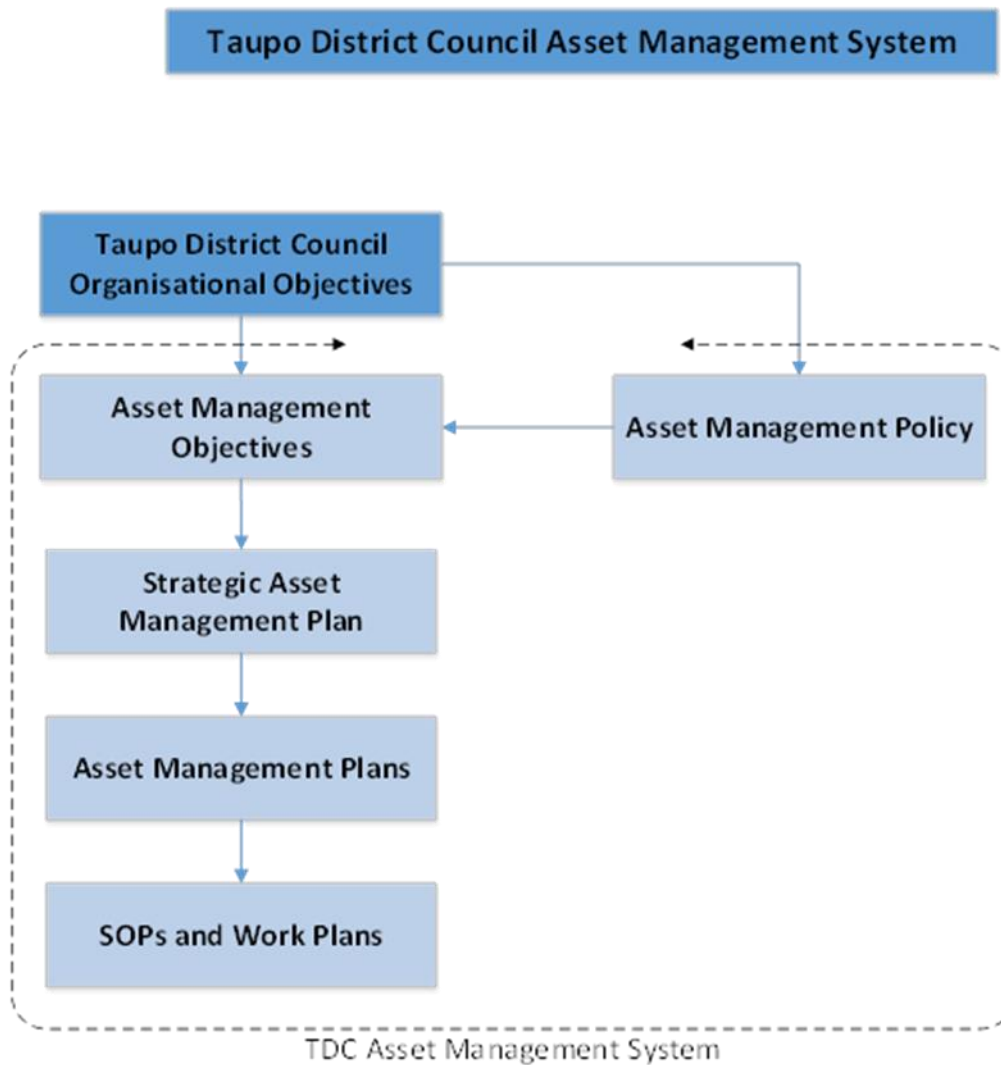
Property and Land Asset Management Plan Process

1.2 Purpose

The purpose of the Property Asset Management Plan (Property AMP) is to identify and provide the required levels of service for Council’s buildings and associated assets in the most cost effective manner (through the creation, operation, maintenance, renewal and disposal of assets) for existing and future customers. All decisions will be made taking into action the direction provided via the TDC Infrastructure Strategy.

A fundamental objective of this plan will be to identify potential opportunities for reductions in asset lifecycle costs.

This Asset Management Plan has been based on the 2017 Property AMP. Data has been collated and updated by Assets officers and entered into the Council’s web-based “SPM Assets” asset management program with current valuation data for the assets and asset components. Contributions for this plan have also been made from Council’s Venues & Facilities and Finance managers.



1.3 Scope

The scope of the Property AMP includes the following community infrastructure assets:

- All council buildings such as regulatory, community, commercial, administration & operations
- Related Building Fixtures & Fittings such as lighting, plumbing, flooring, doors & windows
- Related Building Plant & Equipment such as air conditioning, fire & building alarms, lifts
- CCTV in the CBD for safer communities

The Property AMP does not include some grounds and reserves such as sportsfields throughout the district, although it may include the grounds upon which some of these facilities are constructed.

The Property's (AMP) is broken down into the following asset categories which correspond with Council's financial tree structure:

Category 1 – Safer Communities

Category 2 - Dog Pounds

Category 3 – Venues

Category 4 – Libraries

Category 5 – Taupo Museum

Category 6 – Community Halls

Category 7 – Housing for the Elderly

Category 8 – Commercial Property

Category 9 – Investment Property

Category 10 – Council Administration Buildings

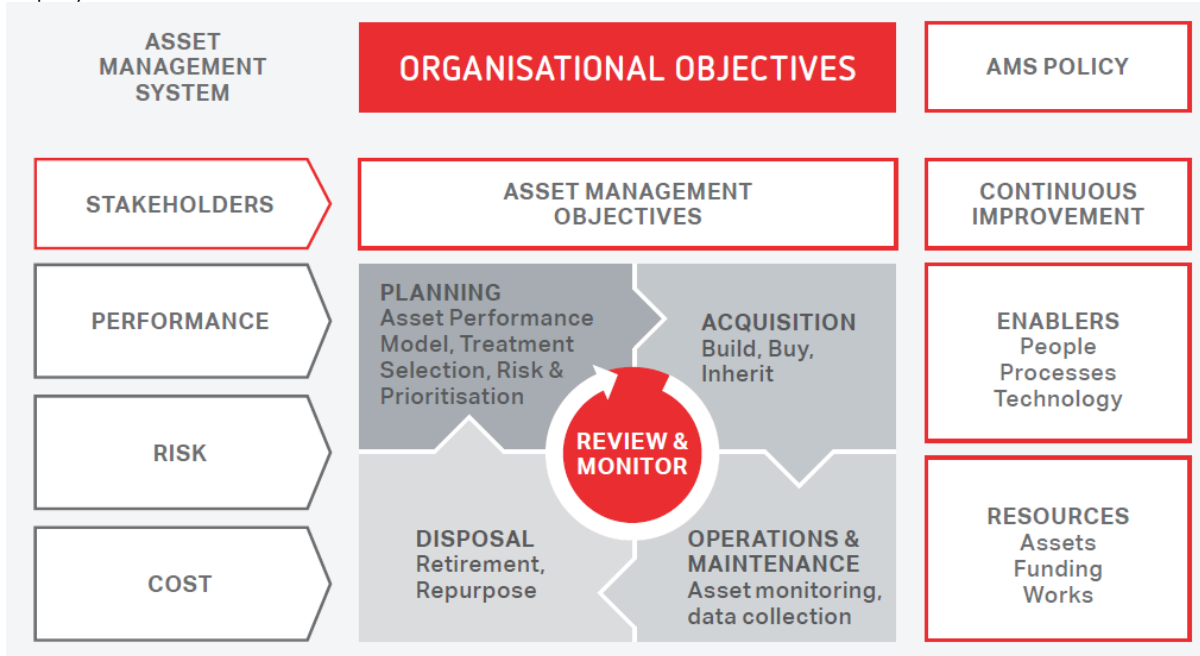
The size of the investment in these assets, and importance of the associated services to the community demands excellence in the management of the assets. The community expects them to be managed in such a way that costs are minimised while providing the optimum levels of service the community desires. For more detailed information on individual asset categories refer to **Section 2 – Asset Data**.

1.4 Legislative Requirements for Asset Management Planning

The requirement for AM planning is a result from the Local Government Act 2002 and subsequent amendments. This Act places an emphasis on strategic financial planning and requires local authorities to:

- Prepare and adopt a Ten Year Plan (10YP) with a 10 year planning horizon every three years, taking into account asset creation, realisation, and loss of asset service potential.
- In determining their long term financial strategy, consider all relevant information and assess the cost/benefit of options.
- Manage assets prudently, in the interests of the district and its inhabitants and ratepayers.
- Clearly identify significant forecasting assumptions and risks underlying financial estimates.
- Identify any significant negative effects that any activity within the group of activities may have on the social, economic, environmental, or cultural wellbeing of the local community.

The preparation and implementation of an AMP from which long term financial strategies will be developed, is a means of compliance with these requirements.



ISO 55000 Aligned Asset Management Structure

Fundamental Principles

The Standard contains proven asset management principles to balance asset / service performance, risk and cost by:



Maximising **VALUE** for the organisation and all its stakeholders from the use of its assets



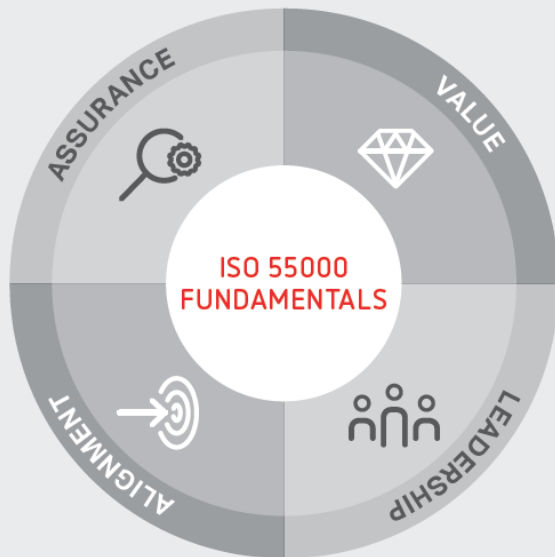
Ensuring **ALIGNMENT** across the organisation to achieve organisational goals



Achieving **ASSURANCE** that asset performance is optimised



Ensuring effective **LEADERSHIP**, across the organisation, encourages an empowerment culture



ISO 55000 Fundamentals

1.5 Key Legislative Requirements

The key legislative documents relating to the management of reserves and related assets are tabled as follows:

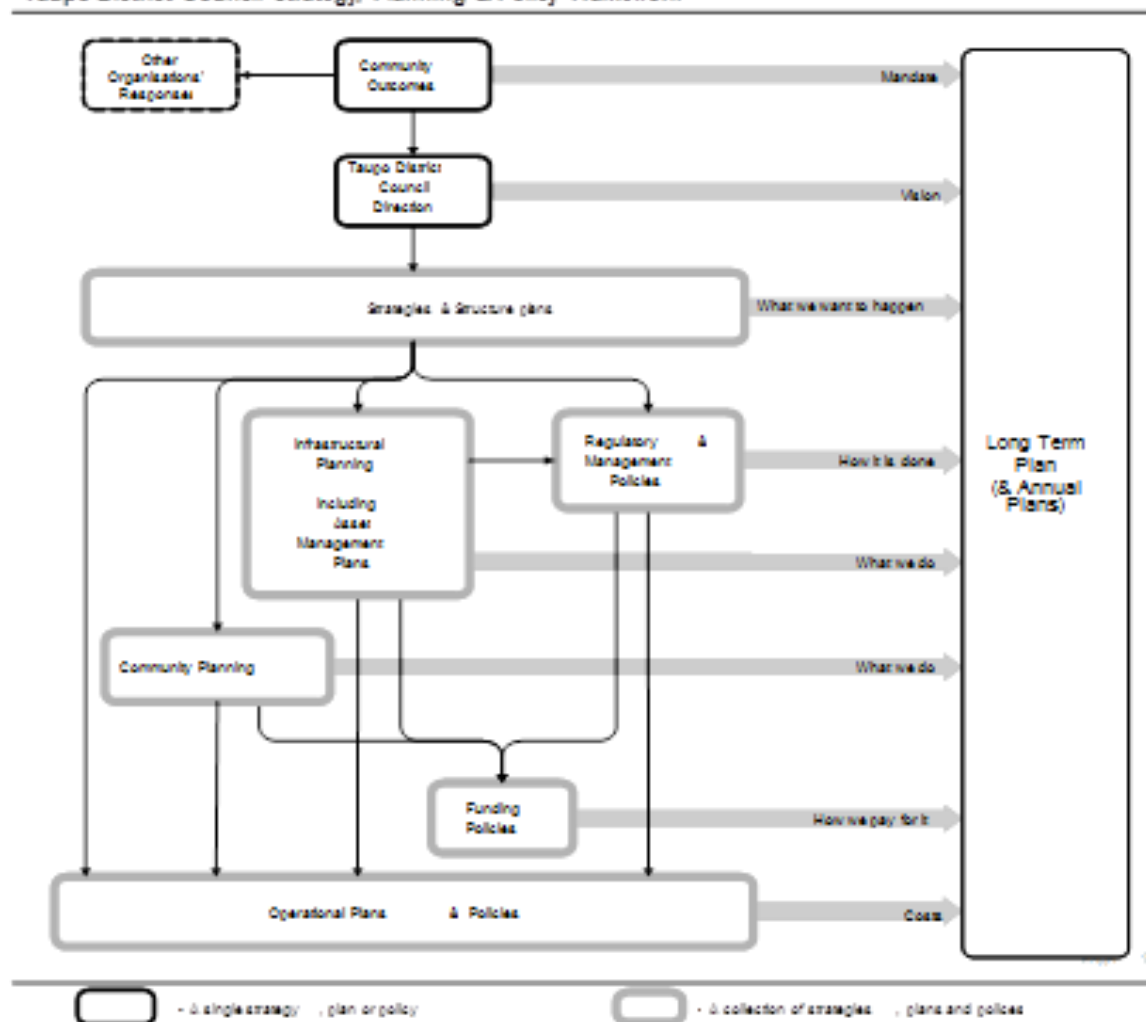
<p>Local Government Act 2002 and Amendments</p>	<ul style="list-style-type: none"> • Allows Council to make by-laws for the regulation of reserves and public places • Allows Council to set funding priorities for spending on parks maintenance and development. • Requires consultation with communities before the disposal of land assets if these are used principally for community, recreational, environmental, cultural, or spiritual purposes. • Allows Council to collect development contributions for the funding and provision of reserve land and infrastructure required to meet the needs of community growth.
<p>Health & Safety at Work Act 2015</p>	<p>The HSWA requires local authorities to manage all property assets in a safe manner, and conduct or arrange all works associated with the properties to facilitate the Act's requirements for health and safety in the workplace</p>
<p>Building Act 2004 Amendment 2017.</p>	<p>Local Authorities are subject to the terms and conditions of the NZ Building Act, and all buildings related to reserves are to comply in design and construction with the requirements of the Act, and must be managed to facilitate requirements of the Act concerning any building warrants of fitness.</p>
<p>Resource Management Act 1991</p>	<p>Requires Councils to:</p> <ul style="list-style-type: none"> ▪ sustain the potential of natural and physical resources to meet the reasonable foreseeable needs of future generation ▪ comply with District and Regional Plans ▪ avoid, remedy or mitigate any adverse effect on the environment ▪ take into account the principles of the Treaty of Waitangi in exercising functions and powers under the Act relating to the use, development, and protection of natural and physical resources ▪ comply with resource consents issued by the Taupo District Council and the Waikato Regional Council, for any subdivision of Council owned land, or other development of Council's own property assets that may have an effect on the neighbouring community and environment.

Other Acts, Standards and Regulations	Public Works Act 1981
	Public Bodies Contracts Act 1959
	Burial and Cremation Act 1964
	Fencing Act 1978
	Health Act 1956
	Historic Places Act 1993
	NZS 4404:2004 Land Development and Subdivision Engineering
	SNZ HB 8630:2004 Tracks and Outdoor Visitor Structures
	NZS 4121:2001 Design for access and Mobility: Buildings and Associated Facilities
	SNZ HB 9213:2003 Guide to Local Government Service Delivery Options
	Camping Grounds Regulations 1985
Healthy Homes Guarantee Act 2017	

1.6 Relationship with Planning and Strategic Documents

The way in which AM planning links the Strategic planning process with operations and annual plans is illustrated below.

Taupo District Council Strategy, Planning & Policy Framework

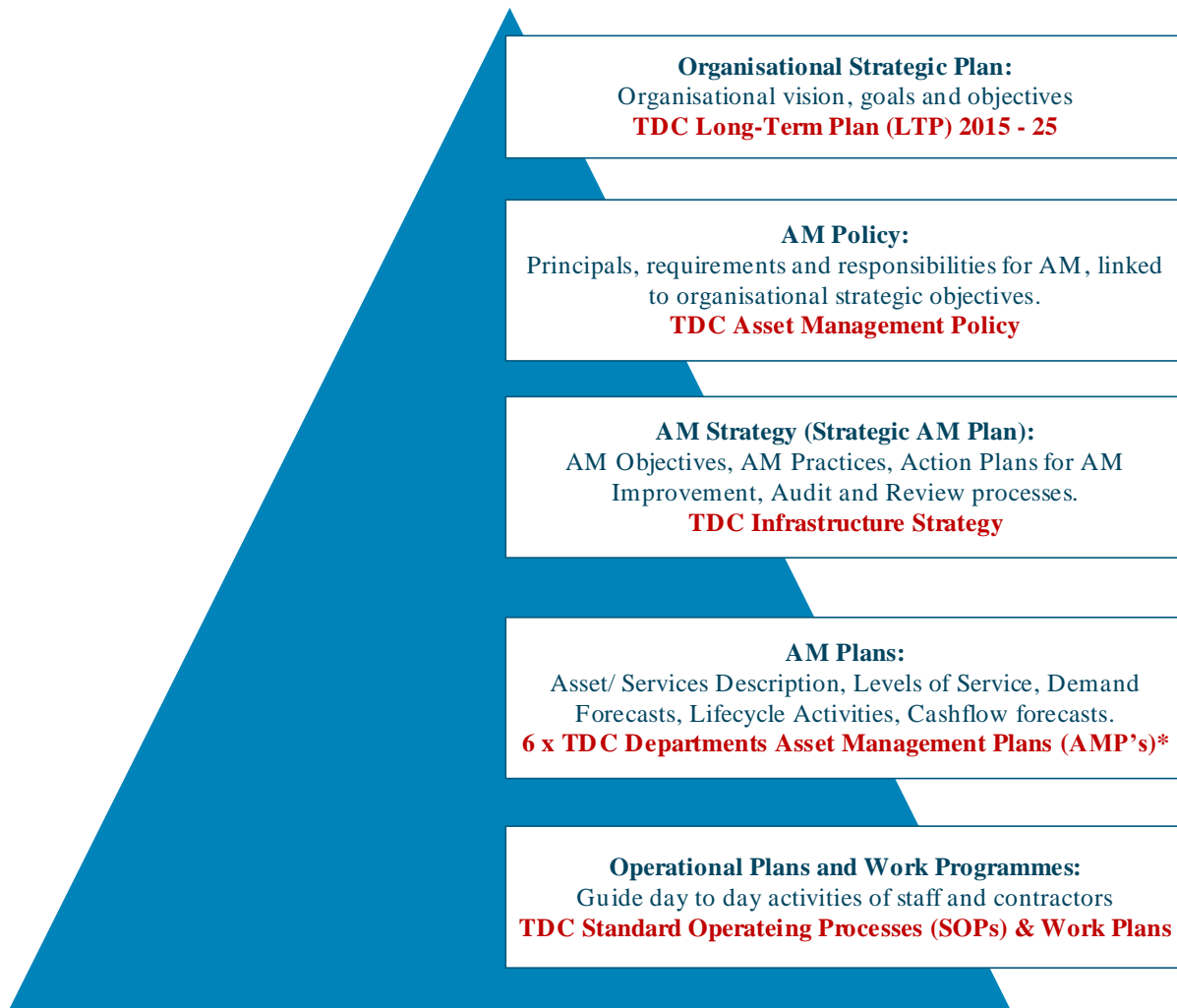


AMP's are tactical plans for achieving strategies resulting from strategic planning processes, and as such are a key component of the council planning process linking with the following documents:

- **10YP:** 10YP sets the strategic direction for the Council and is the overarching planning tool which describes the activities the Council will undertake to deliver in order to achieve the outcomes the community would like to achieve. It also contains the financial forecast for delivery of those services for the next 10 years. The financial provisions within the 10YP relating to the management of property assets are drawn from the Property AMP.
- **Annual Plan:** This sets out how Council will undertake its strategic goals and details the specific activities, functions for the first three years of the 10YP. The Annual Plan is updated on an annual basis and gives specific emphasis to revenue and expenditure in each year of the 10YP as it arises. It is an opportunity to review priorities and forecasts. The works identified in the AMP are the basis on which future 10YP's and annual plans are prepared.
- **District Plan:** The District Plan is an implementation tool used to protect values and outcomes important to the community, including those pertaining to Council's Property.
- **Asset Management System (AMS):** This framework consists of the Asset Management Policy, Infrastructure Strategy, six Asset Management Plans (AMPs) and the related Operational Plans and Work Programmes.
- **Asset Management Policy:** Provide high level direction as to how all of the Council's assets are to be managed as part of a specific Asset Management System aligned with IIMM (2014) and ISO 55000. Has the principals, requirements and responsibilities for Asset Management, linked to the organisations strategic objectives.

- **Infrastructure Strategy:** Links to the Asset Management Plan and contains the Asset Management Objectives, Asset Management Practices, Action Plans for Asset Management Improvement, Audit and Review processes.
- **Asset Management Plans (AMPs) - Business/Activity Plans and Performance Standards:** The Asset / Services Description, service levels, demand forecasts, lifecycle activities, policies, processes and budgets defined in AMPs are incorporated into business plans for each operational area as activity budgets, management strategies and performance standards and measures.
- **Bylaws and policies:** These documents provide objectives, policies and rules that affect the management of property assets. Relevant policies include: Commercial Events Policy, Arts and Culture Policy, Earthquake Prone Dangerous & Insanitary Building Policy and Venture Centre Policy.
- **Council Strategies:** These strategies provide direction for the management of property assets: Recreation Strategy 2006, Community Engagement Strategy, Venues Strategy, Stormwater Strategy, TD 2050 – Growth Management Strategy, Taupo Urban Area Housing Strategy.
- **Transport Asset Management Plan:** Property and Transportation have one area where assets overlap. This is roads/car parks and paths on reserves. The relationship between the two teams regarding this asset is as follows:
- **Roads and Car Parks on Reserves:** Most existing assets currently sit in the Council’s Transportation AMP, and are valued and budgeted for by Transportation for maintenance and renewals requirements ie re-sealing, and repairing potholes etc. The asset inventory is incomplete and needs to be completed as part of the improvement plan for this AMP. The budget for any new capital expenditure ie sealing gravel car parks and new car parks sits within Property AMP. Transportation provides advice on asset valuation and renewals.
- **Pedestrian Accessways:** Pedestrian accessways (road to road) are the full responsibility of Transportation who value them, record the asset components in their AMP and take on all costs. Reserve accessways are managed through this AMP as part of the reserve.
- **Water Services Asset Management Plan:** Where a Water Services asset is located on a property, the Water Services Department is responsible for all servicing and maintenance requirements within the foot-print of that asset, and the associated infrastructure outside of the footprint. All water reticulation serving property requirements within the boundary of a property is the responsibility of the Building or Facility Manager.
- **Waste Water Services Asset Management Plan:** Where a Waste Water Services asset is located on a property, the Waste Water Services Department is responsible for all servicing and maintenance requirements within the foot-print of that asset, and the associated infrastructure outside of the footprint. All waste water reticulation serving the property requirements within the boundary of a property is the responsibility of the Building or Facility Manager.
- **Stormwater Asset Management Plan:** All storm water assets located within property boundaries such as culverts, detention ponds, overland flow paths, associated signage and safety barriers are managed through the Stormwater AMP. All other assets on those properties that are not part of the Stormwater AMP are managed through the Property AMP.
- **Parks Asset Management Plan:-** The Parks and Reserves AMP deals with land assets such as parks, playing fields and cemeteries; built or structural assets such as street and park furniture, playgrounds, public conveniences, sports facilities, walkways and cycleways, public art and memorials; “green” assets such as gardens, lawns and trees and lakeshore erosion protection assets, however, many of the property assets are located within the parks are managed under the Property AMP ie: Public conveniences – the actual building and associated components of the building are managed by Property staff, the day to day operational and cleaning of that facility is manager by Parks staff. The two depts work together to achieve the best outcome.
- **Structure Plans:** Adopted and proposed structure plans outline how growth is to be managed within areas - Taupo Urban Structure Plan (TUSP), Taupo Urban Commercial and Industrial plan (TUCISP), Kinloch Community Structure Plan (KCSP), Mapara Valley Structure Plan, Southern Settlements Structure Plan.

Plans which make up the TDC Asset Management System



***TDC Department Asset Management Plans (AMP's)**

- **Transportation**
- **Water Supply**
- **Wastewater**
- **Stormwater**
- **Council Properties**
- **Parks and Reserves**

Plans in the TDC AM System as per the IIMM 2014 section 2.1

1.7 Key Stakeholders

To effectively manage the Property network Council Officers involved need to work and maintain effective relationships with a variety of individuals and groups.

This AMP recognises the following as key stakeholders:

Internal Stakeholders & Customers	External Stakeholders & Customers
Venues Business Managers	The community, including residents, visitors & ratepayers.
Facilities Management	Community Groups
Parks Operations	Sporting Codes and clubs
Finance staff	Recreational Groups
Elected members	Department of Conservation
	Waikato Regional Council
	Tangata Whenua
	Consultants & Contractors
	Event organisers
	Lessees and licensees
	Audit NZ

1.8 Purpose of Asset Ownership

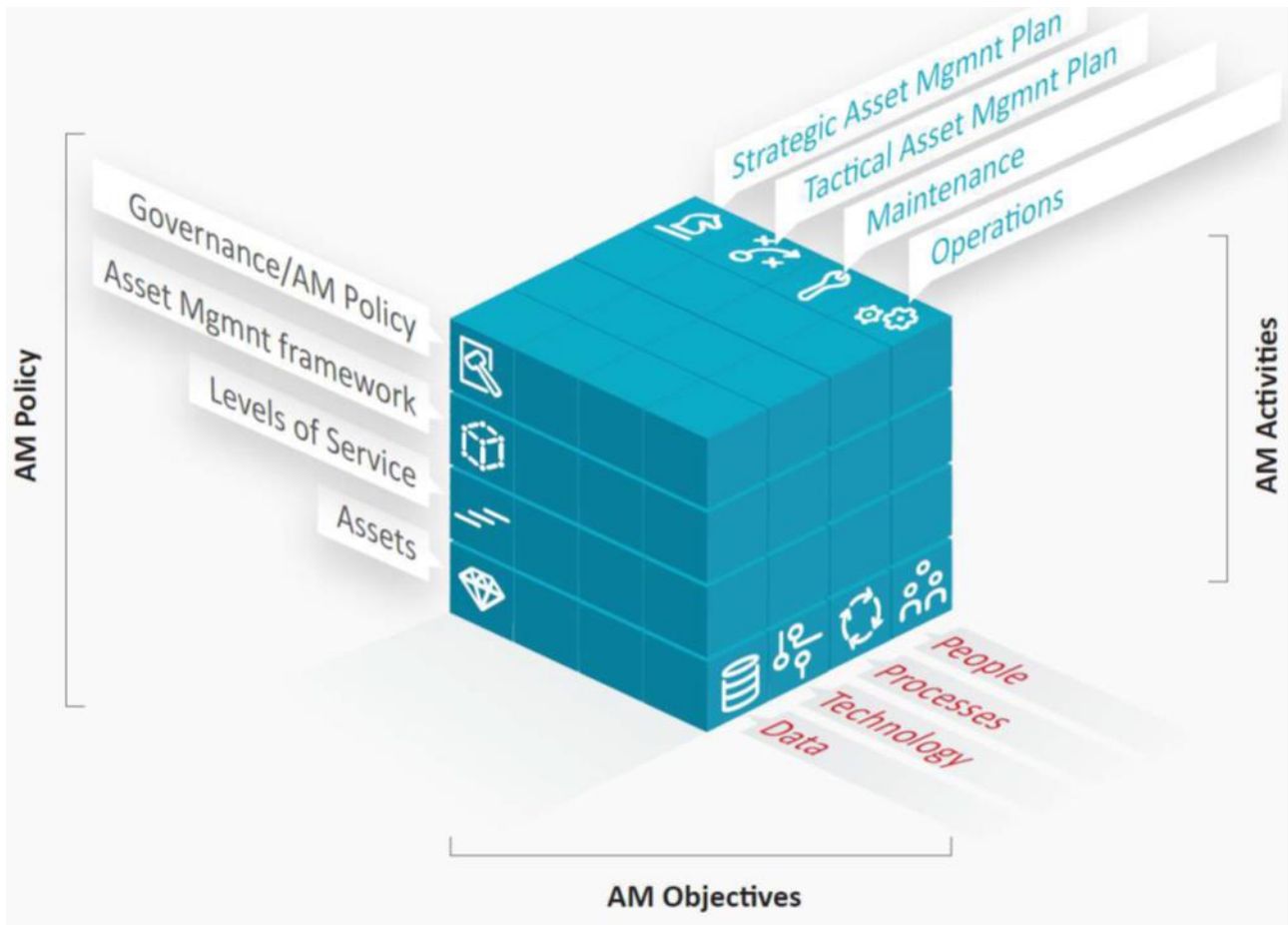
One of the main purposes of Local Authorities under the LGA 2002 is “to meet the current and future needs of communities for good quality local infrastructure, local public services and performance of regulatory functions in a way that is most cost effective for household and businesses”. Parks, public conveniences, cemeteries, and the assets associated with them come under the definition of community infrastructure.

The purpose of Council ownership of this community infrastructure is to enhance the health and well-being of the Taupo district and its communities by ensuring that communities in the Taupo District have access to good quality community infrastructure and the services provided by that infrastructure.

Asset Category	Purpose of Asset Ownership
Dog Pounds/Animal Welfare	To accommodate animals impounded by Animal control Staff
Venues :	
Pools – AC Baths, Genesis Energy Turangi Aquatic Centre, Mangakino Pool	To provide the community with facilities for aquatics activity for fitness, learn to swim, aqua classes, leisure & family fun.
Theatre & Conference Centre	To provide a central purpose built venue to cater for events in the community
Events Centre, Turangi Gym, Turangi Snr Citz	To provide the community with a multi-purpose indoor sports facility, and also the capability to host major functions for dinners, conference shows & concerts.
Museum	Is the custodian of the community’s cultural heritage artefacts and hosts displays of art and culture. Also has a the ability to host small function ie weddings in the Ora Garden
Libraries	To provide the community with places for reading, study & social enjoyment.
Community Venues	To provide places where the local community can gather in large groups to celebrate, learn, acknowledge their own communities ie churches, non-profit organisations etc...
Social Housing	To provide accommodation for the elderly community that meet the criteria to live independently.
Investment Property	
Land Holdings	To hold/utilise for a Strategic Council Purpose
Residential Housing	To provide the role of a caretaker for some of Councils properties ie ODP, Mangakino Depot, Broadlands Road which adds security. Also some properties are for a future strategic purpose
Commercial Property	To hold/utilise for strategic Council purposes. Some commercial facilities generator income for Council and some are leased on a ‘pepper corn’ arrangement due the nature of the activity ie Waioara House.
Motor camps	To hold/utilise for public camping & for future strategic purposes

<p>Administration & Operations Property</p>	<p>To accommodate Council’s administration business, interface with the public and governance.</p> <p>Depots and remote sites are to accommodate Council’s resources for site works & administration business.</p>
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The level of service provided by these assets, and the associated funding implications is defined within this Property’s AMP.



1.9 Links with Taupo District Council Strategic Objectives

Taupo District Council provides a wide range of community facilities to support a vibrant District for our communities and our visitors. Our strategy is to maintain our community facilities so that we can continue to enjoy them, although we will reduce our investment in renewing some older assets. Key strategic objectives for Taupo District Council that are linked to asset ownership are:

- Reduction of debt
- Economic development and vibrancy
- Safety
- Caring for what we have
- Increased efficiency – better bang for the ratepayer buck

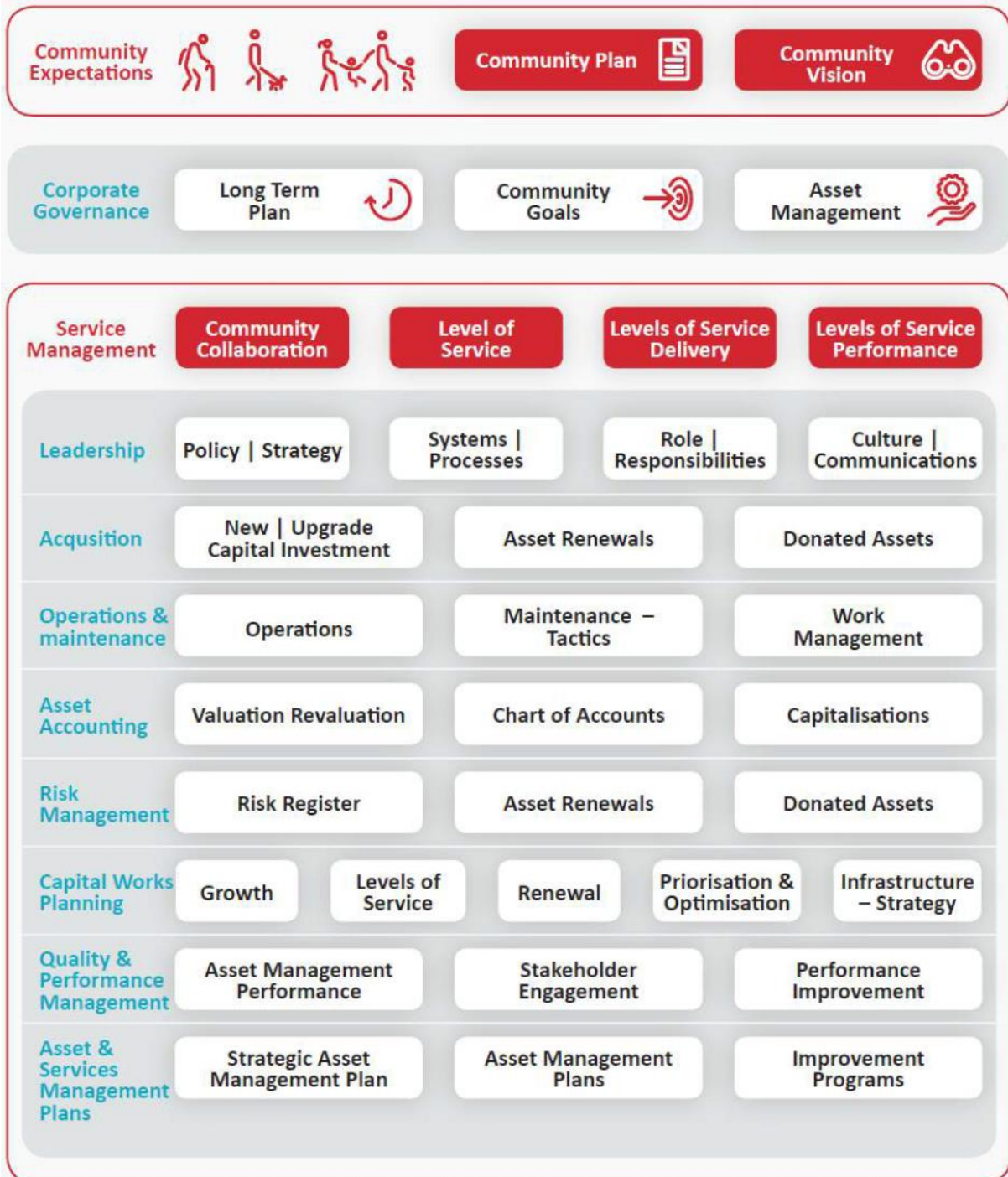
Levels of service and lifecycle strategies in the Property’s AMP are intended to further the achievement of Community Outcomes. These are:

Economy – our communities prosper in a thriving local economy with a diverse range of rewarding employment opportunities

Environment – A shared responsibility for places we are proud of

Engagement – Council is connected with its communities, advocating for their social and cultural well-being

In June 2006, Taupo District Council published TD2050 – Growth Management Strategy as a response to unprecedented levels of anticipated growth within the Taupo District. Although this growth hasn't been sustained, TD2050 provides a policy framework to guide where and how future growth should occur and identifies a series of actions to achieve the desired pattern of urban growth. At the core of TD2050 are the 12 Strategic Directions. These provide the framework of interrelated policies that guide decision making on growth related issues. The Strategic Directions and policies from TD2050 that are specifically relevant to Council's Property assets are:



Strategic Direction 5	Well Designed Places
Policy 4.1	Plan & design new and changing urban areas to reflect the key urban design elements.
Policy 4.2	Improve community safety and encourage neighbourhood design that makes people feel safe.
Policy 4.3	Development should be designed and located so that it considers and complements the character of the rural areas.
Policy 4.4	Achieve design excellence for all new prominent community buildings and public spaces.
Policy 4.5	Encourage all users to meet best practice approaches in minimising water use and using water efficiently.
Policy 4.6	Promote waste as a resource and encourage reuse and recycling of waste to reduce the proportion going to landfill

1.10 Assumptions

FINANCIAL:

Item	Assumption	Potential risk	Mitigation measure
1	All costs are in current dollars and no present value analyses have been done	Not the required funds to undertake capital works	Councils LTP and annual plan spend can be adjusted annually to meet Councils revenue and finance policy
2	There is no allowance for inflation over the 2021 - 2031 LTP period included in the budgets shown in this AMP. However, unit costs will rise by inflation over the period of the plan	Not the required funds to undertake capital works	Successive Annual Plan funding allocations will be based on the original Parks AMP budgets as submitted for the LTP and will include an appropriate adjustment for inflation based on approved information held by the Finance Department
3	Renewal projects are delivered and paid for during the particular year identified in the related AMP.	Funding for renewal projects not committed for project commencement during the programmed year may not necessarily be able to be extended beyond that year.	
4	Most costs included in data from SPM are component costs only.	Budget is not sufficient to cover the actual costs	An estimation of 25% for labour, material costs has been allowed for in this LTP
5	Leased reserve area maintenance costs	The cost of maintenance of reserve areas subject to a lease that places the onus of maintenance on the Lessee, have not been included in this plan	
6	Lack of accurate asset replacement cost estimates	Not the required funds to undertake capital works	Where an asset replacement cost is not known a best assessed estimate has been applied

Item	Assumption	Potential risk	Mitigation measure
7	Perpetuity asset annual maintenance cost	Not the required funds to undertake opex works	Where the annual maintenance cost of an asset maintains that asset in perpetuity, no replacement year has been included

NON-FINANCIAL:

Item	Assumption	Potential risk	Mitigation measure
1	Growth Projections are based on the 2013 growth model projections	Assets unable to meet demand changes	Need to update data where available
2	Asset condition ratings in SPM are applied to all assets during condition assessment surveys, and are either in accordance with national standards, or for some identified assets, specifically set to suit an individual requirement for quality of service	Surveys and condition assessments and not completed in time for LTP	Ensure surveys and condition assessments are undertaken on a regular and / or annual basis
3	The acceptable minimum asset condition will vary depending on the asset criticality	Assets with condition ratings of 4 & 5 are not prioritised for replacement or retirement and continue to deteriorate	Agreed plan to ensure assets are maintained to standard and / or replaced/retired
4	It is assumed that all planned development work associated with the Urban Development Plan and other planned developments will be funded via these specific projects e.g. the Taupo Museum, GLC, TDC Main Admin Building etc	Confusion over where development projects are funded from	Details of the most current approved plans need to be made available for asset management planning purposes.
5	Maintenance and operation costs for planned redevelopment assets	If not clearly identified, there is potential for unnecessary expenditure to occur on assets for development in the near future	Identify assets due for redevelopment, reallocate O&M funds
6	Outsourcing of activities	Over commit the current Property section and development project delays.	Options will be considered for large projects and scoping / resources. Causing issues with routine O&M delivery strategic planning task to outsource these activities
7	Internal service provision	Lack of clarity around some asset responsibilities between internal TDC departments. Causing confusion and lack of focus.	Clearly identify where one TDC department will hold the overall responsibility for an asset, but will look to other TDC department to undertake specific works for them e.g. property roadways/car park resealing, floodlights etc
8	Housing for the Elderly will continue as part of the asset portfolio	If maintenance isn't managed appropriately, minimum functionality could be affected	Continue with planning lifecycle maintenance until formal decision is made to discontinue with these assets.

Item	Assumption	Potential risk	Mitigation measure
	Funding for temporary building locations until the new TDC Admin Building project is completed will not be funded via the property section budgets.	No funds to maintain temporary building locations around the CBD	New building project to fund any costs for temporary sites.

1.11 Significant Negative Effects

In general, Council ownership of property assets brings a wide range of benefits to the community. There are however some negative effects of ownership, and these are as follows.

Effect	Possible Mitigation
Asset creation, operation, maintenance, depreciation, renewal and disposal makes up a significant part of Council's annual costs.	The development of appropriate levels of service can reduce the cost of asset management by ensuring that Council is not over-providing. Optimisation of life-cycle management will also reduce the costs associated with each stage of an asset's life.
Reserves & buildings can provide a setting for some criminal or antisocial behaviour.	This behaviour can be minimised through application of CPTED (Crime Prevention through Environmental Design) principles, careful planning and regular maintenance of vegetation and parks assets.
Building assets of significant sizes attract heavy financial burden to the community and can at times require large amounts of funding to maintain & renew building, plant & equipment	Council is subject to developing TYP, LTP & Annual Plans to inform & educate the community of the cost involves in operation such facilities that meet the level of service. These provide opportunities for consultation with the community and other measures to mitigate issues from existing or proposed new building works.

1.12 Asset Management Plan Complexity

Outline of Approach

Core asset management functions are those which produce an AMP based on providing current levels of service and meet minimum legislative requirements by supporting a long term (10 year plus) cash flow forecast and accounting for changes in the service potential of assets. Core AMPs define existing levels of service and identify costs based on renewal accounting principles.

Advanced AMP's identify processes to optimise lifecycle AM strategies and provide a greater degree of confidence in the resulting cash flow predictions. Advanced AM functions include predictive modelling, risk management, optimised renewal decision making (ORDM) and service level reviews.

Taupo District Council has adopted an AM Policy and an Infrastructure Strategy. This "Property" AMP has been produced to meet the requirements of the Infrastructure Strategy, and therefore the AM Policy, but additionally

includes the use of some more advanced tools related to long term programming and pricing renewal projects, using SPM Assets 6.0 asset management program.

Limitations of This Amp

As it currently stands, this AMP has limitations in the following areas:

- Levels of Service have been defined without customer consultation based on the organisation's understanding of customer expectations.
- Quality Standards are yet to be established to facilitate achieving the levels of service for Property and associated assets.
- Asset data is not completely reliable.

Refer to this Plan's Improvement Section for mitigation.

1.13 Organisational Structure

Taupo District Council's organisational structure is regularly reviewed to ensure that it allows staff to be responsive to the needs of the community. At present, responsibility for management of assets in this Property's AMP sits within the Facilities Team in the Operational Services Group. Other Infrastructure Asset Management Plans (Transportation, 3 Waters and Solid Waste) sit within the Infrastructure Management Team in the Finance, Regulatory and Infrastructure Group.

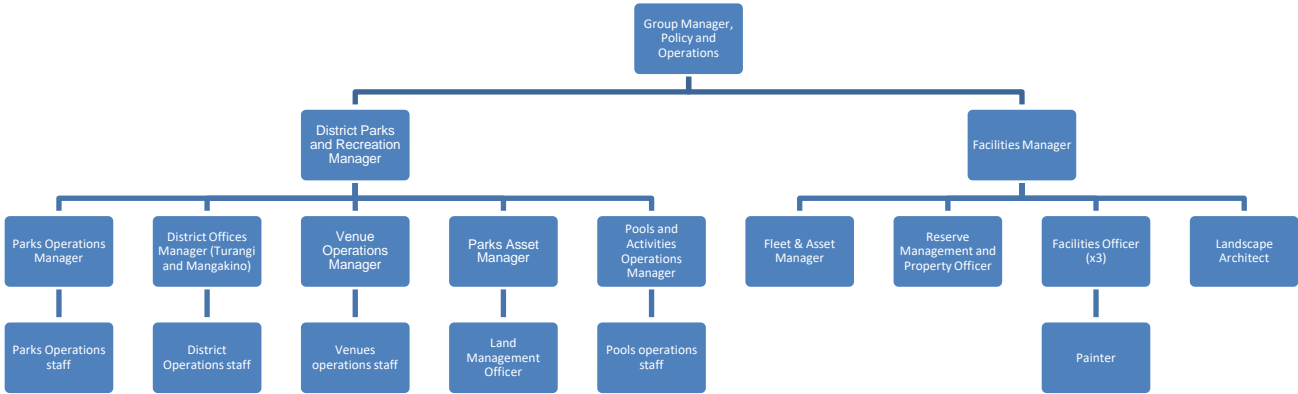
The property areas in the District are managed as follows:

- The Facilities Manager is responsible for the development and implementation of the Property Asset Management Plan, the development of good practice and policy, and to ensure that all of the related assets are legally compliant.
- The Property Facilities Team undertake regular asset condition assessments, keep the SPM database updated and provide a project management service for minor asset construction and renewal projects.
- The Property Facilities Team work closely with the Business Managers of the critical/public venues who undertake operational and maintenance activities.

In addition the Facilities Team is able to draw on the following in-house resources:

- Finance & Administration Team which is responsible for financial management.
- Transport Planning & Operations Team for the planning and undertaking of sealed car parking areas for venues & facilities.
- Infrastructure Project Management for project management of major capex projects.
- Parks and Reserves Team for coordination with associated assets throughout the district.

1.14 Parks & Facilities Team Structure



Section 2 – ASSET DATA

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2.4	Summary of Capex Projects for 2021 – 2031	Page 55



2.1 Asset Summary and Valuation

Key asset categories cover by this Property AMP includes:

- Category 1 Safer Communities
- Category 2 Dog Pounds
- Category 3 Venues (Excludes OD Park)
- Category 4 Libraries
- Category 5 Taupo Museum
- Category 6 Community Halls
- Category 7 Social Housing
- Category 8 Commercial / Investment Property
- Category 9 Administration Property
- Category 10 Other Property

Taupo District Council is responsible for the management of property assets with an approximate (insurance) replacement value of \$193 million as at 30 June 2017.

Overall valuations listed in the SPM data base used for property management have mostly been assessed as part of building condition assessment survey reports by independent qualified consultants using national valuation standards.

Valuations used in this section of the Property AMP are a mix of two sources.

Property total valuation figures are a combination of the:

1. SPM Component costs for a property with a general 25% allowance for contractor’s costs and,
2. Finance sections valuation of the land and structures.

Valuations do not include land and are for built assets only and components.

- Values are mainly based upon national standards and revised every three years. The last revision was in year 2020.
- Value is insurance replacement value, not depreciated book value.

2.2 Asset Componentry Data Management

Comprehensive asset component data relating to description of the property assets, their valuation, age and condition is held and maintained in Council's SPM Assets program. SPM Assets has the capability to aggregate and/or disaggregate information enabling asset data to be analysed and valued down to component levels. Summaries of data to component levels are shown in tables in Section 4.2.

The SPM Assets program enables the selection and grouping of specific property assets and related components for reporting of lifecycle forecasts, quantities, valuation, and asset condition and project programming and costing. Projects are planned for the establishment of new and renewed assets, from data base information, and in consultation with customers and stakeholders. This information is then used to determine future work priorities for maintenance, renewal and new capital projects. The database is being constantly updated as assets are added, renewed or removed and maintained, therefore the integrity of the data is sound. Asset data is also held in Council's financial database, for asset depreciation and funding purposes.

Assets are depreciated for financial accounting purposes on a Straight Line basis. This is different to the depreciation curve used by SPM to calculate the remaining useful life of an asset and when it will require replacement. In general, by the time an asset in SPM moves from condition factor 1 (being very good condition) to condition factor 2, it has less than half its expected life remaining.

SPM Assets Depreciation rates					
Condition Grade	C5	C4	C3	C2	C1

% of base life remaining	0 – 10%	11 – 24%	25 – 36%	37 – 54%	55 – 100%
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Table 1 - SPM Assets condition grades and life expectancy

2.3 Asset Category, Descriptions, Performance, Capacity & Expenditure

The following categories come under the “Our People”, “Our Places”, “Our Futures”, and “Support Services” strategic direction of the Council’s Long Term Plan.

- Note: **Building/Ground Renewals and maintenance costs** shown for each category includes services such as building wash/gutter cleaning, CCTV & HVAC (heating/ventilation) upgrades as well as general maintenance costs associated with the property.

2.3.1 - Category 1 – Safer Communities

Asset	Asset Reinstatement Value	Picture
Taupo CBD CCTV System	\$217,036	 <p>The CBD systems including cameras were upgraded in 2016. Locations of cameras were agreed upon in consultation with Police and based on the areas of high activity or ‘hot spots’ in and around Taupo’s CBD area. Monitoring of the CCTV is carried out at the Taupo Police Station by the Police and the volunteers (Taupo Watch Group). Currently there are 14 wireless linked cameras & 9 fibre linked cameras being monitored at the Taupo Police Station. All recording equipment is currently located at the Great Lake Centre.</p> <p>One camera is located at Spa Park next to the toilet blocks and two additional cameras located along County Avenue facing the car park. The camera is supported by a wireless link back to Council therefore, council now has control with the recording system ie server. Funding is available in 2020 to install 3 – 5 additional cameras throughout the CBD.</p> <p>In 2020 a Avigilon Artificial Intelligence Box (AI) was installed. This allows for ‘appearance searching’ on all Taupo CBD cameras.</p>
Turangi Town Centre	\$51,902	<p>Turangi currently has 9 cameras (upgraded in 2020). The recording equipment is located at the Turangi Library. The upgrade included a workstation placed at the Police station and the camera is now using the Avigilon operating system. The camera is supported by a wireless link back to the Library server.</p>
Mangakino Town Centre	\$38,212	<p>Mangakino currently has 6 cameras. The recording equipment is located at the Service Centre. The upgrade included a workstation placed at the Police station and the camera is now using the Avigilon operating system. The camera is supported by a wireless link back to the Mangakino Service Centre.</p>
TOTAL	\$307,150	

The cost of maintenance (excluding depreciation, overheads and finance costs) for the ten years from 2021 to 2031 for CCTV

Planned Expenditure: CCTV

	2021/22 Spend	2021/22 Year2 (2022/23) Spend	2021/22 Year3 (2023/24) Spend	2021/22 Year4 (2024/25) Spend	2021/22 Year5 (2025/26) Spend	2021/22 Year6 (2026/27) Spend	2021/22 Year7 (2027/28) Spend	2021/22 Year8 (2028/29) Spend	2021/23 Year9 (2028/29) Spend	2021/22 Year10 (2030/31) Spend
Additional CCTV Cameras for NZ	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Capex	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
CCTV District Wide renewals	14,700	22,200	81,450	88,000	31,860	14,500	88,000	31,860	14,500	88,000
Maintenance of CCTV equipment (Opex)	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500
Report Total :	62,200	69,700	128,950	135,500	79,360	62,000	135,500	79,360	62,000	135,500

2.3.2 - Category 2 – Regulatory Services

Asset	Asset Reinstatement Value	Picture
Taupo Dog Pound Centennial Drive, Taupo	\$1,147,000	 <p>Facility includes reception, office & holding pens.</p> <p>Built on leased land owned by Contact Energy Limited (at no cost). The asset adjoins the SPCA owned building and the entire building is covered by the same fire and security alarm system (but charged separately) It is regularly serviced & maintained with building warrant of fitness statutory requirements. The Taupo Pound construction was completed in early 2012 however there are ongoing issues with containment of parvo/dog flu. The Dog Pound does not meet Health and safety standards for cross contamination of diseases as the current state of the building is not fit for purpose. There is a business case to be submitted with the current LTP to create a fit for purpose environment and includes upgrade of the dog cages, drainage and surrounding paddocks.</p>
Turangi Dog Pound Gibson Street, Turangi	\$90,100	 <p>This property was transferred from Ministry Works and Development to council and modified for pound purposes. It is generally used to temporarily hold animals to be transferred to Taupo.</p>
Total Value	\$1,237,100	

The cost of maintenance (excluding depreciation, overheads and finance costs) for the ten years from 2021 to 2031 for Taupo Dog Pound includes


Planned Expenditure: Dog Pound:

	2021/22 Spend	2021/22 Year2 (2022/23) Spend	2021/22 Year3 (2023/24) Spend	2021/22 Year4 (2024/25) Spend	2021/22 Year5 (2025/26) Spend	2021/22 Year6 (2026/27) Spend	2021/22 Year7 (2027/28) Spend	2021/22 Year8 (2028/29) Spend	2021/23 Year9 (2028/29) Spend	2021/22 Year10 (2030/31) Spend
Dog Pound Refurbishment	105,500	140,600	105,450	0	0	0	0	0	0	0
Lone Worker Monitoring System	7,200	0	0	0	0	7,200	0	0	0	0
Capex	112,700	140,600	105,450	0	0	7,200	0	0	0	0
Building/Ground Renewals	140,473	156,509	123,048	56,880	13,195	7,630	23,164	12,703	7,224	5,445
Building Maintenance Costs (Opex)	7,080	7,080	7,080	7,080	7,080	7,080	7,080	7,080	7,080	7,080
Report Total :	260,253	304,189	235,578	63,960	20,275	21,910	30,244	19,783	14,304	12,525

2.3.3 - Category 3 - Venues

To be able to attract events to Taupo Council needs to ensure that all venues are up to market expectation. Council’s commitment to providing accessible and affordable venues to our community is matched with a commitment in its ability to offer excellent facilities to corporate users also. This in turn will help us encourage growth in our district and provide economic benefits along with social benefits.

All venues are regularly serviced and maintained with building warrant of fitness statutory requirements. Council staff manage the venues for safety and security.

Asset	Asset Value	Reinstatement	Picture																										
Great Lake Centre	\$29,081,000		 <p>The Great Lake Centre (GLC) is a convention and entertainment facility situated in the centre of the Taupo Central Business District. The aim of the Great Lake Centre is to provide excellent convention and entertainment facilities and services for corporate and community clients with the intent of providing a flow on effect beneficial to the wider community.</p> <p>The Great Lake Centre was constructed in 1990 and opened in August 1992. It underwent an upgrade in 1994 with a major extension on the Eastern Front and a minor storage room extension.</p> <p>The venue consists of a 358 seat tiered theatre, an exhibition hall and a backstage area including dressing rooms. The provision of the Great Lake Centre has adequately facilitated both indoor and adjacent outdoor events. However, areas such as the large flat floor theatre, the main entrance and reception area, and the eastern section are currently being assessed for possible extension to better provide for some events which may otherwise go elsewhere.</p> <table border="1" data-bbox="740 1872 1441 2029"> <thead> <tr> <th colspan="6">Total number of meeting rooms: 6</th> </tr> <tr> <th colspan="6">Seating capacity</th> </tr> <tr> <th></th> <th>theatre</th> <th>Styl</th> <th>cocktail</th> <th>banquet</th> <th>classroom</th> <th>Area</th> </tr> </thead> <tbody> <tr> <td>Main Hall</td> <td>600</td> <td></td> <td>600</td> <td>450</td> <td>400</td> <td>430m2</td> </tr> </tbody> </table>	Total number of meeting rooms: 6						Seating capacity							theatre	Styl	cocktail	banquet	classroom	Area	Main Hall	600		600	450	400	430m2
Total number of meeting rooms: 6																													
Seating capacity																													
	theatre	Styl	cocktail	banquet	classroom	Area																							
Main Hall	600		600	450	400	430m2																							

East Wing	250	250	150	150	180m2
Theatre	360	-	-	-	-
Hall/East-wing Combined	-	800	1000	450	-
Lower Foyer	-	100	60	-	140m2
Upper Foyer	-	100	60	-	140m2
Green Room	30	-	-	20	30m2
Rimu Rooms	120	80	-	80	110m2

The condition of the GLC is rated overall as good with 85% of its components in very good and / or excellent condition, and 13% in good condition. Of the remaining components assessed as poor – this relates to air conditioning units that are being replaced in 2021 and the butynol roof needs replacement. This is currently underway for 20/21.

AC Baths

\$32,088,115



A.C. is for Armed Constabulary who used the mineral springs back in the 18th century. Since then, the baths have undergone many alterations and improvements and are a historical feature of Taupo. AC Bath's facilities include:

- An outdoor leisure pool
- 25 metre covered 2m deep competition pool, with seating for 500
- 25 metre outdoor training pool
- Two hydro slides (replaced in 2019)
- Private pools – upgraded in 2020 to 4 x large thermal pools
- Poolside café facilities
- Dry sauna
- Indoor learn to swim pool

The AC Baths has been modified and refurbished over the years, to address the design and construction problems associated with the existing buildings and make some improvements to the overall facility. These include but are not limited to mobility access to the various buildings and pools; an improved toddler/young children's area; installation of UV filtration systems; a new bore and minor layout changes throughout the overall facility. In 2013 it had extensive upgrades mainly to address the significant deterioration of the roof structural timber and fabric and some desired business improvements to the layout of facilities, pools etc.

Overall condition is good, with most components in good or very good condition. There is a small percentage of components that are in poor condition relating to external paint finishing.




Taupo Events Centre


\$29,623,000



Opened in 1998, Taupo Events Centre (TEC) was an addition to the existing AC Baths and is located on AC Baths Avenue Taupo.

The TEC is surrounded by hot thermal pools and is an international venue that meets standards for 19 international sports codes. It has a 2,000m2 floor area that has been used for large trade shows or association conferences for 1000 people or more as well as having expanding function rooms, office space for exhibition administrators and events coordinators. This facility also boasts:

		<ul style="list-style-type: none"> • The Edge Climbing Wall is one of the biggest in the country. This 12m high wall, (432m² of climbing surface), challenges beginners and advanced climbers alike, with complete safety being assured at all times. • Fitness Suite containing treadmills, stationary bikes, steppers, rowing machines, weights stations and staff to assist with personal fitness programmes. • Suitable to host sports events, conventions, conferences, indoor concerts, trade shows, exhibitions and seminars <p>The Taupo Events Centre overall condition is very good, with most components assessed as being in very good or good condition. A small proportion of components are assessed as poor which relate to some internal paint finishes. There is a planned replacement programme for HVAC/Ventilation units district wide.</p> <p>In 2020 the reception area was upgraded as well as upgrades to the lighting throughout the venue.</p>
<p>Genesis Energy Turangi Aquatic Centre</p>	<p>\$13,479,200</p>	 <p>Originally constructed in 1976 the pools underwent a major upgrade in 2009 when it was re-constructed (from the previous Turtle Pool Complex) for the public of Turangi and Tongariro High School's use. At present it operates for the summer season, October - April.</p> <p>There are four pools - the main pool, 'Learn to Swim' pool, a toddler Turtle Pool and a bombing pool. The pools meet the NZ Pool safe criteria.</p> <p>The overall condition of the Genesis Energy Aquatic Centre is very good, with the majority of components assessed as being in very good or good condition. There is a planned replacement programme for HVAC/Ventilation units district wide.</p>
<p>Turangi Gymnasium</p>	<p>\$3,502,000</p>	 <p>Established to serve Turangi community during the Hydro projects in the mid 1960's, the Turangi Gymnasium is of steel portal and timber frame construction, with wall cladding of Hardies Porch Panel, and Brown-built steel channel profile roofing. The facility provides for a wide range of indoor sporting codes, and social functions.</p> <p>In 2017/18 earthquake strengthening recommendations were carried out to facilitate Council recommendation for a minimum of 68% EQ rating.</p> <p>The overall condition of the Turangi Gymnasium is good. The components assessed as poor and/or very poor components include roofing sheets, and incandescent lights due for replacement.</p> <p>Note: Costs for this hall is captured under Community Halls</p>
<p>Mangakino Pool</p>	<p>\$1,414,000</p>	 <p>Established by Council in 2007 alongside and as a part of the project to improve the then recently acquired Mangakino Sports Hall.</p> <p>The sports hall was originally part of the Mangakino High School. In 2006 ownership was transferred to the Council, and the building was improved to better suit requirements for the various Mangakino indoor sporting codes. The building is of timber construction, and accommodates a range of indoor sports, such as net ball and badminton.</p>

		The complex is in very good condition.
Mangakino Sports Hall	\$2,054,000	 <p>The hall received an upgrade in 2006 as noted above The overall condition of the Mangakino Sports Hall/Centre is moderate condition. The components in poor condition are heating, lighting, paint finish, alarms, windows (broken). Suspected asbestos and this building is planned to be surveyed in 20/21. There is some remedial work that can be undertaken but until the external cladding and soffits are checked it is unknown the size of the works. Coloursteel Roof is due for replacement 2023 Note: Costs for this hall is captured under Community Halls</p>
Total Value	\$111,241,315	

The anticipated (controllable) cost of maintenance excluding depreciation, overheads and finance costs for the ten years from 2021 to 2031 is shown in the following tables:

Planned Capex / Renewal / Opex Expenditure: Great Lake Centre

Project Description	Capex / Renewal	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22
		Spends	Year2 (2022/23) Spe	Year3 (2023/24) Spe	Year4 (2024/25) Spe	Year5 (2025/26) Spe	Year6 (2026/27) Spe	Year7 (2027/28) Spe	Year8 (2028/29) Spe	Year9 (2029/30) Spe	Year10 (2030/31) Spe
Add digital display boards	Capex	0	0	13,000	0	0	0	0	0	0	0
Upgrade sound system	Renewal	0	12,000	0	0	0	0	0	0	0	0
Upgrade Point Of Sale system	Renewal	7,000	0	0	0	0	0	0	0	0	0
Update theatre lighting	Renewal	0	3,000	20,000	0	0	0	0	0	0	0
Building & Ground Renewals	Renewal	787,385	52,607	17,294	175,227	41,159	91,495	28,992	179,095	259,742	62,706
Total Capex		794,385	67,607	50,294	175,227	41,159	91,495	28,992	179,095	259,742	62,706
Building Maintenance Costs	Opex	36,140	36,140	36,140	36,140	36,140	36,140	36,140	36,140	36,140	36,140

Planned Capex / Renewal / Opex Expenditure: AC Baths

Project Description	Capex/Renewal	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22
		Spends	Year2 (2022/23) Spend	Year3 (2023/24) Spend	Year4 (2024/25) Spend	Year5 (2025/26) Spend	Year6 (2026/27) Spend	Year7 (2027/28) Spend	Year8 (2028/29) Spend	Year9 (2029/30) Spend	Year10 (2030/31) Spend
Karcher Floor Scrubber	Capex	7,990	0	0	0	0	0	0	0	0	0
Mobility Access Hoist	Capex	17,100	0	0	0	0	0	0	0	0	0
Lifeguard Elevated Poolside Chairs	Capex	17,160	0	0	0	0	0	0	0	0	0
Building & Ground Renewals	Renewal	89,150	57,844	246,005	269,169	113,981	259,202	73,627	339,611	144,094	93,172
Total Capex		131,400	57,844	246,005	269,169	113,981	259,202	73,627	339,611	144,094	93,172
Building Maintenance Costs	Opex	87,480	87,480	87,480	87,480	87,480	87,480	87,480	87,480	87,480	87,480

Planned Capex / Renewal / Opex Expenditure: Taupo Events Centre

Project Description	Capex/Renewal	2021/22 Spend	2021/22 Year2 (2022/23) Spend	2021/22 Year3 (2023/24) Spend	2021/22 Year4 (2024/25) Spend	2021/22 Year5 (2025/26) Spend	2021/22 Year6 (2026/27) Spend	2021/22 Year7 (2027/28) Spend	2021/22 Year8 (2028/29) Spend	2021/22 Year9 (2029/30) Spend	2021/22 Year10 (2030/31) Spend
New Accessibility Ramp	Capex	15,000	65,000	0	0	0	0	0	0	0	0
TEC/ACB External Digital display board	Capex	20,000	0	0	0	0	0	0	0	0	0
Building & Ground Renewals	Renewal	61,256	170,764	82,031	241,671	198,868	103,806	722,833	397,951	129,276	173,452
Total Capex		96,256	235,764	82,031	241,671	198,868	103,806	722,833	397,951	129,276	173,452
Building Maintenance Costs	Opex	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000

Planned Capex / Renewal / Opex Expenditure: Turangi Aquatic Centre

Project Description	Capex / Renewal	2021/22 Spend	2021/22 Year2 (2022/23) Spend	2021/22 Year3 (2023/24) Spend	2021/22 Year4 (2024/25) Spend	2021/22 Year5 (2025/26) Spend	2021/22 Year6 (2026/27) Spend	2021/22 Year7 (2027/28) Spend	2021/22 Year8 (2028/29) Spend	2021/22 Year9 (2029/30) Spend	2021/22 Year10 (2030/31) Spend
Sun Shade Covers for BBQ Area	Capex	6,000	0	0	0	0	0	0	0	0	0
Mobility Access Hoist	Capex	17,100	0	0	0	0	0	0	0	0	0
Building & Ground Renewals	Renewal	85,595	113,021	29,478	99,704	163,114	82,785	16,761	93,270	94,328	86,443
Total Capex		108,695	113,021	29,478	99,704	163,114	82,785	16,761	93,270	94,328	86,443
Building Maintenance Costs	Opex	40,280	40,280	40,280	40,280	40,280	40,280	40,280	40,280	40,280	40,280


Planned Capex / Renewal / Opex Expenditure: Mangakino Community Pool


Project Description	Capex / Renewal	2021/22 Spend	2021/22 Year2 (2022/23) Spe	2021/22 Year3 (2023/24) Spe	2021/22 Year4 (2024/25) Spe	2021/22 Year5 (2025/26) Spe	2021/22 Year6 (2026/27) Spe	2021/22 Year7 (2027/28) Spe	2021/22 Year8 (2028/29) Spe	2021/22 Year9 (2029/30) Spe	2021/22 Year10 (2030/31) Spe
Building & Ground Renewals	Renewal	10,019	16,213	0	6,680	20,833	6,959	79,125	16,213	16,980	589
Building Maintenance Costs	Opex	300	300	300	300	300	300	300	300	300	300

2.3.4 – Category 4 – Public Libraries

All three library buildings have been modified and/or extended to meet the library activity service requirements.

Regular serviced & maintained with building warrant of fitness statutory requirements. Council staff manages buildings for safety & security.

Asset	Asset Replacement Value	Capital	Picture
Taupō Library	\$7,319,000		 <p>Constructed in 1990, the Taupo Library was upgraded extensively in 2007/2008 to meet the required levels of service. The Taupo Library currently satisfies current building standards and legislation and meets structural building requirements. The library is central to the Taupo township and offers a variety of services.</p> <p>The current air conditioner units located in all areas of the library are due for replacement. They use R22 refrigerant which is no longer supported. The renewal budget below reflects the replacement costs in Y1 of this LTP</p>

		The condition of the Taupo Library is very good with the only poor components assessed as the heating/cooling system as noted above.
Turangi Library	\$2,738,000	 <p>The Turangi Library is located central to the township and offers a variety of services. It is well utilised as patronage has increased with the increased opening times. Includes External Boiler Room, Public Toilets, and Toy Library</p> <p>This library was constructed in 1967 and following an extensive upgrade/refurbishment in 2007, is in very good overall condition, with 76% of components assessed as in very good condition, 22% in good condition, and 2% in moderate to very poor condition. The coal fired boiler unit is visually described as being in very poor condition and has recently had some asbestos material removed. It is only used by electrician to access electrical board/s which is housed within this area.</p>
Mangakino Library	Occupies Space in Service Delivery Centre	The Mangakino Library occupies space in the Service Delivery Centre building. Refer to the description and condition of the Mangakino Service Delivery Building for condition details
Total Value	\$10,057,000	

The anticipated (controllable) cost of maintenance excluding depreciation, overheads and finance costs for the ten years from 2021 to 2031 is shown in the following table:

Planned Capex / Renewal / Opex Expenditure: Public Libraries

Project Description	Capex / Renewal	2021/22 Spend	2021/22 Year2 (2022/23) Spend	2021/22 Year3 (2023/24) Spend	2021/22 Year4 (2024/25) Spend	2021/22 Year5 (2025/26) Spend	2021/22 Year6 (2026/27) Spend	2021/22 Year7 (2027/28) Spend	2021/22 Year8 (2028/29) Spend	2021/22 Year9 (2029/30) Spend	2021/22 Year10 (2030/31) Spend
Library books	Capex	310,000	310,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
TV screens for Meeting Rooms at Taupo and Turangi Libraries	Capex	0	13,500	0	0	0	0	0	0	0	0
Digitisation of local history material	Capex	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
External signage at Taupo Library	Capex	8,000	0	0	0	0	0	0	0	0	0
Building & Ground Renewals	Renewal	524,129	40,281	22,956	332,149	36,820	227,035	73,679	201,027	100,989	133,219
Total Capex		862,129	383,781	342,956	652,149	356,820	547,035	393,679	521,027	420,989	453,219
Building Maintenance Costs	Opex	32,700	32,700	32,700	32,700	32,700	32,700	32,700	32,700	32,700	32,700

2.3.5 – Category 5 – Heritage, Culture & Public Art

Council owns and operates the Taupo Museum. The activity that the museum provides is to care for (conserves) a collection of artefacts and other objects of scientific, artistic, cultural or historical importance and makes them available for public viewing through exhibits that may be permanent or temporary. Regular serviced & maintained with building warrant of fitness statutory requirements. Council staff manages buildings for safety & security.

Asset	Asset Replacement Value	Capital	Picture
Taupō Museum	\$2,545,700		 <p>It is likely this building was constructed mid 1940 and has had a number of additions and modifications over the years. It was last extended and refurbished for improved service during 2000/2001. As such, and with additional minor modification since then, the building performs well for its size and design. However, it does have some limitations in its ability for controlled internal environmental temperatures and humidity levels. There is a desire to demolish this building and rebuild a more fit for purpose building in the near future. It is yet to be surveyed for asbestos. This is planned for 2021 and may determine the future of this building. Overall condition of the building is good.</p>

The anticipated (controllable) cost of maintenance excluding depreciation, overheads and finance costs for the ten years from 2021 to 2031 is shown in the following table:

Planned Capex / Renewal / Opex Expenditure: Taupo Museum

Project Description	Capex / Renewal	2021/22 Spend	2021/22 Year2 (2022/23) Spend	2021/22 Year3 (2023/24) Spend	2021/22 Year4 (2024/25) Spend	2021/22 Year5 (2025/26) Spend	2021/22 Year6 (2026/27) Spend	2021/22 Year7 (2027/28) Spend	2021/22 Year8 (2028/29) Spend	2021/22 Year9 (2029/30) Spend	2021/22 Year10 (2030/31) Spend
Shelving for artefacts	Capex	9,655	0	0	0	0	0	0	0	0	0
Environmental Monitoring Equipment	Capex	8,000	0	0	0	0	0	0	0	0	0
Goldie artwork Display	Capex	25,000	0	0	0	0	0	0	0	0	0
Building & Ground Renewals	Renewal	83,292	71,057	42,274	134,318	22,758	52,833	152,379	142,836	62,701	51,052
Total Capex		125,947	71,057	42,274	134,318	22,758	52,833	152,379	142,836	62,701	51,052
Building Maintenance Costs	Opex	27,160	27,160	27,160	27,160	27,160	27,160	27,160	27,160	27,160	27,160

2.3.6 – Category 6 – Community Halls




The community halls provide for a variety of activities such as weddings, sports, meetings, events and functions. Community halls are accessible and affordable and can be booked through the council offices or a local resident responsible for taking bookings. Some challenges with managing these halls/venues include:

- ensuring there is a consistent level of service for all community venues to meet the communities need
- managing the leases & licenses for the bookings to ensure consistency
- operating expenditure is managed via independent cost centres

They are regularly serviced & maintained with building warrant of fitness statutory requirements (where required). Council staff manage building for safety & security

Asset	Asset Capital Replacement Value	Picture
<p>Waitahanui Hall</p>	<p>\$2,083,000</p>	 <p>The hall is owned by Council and sited on Maori owned land which is maintained by Council as a sports reserve. Built in 2001, the hall has sports changing rooms, toilets, showers, health providers room, mother's room, kitchen, large conference room and external decks. The building is of light timber framed type construction.</p> <p>Seating: 100 but the hall can accommodate up to 250</p> <p>The overall condition of the Waitahanui Hall is very good, with 90% of components assessed as being in very good condition. Only a small proportion of components are in good (9%), and (1%) are in poor condition. Of the components in poor condition relates to the decking paint finish and fluorescent lights and fittings which are deteriorating and downlights not working.</p>
<p>Waipahihi Hall</p>	<p>\$1,772,600</p>	 <p>Built approximately 1986 and sited on the Waipahihi Sports Ground reserve, the building accommodates a small gymnasium, an office, lounge, kitchen, bar room, and toilets. The building is mainly of concrete masonry construction, with steel roofing. This hall is on lease to Youth Arts Trust until 21 April 2022.</p> <p>The overall condition of this hall is good, with 29% of components assessed as being in excellent condition; 55% in very good condition and 10% in good condition. Only a small proportion of components are in moderate and/or poor condition (6%). Of the components in poor condition relates to metal spouting, part of internal wall painting, mirror in men's toilet and vanity unit in woman's toilet and carpet in utility room. The main hall has recently been reroofed. Blue room has been redecorated. A programme of works for painting internal/external will be completed in 2021.</p>
<p>Acacia Bay Hall</p>	<p>\$1,015,100</p>	 <p>Built period: 1993 Located close to the tennis courts at Beasley Park on Wakeman Road in Acacia Bay.</p> <p>Facilities include: Two separate function areas, large entrance lobby, kitchen, view of the lake and Mount Tauhara.</p> <p>Seating: 80 but the hall can accommodate up to 100.</p> <p>The overall condition of the Acacia Hall is very good, with 93% of components assessed as being in excellent/very good condition and 7% in good condition.</p> <p>Carpet and paint in main hall to be replaced in year 2020/2021.</p>

<p>Kinloch Hall</p>	<p>\$431,800</p>	 <p>Built period: 2000 Located at Kinloch Domain. Work on the hall was carried out in 2019 to make hall compliant for Kinloch Kindergarten. Facilities include: Lounge, kitchen. Seating: 60 The overall condition of the Kinloch Hall is very good with 96% of components assessed as being excellent/very good condition. During 2019 hall was made compliant for Kindergarten and ladies toilet facilities were improved. Feasibility study for redevelopment budgeted for 20/21</p>
<p>River Road Hall</p>	<p>\$333,500</p>	 <p>Built period: 1997-1998 Located on River Road, Reporoa. Established in 1997 and officially opened on December 20 of that year. Facilities include: Lounge, Kitchen The overall condition of the River Road Hall is very good with 83% of components assessed as being excellent/very good condition. New carpet, vinyl and toilets have recently been installed. Replacing of fire exit doors is planned for 2021. Asbestos survey revealed asbestos present in roof tiles and soffits. Funding available 20/21 for this to be remedied.</p>
<p>Tirohanga Hall</p>	<p>\$1,198,600</p>	 <p>Built period: 1994. Located at 839 Tirohanga Road, Facilities include: An older style hall which has had a new annex, offering a modern kitchen, a lounge area (carpeted) with a bar facilities. Main hall with stage and toilets. Seating: Up to 220. (i.e. 150 in the main hall and 70 in the new extension). The overall condition of Tirohanga Hall is very good with 97% of components assessed as being excellent/very good. Year 2020 interior to be painted and install of bi-fold doors and deck. Asbestos survey undertaken in mid 2019. Identified exterior asbestos planned to be removed in 2021.</p>
<p>Whakamaru Hall</p>	<p>\$1,783,000</p>	 <p>Older type community hall, situated at 5 Arataki Road, RD, Mangakino (corner SH32 and Arataki Road). Facilities include: a kitchen, toilets, main hall area with stage, and the south side is partitioned off with folding doors for extra room.</p>

		<p>Seating: Up to 220</p> <p>The overall condition of the Whakamaru Hall is very good, with 93% of components assessed as being in excellent and / or very good condition. Upgrade heating in the main hall in 20/21</p>
<p>Mangakino Community & Fitness Centre</p>	<p>\$859,900</p>	 <p>Located in the Town Centre directly behind the Mangakino Service Delivery Centre. Older style premises built in the 1940's. The overall condition of this asset is very good with 88% of components assessed as being in excellent and / or very good condition; 4% of components assessed as moderate and 8% assessed as poor. These have been identified as electrical lights in kitchen needing replacement</p>
<p>Turangi Senior Citizens Hall</p>	<p>\$1,218,000</p>	 <p>Located in McLaren Park, Turangi. Donated to Council by Tongariro Community Hall Trust. Facilities include fully equipped kitchen with a foodbank facility for the community. The overall condition of the Turangi Senior Citizens Hall is excellent, with 77% of components assessed as being in very good condition and 23% in good condition. 2020 – lighting upgraded to LEDs; new floor coverings in foyer and toilets; replaced toilets. Foodbank – 2 x heatpumps installed</p>
<p>Te Rangikahekeiwaho Hall Turangi</p>	<p>\$569,000</p>	 <p>Currently leased to Turangi Arts & Crafts. Overall the building is in good condition with some defects. The polyurethane coating on the floors, paint on the windows and soffits/fascia all need repainting which reflects the poor condition assessment on 3.4% of related components</p>
<p>Red Cross Hall Turangi</p>	<p>\$223,000</p>	 <p>Currently leased to Redcross and used as a Redcross Op Shop. Overall the building is in generally good condition but is in need of refurbishment. The exterior cladding is peeling and some rot is appearing in the timber weatherboards, the timber fascia is also peeling badly. Internally the building is in good condition with no significant defects. 85.7% of assessed components by value have been assessed in a very good or good condition, 9% assessed as moderate, and 5.3% in a very poor condition.</p>
<p>Total Value</p>	<p>\$11,487,500</p>	

The anticipated (controllable) cost of maintenance excluding depreciation, overheads and finance costs for the ten years from 2021 to 2031 is shown in the following table





Planned Capex / Renewal / Opex Expenditure: Community Halls


Project Description	Capex / Renewal	2021/22 Spend	2021/22 Year2 (2022/23) Spend	2021/22 Year3 (2023/24) Spend	2021/22 Year4 (2024/25) Spend	2021/22 Year5 (2025/26) Spend	2021/22 Year6 (2026/27) Spend	2021/22 Year7 (2027/28) Spend	2021/22 Year8 (2028/29) Spend	2021/22 Year9 (2029/30) Spend	2021/22 Year10 (2030/31) Spend
Development of new Turangi Events Centre	Capex	250,000	1,000,000	6,250,000	7,500,000	0	0	0	0	0	0
Building & Ground Renewals	Renewal	220,855	129,816	254,290	152,872	125,423	192,929	62,064	169,364	191,351	321,070
Total		470,855	1,129,816	6,504,290	7,652,872	125,423	192,929	62,064	169,364	191,351	321,070
Building Maintenance Costs	Opex	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000

2.3.7 – Category 7 – Social Housing

The condition of the Council’s Housing for the Elderly buildings and external facilities is assessed every three years and recorded in the Council’s SPM Property Management Program. All units are of good condition, and the renewing of building components generally is undertaken to plan, but with some compromise to suit tenancy requirements and constraints.

Pensioner housing units are currently tenanted at approximately 93% to 98% occupancy rate. This incorporates vacancies necessary for refurbishment and redecoration

Asset	Asset Replacement Value	Capital Value	Picture
Taupō Social Housing	\$7,533,700		 <p>Rifle Range Units</p>  <p>Konini St Community Hall</p>  <p>Rifle Range Rd Units</p>  <p>Woodward St Units</p> <p>Council administers 40 Pensioner Units, 29 in a complex on the corner of Rifle Range Road and Konini Street, opposite the Paetiki Shopping Centre, and 11 in Woodward Street, Nukuhau. Tenants each have their own small gardens at the back and front of the unit. There is also a community hall within the Rifle Range Rd complex.</p>

		<p>Most units have single bedrooms but five have double bedrooms. Each unit has a separate kitchen, bathroom and lounge dining areas. There is an active Neighbourhood Watch Group on site.</p> <p>The overall condition the units is very good with the majority of components assessed as excellent and / or very good. Mid 2019 heat pumps were installed.</p> <p>Konini St Units have decramastic roofing material that is in poor condition and needs replacement, however asbestos has been identified in a recent asbestos survey report and actions from this will form part of the this LTP. Areas identified with asbestos include roof, external cladding and soffits within some of the Rifle Range/Konini units.</p>
Turangi Social Housing	\$1,505,100	 <p>Called the Turangi Retirement Complex, the Taupo District Council owns six pensioner units located in Tod Place, off Tamakui Grove. This complex is very close to the shopping centre. There are four x one bedroom units and two x two bedroom units.</p> <p>The overall condition of these units is very good with 96% of components assessed as excellent and/or very good. The remaining 4% relate to external & internal paint finishes and some bathroom fixtures upgrades</p>
Mangakino Social Housing	\$1,648,600	 <p>Taupo District Council operates 11 pensioner units in Karamu Street, Mangakino, close to the shopping centre. There are nine single units and two doubles. Each unit has one bedroom, with separate kitchen and lounge dining area. Mid 2019 heat pumps were installed</p> <p>The overall condition is very good with 94% of components assessed as excellent and/or very good however asbestos has been identified in the external gable ends. Remedial work is planned and forms part of this LTP.</p>
Total Value	\$10,687,400	

The anticipated (controllable) cost of maintenance excluding depreciation, overheads and finance costs for the ten years from 2021 to 2031 is shown in the following table

Planned Capex / Renewal / Opex Expenditure: Social Housing




Project Description	Capex / Renewal	2021/22 Spend	2021/22 Year2 (2022/23) Spend	2021/22 Year3 (2023/24) Spend	2021/22 Year4 (2024/25) Spend	2021/22 Year5 (2025/26) Spend	2021/22 Year6 (2026/27) Spend	2021/22 Year7 (2027/28) Spend	2021/22 Year8 (2028/29) Spend	2021/22 Year9 (2029/30) Spend	2021/22 Year10 (2030/31) Spend
HFE Asbestos Removal and Insulation	Capex	1,432,100	0	0	0	0	0	0	0	0	0
Building & Ground Renewals	Renewal	92,657	125,169	105,886	74,552	88,758	118,793	161,031	143,791	211,201	131,399
	Total	1,524,757	125,169	105,886	74,552	88,758	118,793	161,031	143,791	211,201	131,399
Building Maintenance Costs	Opex	47,620	47,620	47,620	47,620	47,620	47,620	47,620	47,620	47,620	47,620




2.3.8 – Category 8 – Investment Property

The properties listed in the Taupo Investments category generally provide adequate accommodation to Council’s needs in office and depot uses, and also for rental accommodation and investment purposes.



These properties include commercial and residential property

Council Commercial Property:

Asset	Asset Replacement Value	Capital	Picture
11 Manuka Street (Taupō Family Centre – was the Therapy Centre)	\$417,600		 <p>Built as part of the old Borough Council Depot in the late eighties. Concrete masonry construction. Colour steel roof office accommodation. Modified to establish 2 new lease units and create own title. (Unit 1 Archive Centre) Information team have now moved all files and artefacts into this building and there is a business case for Gas and Fire Suppression being submitted for this LTP to ensure the environment is such that files are kept safe. Condition of components assessed in SPM indicate that this building is in very good condition</p>
129 Spa Road (Waiora House)	\$3,960,500		 <p>Main building was demolished in 2019 due to identified friable asbestos. The remaining buildings (Tauhara and Ruapehu Wings) and two smaller associated site assets are in good condition and continue to be used by the community. Submission for replacement building forms part of this LTP.</p>
246 Spa Road (Venture Centre)	\$1,626,600		 <p>Industrial use buildings/sheds constructed of steel framing and corrugated steel cladding & roofing, converted in early 80’s for purpose of accommodating new Taupo businesses. Currently being used by a mix of council operations business and local small businesses ie: fruit n veg stall; cadets etc Components are assessed as very good condition with gates/fencing assessed as in moderate condition</p>

<p>14 Rauhoto St</p>	<p>\$2,597,500</p>	 <p>Currently leased to Chris Jolly Boats - Booking office is a house converted to office accommodation for tourist industry use approx. 2009. Light timber frame construction.</p> <p>The boat shed was built approx. 2008. It is an industrial use building constructed of steel framing and corrugated steel cladding & roofing.</p> <p>Taupō Coast Guard lease part of the property and have their own building. Buildings are in very good condition.</p>
<p>Tongariro St (Taupō I-Site)</p>	<p>\$1,460,000</p>	 <p>Built 1991 and extended approx. 2006.</p> <p>Purpose designed for Visitor Centre use, recently merged and realigned to deliver both visitor information and customer services for the Council.</p> <p>Concrete, steel, timber & glass construction, the overall condition of the Taupo Visitor Centre is very good, with over 90% of components assessed as being in excellent and/or very good condition. A small proportion of components are in moderate (2%) condition and poor (2%) condition which relates to exterior roof paint finish.</p>
<p>Turangi I-Site</p>	<p>\$1,086,000</p>	 <p>Built approx. mid 1980 to 1990.</p> <p>Purpose designed for visitor centre use. Brick, & light timber framed with colour steel roofing. As per Taupo, recently merged and realigned to deliver both visitor information and customer services for the Council.</p> <p>In 2017 the building was refurbished (painting, carpets, air conditioning, lights, toilets) and Volcanic Activity Centre are currently leasing 70% of the building. The roof was replaced in 2019.</p> <p>The overall condition of the Turangi Visitors Centre is good, with over 90% of components assessed as being in excellent and/or very good condition and 5% in good condition.</p>
<p>Motorcamps</p>		<p>The facilities team are also responsible for the ground renewals associated within the boundary of the leased Turangi Holiday Motor Camp. There is a renewal budget (shown below) for this which relates mostly to chip seal and some boundary fencing.</p>
<p>Total Value</p>	<p>\$11,148,200</p>	

Councils Residential Property

Asset	Asset Replacement Value	Capital	Picture
130 Broadlands Rd (Taupō Landfill House)	\$402,300		 <p>Light timber frame and steel roof construction</p> <p>The last condition survey in 2016 showed that this house is in very good condition with 84% of components assessed as excellent and/or very good. Currently tenanted</p>
9 Delany Drive, (Owen Delany Park House)	\$549,800		 <p>Light timber frame and steel roof construction</p> <p>This house is in very good condition with 85% of components assessed as excellent and/or very good. Some paint finishes show as moderate to poor condition. Currently tenanted</p>
	\$952,100		

The anticipated (controllable) cost of maintenance excluding depreciation, overheads and finance costs for the ten years from 2021 to 2031 is shown in the following table:

Project Description	Capex / Renewal	2021/22 Spend	2021/22 Year2 (2022/23) Spend	2021/22 Year3 (2023/24) Spend	2021/22 Year4 (2024/25) Spend	2021/22 Year5 (2025/26) Spend	2021/22 Year6 (2026/27) Spend	2021/22 Year7 (2027/28) Spend	2021/22 Year8 (2028/29) Spend	2021/22 Year9 (2029/30) Spend	2021/22 Year10 (2030/31) Spend
Waiora House	Capex	3,250,000	2,650,000	0	0	0	0	0	0	0	0
Venture Centre Storage	Capex	9,100	0	0	0	0	0	0	0	0	0
Building & Ground Renewals	Renewals	130,198	35,739	194,267	142,617	154,995	201,887	140,343	150,674	129,836	224,141
	Total	3,389,298	2,685,739	194,267	142,617	154,995	201,887	140,343	150,674	129,836	224,141
Building Maintenance Costs	Opex	33,280	33,280	33,280	33,280	33,280	33,280	33,280	33,280	33,280	33,280



Project	2021/22 Spend	2021/22 Year2 (2022/23) Spend	2021/22 Year3 (2023/24) Spend	2021/22 Year4 (2024/25) Spend	2021/22 Year5 (2025/26) Spend	2021/22 Year6 (2026/27) Spend	2021/22 Year7 (2027/28) Spend	2021/22 Year8 (2028/29) Spend	2021/22 Year9 (2029/30) Spend	2021/22 Year10 (2030/31) Spend
Grounds Renewals (motorcamp)	75,636	15,435	0	100,760	0	26,796	15,435	0	0	0

2.3.9 Category 9 – Administration Property

Council own a number of buildings for administration and operations staff. These include offices, depots and Civil Defence sheds based at Owen Delany Park. There is also a building in Manuka St which houses council archives.

Asset	Asset Replacement Value	Picture
<p>9 Rifle Range Rd Prefab compound</p>	<p>\$2,836,000</p>	 <p>In 2017 an asbestos survey identified friable asbestos existing within the main administration building on the corner of 72 Lake Terrace. As a result the entire building was demolished and staff relocated to 9 Rifle Range Road as well as various leased office spaces around Taupo town.</p> <p>The adjacent property at 9 Rifle Range Road, was purchased in the mid-eighties, and Blocks 1 & 2 were established on this site in 1989. These comprised of the former Borough Council office buildings, relocated from Story Place. The buildings are in very good condition and currently being used for office space.</p> <p>As of Dec 2020 – the land and associated prefab buildings have sold with council needing to move out by 2022.</p>
<p>Taupo Depot 40 Manuka St, Taupo</p>	<p>\$4,959,000</p>	 <p>Purchased in 2017 this relatively new complex accommodates the Parks and Reserves Teams and comprises office, staff kitchen, workshops, storage and parking spaces for this large team.</p> <p>The building/s are listed in SPM as in excellent and / or very good condition.</p>
<p>Turangi Service Delivery</p>	<p>\$1,464,000</p>	 <p>The building was established for municipal administration purposes by government during the mid 1960's when Turangi was the base for construction forces on the Tongariro Power Development project. It currently accommodates Council's board room and the Turangi Community Room/s. In 2017 Council agreed to the co location of the Dept of Conservation (Turangi) based staff. DOC paid for the refurbishment</p>

		<p>costs as part of the agreement and now currently lease up to 80% of the office space. The lease is 2 x ROR for with final expiry 21 January 2023.</p> <p>As a result of the upgrade, the overall condition of the Turangi Service Centre is very good. In Dec 2020 council staff relocated to the Turangi iSite to deliver both visitor and council services to Turangi.</p> <p>Council chambers are still in use within the building.</p>
Turangi Depot	\$203,000	 <p>Government property handed over to Council for Municipal Depot purposes in 1980 (approx.) Portal Framed & timber construction</p> <p>This building is in a deteriorating state and needs remedial repairs. Refurbishment funding forms part of this LTP.</p>
Omori Depot	\$359,900	 <p>Complex includes miscellaneous staff administration and amenity buildings and associated services. Fire Service leases part of the building for local volunteer fire brigade services.</p> <p>SPM is currently reporting this building is in very good condition with components assessed as in poor condition include the carpet in office and oven in staff kitchen due for replacement.</p>
Civil Defence Sheds	\$448,200	 <p>The sheds are located at Owen Delany Park and store both machinery and resources for emergency response.</p> <p>These sheds are assessed in SPM as being in very good condition with timber side and rear doors assessed as moderate condition</p> <p>The burglar alarm will be replaced/upgraded in 20/21</p>
Archive Centre 11 Manuka St Taupo	\$1,566,200	<p>This building is shared with a tenant as noted earlier. This half of the building has been renovated to house artefacts and historical information for the Taupō District Council. It is currently listed in SPM as in excellent condition. To meet archive regulations, funding is being sought to install a new gas suppression system as part of this LTP</p>

<p>Mangakino Service Delivery & Library</p>	<p>\$1,498,700</p>	 <p>The Mangakino Pouakani Service Delivery Centre shares premises with the Mangakino Library and is located in the Mangakino Shopping Centre. The building was originally the old Mangakino Cinema which in the early nineties was reduced in size and underwent major modifications to achieve premises for the service centre and library accommodation. During year 2010 the building was again modified to improve the facility. Heating & lighting in the library area was upgraded in 2020.</p> <p>The building is in very good condition overall.</p>
<p>Mangakino Depot</p>	<p>\$1,247,500</p>	 <p>Canteen Office, Mangakino</p> <p>The age of these buildings are believed to be circa 1920s. The condition of the component's listed in SPM are shown as:</p> <p>Dept Machinery Store – 57% of components assessed as in very good condition; 23% in good condition and 20% in poor condition of which is mostly external paint finishes & downpipes</p> <p>Canteen office – very good condition</p> <p>Vehicle Store building – good condition</p> <p>There are two other buildings at this location: Toilet Block and sign storage shed which have been surveyed for asbestos.</p> <p>The Toilet Block tested positive for Chrysotile in the electrical board.</p> <p>The Sign Storage shed tested positive for chrysotile & amosite in the external cladding, electrical board, wall lining and chimney vent.</p> <p>As both of these buildings are in a dilapidated state and have no further operational use – these buildings will be demolished in 2021.</p>
<p>Total</p>	<p>\$14,582,500</p>	

The anticipated (controllable) cost of maintenance excluding depreciation, overheads and finance costs for the ten years from 2021 to 2031 is shown in the following table:


Planned Capex / Renewal / Opex Expenditure: Support Services/Administration:


Project Description	Capex / Renewal	2021/22 Spend	2021/22 Year2 (2022/23) Spend	2021/22 Year3 (2023/24) Spend	2021/22 Year4 (2024/25) Spend	2021/22 Year5 (2025/26) Spend	2021/22 Year6 (2026/27) Spend	2021/22 Year7 (2027/28) Spend	2021/22 Year8 (2028/29) Spend	2021/22 Year9 (2029/30) Spend	2021/22 Year10 (2030/31) Spend
Turangi Depot Refurbishment	Capex	44,000	251,000	0	0	0	0	0	0	0	0
Fire Detection & Gas Suppression System for Archives	Capex	118,505	0	0	0	0	0	0	0	0	0
New Administration Building - Fitout of potential leased new building	Capex	0	0	0	3,500,000	0	0	0	0	0	0
Building & Ground Renewals	Renewal	66,820	77,144	116,974	50,796	96,433	130,964	116,291	233,844	145,271	138,342
	Total	229,325	328,144	116,974	3,550,796	96,433	130,964	116,291	233,844	145,271	138,342
Building Maintenance Costs	Opex	173,650	165,210	153,770	153,770	153,770	153,770	153,770	153,770	153,770	153,770

4.2.10 Category 10 – Other Facilities

Council own and operate other facilities around the district that do not fall under the above categories.

This covers the various public conveniences around Taupo and the surrounding district as well as the Owen Delany Park Grandstand. Whilst Parks and Reserves staff are responsible for the general day to day maintenance of these buildings – Facilities/Property staff are responsible for the upkeep of the actual buildings; ie: painting, reroofing, upgrades etc. Both teams work together closely to ensure these facilities are maintained to the required service level and meet the needs of the community.

Asset	Asset Replacement Value	Capital Picture
Public Conveniences (Incl Superloo)	\$12,354,700	 <p>Council own 57 and maintain 62 toilet blocks around the district.</p> <p>The majority of these are concrete block that are low maintenance. These are mostly maintained by council Parks and Reserves staff.</p> <p>The Superloo is the largest public convenience and is located in the CBD. This collects revenue and is permanently manned by Parks and Reserves staff.</p> <p>In addition, council maintain operating lease on one of the public toilets and there is an additional four operating under a partnership agreement ie: Suncourt toilets are maintained by council but owned by private landlord. Further details on these can be found within the Parks and Reserves Public Toilet Plan document.</p> <p>Planned Renewal Expenditure: \$1,223,714 over the next 10 years. This includes general building maintenance ie: painting, repairs, upgrades to fixtures (new toilet pans etc).</p>

<p>Owen Delany Park Grandstand Venue</p>	<p>\$8,709,300</p>	 <p>This facility includes the grandstand with covered seating for 980 and 770 uncovered seats, changerooms, toilets and shower rooms, first aid room, referees rooms, storerooms, clubroom, caretakers office, corporate lounge/meeting room and public toilets. The is a recent addition of 7 media box rooms at the back of the main grandstand. Construction is colorsteel roof cladding, concrete block, fibrolite and metal clad walls, aluminium and timber joinery, paint finishes. Overall the facility is in maintained in good enough condition and hosts corporate groups on a regular basis.</p> <p>There is an approved in principal business case of \$3.3m (in Y3 of the LTP) to upgrade floodlighting, digital screens, PA system, change rooms upgrades and landscaping to allow for high profile games (ie: womens FIFA world cup, Jack Hobbs U19s and other various rugby events, cricket, concerts etc)</p> <p>Planned Renewal Expenditure: \$1.7m over the next 10 years for general maintenance and upkeep of this facility</p>
<p>Kinloch Golf Course – clubhouse & machinery shed</p>	<p>\$405,600</p>	<p>The clubhouse and machinery shed located on the Kinloch Golf Course is in mostly good condition.</p>

2.4 Summary of Capex Projects 2021 – 2031:

Project	Why	Total Funding Requested	Driver
<p>Cat. 1: Safer Communities Additional CCTV Cameras for CBD</p>	<p>To meet contractual agreement with NZ Police to fund this annually</p>	<p>\$20,000</p>	<p>Public H&S</p>
<p>Cat 2: Regulatory Services Dog Pound Facility Refurbishment</p>	<p>To meet legislative requirements around containment of diseases like Parvo.</p>	<p>\$351,550</p>	<p>Legislative Compliance</p>
<p>Cat 3: Venues AC Baths – Floor scrubbing machine, Portable Disability</p>	<p>To improve LOS around public H&S</p>	<p>\$42,250</p>	<p>Public H&S</p>

<p>hoist for pool, Hi Level viewing chairs</p> <p>Taupo Events Centre – Accessibility Ramp, Digital Display Board</p> <p>Turangi Pools – Install sun shades for BBQ area, Portable Disability Hoist</p> <p>Great Lake Centre – Upgrade foyer sound system, POS upgrade, Theatre lighting upgrade</p>	<p>Maintaining LOS</p> <p>Maintaining and / or improving LOS, Public H&S</p> <p>Maintaining and/or improving LOS</p>	<p>\$100,000</p> <p>\$23,100</p> <p>\$42,000</p>	<p>Public H&S</p> <p>Maintaining and/or improving LOS</p> <p>Maintaining and/or improving LOS</p>
<p>Cat 4: Public Libraries –</p> <p>Library books, TV Screens, Digitisation of local history, external signage</p>	<p>Maintaining and/or improving LOS</p>	<p>\$3,241,500</p>	<p>Maintaining and/or improving LOS</p>
<p>Cat 5: Museum –</p> <p>Shelving for artefacts, environment monitoring equipment, Goldie Artwork display</p>	<p>Maintaining and/or improving LOS</p> <p>New displays for public viewing</p>	<p>\$42,655</p>	<p>Maintaining and/or improving LOS</p>
<p>Cat 6: Community Halls/Venues –</p> <p>New Event Centre in Turangi</p>	<p>Maintaining and/or improving LOS</p> <p>Placemaking</p>	<p>\$15,000,000</p>	<p>Maintaining and/or improving LOS</p>
<p>Cat 7: Social Housing –</p> <p>Remove asbestos, remedial work, upgrade for healthier homes incl insulation and extractor fans</p>	<p>Public H&S</p> <p>Maintaining and/or improving LOS</p>	<p>\$1,432,100</p>	<p>Public H&S</p>
<p>Cat 8: Investment Property –</p>			

<p>Waiora House – new community facility</p> <p>Venture Centre – upgrade storage facility for artefacts from museum</p>	<p>Maintaining and/or improving LOS</p> <p>Maintaining and/or improving LOS</p>	<p>\$5,900,000</p> <p>\$9,100</p>	<p>Placemaking</p> <p>Maintaining and/or improving LOS</p>
<p>Cat 9: Administration Property –</p> <p>Archives Building – Fire detection & gas suppression system</p> <p>Turangi Depot - Refurbishment</p> <p>New Admin Building – fit out of potential new admin building</p>	<p>Legislation requirements</p> <p>Staff H&S</p> <p>Placemaking</p>	<p>\$118,505</p> <p>\$295,000</p> <p>\$3,500,000</p>	<p>Legislative Compliance</p> <p>Maintaining and/or improving LOS</p> <p>Placemaking</p>
<p>Cat 10: Other Facilities</p> <p>ODP Grandstand – upgrade of floodlights, digital screens, PA System, landscaping</p>	<p>Placemaking</p>	<p>\$3,365,000</p>	<p>Maintaining and/or improving LOS</p>

Section 3 – LEVELS OF SERVICE

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3.1 Introduction

One of the main purposes of Local Authorities under the LGA 2002 is “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 household and businesses”. The “level of service” is a statement of how Council intends to provide local infrastructure, public services and regulatory functions. Simply put, a level of service is what the organisation intends to deliver. Defining levels of service and performance measures for key activities ensures that Council can measure performance towards achieving outcomes and can identify where shortfalls are occurring.

A key objective of this Property AMP is to identify the level of service provided by property & assets, to compare this with the expectations of customers, and identify any gaps. This requires a clear understanding of customers’ needs, expectations and preferences. It also requires knowledge of Council’s current level of service, and the cost implications of any changes.

The levels of service defined in this AMP will be used:

- to inform customers of the proposed type and level of service to be offered
- to enable customers to assess suitability, affordability and equity of the services offered
- as a focus for the AM tactics proposed to deliver the required level of service
- to measure the effectiveness of this AM plan
- to identify the costs and benefits of the services offered

Key stakeholders & customers of Council’s property assets are described in the Introduction Section 1.2 "Key Stakeholders". Many stakeholder groups will have different and sometimes conflicting expectations of levels of service. These expectations need to be managed to reduce conflict and unnecessary cost to ratepayers.

The target levels of service for property assets are based on:

Community Outcomes	These are a statement of strategic objectives that provide high level guidance for the scope of current and future services, manner of service delivery and definition of levels of service.
Customer Expectations	Information gained from customers on expected quality and price of services.
Statutory Requirements	Legislation, regulations, environmental standards and Council By-laws that impact on the way assets are managed (i.e.: resource consents, building regulations, health and safety legislation). These requirements set the minimum level of service to be provided.
Strategic and Corporate Goals	Provide guidelines for the scope of current and future services offered and manner of service delivery, and define specific levels of service which the organisation wishes to achieve. As documented in the TDC Asset Management System.
Industry standards	The levels of service that other local authorities are providing. NZRA provides Levels of Service guidelines in its Parks Categories and Levels of Service publication (June 2011)
Reserve Management Plans	Reserve management plans are a form of agreement between the reserve administering body and the community about how parks are maintained, used, protected, preserved, enjoyed and developed.

Performance Measures:

Performance measures are the means for determining whether or not the levels of service are actually being delivered and received by customers. There are two types of performance measure, technical and customer. Technical performance measures relate to the outputs the organisation delivers. Customer performance measures relate to how the customer receives or experiences the service.

Performance targets define the desired level of performance against each measure. Targets for the next ten years aim to maintain the current level of service in most cases.

3.2 Property Assets and Services

Activities and Services:

The key activities and services provided by the assets covered in this Property AMP are

- CCB CCTV
- Dog Pounds
- Venues
- Libraries
- Museum
- Community Halls
- Social Housing
- Investment Property
- Camp Grounds
- Administration Properties

Significant Services:

The significant services or activities that are provided by the Property assets are those that contribute to the achievement of community outcomes and the health and wellbeing of the Taupo District. These are housing for the elderly, public venues to host both regular on-going community and high profile events ie sporting, recreational, art, culture, concerts, community activities etc..., councils administrations services in three districts and civil defence response.

3.3 Property Standards

The Property Standards By-law sets minimum standards to ensure that property owners' maintain their properties. These standards are put in place to protect the health and safety of occupants as well as the general public. The Property Standards By-law addresses the physical building itself, and areas on and around the land or property.

All property owners must maintain and repair the interior and exterior of their property in accordance with the standards of the By-law. The Property Standards By-law covers a large number of subject areas. A few areas include:

- Exterior of Buildings, Structures, Fences and Retaining Walls
- Stairways, Landings, Balconies and Porches
- Floors, Ceilings and Walls
- Plumping
- Electrical
- Lighting
- Doors and Windows
- Pests

Technical (asset/product related) measures, which relate to the outputs the customer receives in terms of:

Quality, capacity, quantity, environment impacts, availability, cost/affordability, legislative requirements, comfort, maintainability, safety & reliability and performance.

Service Quality (service process related) measures, which relate to how the customer receives the service in terms of:

- Tangibles (information sheets etc)
- Responsiveness
- Courtesy
- Empathy (understanding, individual attention)
- Assurance (knowledge, courtesy, trust, confidence)

The levels of service stated in Table 5.4 are “why we build new assets”. These are thresholds which warrant the creation of a new asset in order to maintain an optimum level of service for the asset.

3.4 Current Levels of Service

TDC Property Department - Service Level Target Options

The following are specific TDC Property Department targets. All common TDC organisational targets are to be measured via a separate process.

Target No.	Service Level Target Description	Service Level Target Measure
	Timely Service:	
1	Time taken to complete an approved work request (timings for different priority jobs) Priority 1: Priority 2:	Priority 1: within 1 working day of notification Priority 2: within 5 working days of notification
2	Urgent repair work actioned	Within 4 hours of notification
	Availability:	
3	Key buildings remain open and available for normal functions (Excludes planned maintenance / project events).	>95% annually
4	Assist to raise the utilisation levels of key buildings	Meet building utilisation targets
	Compliance:	
5	All building BWOF's current.	100% compliance required
6	All BWOF non-compliances	Actioned within 5 working days of formal notification.
	Asset Management:	
7	At the completion of all work, appropriate information is to be made available for entry into SPM.	Within 5 working days of completion of work.
8	All building condition assessments are completed within scheduled time period	100% compliance required
9	The building data in SPM is kept to a high standard.	Incorrect data be updated within 5 working days of identification.
10	All new data is to be entered into SPM in a timely manner.	Within 5 working days of receiving it in the Facilities Office.
11	All identified future projects are to be documented for review and allocation into the forward long term planning module. No surprises!!!	100% compliance required
12	Maximum percentage of assets below predefined condition	>90% target
	Project Management:	
13	All assigned projects are to be completed, on time, to budget and within the agreed quality levels.	100% compliance required
14	All project variations are to be managed promptly. Variation details documented and additional funding approved prior to variation work commencing.	100% compliance required
	Contract Management:	
15	Limited Variations	No more than 15% of agreed price
16	Performance Management	100% compliance

3.5 Changes to Current Levels of Service

In most cases, current level of service performance is satisfactory. Performance targets therefore aim to maintain the status quo for the next ten years to avoid increases in expenditure.

3.6 Links to Projects

Maintain Current Levels of Service:

The following projects have been identified as being required to maintain current levels of service

Safer Communities	Project	Driver
Taupō CCTV CBD	Renewal / Upgrade & additional CCTV Cameras & Equipment in the CBD & Spa Park	Maintain Current LOS and a Safety Tool for the Community
Turangi CCTV CBD	Renewal & Upgrade of CCTV Cameras & Equipment	Maintain Current LOS and a Safety Tool for the Community
Venues	Project	Driver
Venue wide	Renewal of building assets, particularly building compliance plant & equipment components and units under the building Act i.e. automatic doors, fire systems, controlled access, lifts, backflow preventers	Maintain Current LOS, Building Compliance & Health & Safety
	Renewal of building assets for Health & Safety for employees and visitors ie building alarms, CCTV	Maintain Current LOS and Health & Safety
	Renew painting internal & external for (identified) buildings including roofs and ground structures ie fences, carparks resurfacing	Maintain Current LOS & Integrity of Building
	Replace and/or reseal surfaces / floorings (identified) due to age & wear & tear, particularly high visitors to public buildings	Maintain Current LOS
	Roof Maintenance repair & replace when required	Maintain Current LOS & Building Integrity
Venue wide	Renewal of CCTV cameras & equipment as required Extensive HVAC replacement programme in all venues	Maintain Current LOS
Community Hall	Project	Driver
District Wide	General building & ground renewals that can include: internal & external painting, minor work, repairs/replace roofs, guttering, spouting, vinyl & carpet, replace equipment/chattels ie: ovens, showers, toilets etc, as required and determined by SPM lifecycle reports. Includes HVAC upgrade programme	Maintain Current LOS & Health & Safety
Social Housing	Project	Driver
District Wide	General building & ground renewals that can include: internal & external painting, minor work, repairs/replace roofs, guttering, spouting, vinyl & carpet, replace equipment/chattels ie: ovens, showers, toilets etc, as required and determined by SPM lifecycle reports	Maintain Current LOS
Investment Property	Project	Driver
Commercial Property (including I-Sites)	General building & ground renewals that can include: internal & external painting, minor work, repairs/replace roofs, guttering, spouting, vinyl & carpet, replace equipment/chattels ie: ovens, showers, toilets etc, as required and determined by SPM lifecycle reports. Includes HVAC upgrade programme	Maintain Current LOS, Building Compliance & Health & Safety
Administration Property	Project	Driver
District Wide Administration Buildings, Service Centres, Depots, Civil Defence Buildings	General building & ground renewals that can include: internal & external painting, minor work, repairs/replace roofs, guttering, spouting, vinyl & carpet, replace equipment/chattels ie: ovens, showers, toilets etc, as required and determined by SPM lifecycle reports. Includes HVAC upgrade programme	Maintain Current LOS, Building Compliance & Health & Safety
Turangi	Refurbishment / upgrade of the Parks Depot due to deteriorating condition	Maintain Current LOS, Building Compliance & Health & Safety

Improved Level of Service:

The following projects are expected to provide an improvement over current levels of service:

Dog Pounds	Project	Driver
Taupō	Refurbishment of Dog Pound building and kennels to meet regulatory requirements with Parvo and other diseases	Improve Current LOS, Compliance & Regulations
Venues	Project	Driver
Taupō Events Centre	New ramp from carpark for easier disable access	Improve Current LOS & building compliance
Owen Delany Park	Upgrade to flood lighting	Improve current LOS and meet customer demand
Community Hall	Project	Driver
Turangi	Construction of new fit for purpose, multi purpose 2 court indoor recreation / events centre to replace existing ageing facilities	Improve current LOS & Health & Safety, meet customer demands
Social Housing	Project	Driver
Taupo	Asbestos removal, seismic repairs, reroof, insulation and all associated remedial work to make good – this is for units located within the Rifle Range Rd/Konini St units and some work at the Mangakino units	Improve current LOS & Health & Safety
Investment Property	Project	Driver
Venture Centre	Fitout of the storage unit to safely and securely house oversized and less fragile museum artefacts	Improve Current LOS
Archive Building	Install new fire detection & gas suppression system to ensure safe and ongoing protection of archive records & artefacts	Improve Current LOS, Compliance & Regulations
Waiora House	Re-establish building to house health services to the community after original building was demolished due to asbestos	Improve current LOS and meet community needs
Administration Property	Project	Driver
Taupo	Fitout of anticipated new administration building (leased)	Improve Current LOS

3.7 Consultation

A level of service consultation has not been undertaken as part of this preparation of the 2021 - 2031 LTP. Further consideration to consult will occur when Council begins the process

Section 4 – FUTURE DEMAND

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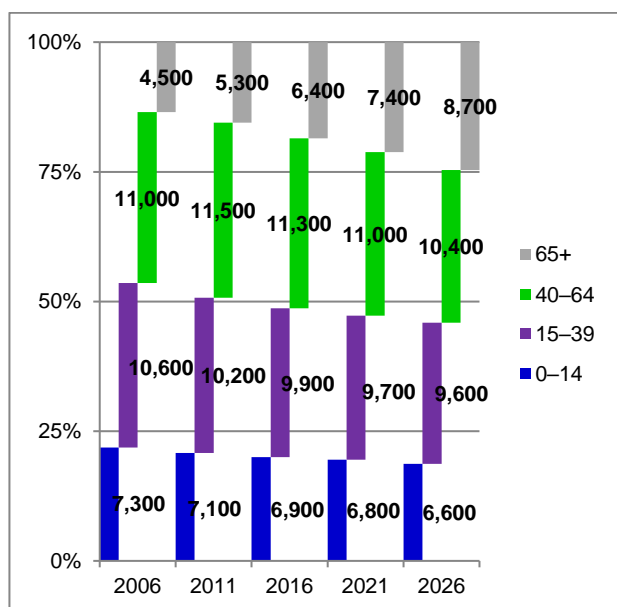


4.1 Factors Affecting Demand

There are a number of factors that influence demand for the property assets within the Taupo District.

4.1.1 Population Demographics:

The population is projected to age substantially from now on. By 2026 more than half the population will be over 40, and a quarter will be over 65. Because people over 40 are much more likely to die than to give birth, the population is projected to increase by only 1000 over the next ten years. All of this increase is expected to be in the over 65 age group, with all other age groups projected to decline in numbers. This is expected to increase demand for building assets such as facilities to run and host events, conference, recreation & leisure activities ie fitness centers with cafes and social housing for the elderly and support for community services facilities eg Waiora House. By the same token, the demand for libraries and museums is expected to change to meet the need of the majority age group with modern technology verses the traditional paper copies ie touch screen computers to search and issue books, e-books, interaction equipment to allow a hands on approach to experience history or art.



Taupo District Population projections by age

4.1.2 Population Growth and Mortality

As populations increase with natural growth and immigration, increasing pressures are placed on existing assets and new assets may need to be created to cater for the growth population. Development contributions provide the funding for asset development that is required for growth purposes.

Mortality rates (deaths per 1000 population) have an influence on the requirement for cemetery and cremation services. Although the population is ageing, improved health means that mortality is not increasing at the same rate.

4.1.3 Use of Facilities

Some assets provided by Taupo District Council for visitors support the use of adjoining lands and facilities particularly large scale events that use the district eg around the lake relay, cycle challenge, iron man, Oxfam etc... The influx for visitors presents the challenge of being able to host 1000's & sometimes 10,000's of people in one area to cater for all aspects of the event ie corporate sponsors, merchandise sales, headquarters, equipment racking, collections etc. This is only made possible with the use of the reserves & grounds in and around the hosting facilities. Additional expectations such as parking areas and public conveniences are often used more by visitors than by local residents and ratepayers and in some venues due to the building structure additional toilets are required as this is not available at the venue. As visitors to these town & venues for events increases, so does demand for supporting venues. Although this places additional stresses on Taupo ratepayers to fund these supporting venues, there are often economic benefits in terms of increased local business activity.

4.1.4 Tourism and Events

As Taupo markets itself as a visitor and event destination, the increasing numbers of visitors place a higher demand on property assets than the usually resident population. Visitors may also have higher expectations than residents as they often have experience of facilities in other areas

4.1.5 Holiday Season Population Fluctuations

The Taupo District has a comparatively high proportion (31.5%) of unoccupied dwellings reflecting its nature as a holiday destination with a large number of baches. This means that during holiday period the population increases significantly. The 2013 census indicates that the Taupo District has a population of 32,910. However, the number of people staying in the Taupo district during the peak tourism season of the Christmas/New Year school holiday period has been estimated to be 1.68 times that number. There is a demand for property assets in some areas to accommodate this increased holiday population even though they are unused for the remainder of the year. This applies particularly to pools, events & conference centres, libraries, museum and community venues ie halls

4.1.6 Leisure Trends

Trends in leisure activities are continually changing, affecting the demand for existing and new assets. For example, pools are expected to be able to cater for a wide range of activities in a limited space eg lanes for swimming, leisure pool to relax, kids play area, café, sauna and/or spa, activity for older kids ie inflatable, hot pools & rooms, fitness centre, fitness classes, programmes etc... The 'one stop' shop approach to add value and convenience for the customer. The changing demands of an ageing population need to be taken into account as people are generally living longer and remaining more active

4.1.7 Climate and Weather

The Taupo climate can be extreme with cold wet winters and hot dry summers. As users of sporting facilities become more time poor, the demand increases for indoor facilities that can be used in any weather. The increase for more indoor facilities for sport users is on going due to the facilities demand to be multifunctional creates frustration with both the regular & events users as they are both demanding the same space. This ultimately affects the ability to manage this area to get the best result for community & visitors as there are benefits for both to have indoor facilities so weather does not affect their events.

4.1.8 Customer Expectations

The level of service expected by different members of the community varies considerably. Some have a very high level of expectation about the availability and quality of facilities & venues, and others are less demanding. Demand for assets can be affected by high expectations when there is enough lobbying power and political influence.

Customers are primarily concerned with services and assets such as:

- Affordable & Accessible Facilities & Venues
- Clean and Safe Facilities & Venues
- An infrastructure that supports the venue to host ie parking, toilets, break out rooms
- Suitable sports facilities
- Well maintained buildings & assets

Customer expectations have in many cases increased as the standard of assets have improved, and customers have experienced higher asset quality elsewhere.

4.1.9 Availability of alternatives

If alternatives are readily available, there may be no need for Council to supply assets to meet demand. For instance, Council caters for a number of events, if the Great Lake Centre does not have the capacity to host a large event then Taupo Events Centre will be used as an option.

4.1.10 Quality and Suitability of Existing Assets

If existing assets no longer meet the needs of users, demand will generate a new or improved way to utilise the assets. For this reason it is important to continue to maintain and renew existing assets. Ie: AC Baths complex has got a new reception area, sauna upgrade and new private pools (to be completed 2021) to improve the level of service offered at this venue.

For information on supply of assets, see section 2 - Asset Data

4.2 Demand Management

Demand management is defined as:

“.....the modification of customer demands for services, in order to maximise use of existing assets, or to reduce or defer the need for new assets.”

Customer demand for assets and facilities becomes an issue when it is not met by availability of supply. Where supply is constrained, it becomes necessary to reduce demand and increase the efficiency of use of existing and new assets.

Methods of demand management include changing fee structures, increasing asset or facility availability, increasing asset carrying capacity and spreading peak demand over a wider time period. This can mean changing hours of operation, offering incentives to off-peak use, installing lights to increase use of facilities, changing fee structures, increasing use of alternative facilities, improving capacity of buildings with more toilets and car parking, and changing the timing of maintenance operations. It may also mean that during peak periods demand is unmet.

4.2.1 Fees and Charges

Fee structures can be used to modify demand by making off-peak use more attractive, or some options less attractive. For instance, the venues use a differential fee structures to cater for community & commercial users. This can make bookings for events by locals a more attractive option.

At present the funding policy in the 10YP from fees and charges for buildings varies significantly. These include ‘peppercorn’ leases to 30/70 funding for Taupo Events Centre. The remainder of funding for assets covered by this AMP is from rates. Any changes in fee structures would need to work within this funding policy.

4.2.2 Increased Availability

This can be achieved by increasing opening hours to achieve better use of a facility. The increased use is often offset by increased operating costs for additional power and after hours management. There is also a risk that increasing the availability of facilities will result in increased wear and tear, and increased risk of intentional damage.

Programmed maintenance for buildings falls into this category, with Council retaining the ability to close venues or facilities for use when maintenance is due. Maintenance generally happens based on the lifecycle of the asset or close enough to the end of the lifecycle to avoid multiple closures of different areas.

4.2.3 Use of Alternatives

This can include erecting temporary structures to accommodate the events, especially annual events like marques for Iron Man at the Great Lake Centre, Sika Trade Show at the Taupo Events Centre and other events where the capacity of the building is insufficient for catering for the numbers of visitors. In addition to providing extra space, more public conveniences are required to address the high use during the periods of these events.

Council is privileged to own and operate a number of venues and facilities which are of all different in sizes and in various locations. Council is able to offer alternatives for meetings if the customers first option is not available to another suitable venue or facility in close proximity.

4.2.4 Reduced or Defined Levels of Service

In some cases, it may be appropriate for demand to go unmet. This is in regards to hosting national or international events where the infrastructure is unable to be meet. An example is seating capacity in a theatre or indoor sports stadium where the physical structure is unable to be altered without an expensive capital expense

4.2.5 Non-Asset Based Demand Management Strategies

Non-asset based techniques to manage demand for Property's assets include behavioural changes, policies and rules such as the following:

- Bylaws and legislation (including the District Plan)
- Reserve Management Plans
- Quality standards relating to facilities and features in parks
- Funding agreements with other organisations to provide facilities and services
- Fees and charges e.g. bookings for events, programmes

4.3 Structure Plans and Strategies Related to Growth

In addition to the Taupo District Plan which contains policies and rules to control development, there are other planning documents that relate to growth and demand in relation to property assets. Plans include:

- Taupo District 2050 – Growth Management Strategy (2006)
- Venues Strategy
- Taupo Urban Commercial and Industrial Structure Plan – 2011
- Transport Strategy
- Parks and Reserves Strategy

Asset management plans should be aligned with these strategies and structure plans to ensure that future growth is catered for.

4.4 Growth

4.4.1 Census 2018

Taupō's population has been growing faster than previously estimated. Following the release of the 2018 Census StatsNZ has revised Taupō's 2018 population to 38,300, up from the previous estimate of 37,200. In the year to June 2019 the district's population has increased a further 2.6% to reach 39,300. Growth in health enrolments of 2.7% in the year to September 2019 indicates that the population is continuing to grow rapidly.

The Taupō economy is still growing at a healthy rate, although growth is slowing after a long period of sustained expansion. Infometrics' Quarterly Economic Monitor for the Taupo District states a preliminary estimate of GDP shows the economy expanded by 1.9% in the 12 months to September 2019

4.4.2 Growth Management Strategy

In June 2006 the Council adopted Taupo District 2050 (TD2050), the Growth Management Strategy for the District. The growth management strategy identifies where urban growth is anticipated so that land use and infrastructure planning can be aligned. TD2050 has been incorporated into the District Plan by way of plan changes, particularly Plan Change 21 which identifies the future urban growth areas.

This strategic approach to integrating land use and infrastructure is intended to be supported by subsequent structure planning of the urban growth areas to identify the detailed settlement pattern and infrastructure servicing. Council has prepared structure plans for:

- Kinloch
- Mapara Valley
- South-western Bays Settlements (including Turangi); and
- Commercial and industrial areas within Taupō Township

A growth model was developed based on the anticipated population increase and associated residential lot increases in TD2050. The growth model is reviewed and updated every three years prior to the review of the asset management plans and development of the long term plan. The review of the growth model is based on census data estimates, feedback from developers and analysis of resource consents.

4.4.3 Growth Model

TD2050 provides high level growth projections over large growth areas. For asset management planning it is desirable to have these growth projections in a much more defined area and to have them by year, rather than a 10 year total.

A growth model has been in place since 1 July 2004 when TDC adopted the Development Contributions Policy. The growth model has been reviewed in conjunction with TD2050 and the production of each LTCCP or LTP since this. The growth model was last reviewed in September 2013.

The growth model has been developed in order to predict growth throughout the district and is expressed in Household Equivalent Units (HEU) of demand. This information is firstly split between residential and non-residential growth and then by activity (e.g. water, wastewater etc). The model predicts growth over a 40 year period for all growth areas. Where there is no growth predicted, e.g Mangakino, then this is not included in the model.

In the growth model a HEU is defined as being equivalent to one “average” household unit (based on an average household size of 2.6 people). It was recognised that household units vary throughout the district and that the demands they generate also cover a broad range. However, given the relatively large size of development contribution areas and the implied averaging, the approach was considered appropriate as well as being consistent with the level of detail recognised by the growth model itself.

The growth model that was developed aligned the projected growth with the identified growth areas in TD2050. Since TD2050 was adopted in 2006, there have been changes in the economy and the timing of key infrastructure. These changes impact on the timing of growth so the growth model has been amended to include updated assumptions which reflect available information in 2013.

The changes to the growth figures in 2013 show a reduction in actual growth in the Taupo region compared with anticipated growth. This has resulted in the delay of some growth related projects. The projections are based on actual development numbers and realistic estimates of growth. Due to the current and predicted level of growth within the region, development has been scaled back significantly. Under the DC Policy the cost of growth related infrastructure is the responsibility of the developer. Where growth is overestimated the requirement for capital expenditure is overstated, essentially elevating costs to the ratepayer with limited ability to collect development contributions. If the development does not occur as projected but the project still proceeds, the cost of the growth related capital expenditure is transferred onto the rate payer, therefore ultimately increasing rates.

The total estimated residential yield (urban and rural) for the District over the next LTP 10 year period (2015-2025) is estimated at 711 lots. The majority of this growth is expected to occur in the Taupo urban area and Southern lakeside settlements despite the majority of population growth since 2006 having occurred in rural lifestyle areas and Kinloch.

4.5 Meeting Increased or Changing Demand

Increased demand for property assets is not necessarily growth related, and in a period of slow growth other drivers will have a greater impact. Increased or changing demand can be met by using a number of methods which may have financial implications including;

- Operational and maintenance expenditure
- Capital Expenditure – building new assets
- Other non-asset based methods

4.5.1 Operational Expenditure due to Changes in Demand

There may be a change to the cost to operate or maintain assets due to increased or decreased demand. There will also be increased operations and maintenance where new assets are created to meet. The demand drivers that have the biggest influence on operational and maintenance costs of property assets are tourism and events, climate and weather, community expectations, and the need to maximise the use of existing assets to avoid the need to create new assets.

A reduction in demand does not necessarily lead to a reduction in operation costs as these are often fixed at the level required to operate the asset regardless of use. Maintenance costs will drop with decreased demand and use

however, and assets can be decommissioned at the end of their life rather than being renewed (which lowers the cost of depreciation).

Refer to Table in Section 3.6 for proposed operational projects related to changes in demand.

4.5.2 Capital Expenditure due to Other Demand Drivers

Capital expenditure projects that are not linked to growth have other drivers that are related to both increased demand (see 6.1), legislative compliance, improved efficiency, improved environmental outcomes, economic development and growth, safety and maintaining current levels of service. For a schedule of capital projects and their drivers refer to Section 3.6.

Section 5 – RISK MANAGEMENT

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5.1 Risk Management Process

The risk management process is an integral part of good management practice. It is an iterative process of continuous improvement that is embedded into existing practices or business improvement.

The main elements of the risk management process to be used at Taupo District Council are consistent with the risk management standard AS/NZS ISO 31000:2009. AS/NZS ISO 31000:2009 *Risk Management – Principles and guidelines* is a joint Australia/New Zealand adoption of ISO 31000:2009 and supersedes AS/NZS 4360:2004.

a) Communicate and consult

Communicate and consult with internal and external stakeholders of Council as appropriate at each stage of the risk management process and concerning the process as a whole.

b) Establish the context

Establish the external, internal and risk management context in which the rest of the process will be undertaken. Criteria against which risk will be evaluated should be established and the structure of the analysis defined.

c) Identify risks

Identify where, when, why and how events could prevent, degrade, delay or enhance the achievement of asset's objectives.

d) Analyse risks

Identify and evaluate existing controls. Determine consequences and likelihood and hence the level of risk. This analysis should consider the range of potential consequences and how these could occur.

e) Evaluate risks

Compare estimated levels of risk against pre – established criteria and consider the Balances between potential benefits and adverse outcomes. This enables decisions to be made about the extent and nature of treatments required and about priorities.

f) Treat risks

Develop and implement specific cost effective strategies and action plans for increasing potential benefits and reducing potential costs

g) Monitor and review

It is necessary to monitor the effectiveness of all steps of the risk management process. This is important for continuous improvement. Risks and the effectiveness of treatment measures need to be monitored to ensure changing circumstances do not alter priorities.

5.2 Audit and Risk Committee

In July 2013, Taupo District Council established an Audit and Risk Committee as a committee of Council. The objective of this committee is to provide governance and oversight of the effectiveness of risk management and internal control practices

5.3 Risk Management Charter

In 2013, Taupo District Council adopted a Risk Management Charter (Appendix B). The objectives of the charter are:

- To provide a logical and systematic method for identifying and managing risk within the organization that will assist the organization to meet its goals and objectives efficiently and effectively. This is achieved by aligning key organizational objectives, risks and mitigating controls.
- To minimize losses and maximize opportunities – Risk Management is as much about defining opportunities as avoiding and mitigating losses.
- To improve the decision-making capabilities of frontline staff recognizing that the greatest knowledge and capacity for the management of risk often rests with those who are closest to the action.

The charter is reviewed annually by the Audit and Risk Committee.

5.4 Council Funding for Risk

Council looks to provide funding for disaster recovery through a separate reserve. It appropriates funding each year to a Disaster Recovery Fund reserve to enable access to ready cash in the event of a natural disaster. This is intended to assist reinstatement and to finance any short term needs in the time between any disaster and the recommencement of services.

The TEL Fund was established in September 1995 when TDC sold its investments in Taupo Electricity Ltd and Taupo Generation Ltd. The use of that sale capital and subsequent investment income generated each year are included in Council's Treasury Management Policy. One requirement of that policy is that the portfolio and funds are managed in a manner that reflects their potential utilisation as a disaster recovery fund in the event of a natural disaster within the Taupo district.

With these two funding mechanisms in place Council considers it is prudently but effectively managing the risk of being able to fund both short and long term needs with respect to potential natural disaster and subsequent recovery operations in the district.

5.5 Lifelines Risk Assessment

TDC have completed a Lifelines risk assessment as part of a regional project. This process has identified components that may be vulnerable to seismic, flood or volcanic events and the impact of failure of these assets. The Council's Office Buildings at Rifle Range Road, Turangi & Mangakino Service Delivery Offices contribute significantly towards any Civil Defence Emergency events, and other Council properties are also utilised for additional Civil Defence emergency services. However, while these properties may be used for this purpose, they are not considered as critical assets, as alternatives properties can be used should these assets be rendered unusable.

5.6 Risk Classification Matrices

5.6.1 Likelihood

Likelihood scale for risk based on **ISO 31000:2009** is outlined below:

Level	Descriptor	Damage / Failure Indicative Frequency
A	Almost Certain	Once per year or more frequently
B	Likely	Once every three years
C	Possible	Once every ten years
D	Unlikely	Once every thirty years
E	Rare	Once every 100 years
N	Almost Impossible	Once in 10,000 years

5.6.2 Consequence

A consequence scale as a result of a risk event occurring based on **ISO 31000:2009** is shown below:

Level	Descriptor	Description
5	Catastrophic	Extreme Impact of damage or failure
4	Major	High impact of damage or failure
3	Moderate	Medium impact of damage or failure
2	Minor	Low impact of damage or failure
1	Insignificant	Very little impact of damage or failure
N	Negligible/Nil	Assessment is Nil

5.6.3 Risk Rating Matrix

With both likelihood and consequence scales in place, a qualitative risk analysis matrix can be determined for the level of risk, where the rating legend for the matrix can be summarized as follows:

E = Extreme risk

H = High risk

M = Moderate risk

L = Low risk

N = Negligible risk approaching nil / no risk

Likelihood	Consequence					
	N	1	2	3	4	5
A	N	L	M	H	E	E
B	N	L	M	M	H	E
C	N	L	L	M	M	H
D	N	L	L	L	M	H
E	N	L	L	L	L	M
N	N	N	N	N	N	N

5.7 Summary and Mitigation of Identified Risks

Taupo District Council keep a Top 50 Risks register, which is a summary of the top 50 governance and operational risks for the organisation. The register is kept under review by the Risk and Audit Committee (governance risks) and senior management (operational risks).

The level of mitigation is related to the level of risk. High to extreme risk requires more detailed studies, action plans and management responsibility specifically assigned. Moderate risk is managed by monitoring or response procedures and management responsibility specified.

5.8 Critical Assets

The following property assets are considered to be critical assets as they provide essential services:

- Rifle Range Pre Fab Building – Emergency Operation Centre (EOC), Telemetry Support, Emergency Generator for essential services
- Great Lake Centre – Telemetry Support & Welfare Centre, Emergency Generator
- Taupo Events Centre – Welfare Centre, Emergency Generator

5.9 Property Risk Register

5.9.1 Natural Risks

Asset Risks	The risk: What can happen and how it can happen	The consequences of an event happening		Consequence rating	Likelihood rating	Level of risk
		Consequences	Likelihood			
Earthquake	Properties such as buildings and grounds damaged due to earthquake due to : Poor consolidation of fills	Moderate	Unlikely	3	D	L
	Triggering of land slides/slips	Major	Unlikely	4	D	M
	Fault line vertical or horizontal movement	Major	Unlikely	4	D	M
	Structure failure eg supporting beams resulting flooding, sewage, smoke, dust and electrical fires	Catastrophic	Possible	5	C	H
	Exposure to hazards chemicals & materials caused by movement.	Major	Possible	4	C	M
	Inaccessibility of property via footpath and/or road failure.	Major	Possible	4	C	M
Volcanic Eruption	Access to Properties are blocked or property is damaged due to major volcanic activity	Major	Almost Impossible	4	N	N
Ash fall	Ash fall deposit and build up on Properties and/or surfaces surrounding these, possibly resulting in prevention or hindering of traffic movement to access properties or making property uninhabitable.	Minor	Unlikely	2	D	L
Lahar	Properties are not accessible or uninhabitable	Minor	Unlikely	2	D	L
Flooding	Properties blocked or destroyed due to flooding	Moderate	Possible	3	C	M
Tsunami	Properties damaged due to tsunami	Moderate	Almost impossible	3	N	N
Fire	Properties damaged or blocked due to scrub/bush fire	Moderate	Possible	3	C	M
Lightning	Properties damaged due to power outages	Insignificant	Unlikely	1	D	N

High winds	Properties damaged due to debris (fallen trees and/or power lines) and other objects blown into vehicle paths.	Minor to Moderate (if power lines down)	Likely	2	B	L
Land slide/slip	Properties damaged or destroyed by land slide/slip possible occurring during heavy rain or earthquakes.	Major	Possible	4	C	M
Tomo's	Hazard to users if tomo appears within vicinity of property resulting in possible building closure.	Moderate	Likely	3	B	M
Geothermal activity	Properties damaged or destroyed due to migrating geothermal activity	Moderate	Unlikely	3	D	L
Ice/Snow	Properties inaccessible due to ice and/or snow.	Moderate	Unlikely	3	D	L
Subsidence	Properties damaged or destroyed due to migrating subsidence	Moderate	Likely	3	B	M
Climate change	Global warming may increase the number and intensity of extreme events ie more rainstorms. This may affect the construction timing of projects, material life and usefulness of asset.	Moderate	Likely	3	B	M

5.9.2 External Risks

Assets Risks	The risk: What can happen and how it can happen	The consequences of an event happening Consequences:	The consequences of an event happening Likelihood:	Consequence rating	Likelihood rating	Level of risk
War	Properties destroyed or commandeered	Major	Almost impossible	4	N	N
Terrorism	Properties damaged or destroyed due to terrorist acts	Major	Almost impossible	4	N	N
Protests/Riots	Properties damaged or blocked due to riots	Minor	Unlikely	2	D	L
Vehicle crash(es)	Properties damaged due to vehicle crash	Moderate	Almost certain	3	A	L
Contractual obligations not fulfilled by external parties	Delayed works programme potentially resulting in lost funding opportunity	Minor	Unlikely	2	D	L
Excessive costs to maintain, renew or create assets	Excessively high maintenance and construction costs due to having to import material from outside the district resulting in less work achievable within budget or price of oil.	Minor	Likely	2	B	M
Lack of contractors to	Loss of competitive contract rates and increased contract rates due to having	Minor	Likely	2	B	M

carry out works	to import contractors from outside the district					
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5.9.3 Physical Risks

Assets Risks	The risk: What can happen and how it can happen	The consequences of an event happening Consequences:	The consequences of an event happening Likelihood:	Consequence rating	Likelihood rating	Level of risk
Inadequate design, construction or maintenance of asset	Major failure e.g. building/roof collapse	Major	Rare	4	E	L
Premature asset failure	Failure due to not predicting growth rates accurately	Minor	Possible	2	C	L
Failure of Control Gates	Reopening of original river channel resulting in SH1 and future local roads in the vicinity impassable	Catastrophic	Almost impossible	5	N	N
Failure of underground services	Water mains pipe rupture and create damage to property	Minor	Possible	2	C	L

5.9.4 Operational Risks

Assets Risks	The risk: What can happen and how it can happen	The consequences of an event happening Consequences:	The consequences of an event happening Likelihood:	Consequence rating	Likelihood rating	Level of risk
Legislative non-compliance	E.g. Not obtaining Resource Consent, not abiding by LGA, etc	Moderate	Rare	3	E	L
Failure to identify all assets condition and value	Won't have in place an optimum maintenance or renewal programme and budget. Rating for renewal incorrect	Minor	Possible	2	C	L
Failure to identify asbestos in council owned buildings	Asbestos survey's not undertaken to ensure any identified asbestos is mitigated in a timely manner ensuring general public and staff are safe. Asbestos register not established	Moderate	Possible	3	C	M
Incorrect assessment of financing required to renew or create assets	Over spent budget and/or delayed project completion	Minor	Likely	2	B	M
Community expectation not met	Communities faith and trust of Council lost	Moderate	Likely	3	B	M
Loss of Council reputation	Communities faith and trust of Council lost	Moderate	Likely	3	B	M

Public safety non-compliance	Public safety put at risk	Major	Possible	4	C	M
Loss of electronic data/information on assets	No access to data – potential for work to be delayed	Minor	Almost Certain	2	A	M
	Partial loss of data – data will have to be recollected, and work delayed	Minor	Almost Certain	2	A	M
	Complete loss of data – data will have to be recollected and work significantly delayed	Major	Rare	4	E	L
Loss of Council employees from high staff turnover	Loss of local knowledge, both present and historical	Moderate	Likely	3	B	M
Loss of Government subsidy	Less work being carried out if rates remain the same, thus level of service decreased	Major	Unlikely	4	D	M
	Major rates increase to fulfil works program and maintain level of service	Major	Unlikely	4	D	M
Legislative changes	Legislation change may affect the management of assets could have an affect on the delivery of this plan.	Minor	Unlikely	4	D	M
Political changes	A change to Council's strategic direction could have profound changes on outcomes and projects associated with this plan.	Minor	Unlikely	4	D	M
Lack of Monitoring of Contractors	Contractors are required to be registered with Site Wise and ensure HS&E agreements are in place particularly for working at heights. Project Managers are required to ensure contractors are monitored to ensure safe practices are being carried out whilst working on council owned property	Moderate	Unlikely	3	D	L
Lack of planning for Pandemic	An outbreak of COVID or similar could cause immediate shutdown of buildings, compromising security and staff / public health	Moderate	Possible	3	C	M

5.10 Earthquake Zones

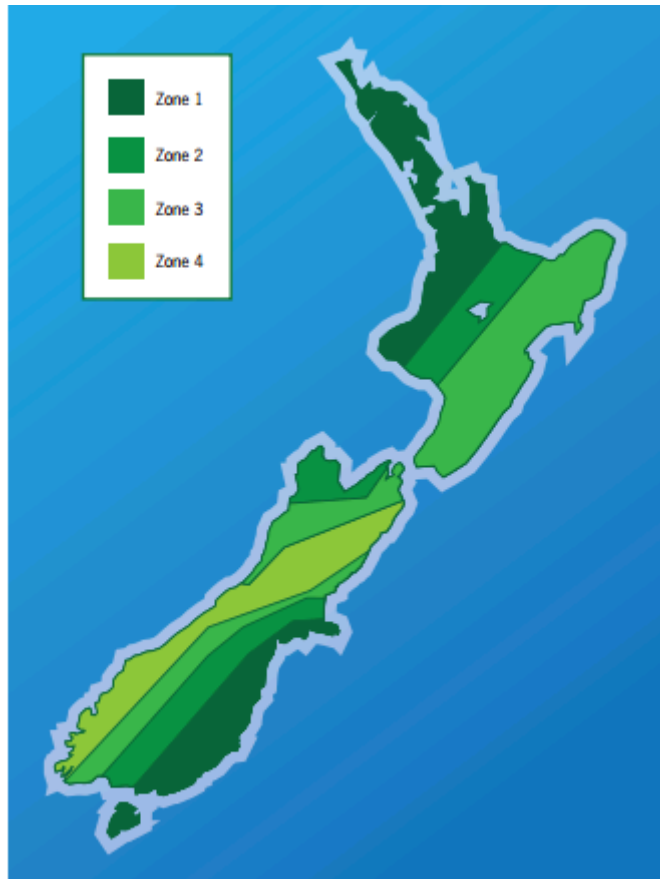


Figure 1: The new earthquake zones. For detailed maps, see NZS 3604:2011 Figure 5.4.

Section 6 – LIFECYCLE MANAGEMENT PLAN

6.1	Introduction	Page 81
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6.1 Introduction

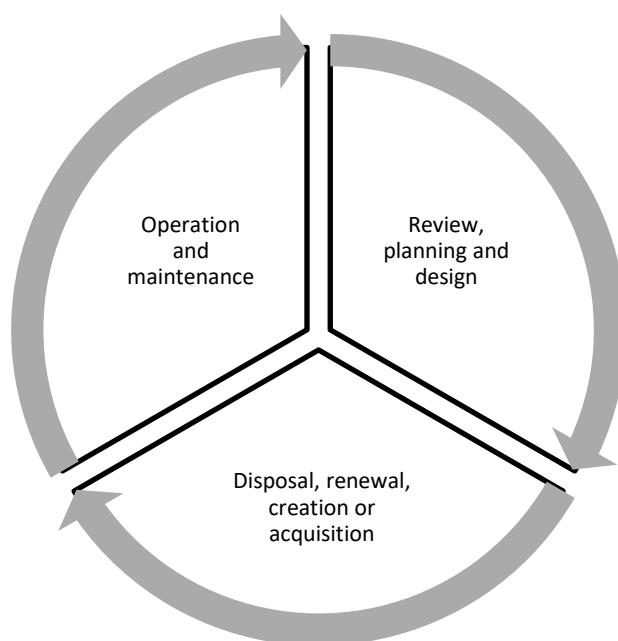
The objective of life cycle management of assets is to meet defined levels of service in a cost effective manner. This section contains life cycle management plans for the asset categories identified in Section 2 – Asset Data. Background data for these assets including asset description, capacity, performance, condition, valuations and financial data is included in Section 2.

A life-cycle management plan is a statement of how we manage these assets for each stage of their life-cycle and includes the funding implications of management decisions.

Asset categories covered in detail in Section 2 include:

- Safer Communities – CBD CCTV & Spa Park CCTV
- Regulatory Services – Dog Pounds
- Venues - Aquatic Centres, Sports Centre & Events Centre
- Libraries
- Museum
- Community Halls
- Social Housing
- Commercial Property
- Administration Property

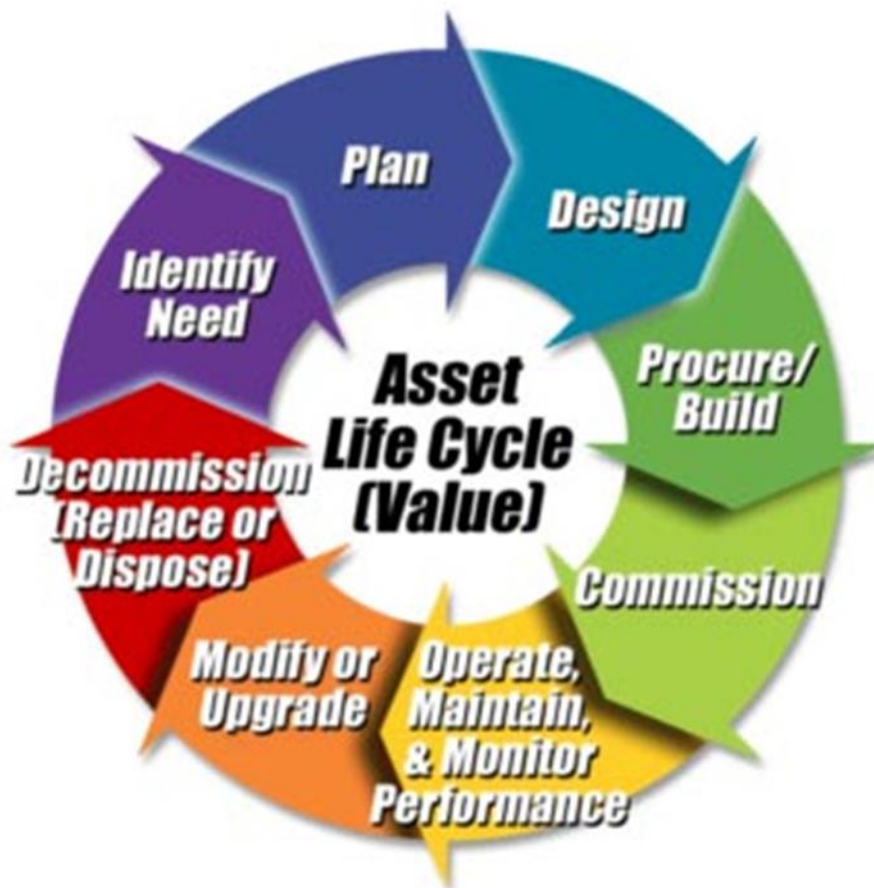
6.2 Stages of the Asset Management Lifecycle



6.2.1 Review, Planning and Design

The review, planning and design stage is where the gap between supply and demand is translated into an asset based solution that will meet demand in a cost-effective manner. Where there are existing assets, their performance is reviewed to determine whether or not they meet the required level of service, or whether they are surplus to requirement or inadequate to meet the level of service required.

Design of new (and replacement) assets needs to take into account whole of life costs (construction, operation, maintenance, renewal and disposal) to ensure that the asset does not become a financial liability. Assets must be environmentally sustainable as well as financially viable and supported with an appropriate level of cost/benefit analysis. Completion of project sheets for new projects provides a basic cost/benefit and options analysis.



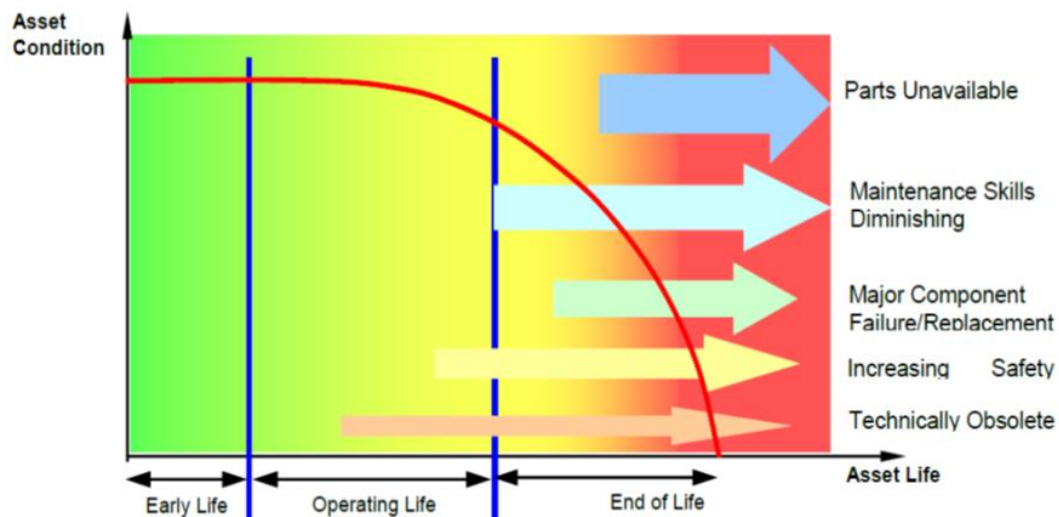
6.2.2 Disposal, Renewal, Creation & Acquisition

Disposal

Assets that do not contribute to a defined level of service may be deemed to be surplus to requirements and may be disposed of or decommissioned. Asset disposal may include sale, relocation, removal or demolition of assets. Disposal of land assets is controlled by processes under the Reserves Act and Local Government Act, both of which require public consultation. Disposal of strategic assets (as defined in the Policy to Determine Significance) is defined as significant if it requires the transfer of ownership or control or the disposal or abandonment of a strategic asset as a whole. The Register of Strategic Assets in the Policy includes:

- all Council buildings and depots,
- all amenity areas, reserves, sports fields and facilities under the Reserves Act 1977
- all cemeteries
- all public toilets including the Superloo

Therefore, the disposal of any of these assets is significant, and any such decision must be made in accordance with Council's Policy to Determine Significance.



Asset End of Life

Renewal

Renewal of existing assets occurs when the asset has reached the end of its useful life and is funded by depreciation. A renewals strategy provides for the progressive replacement and refinement of existing assets. Asset renewal is often required to maintain the existing level of service, and the integrity and value of the network as a whole. However, this is not always the case – see 8.2.3 Asset Disposal.

In some cases, it is not possible or desirable to renew an asset by replacing it like for like. This may be because the retired asset was no longer fit for purpose, or because demand drivers have resulted in an increased level of service. In such cases, the cost of asset renewal may be higher than the replacement value of the retired asset.

Council's SPM Assets Management Program facilitates compilation of historical data for renewals, improvements, and maintenance to suit the desired levels of service for the asset. Programmed asset renewal projects are generated from the SPM Property condition data. The renewal projects facilitate the optimum remaining technical life and quality of all components to suit the asset's ability to meet the required levels of service as defined in this AMP, the Asset Management System and Long Term Plan. The SPM database can be queried and a draft renewal plan produced for any asset, or group of assets over a specified period of time. Annual draft work plans, based on the SPM Asset data, are generated for each of the property asset categories.

Generally, the renewal for an asset component is timed to occur as the asset is nearing the end of its useful life. Loss in service potential is calculated by depreciation rates which are applied at a component level and are dependent on the remaining useful life of each component. Renewal costs will fluctuate from year to year as assets with different values and expected lives reach the end of their useful lives and need to be renewed or replaced. However, renewal costs can be smoothed or optimised to a certain extent by extending the life expectancy of assets where appropriate. Renewal plans include any adjustment resulting from a review to ensure optimum timing with minimum cost of each renewal to achieve compliance with the required level of service.

Condition assessments to update the SPM database for all property assets are completed every three years, the most recent of these having been completed in 2020. Condition data is recorded by using "SPM Mobile" technology allowing direct interface with the database in the field. This system allows better efficiency and accuracy in surveying and recording the asset condition data.

The current asset condition information from SPM database indicates that there is around \$4.6 million worth of assets (properties, venues and public conveniences) that are at condition factor 3 to 5, i.e. assets that are in the last 36% of their life expectancy.

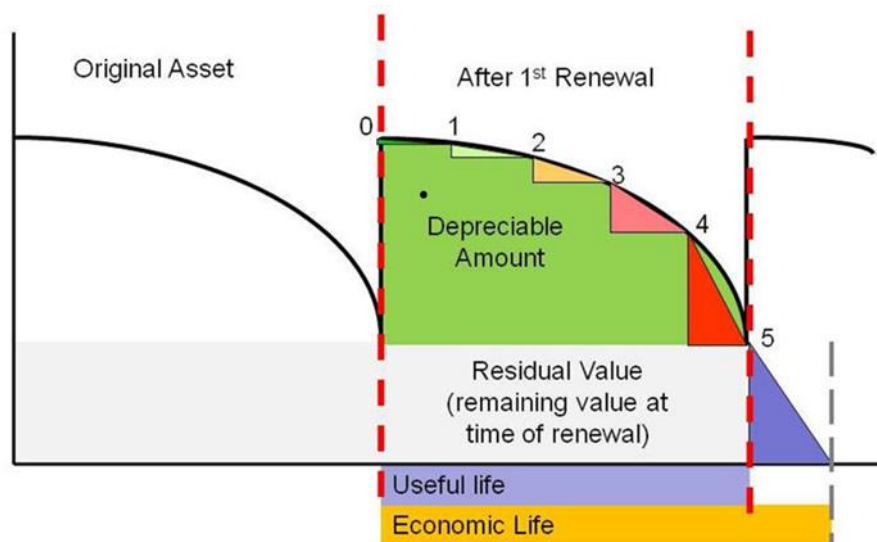
- C3 – Moderate Condition - \$3.1 million
- C4 – Poor Condition - \$765k
- C5 – Very Poor Condition - \$800k

With an average asset life expectancy of 25 to 30 years, this would indicate that most if not all of the assets in condition factors 3 to 5 will need to be renewed in the next ten years. In some cases there will need to be a trade-off between assets with a longer life expectancy (that can wait until after 2025) and assets that are currently in good condition but have a shorter life expectancy and will need renewing before 2025. This figure however, does not take

into account the true cost of asset renewal, particularly where improvements are required due to changing standards, increased demand and improved level of service. The figure also does not include provision for design and project management costs (around 15% of the project cost). In most cases, the annual renewal figure will be significantly higher than the current replacement value of assets indicated by SPM.

Renewal of assets will be prioritised on the following criteria:

- Reduction in operational and maintenance costs – can we reduce operational costs by renewing the asset?
- Safety – is there a safety risk associated with the asset that can be mitigated or eliminated by its renewal?
- Demand for the asset – is it required to maintain a defined level of service?
- Compliance with Performance Quality Standards – does the asset meet current standards or requirements?



Depreciation & Asset Revaluation Mechanism

Creation & Acquisition

New works which create new assets or extend or improve existing assets may be required to cater for new development and growth. Creation works fall into two separate categories as follows:

- Council funded - Works funded by TDC.
- Developer funded - Works funded by developers as part of sub divisional development or by way of contributions that are then vested in Council.

New assets are generally either funded by Council to satisfy unmet demand or vested in Council by developers as a result of growth. Assets are acquired in accordance with Council's Procurement Policy to ensure an appropriate level of financial accountability and efficiency. Funding for new assets is identified in Council's 10YP and confirmed in each Annual Plan.

Asset creation or acquisition projects for assets are currently identified through feedback from the community and consultation via annual plans and the LTP.

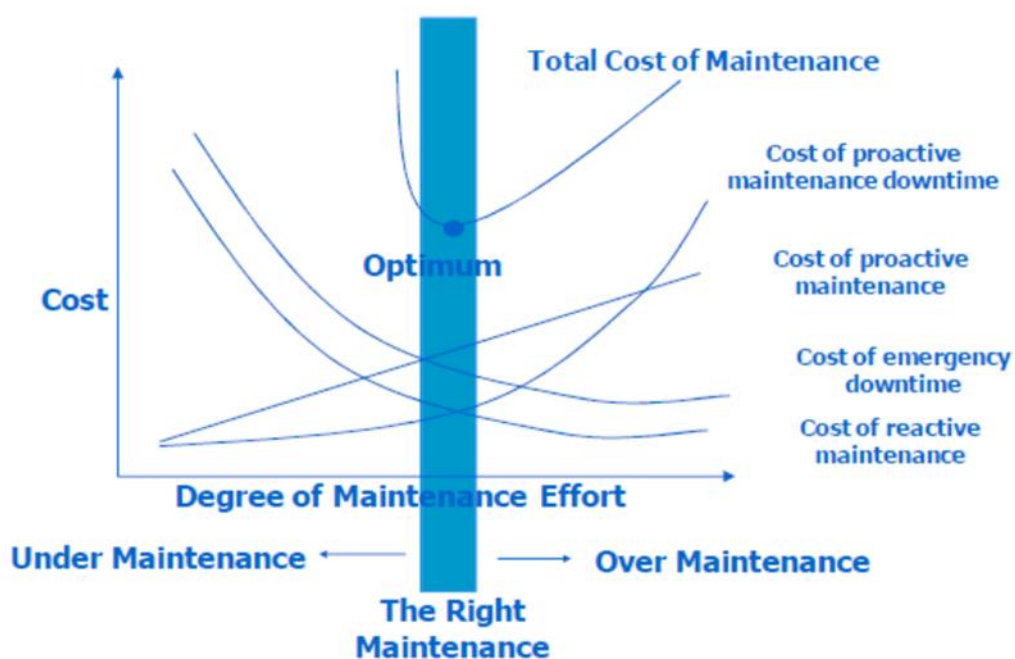
Where projects are required to provide for future demand as a result of growth, they are funded through development contributions.

6.2.3 Operation and Maintenance

Operation is the process of using an asset or making it available for its intended purpose. Operational costs for property assets include costs such as rates, insurance, depreciation, staff wages, materials, equipment, fuel and electricity. Operational activities required to support property assets include cleaning, building maintenance, inspections, etc. The cost of asset operation is a significant part of the whole of life cost for many property assets.

Maintenance of property assets falls into two broad categories:

- Planned (Proactive) Maintenance – scheduled or proactive inspection and maintenance works planned to prevent asset failure and prolong asset life. This includes activities such as painting, cleaning, and replacement of worn components and fixings etc.
- Unplanned (Reactive) Maintenance – unscheduled or reactive action or repairs to correct asset malfunctions and failures on an as required basis (i.e. emergency repairs). These may be required as a result of lack of planned maintenance, intentional or unintentional damage, wear and tear, and weather events.



There is often a trade-off between planned and unplanned maintenance in terms of the overall maintenance costs. The level of maintenance of an asset can also affect its condition and expected life, and therefore its lifecycle and renewal programming. A key element of asset management planning is determining the most cost-effective blend of planned and unplanned maintenance as illustrated above.

The right level of planned maintenance can provide an overall cost benefit as it tends to be better planned and cheaper in the long term, than reactive maintenance activities.

Unplanned maintenance is managed through Council's service request system. Maintenance requirements are recorded and an email sent to notify the officer responsible for arranging the maintenance. On completion of the work, notification is entered into the system, and reports of the completed work, the officers involved, and time taken can be generated from the system. The SPM program can be used to produce work orders for maintenance. This is not operative at present but adoption of this system will be considered in the future and is included within the recommendations of the improvement plan.

Maintenance is considered to be an operational expense and therefore operations and maintenance activities are both funded from the same source. For instance, maintenance of doors is an operational activity. Operations and maintenance of property assets are virtually indistinguishable, and for the purpose of this AMP will be dealt with together as an operational expense.

6.3 Overview

Issues

- Safety is a key consideration in the management of Property Assets
- Vandalism, breakages, and other forms of damage are a regular occurrence
- The community has a strong interest in the management and maintenance of these assets
- There is an expectation that assets will be available and in good condition for community and visitors and commercial events
- There is a continuing downward pressure on expenditure
- Growth is not a major demand driver for the district; however, it is for providing facilities, resources and venues for events
- A high level of operational maintenance is required to maintain assets, and therefore operational expenditure is high for technical plant & equipment, building compliance & technological assets

Service Delivery & Rationale

To ensure all Council buildings are maintained to a high standard and assist in the delivery of effective Council services to the community. The key requirements are:

- The buildings need to be compliant with all acts and regulations
- The buildings are to be safe and comfortable for the users and staff
- The facilities meet specific purpose
- The ongoing maintenance demand of the different buildings
- The Property maintenance team undertake the general day to day building maintenance of the properties however where specialised work is required or major works is necessitated, an external contractor is engaged.

Service	Provider	Rationale
Asset Management Plans	Council staff	To maintain the knowledge of the asset in house
Programmed Maintenance Plans	Council staff and some contractors	To maintain control of the costs and quality of the services and purchase additional skills and equipment from contractors where these are not available in-house.
Operation and maintenance of assets (day to day operations)	Council staff	To maintain the knowledge of the asset in house
New works and renewals	Council/contractors	To use the provider with the best set of skills and access to resources to complete the project.

Service delivery and rationale

6.4 Management of Property and Assets

Overall Asset Objective:	To ensure all Council properties and assets are maintained to a high standard and assist in the delivery of effective Council services to the community.
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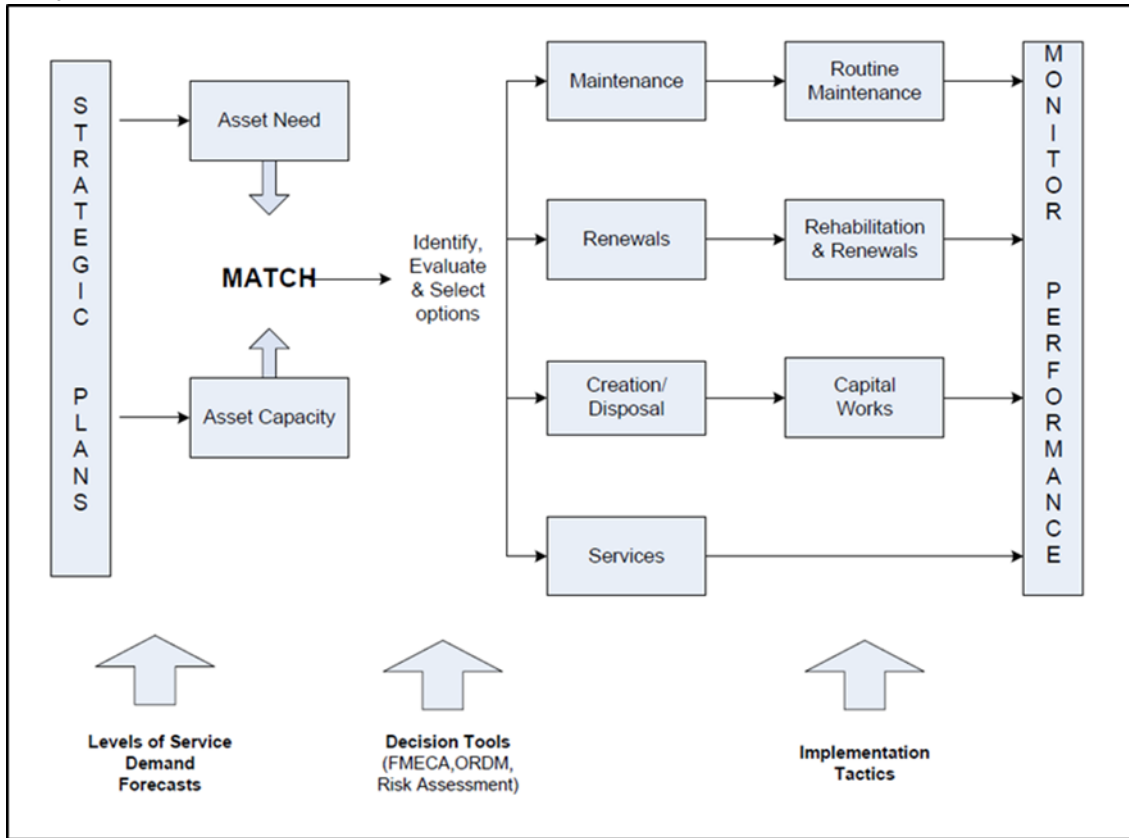
Life cycle management for property & assets includes the following main asset categories for the entire Taupō District including Turangi and Mangakino.

- Safer Communities
- Regulatory Services
- Venues
- Libraries
- Museum
- Community Halls
- Social Housing
- Commercial Property
- Residential Property
- Administration Property

Property’s roads and car parking assets are captured within this AMP rather than the Transportation AMP. Transportation staff provide expertise and assistance with maintenance and renewals as and when required.

Key Issues are:

- The whole of life costs of technological plant & equipment such as CCTV cameras, servers, air conditioning systems is high as they require constant attention to keep them in good condition. Most budgeted operational expenditure goes on replacing components rather than disposing or replacing the whole unit, which then leads to the issue of the unit not being able to be supported due to the parts no longer been made available. There is a planned upgrade of HVAC units throughout the district to ensure units are compliant – starting in 2021.
- Changes in legislation ie building code add extra financial pressure to comply eg seismic assessments and strengthening.
- Operational costs are under constant downward pressure ie: COVID19, which has resulted in some instances where only reactive maintenance that has any element of safety being prioritised before planned work.
- Maintaining levels of service with reduced staff and budgets and unexpected costs from events.
- Managing community expectations within the defined levels of service.
- Historically some areas and buildings they have experienced a higher level of service than others, and there is still an expectation in those buildings that this will continue.
- Maintaining the appropriate level of skill, ability and motivation within an ageing in-house work-force.
- A reduced staffing level has meant that only essential work is being completed.
- Managing detrimental impact of events in buildings & with assets ie: Existence of asbestos has led to unplanned maintenance and reprioritised spending of funds.
- Vandalism and graffiti on properties can have significant unplanned impact on the operations budgets.
- Maintenance of many properties is reactive rather than proactive.
- Unreliable asset data.



Property and Land Asset Management Plan Process

Refer to Section 2 – Asset Data for full information on assets including planned capex, renewals and opex budgets for this LTP.

Section 7 – ASSET MANAGEMENT PRACTICES

7.1	Current Asset Management Practices	Page 90
7.2	Asset Management Processes	Page 91
7.3	Asset Management Information Systems	Page 93

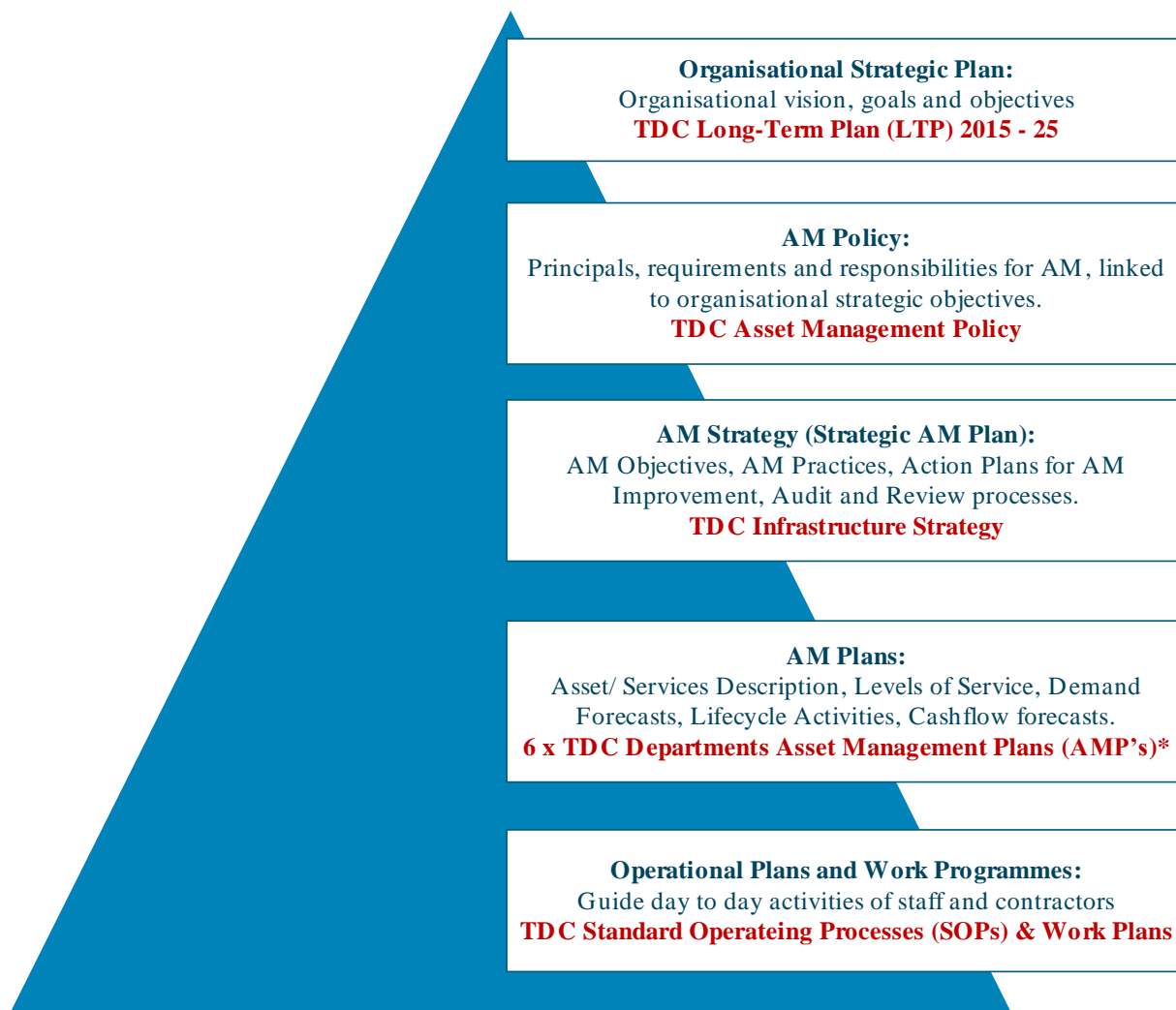


7.1 Current Asset Management Practices

This section outlines the decision making tools Taupo District Council (TDC) currently uses to determine long term maintenance, renewal and creation expenditure for Council’s Property assets.

The Property AMP is part of the TDC Asset Management System as shown below.

Plans which make up the TDC Asset Management System



***TDC Department Asset Management Plans (AMP’s)**

- **Transportation**
- **Water Supply**
- **Wastewater**
- **Stormwater**
- **Council Properties**
- **Parks and Reserves**

Plans in the TDC AM System as per the IIMM 2014 section 2.1

7.2 Appropriate Level of Asset Management

Taupo DC has adopted an appropriate level of asset management practice for each AMP. This adopted level of practice ensures that the AMPs are assessed against industry practice that is appropriate for the range and value of assets, levels of service required, demand considerations, levels of risk to be managed and appropriate asset lifecycle management practices.

The appropriate level of asset management practice adopted for each AMP is:

Transportation AMP	Intermediate
Utilities AMP	Intermediate
Solid Waste AMP	Core
Property & Facilities AMP	Core
Parks & Reserves AMP	Core

Definitions

'Core' asset management practice is basic technical asset management planning undertaken at a level designed to meet minimum legislative and organisational requirements for financial planning and reporting. 'Core' practice provides technical management outputs for current levels of service, demand management, asset lifecycles, asset forward replacement programmes, new capital expenditure and associated cash flow projections.

'Intermediate' asset management practice is undertaken at a level between 'Core' and 'Advanced' practice. The focus is to build on the basic technical asset management planning of 'Core' practice by introducing improved maintenance management and more advanced asset management techniques (as appropriate). Further use is made of risk management, asset lifecycle management, and service standard optimisation techniques.

AM practices fall under three broad headings

Processes: The necessary processes, analysis and evaluation techniques needed for life cycle asset management.

Information Systems: The information support systems used to store and manipulate the data.

Data: Data available for manipulation by information systems to produce the required outputs.

7.2 Asset Management Processes

Attribute Data Collection and Validation

Data collection is completed by:

Properties staff, tenants and consultants supplying data where an asset is renewed or installed

As built data from new building work

A sample of data is collected and measured by TDC staff

Assets are all surveyed for condition assessment once every 3 years. This is identified as an action in the Improvement Programme.

New Development Approvals/As Built Records

The Project Manager approves completed works and ensures that the following people are issued a copy of all final documents.

Management Accountant - for the purposes of recording finances held for outstanding works, e.g. second coat sealing
GIS personnel - for updating of spatial data.

Procurement

Council carries out the procurement of works, goods and services in a manner that supports Council's community outcomes, agreed levels of service, organisational goals, strategic challenges and its values. It must follow principals of accountability, openness, value for (ratepayers) money, be lawful, be fair and have integrity.

Level of Service Consultation

The level of service consultation provides feedback from residents and ratepayers of the Taupo District. The responses from this consultation provide input into how the asset is managed. Most consultation is undertaken through three yearly phone surveys

Information from Contractors

Processes for collection of data (maintenance, condition, new assets, renewals, performance etc) clearly defined and efficiently administered through asset maintenance contracts.

Standard Operating Procedures

Operational maintenance standards along with service standards are developed to assist in the operation and maintenance of assets. This process is ongoing with new procedures being developed as the need arises and updates being made as required.

Asset Management Accounting and Economics

Council uses a renewal accounting system. The asset management renewal and capital expenditure policy is included as Appendix A.

Infrastructure assets are those public facilities which provide for the delivery of services and sustained standard of living. They primarily comprise the Council's fixed utility systems including roads, streets and footpaths, parks and reserves, the water and sewerage reticulation systems, the stormwater system, bridges and culverts as well as Council properties.

Community infrastructure assets are a sub-set of infrastructure assets.

Assets are systematically evaluated as required, approximately every three years.

Depreciated replacement cost is calculated having regard to an allowance for the expired portion of the expected useful economic life for each category of infrastructure asset.

TDC uses the principles of accrual accounting to measure costs of services provided and recognise revenues.

Renewal accounting treats all upgrading, reconstruction, renewal and renovation work which does not increase the capacity or service potential of assets as operating expenditure.

Operating expenditure can be divided into two broad categories; normal ongoing day to day routine maintenance works, and those other more infrequent larger projects that upgrade or renew the asset to its previous service potential.

Creation expenditure involves increases in an asset's service potential or the creation of new assets.

All expenditure on infrastructure assets will therefore fall into one of three categories:

- Operational expenditure
- Renewal expenditure
- Creation (new capital works) expenditure

To the extent that a project results in replacement of an asset caused by physical deterioration, and also provides capacity for increased demand, proportions should be allocated to both creation and renewals on the basis of marginal cost.

It is recommended that the split between creation and renewal expenditure is based on marginal cost. This recognises the full cost of renewing the existing asset to its original service potential is an expense as this expenditure cost does not contribute to improving the asset beyond its original design capacity

The 10 Year Process

The Ten Year Plan (10YP) formerly known as the Long Term Plan (LTP) process considers the community outcomes, statutory requirements, the headline indicators and external pressures to determine what Council can or should be doing to help the community work towards its desired future.

The LTP also contains an action plan that sets out how Council will undertake its strategic goals and details the specific activities, functions and initiatives undertaken in the short term (three years) and long term (10 years).

The LTP draws on information from other documents including the Asset Management Plans and models it in financial terms over a ten year horizon.

The LTP is updated every three years with the next LTP being currently developed for the 2021 to 2031 period.

The Annual Plan Process

The Annual Plan is an action plan that sets out how Council will undertake its strategic goals and details the specific activities, functions and initiatives undertaken. It is produced in the years when a LTP is not. It will also outline deviations from the LTP.

Standards and Guidelines

In all Properties & Assets works there are standards and guidelines that are available to ensure that Council is following 'best practice'.

Whereas Acts and Regulations determine minimum levels of service, standards and guidelines provide the means of compliance with specific levels of service.

Asset Management System Lead Documents (Asset Management Policy and Infrastructure Strategy)

The Property AMP is aligned to the updated requirements on the Asset Management System which is aligned to the requirements of the updated LTP.

7.3 Asset Management Information Systems

GIS

The GIS displays spatial data relating to land assets. GIS is also being used to display some asset data. There is currently no interface between GIS and SPM Assets so it is not possible to display access asset information from SPM through the GIS system.

Service Request System

This is the system used by Council to record customer complaints, comments or compliments. The information is entered into the system when a customer calls and the call will be categorised depending on the issue. Council Staff are tasked with completing these requests in a predetermined timeframe.

Asset Validation by contractors/staff

Until recently data was collected on a 3 yearly basis by staff and maintenance and capital works contractors. This information was then updated into the SPM property database. Property staff will continue to update the database as works are undertaken – ensuring data is kept up to date.

SPM Assets Property Management Programme

Web based asset management programme used by the Facilities and Parks teams to help with reporting of data and lifecycle management of assets.

Project Quantum – CI Anywhere

Council is currently implementing 'CI Anywhere' – a modern technology platform that will consolidate existing, multiple stand-alone systems and processes that are currently in place. This includes HR & Payroll, Training, Finance and an updated document management system to replace the current 'Objective' system.

Accounting Cost Data

Cost data for the asset groups are identified in the accounting records.

The work category type (maintenance, renewals, and new works) is identified. Marginal costs are only separately identified for significant works. Minor asset expenditure may not be separately identified.

Visual inspection to verify quantities for payment for routine maintenance and renewal tasks is done by the professional services.

Growth Model

The growth model is updated on an annual basis to reflect changes in development patterns. This model predicts the spread and level of growth within the Taupo District Council Area. This model assists Asset Managers in planning forward works for their respective assets.

Asset Valuation

The asset valuation provides a three yearly update of the value of the Property Assets in accordance with national standards or specific values entered against assets at the time of creation or renewal. New assets or disposed of assets are taken into account at this time.

Operational Data

Operational data is currently available on Objective, SPM and the finance systems.

Data Quality Assurance

The asset data in SPM Assets has not been subject to a rigorous auditing process. However, condition surveys and assessments are in place for all properties and facilities staff have been working closely with SPM Asset Management staff in ensuring data is as up to date as possible. An audit process and complete data check will be added as an action in the Improvement Plan.

Section 8 – IMPROVEMENT PLAN

8.1	Introduction	Page 95
8.2	Improvement Programme	Page 95



8.1 Introduction

Improving the management of Taupo District Council's (TDC) property assets is a continual and ongoing process.

During the course of updating this plan, AM improvement tasks have been noted for follow-up over the next three years in conjunction with reviewing and improving this plan. This programme reflects the overall aim of improving asset management practices, which is to deliver the right level of service at the lowest long-term cost to TDC's customers. The highest improvement tasks all focus on meeting that goal by:

- Ensuring the right level of funding is being allocated to maintain the asset service potential.
- Implementing predictive modelling techniques that will allow consideration of alternative long term cost scenarios.
- Consulting with customers to ensure that their views are considered when selecting the best scenario.

8.2 Improvement Plan

Resources (cost and time) have yet to be approved and are only estimates at the time of updating AMP. These may need to be reviewed when task is in progress to judge if timeframe and cost is realistic.

Also to include in improvement plan: *Anything that isn't done in time to make it into this AMP*

Section	Area for Improvement	Weak Areas identified	Action/task description	Priority	Target date	Cost / resources	Status
1	Introduction						
2	Asset Data						
3	Levels of Service						
4	Future Demand						
5	Risk Management						
6	Lifecycle Management Plan	Integrity of SPM data could be questioned if data is not kept up to date. The	Keep data and condition assessments updated as soon as projects are finished. Use of SPM work orders for maintenance could assist with this.	Medium	Prior to next LTP	Property staff during normal work hours	
7	Asset Management Practices	Assets are surveyed for condition assessment once every 3 years – data integrity is compromised	Property staff can keep data up to date as soon as projects are completed	Medium	Prior to next LTP	Property staff during normal work hours	
		No audit and/or data check in place	Audit / data check to be put in place	Medium	Prior to next LTP	Property and / or SPM staff	

Appendices

Appendix A	Asset Maintenance, Renewal & Capital Expenditure Policy	Page 97
Appendix B	Risk Management Charter	Page 103



Appendix “A”

Asset Maintenance, Renewal and Capital Expenditure Policy

1. Objective

- To ensure expenditure is classified appropriately in accordance with generally accepted accounting practice.
- To provide an awareness to staff of different categories of expenditure on assets.
- To provide consistency with the asset management plans.
- To provide consistency with treatment of expenditure.

The policy provides guidance on the treatment of asset expenditure. The asset management plans (AMPs) are the documents that manage the assets and any guidance by this policy should be consistent with the AMPs.

2. Coverage of Policy

A revaluation of the assets occurred at 1 July 1998. The capacity at that date is an appropriate starting point as the remaining useful life of the asset has been determined and the existing capacity is set. Asset expenditure from 1 July 1998 will be guided by this policy.

3. Definitions

Asset expenditure can be deemed to fall into one of the following five categories:

Expenditure Type	Description	Treatment
Operational	Activities which have no effect on asset condition but are necessary to keep the asset utilised appropriately (i.e. Power costs, overhead costs, etc.).	Operational (expense)
Maintenance	The ongoing day-to-day work required to keep assets operating at required service levels, i.e. Repairs and minor replacements.	Operational (expense)
Renewal	Significant work that restores or replaces an existing asset towards its original size, condition or capacity.	Capital (add to Fixed Asset Register)
New Work/Capital Expenditure	A new asset, works to create a new asset, or to upgrade or improve an existing asset beyond its original capacity or performance, in response to changes in usage, customer expectations, or anticipated future needs.	Capital (add to Fixed Asset Register)
Disposal	Any costs associated with the disposal of a decommissioned asset.	Operational (expense)

(Source: International Infrastructure Management Manual April 200

4. Application Rules

Appropriate general ledger codes have been set up to facilitate the coding of operational/maintenance, renewal and capital expenditure.

In determining the classification of asset expenditure consideration should be made of:

- Service Potential

Service potential is the capacity that the system can produce from 1 July 1998.

The key element in determining the classification of expenditure is the effect or change on the service potential of the asset or system.

1. Where the service potential is restored to its original level, this constitutes renewal expenditure.
2. Where the service potential increases above the current service potential, this constitutes capital expenditure.

- Thresholds

1. The appropriate threshold for reviewing expenditure classification is at the component level e.g. Generally if expenditure does not constitute a component it should be considered maintenance. For information on the component levels refer to the individual asset component registers.
2. Consider the materiality of the expenditure (in value and in substance). As guidance expenditure < \$700 should be treated as maintenance expenditure. In most instances it is not practical to capitalise expenditure below this level.

- Review the expenditure classification table (Refer to table one below)

Analyse the expenditure by the classification definitions listed in table one.

- Use the following specific examples and guidance for asset categories:

5. Traffic Engineering

Guidance has been provided by Audit New Zealand and Parks and Reserves Asset Management Plan:

Description	Definition	Examples	Expense
Pavement	Normal care and attention of the roadway to maintain its structural integrity and serviceability.	<ul style="list-style-type: none"> • Pavement patching and repairs, including potholes. • Shoulder maintenance • Maintenance and repair of surface water channels and subsoil drainage. • Stream clearing. • Grading of unsealed roads. 	Operational
Pavement Maintenance (metalling)		<ul style="list-style-type: none"> • Replacement of wearing and running course metal on unsealed roads performed annually. • Replacement of wearing and running course metal on unsealed roads performed less frequently than annually (e.g. on a three to five year cycle). 	Operational Capital (renewal)
Area Wide Pavement Treatment	Pavement maintenance techniques where the least-cost maintenance options is an area-wide treatment.	<ul style="list-style-type: none"> • Overlays • Rip and relay • Chemical stabilisation. 	Capital, however guidance to be used: <ul style="list-style-type: none"> • greater than 50m urban is Capital (renewal) • greater than 250m rural is Capital (renewal) • less than these distances is Operational.
Major Drainage Control	Drainage work which is not routine in nature but which	<ul style="list-style-type: none"> • Renewal or installation of culverts. • Repair and replacement of kerb and channel >50m 	Capital (renewal for replacement, improvement for new)

	is clearly demonstrated to reduce future maintenance costs.	<ul style="list-style-type: none"> Installation of water channels, sub-soil drainage or kerb and channel. 	
Maintenance Chip Seals	Pavement re-surfacing of an established sealed road.		Capital, however guidance to be used: <ul style="list-style-type: none"> greater than 50m urban is Capital (renewal) greater than 250m rural is Capital (renewal) less than these distances is Operational.

Description	Definition	Examples	Expense
Thin Asphaltic Surfacing	Surfacing treatment technically necessary as an alternative to conventional chip sealing.		Capital, however guidance to be used: <ul style="list-style-type: none"> greater than 50m urban is Capital (renewal) greater than 250m rural is Capital (renewal) less than these distances is Operational.
Seal Widening	Widening existing seal where this is the least cost option to overcome edge break or to reduce shoulder maintenance.		Capital, however guidance to be used: <ul style="list-style-type: none"> greater than 50m urban is Capital (renewal) greater than 250m rural is Capital (renewal) less than these distances is Operational.
Bridge Maintenance (routine)	Maintenance of the condition and appearance of a bridge.	<ul style="list-style-type: none"> Repairs to handrails. Non-structural painting. Repair to retaining walls. Stream clearance. 	Operational
Bridge Maintenance (structural)	Repairs to a bridge where design input is required.	<ul style="list-style-type: none"> Replacement of timber decks. Replacement of damaged or deteriorated structural members. Sandblasting and painting of structural members. Foundation protection. 	Capital (renewal)

Description	Definition	Examples	Expense
Amenity/Safety	The normal care and attention of the road corridor to maintain safety and aesthetic standards, other than work covered by pavement maintenance.	<ul style="list-style-type: none"> Ice control. Vegetation control. Litter control. Removal of graffiti. Removal of crash debris. 	Operational
Street Cleaning	30% of the cost of cleaning the carriageway within 2m of the kerb in urban areas.	<ul style="list-style-type: none"> Cleaning channels. Cleaning sumps. Cleaning cesspits. 	Operational
Traffic Services	The normal care and attention of roading furniture and traffic control devices that promote a safe and efficient roading system.	<ul style="list-style-type: none"> Maintenance of signs, guardrails and sight rails. Provision of maintenance of road markings. Operation and maintenance of traffic signals. 	Operational
Traffic Services		<ul style="list-style-type: none"> Replacement and provision of signs, guardrails and sight rails. Replacement of traffic signals. 	Capital (renewal)
Carriageway Lighting	Maintenance and power costs associated with the operation of street lighting.	<ul style="list-style-type: none"> Maintenance and power costs. Conversion of existing mercury vapour and fluorescent fittings to high pressure sodium. Renewal of existing lighting systems. 	Operational Capital (renewal) Capital (renewal)
Cycleway Maintenance	Maintenance of the pavement and furniture associated with cycleways.	<ul style="list-style-type: none"> Pavement repairs including potholes. 	Operational
Professional Services (operational items)	Professional services fees and maintenance management activities.	<ul style="list-style-type: none"> Professional services to manage operational activities. Manage the road assessment and maintenance management system and undertake pavement deterioration modeling. 	Operational
Professional Services (capital items)		<ul style="list-style-type: none"> Professional services to manage capital activities. 	Capital
Preventative Maintenance	Non-routine work that does not qualify as emergency reinstatement required to protect the serviceability of the road.	<ul style="list-style-type: none"> New works that protect existing road from sea or river damage. Drainage installed in incipient slips. Protection planting. 	Capital (improvement)

Description	Definition	Examples	Expense
Emergency reinstatement	Unforeseen significant expenditure, for the restoration of road to a standard no better than that which existed before the damage.	<ul style="list-style-type: none"> Clear slips minor. Reinstatement of carriageway following a major slip or 'drop out' that has restricted a traffic line. 	Operational Capital (renewal)
Emergency reinstatement (structure)		<ul style="list-style-type: none"> Retaining walls 	Capital (betterment component)
Rehabilitation	Rehabilitation of pavements where	<ul style="list-style-type: none"> Pavement smoothing with asphaltic or granular overlays. 	Capital, however guidance to be used:

	economically justified.		<ul style="list-style-type: none"> greater than 50m urban is Capital (renewal) greater than 250m rural is Capital (renewal) less than these distances is Operational.
Footpaths Maintenance		<ul style="list-style-type: none"> Repairs to concrete, asphaltic concrete, interlocking blocks and seal footpaths Replacement of concrete, asphaltic concrete, interlocking blocks and seal footpaths < 50m. 	Operational
Footpaths Maintenance		<ul style="list-style-type: none"> Replacement of concrete, asphaltic concrete, interlocking blocks and seal footpaths > 50m. 	Capital
Footpath construction		<ul style="list-style-type: none"> New concrete, asphaltic concrete, interlocking blocks and seal footpaths. 	Capital
Construction – Minor Safety Improvements		<ul style="list-style-type: none"> Traffic calming measures New guard rails 	Capital (improvement)
Construction – New Roads	Construct new roads, on/off street carparking	<ul style="list-style-type: none"> Formation, kerb & channel, pavement 	Capital
Construction – Seal extension	Construct new sealed pavements		Capital (renewal and improvement)
Construction – Reconstruction	Upgrading/reconstructing urban streets		Capital (renewal and improvement)
Construction – bridges			Capital (renewal and improvement)

6. Water

Description	Definition	Examples	Expense
Reticulation	Pipes	<ul style="list-style-type: none"> Pipe repair, pipe replacement (less than a block/section) Pipe and valve replacement, renewal or new works(a block/section or more) 	Operational Capital
Reticulation	Hydrants, Valves, Meters, Connections	<ul style="list-style-type: none"> repair, replacement (less than a block/section) replacement, renewal or new works(a block/section or more) 	Operational Capital
Pump stations	Valves, Pumps, Pipes, Telemetry, Filters, Plant, Bores	<ul style="list-style-type: none"> Consider by component level whether repair, renewal or new works 	Use application rules
Treatment	Tanks, Plant	<ul style="list-style-type: none"> Consider by component level whether repair, renewal or new works 	Use application rules

7. Wastewater

Description	Definition	Examples	Expense
Reticulation	Pipes, connections, manholes	<ul style="list-style-type: none"> Pipe repair, pipe replacement (less than a block/section) Pipe replacement, renewal or new works(a block/section or more) 	Operational Capital
Treatment Plant	Site works, equipment, tanks	<ul style="list-style-type: none"> Consider by component level whether repair, renewal or new works 	Use application rules
Pump stations	Pumps, Valves, Control Chambers	<ul style="list-style-type: none"> Consider by component level whether repair, renewal or new works 	Use application rules

8. Stormwater and Land Drainage

Description	Definition	Examples	Expense
Reticulation	Pipes, Cesspits, Inlets, Manholes, Outlets, Soakholes	<ul style="list-style-type: none"> Less than a section Greater than a section 	Operational Capital

9. Buildings

Description	Definition	Examples	Expense
Structures	Buildings	Consider by component level whether repair, renewal or new works	Use application rules
		<ul style="list-style-type: none"> Repaint part of roof Repaint whole roof Replace roofing, replace spouting Service a faulty tap Replace tap in Superloo 	Consider application rule Operational repair Capital renewal Capital renewal Operational repair Capital renewal Capital Improvement
		<ul style="list-style-type: none"> Repair Carpet Replace carpet to same quality and size Improve carpet in quality or size 	Operational Capital renewal Capital Improvement
		<ul style="list-style-type: none"> Electrical servicing & maintenance Replace all light switches Add more light switches 	Operational Capital renewal Capital Improvement

10. Parks & Reserves

Description	Definition	Examples	Expense
Footpaths Maintenance		<ul style="list-style-type: none"> Repairs to concrete, asphaltic concrete, interlocking blocks and seal footpaths Replacement of concrete, asphaltic concrete, interlocking blocks and seal footpaths < 50m. Additional & extended footpaths etc 	Operational Renewal Capital
Irrigation	Pipes	<ul style="list-style-type: none"> Pipe repair, pipe replacement (less than a block/section) Pipe, valve & sprinkler head replacement, renewal or new works (a block/section or more) 	Operational Capital
Park facilities	Seats, Rubbish-Bins, Signage, BBQs	<ul style="list-style-type: none"> Painting Replacement in whole Install additional facilities 	Operational Renewal Capital

APPENDIX B

RISK MANAGEMENT CHARTER 2013

1 CONTEXT

Taupo District Council is a local authority which operates in a highly visible and accountable political and statutory environment.

Council's high level goals and objectives are established through Statute and consultation with the community and are principally documented in Council's Long Term Plan and Annual Plan. Council's performance relative to those goals and objectives is assessed and reported on through the preparation of an Annual Report.

2 POLICY AND OBJECTIVES

It is Council policy to implement and maintain a Risk Management system that reflects best practice.

Key objectives are:

- To provide a logical and systematic method for identifying and managing risk within the organization that will assist the organization to meet its goals and objectives efficiently and effectively. This is achieved by aligning key organizational objectives, risks and mitigating controls.
- To minimize losses and maximize opportunities – Risk Management is as much about defining opportunities as avoiding and mitigating losses.
- To improve the decision-making capabilities of frontline staff recognizing that the greatest knowledge and capacity for the management of risk often rests with those who are closest to the action.

3 STRATEGY

Overarching strategies for managing risk within Council are:

- Council's Chief Executive will establish and implement a Risk Management system that is relevant to the organization and which reflects the provisions of this Charter. The overarching objective of that Risk Management system will be to identify, and where feasible, mitigate risk factors that might prevent Council achieving its objectives.

Risk Management systems established within Council will reflect prevailing best practice including relevant industry standards – especially AS/NZS ISO 31000.2009 *Risk Management Guidelines and Principles* and HB 4360.2004 *Risk Management Guidelines* which can be used as a supplementary handbook and guide in the provision of practical advice.

- The ongoing effectiveness of Council's Risk Management systems and compliance with them by employees will be demonstrated by appropriate reporting to Council, and Council's Committees reflecting delegations made to those Committees.

4 SCOPE

Risk Management should be integrated into Council's culture, philosophy, practices and plans, rather than being viewed or practiced as a separate program. When this is achieved Risk Management becomes the business of everyone in the organization.

Risk Management practices should be applied to the following wherever they are relevant to meeting Council objectives:

- Existing activities and functions

- New activities and projects, especially those proposed within relevant planning documents, e.g. Long Term Plan and Annual Plan.

Further, the scale and application of risk management practices (including documentation) should reflect the scale and significance of both the activity being reviewed and the underlying Council objective. Risks to Council meeting its objectives should be managed in accordance with the law of diminishing returns.

5 COMMITMENT

Risk Management is regarded as an essential business discipline and core competency of each Group within the organization. Day-to-day management of risk is the principal responsibility of respective Managers and staff.

All of Council's elected representatives and staff shall be committed to implementing and maintaining a Risk Management system within Council that reflects the provisions of this Charter.

6 RESOURCING

Annual resourcing will be established through the annual estimates process.

7 MONITORING AND REVIEW

The Risk Management Charter will be reviewed on an annual basis by Council's Audit & Risk Committee.

The annual risk management programme for Council will form part of the overall work programme for the Council's Audit & Risk Committee.

Reporting on the risk programme will be undertaken at meetings of the Audit & Risk Committee as scheduled throughout the year.

8 AUTHORITY

All areas of the organization will be open to Risk Management initiatives and in carrying out their functions all Risk Management and/or Internal Audit staff will have access to all other Council staff, information, records, documents, reports and property. Risk Management and/or Internal Audit staff have direct access to non-Executive appointees or co-opted to any established Audit and Risk Committee or other appropriate Committee as determined by Council.