

# 1 INTRODUCTION

## Table of Contents

1	INTRODUCTION.....	1
1.1	Background.....	2
1.1.1	The Taupo District.....	2
1.1.2	asset management planning.....	3
1.1.3	Purpose.....	5
1.1.4	Scope.....	6
1.1.5	Legislative Requirements For Asset Management Planning .....	6
1.1.6	Key Legislative Requirements.....	8
1.1.7	Relationship With Planning And Strategic Documents .....	9
1.2	Key Stakeholders.....	13
1.3	Purpose of Asset Ownership .....	14
1.3.1	Links With Taupo District Council Strategic Objectives .....	15
1.4	Assumptions.....	17
1.4.1	Financial .....	17
1.4.2	NON-FINANCIAL .....	18
1.5	Significant Negative Effects .....	19
1.6	Asset Management Plan Complexity .....	19
1.6.1	Outline Of Approach .....	19
1.6.2	Limitations Of This Amp.....	20
1.7	Organisational Structure .....	20
1.7.1	Facilities Team.....	21

## 1.1 Background

### 1.1.1 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 km<sup>2</sup> 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, with a population of around 22200. 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 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 741, and Turangi has around 2952. 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.

### 1.1.2 ASSET MANAGEMENT PLANNING

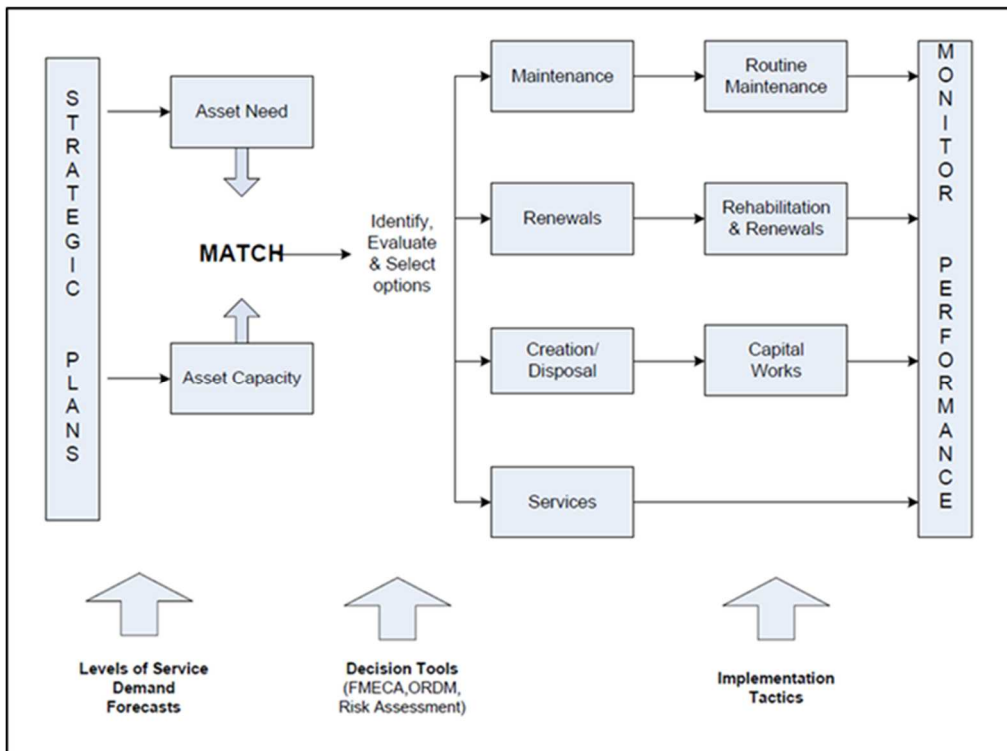
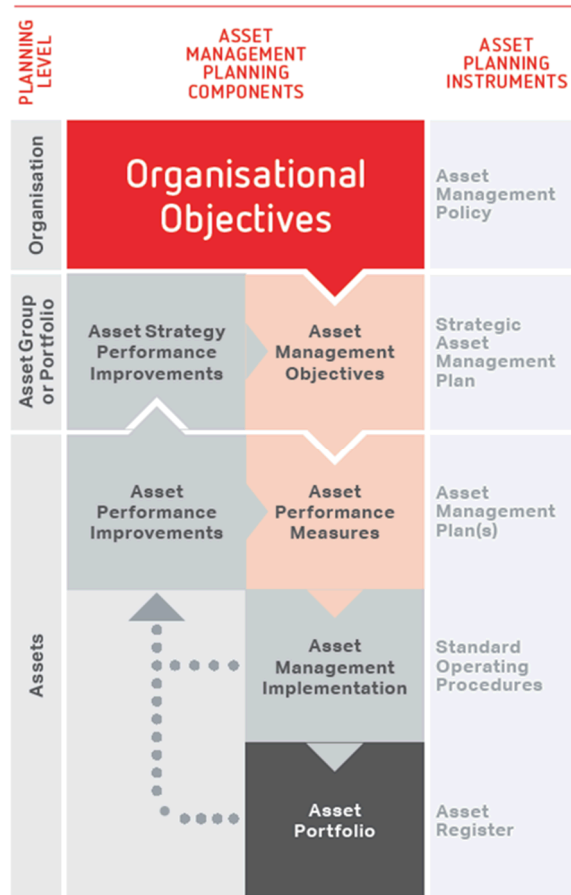
The goal of infrastructure asset management is to meet a required level of service in the most cost effective manner through the management of assets for present and future customers. The key elements of asset management are:

- 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.



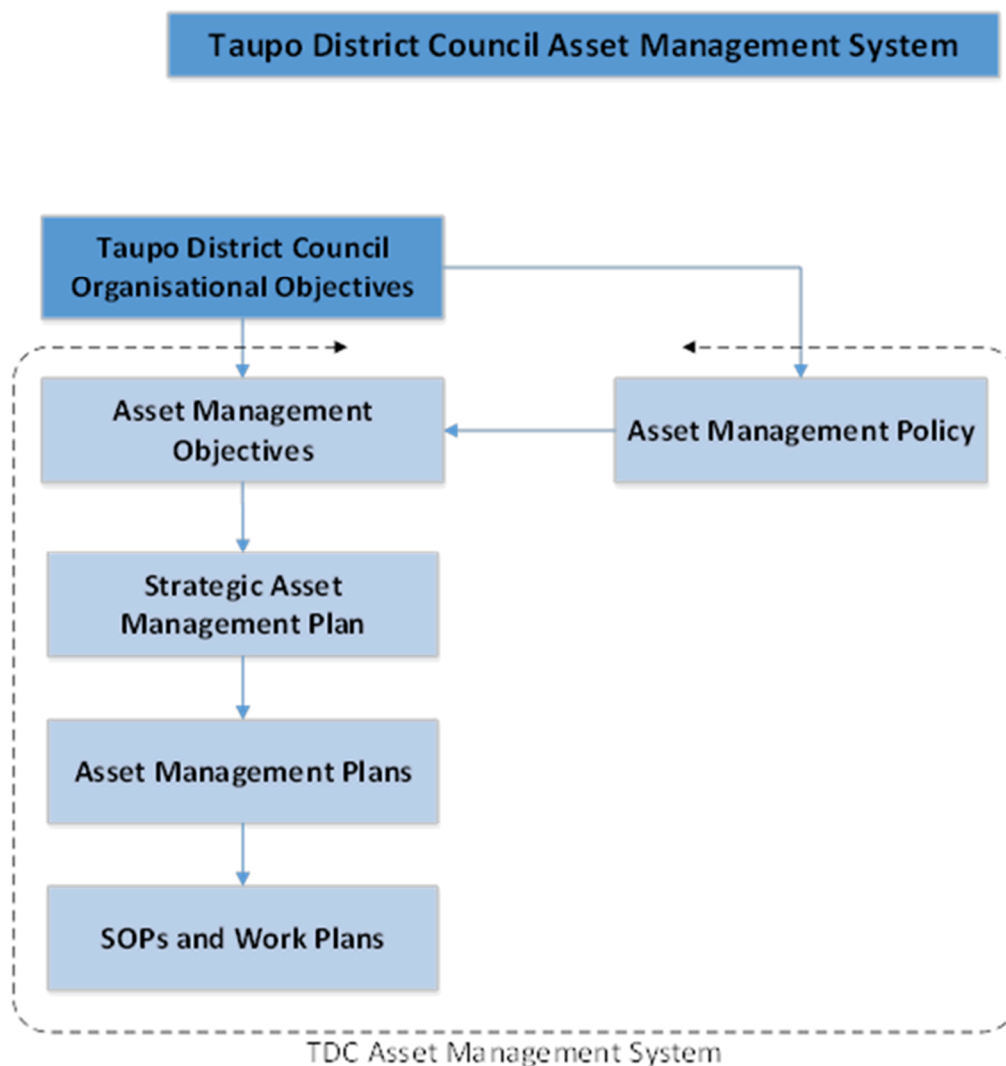
**Figure#: Property and Land Asset Management Plan Process**

### 1.1.3 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 2012 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.



#### 1.1.4 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 (excludes ODP)
- 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

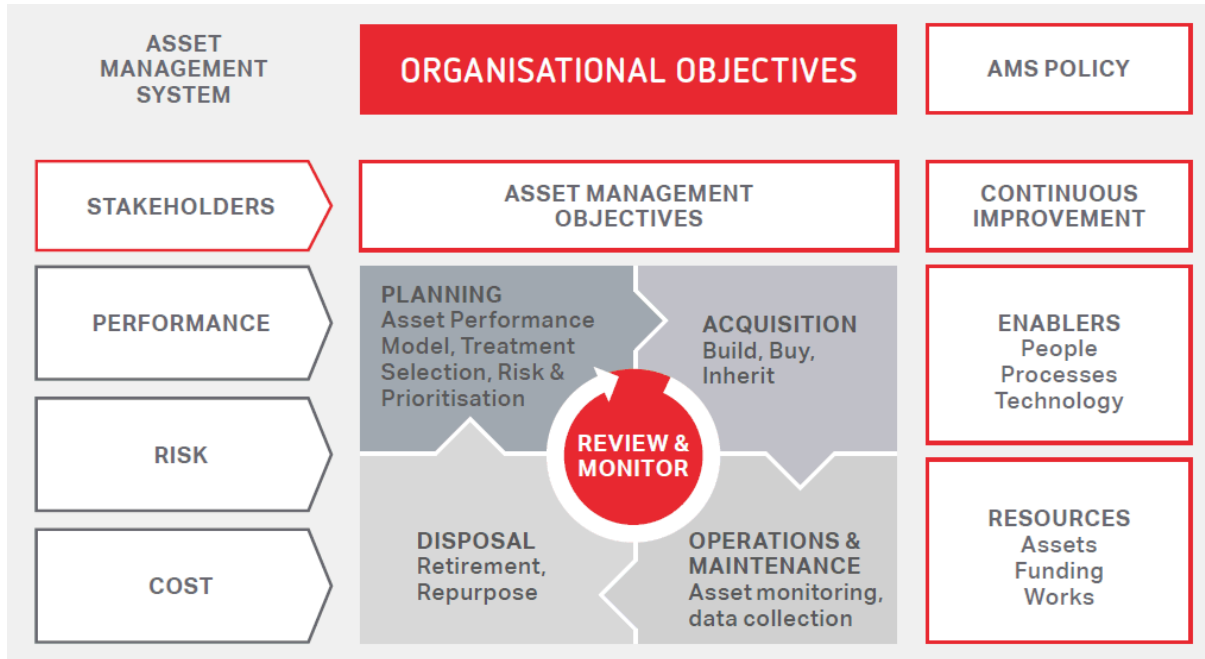
The size of the investment in these assets, and importance of the associated services to the community demands excellence in the management of the assets. The community expects them to be managed in such a way that costs are minimised while providing the optimum levels of service the community desires. For further information on individual asset categories refer to Section 4 – Asset Data.

#### 1.1.5 LEGISLATIVE REQUIREMENTS FOR ASSET MANAGEMENT PLANNING

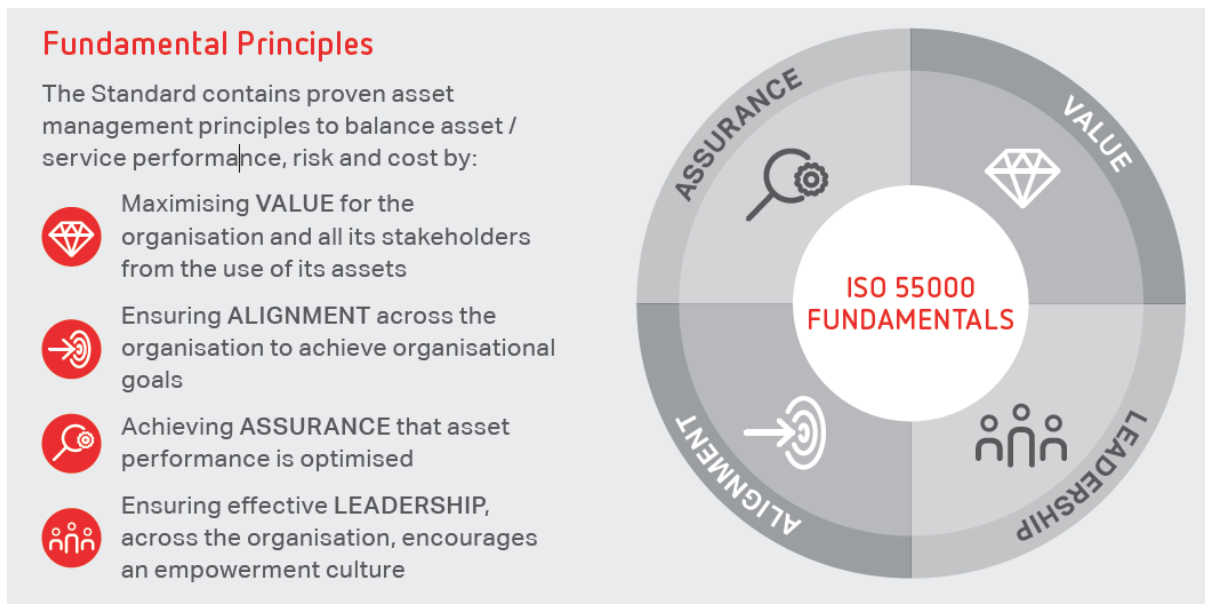
The requirement for AM planning is a result from the Local Government Act 2002 and subsequent amendments. This Act places an emphasis on strategic financial planning and requires local authorities to:

- 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**



**ISO 55000 Fundamentals**

### 1.1.6 KEY LEGISLATIVE REQUIREMENTS

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

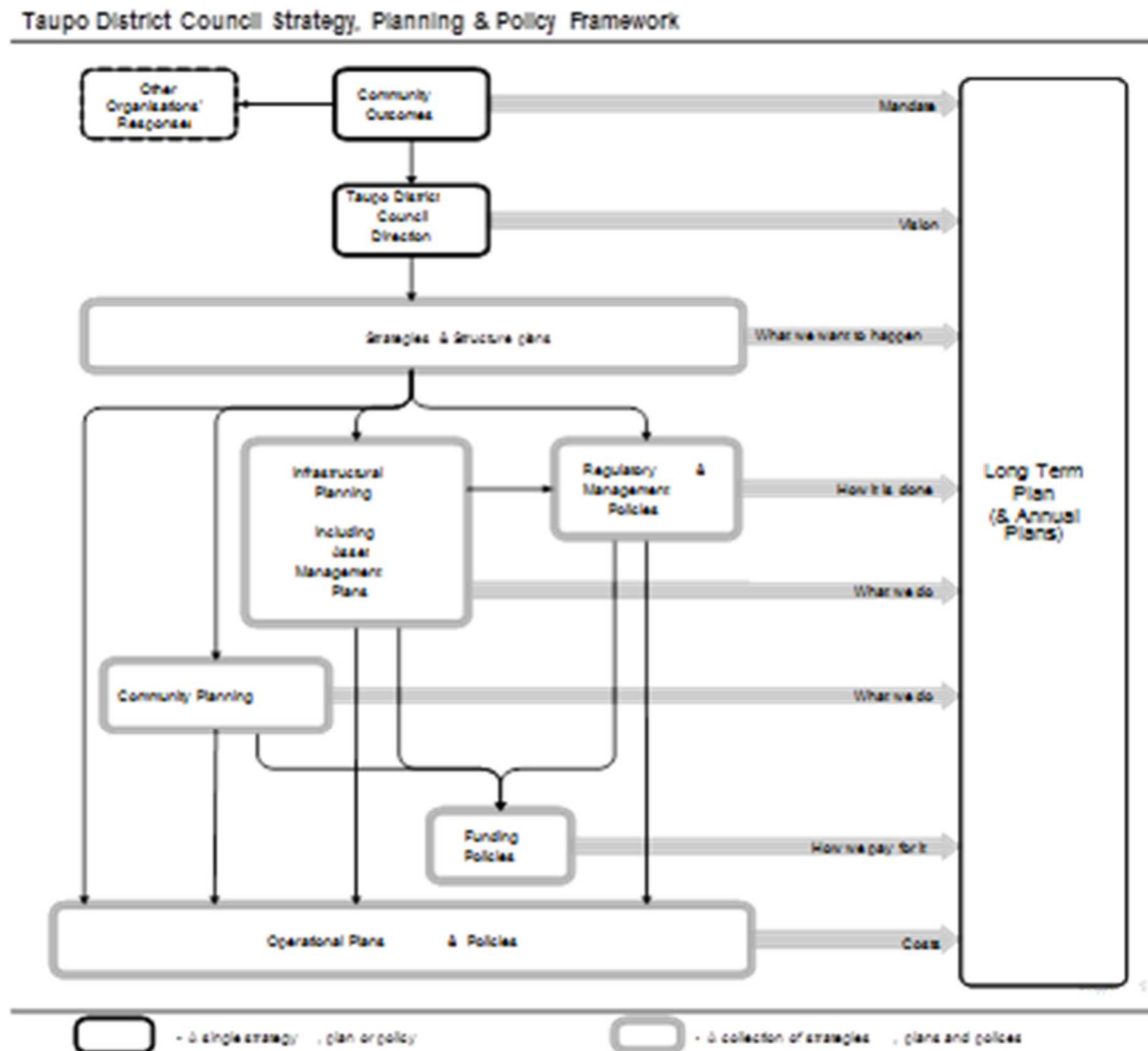
Local Government Act 2002 and Amendments	<ul style="list-style-type: none"> <li>• Allows Council to make by-laws for the regulation of reserves and public places</li> <li>• Allows Council to set funding priorities for spending on parks maintenance and development.</li> <li>• Requires consultation with communities before the disposal of land assets if these are used principally for community, recreational, environmental, cultural, or spiritual purposes.</li> <li>• Allows Council to collect development contributions for the funding and provision of reserve land and infrastructure required to meet the needs of community growth.</li> </ul>
Health & Safety at Work Act 2015	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
Building Act 2004 Amendment 2017.	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.
Resource Management Act 1991	<p>Requires Councils to:</p> <ul style="list-style-type: none"> <li>▪ sustain the potential of natural and physical resources to meet the reasonable foreseeable needs of future generation</li> <li>▪ comply with District and Regional Plans</li> <li>▪ avoid, remedy or mitigate any adverse effect on the environment</li> <li>▪ 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</li> <li>▪ 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.</li> </ul>
Other Acts, Standards and Regulations	<p>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</p>

**Table 1-1: Relevant Legislation**



### 1.1.7 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.



**Figure 1-1: Council Planning 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 park 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 Park 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 Parks AMP. The Facilities Management Section of the Operational Services Group, and Taupo, Mangakino, and Turangi Service Delivery staff, undertake operations and project work for renewals and new asset improvements as set by each of these AMPs. Where a building is sited on a park or reserve the Parks AMP is responsible for the assets outside of the building foot print, and the Property AMP deals with everything inside of the footprint.
- **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**

**Asset Management System diagram**

## 1.2 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

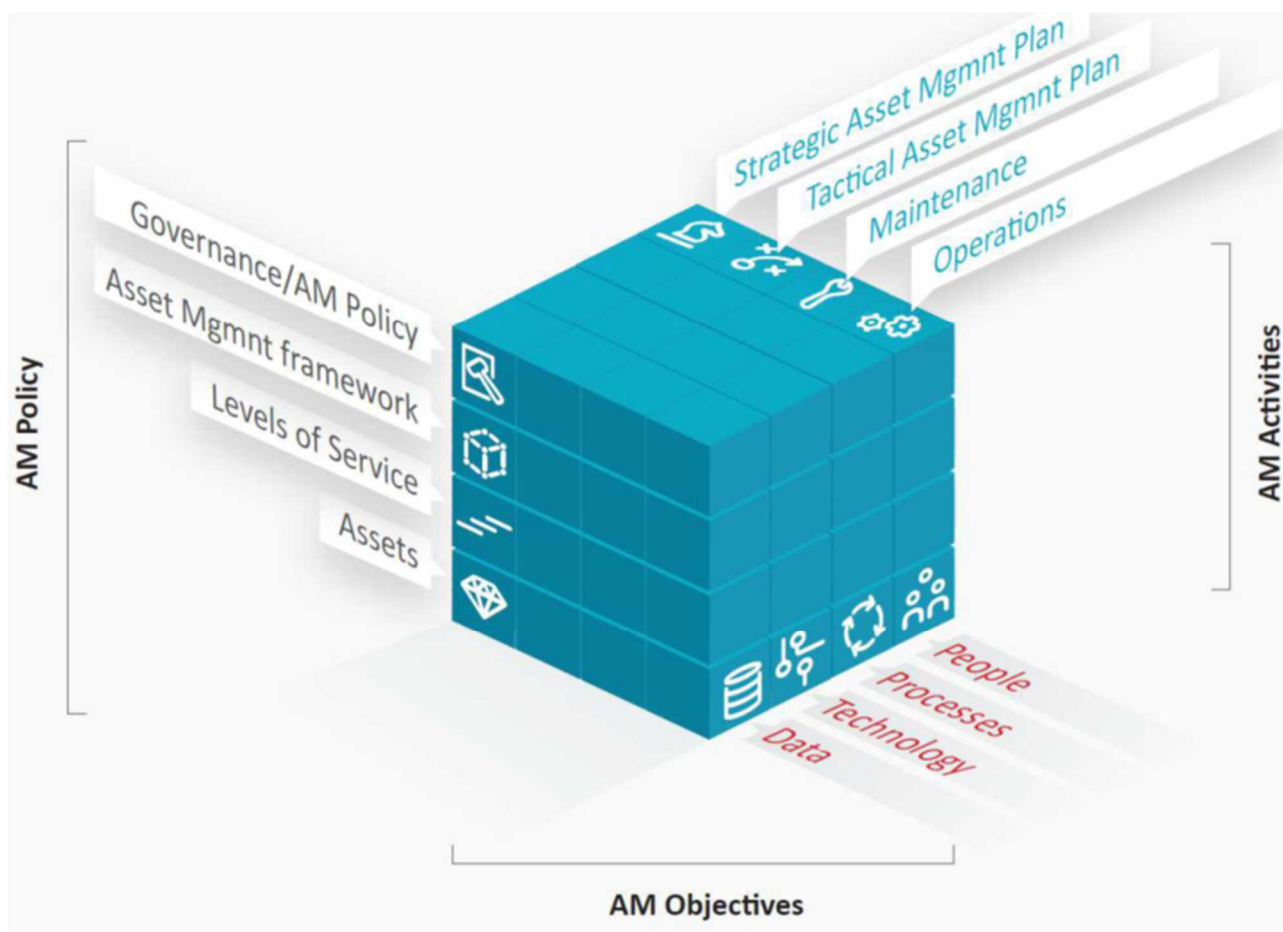
### 1.3 Purpose of Asset Ownership

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
<b>Dog Pounds/Animal Welfare</b>	To accommodate animals impounded by Animal control Staff
<b>Venues</b>	
<b>Pools – AC Baths, Genesis Energy Turangi Aquatic Centre, Mangakino Pool</b>	To provide the community with facilities for aquatics activity for fitness, learn to swim, aqua classes, leisure & family fun.
<b>Theatre &amp; Conference Centre</b>	To provide a central purpose built venue to cater for events in the community
<b>Events Centre, Turangi Gym, Turangi Snr Citz</b>	To provide the community with a multi-purpose indoor sports facility, and also the capability to host major functions for dinners, conference shows & concerts.
<b>Museum</b>	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
<b>Libraries</b>	To provide the community with places for reading, study & social enjoyment.
<b>Community Venues</b>	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...
<b>Social Housing</b>	To provide accommodation for the elderly community that meet the criteria to live independently.
<b>Investment Property</b>	
<b>Land Holdings</b>	To hold/utilise for a Strategic Council Purpose
<b>Residential Housing</b>	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
<b>Commercial Property</b>	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 Waiora House.
<b>Motor camps</b>	To hold/utilise for public camping & for future strategic purposes
<b>Administration &amp; Operations Property</b>	To accommodate Council's administration business, interface with the public and governance. Depots and remote sites are to accommodate Council's resources for site works & administration business.

The level of service provided by these assets, and the associated funding implications is defined within this Property's AMP.



**Figure #: Asset Management Structure**

### 1.3.1 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:-

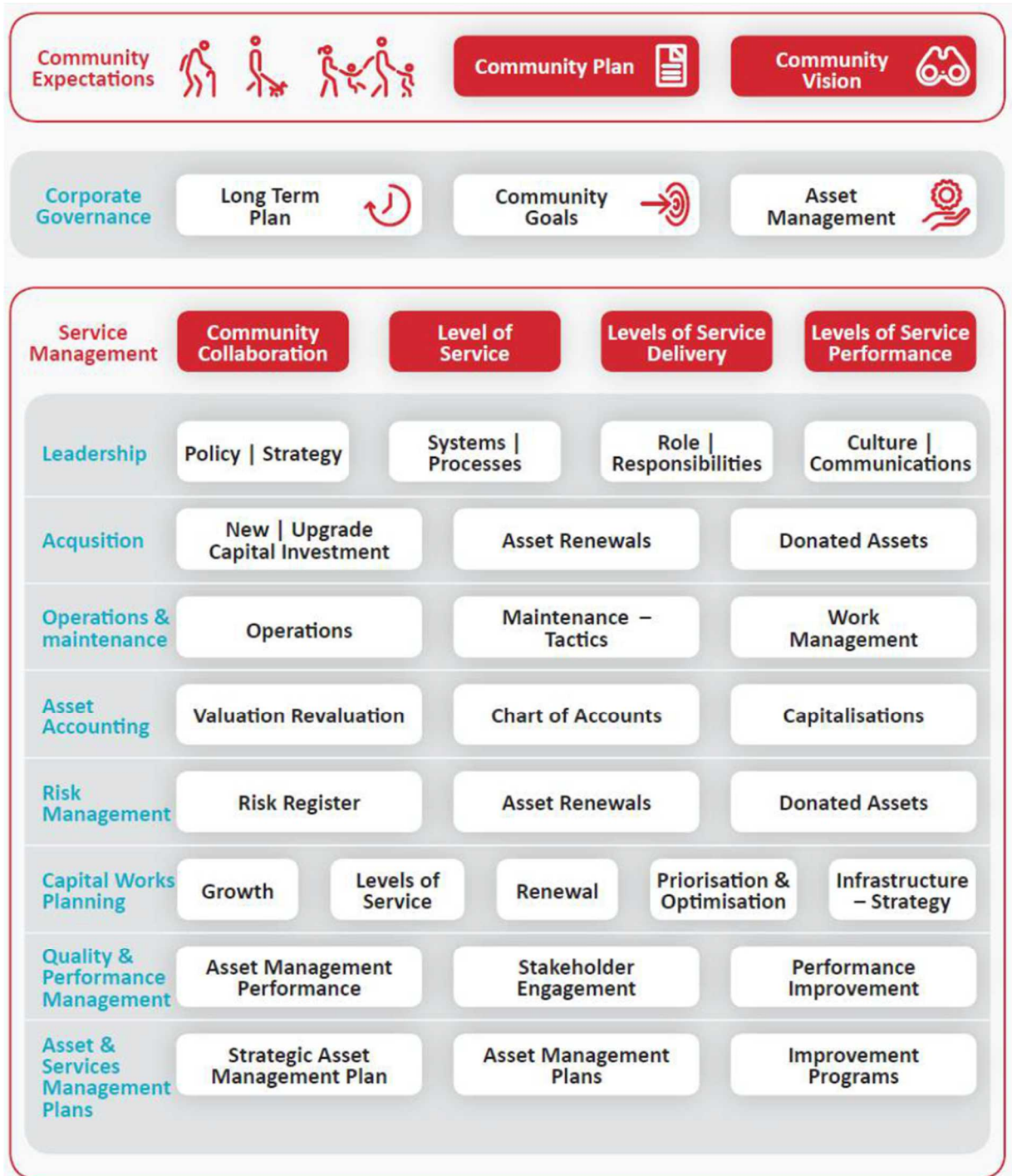
*Economy – our communities prosper in a thriving local economy with a diverse range of rewarding employment opportunities*

*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:-



**Figure #: Asset Management Functions**



<b>Strategic Direction 5</b>	<b>Well Designed Places</b>
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

## 1.4 Assumptions

### 1.4.1 FINANCIAL

<b>Item</b>	<b>Assumption</b>	<b>Potential risk</b>	<b>Mitigation measure</b>
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 2015 to 2025 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.	Labour, materials and services costs also need to be included (estimated) in order to arrive at a project budget cost for the asset.	Possible improvement to SPM are required to enable project labour, materials and services costs to be added to the current component only cost data.
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

Item	Assumption	Potential risk	Mitigation measure
			estimate has been applied
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.

#### 1.4.2 NON-FINANCIAL

	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 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 were completed for all parks during the 2013 calendar year.	
3	The acceptable minimum asset condition will vary depending on the asset criticality.	However, it is generally accepted that assets with condition ratings of 4 & 5 will be prioritised for replacement or retirement.	
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 resources. Causing issues with routine O&M delivery and development project delays.	Options will be considered for large projects and scoping / strategic planning task to outsource these activities.
7	Internal service provision	Lack of clarity around some asset responsibilities between internal TDC departments. Causing	Clearly identify where one TDC department will hold the overall responsibility for an asset, but will look to

		confusion and lack of focus.	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.
	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.

## 1.5 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 assets 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.

## 1.6 Asset Management Plan Complexity

### 1.6.1 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.

### 1.6.2 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.

## 1.7 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 Property Asset Management 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.

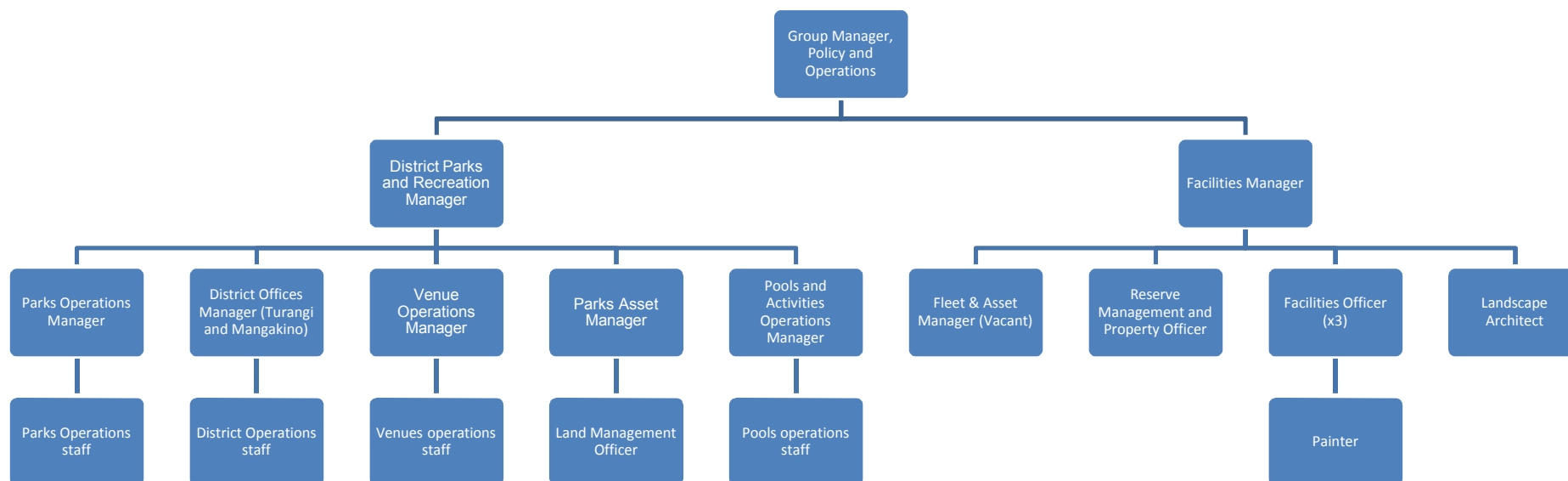
The property areas in the District are managed as follows:

- 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 Management Team, Turangi & Mangakino Team Leaders 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 Team, Turangi & Mangakino & Activity Managers of the critical venues undertake operational and maintenance activities.

In addition the Property 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.
-

1.7.1 FACILITIES TEAM



Facilities Management Team  
 (Which undertakes projects for the renewal of property assets, and the establishment of any new property improvements in the Taupo District.)