

2018-2028 PROPERTY ASSET MANAGEMENT PLAN
He Rautaki Whakahaere Rawa mō Ngā Hangatanga Whānui

GENERAL VOLUME

HE PUKAPUKA MATUA



Mountain to Sea
Te Kaunihera-ā-Rohe o Ngāmotu
NEW PLYMOUTH DISTRICT COUNCIL
newplymouthnz.com

DOCUMENT CONTROL

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GLOSSARY

AMP	Asset Management Plan
AP	Annual Plan
CAB	Citizens Advice Bureau
Capex	Capital Expenditure
CE	Chief Executive
COO	Chief Operating Officer
EAM	Enterprise Asset Management
ECM	Enterprise Content Management
GBAG	Govett-Brewster Art Gallery
GCRC	Gross Current Replacement Cost
GIS	Geographic Information System
HVAC	Heating Ventilation and Air Conditioning
IS	Infrastructure Strategy
LGA	Local Government Act
LLC	Len Lye Centre
LoS	Level of Service
LTP	Long Term Plan
MILES	GIS Viewer
NPDC	New Plymouth District Council
ODRC	Optimised Depreciated Replacement Cost
Opex	Operational Expenditure
RUL	Remaining Useful Life
TEAC	Todd Energy Aquatic Centre
TSB	Taranaki Savings Bank
YMCA	Young Men's Christian Association

1. EXECUTIVE SUMMARY

This general Property Asset Management Plan (AMP) outlines how we will contribute to the community outcomes and priorities identified in the 2018-2028 Long Term Plan (LTP).

While much of this AMP focuses upon the next 10 years in alignment with the LTP, asset management planning tends to consider much longer time frames. The majority of our community assets have life cycles far greater than 10 years. More than 90% of the replacement value of our fixed asset base relates to assets that are inter-generational, with useful lives well in excess of 50 years.

The Properties service provides a range of quality facilities that enhance the aesthetic of the district, making it an attractive place in which to live, work and visit. Our building and property assets support the delivery of other Council services across all significant activities. Our portfolio includes Puke Ariki, the Govett-Brewster Art Gallery (GBAG) and Len Lye Centre (LLC), events venues, pools, housing for the elderly, community halls, public toilets, parking buildings, the bus centre and our Council offices. We also deliver services to other businesses and teams within the Council, such as providing leases and licenses to occupy public land and acquiring land for infrastructure such as roads.

We are committed to delivering the best value to the community by:

- Fulfilling customer demand and service requirements in a cost-effective manner;
- Maintaining facilities and their assets in good condition; and
- Continuously improving asset management practices.

Managing and maintaining property assets is resource intensive. As at 30 June 2016, the certified fair value of our property assets was \$148m excluding land. The gross current replacement cost (GCRC) of these assets was assessed at \$300m excluding land.

The financial forecasts of each significant council activity include operational expenditure (Opex) requirements for property assets, from which the Property team operates and maintains property assets. Additionally, the Property service requires \$50.8m of capital expenditure (Capex) for renewals projects and improvements to levels of service over the next 10 years.

Specific details about each of the asset categories can be found in the Property AMP Volumes 1-8.

Note: All financial forecasts are shown in inflation adjusted dollar values.

1.1 Purpose of the Plan

This plan contains the information required for effective decision making about Property services in the New Plymouth District. It underpins the LTP and the Annual Plan (AP) before those documents go to the community for consultation.

The purpose of this plan is to:

- Demonstrate responsible stewardship of NPDCs property assets.
- Provide the basis for compliance with the Local Government Act 2002 (LGA), tracking changes in service potential and determining optimal long-term financial strategies for property assets.
- Provide a basis for customer consultation on levels of service and price versus quality trade-offs.
- Manage the environmental, social and financial risks associated with property assets.
- Optimise life cycle activities to achieve savings.
- Assess the demand and key performance indicators for property assets.

The plan is **not** an authorisation to commit budgets to the programmes it describes. Such authorisation is made through our LTP and AP processes.

1. EXECUTIVE SUMMARY

1.2 Asset Description

An overview of all of the Property assets in the district is provided in the table below. As indicated in Table 1, each asset category is detailed in a separate volume 1-8.

Table 1 Asset category volumes summary

Asset Category	Volume no
Civic Centre	1
Event Venues and Pools	2
Govett Brewster Art Gallery (GBAG) and Len Lye Centre	3
Puke Ariki and Libraries	4
Regulatory Buildings	5
Housing of the Elderly	6
Parks Buildings	7
Water and Waste Buildings	8

1.3 Levels of Service

The overall objective of the property asset management plan is:

'To meet the required level of service in the most cost-effective way through the operation, renewal, creation and divestment of property assets (land and buildings) to provide for existing and future customers.'

The services delivered by the Property Team contribute to the levels of service of other Council services. Details of the levels of service and the links to community outcomes for Parks (Volume 7) and Water & Wastes (Volume 8) can be found in the corresponding asset management plans. Property services also contribute towards the community outcomes for Community Partnerships (Volume 6), GBAG/Len Lye Centre (Volume 3), Puke Ariki and Libraries (Volume 4), Parks and Venues and Events (Volume 2) in the following ways:

Community Partnerships

- Our Housing for the Elderly service is about putting people first. We provide safe and quality accommodation for our tenants, enabling them to be involved in social and civic life.

GBAG/Len Lye Centre

- Providing high-quality and diverse cultural and recreational experiences supports the Council's vision of the district as a *Building a Lifestyle Capital*. The activities of this service contribute to the quality of life and cultural well-being of our people and support the district's reputation as a national and international destination of choice.
- Part of the Gallery's role is to develop challenging and changing exhibitions, programmes and events which contributes to Putting People First - *Aroha ki te Tangata*.
- As a combined facility the GBAG/Len Lye Centre is a major contributor to the region's tourism sector, attracting 34,400 out-of-region visitors annually, including international visitors. This contributes to Supporting a prosperous community - *Awhi mai, awhi atu, tātou katoa*. It encourages a vibrant economy and raises the national and international profile of New Plymouth District as a cultural tourism experience.

Puke Ariki and District Libraries

- The services of Puke Ariki and District Libraries support the Council's vision of *Building a Lifestyle Capital*.
- Puke Ariki and community library services support Putting people first – *Aroha ki te tangata* by providing the community with access to quality information and space for social contact in a safe, neutral environment. Our exhibitions, heritage collections, research facilities and public and education programmes foster a collective sense of identity in the community. We contribute to a strong sense of Taranaki culture and identity and offer experiences that nurture a greater understanding of Te Ao Māori.
- Free access to Puke Ariki collections, the internet, and programmes and events supports a Prosperous Community – *Awhi mai Awhi atu, tātou katoa*. Our central and community library services build prosperity, knowledge, skills and literacy within the community by providing learning opportunities to maximise the potential of our people. The i-SITE Visitor Information Centre provides valuable local knowledge that directs visitors to local attractions, encouraging them to stay longer. This supports and promotes a diverse range of local businesses, and contributes to a diverse economy.

Venues and Events

- All of the activities in the Venues and Events service play an important part in *Building a Lifestyle Capital* and contribute to the Community Outcomes of People, Place and Prosperity.
- Providing community, arts, cultural and sporting events supports Putting people first – *Aroha ki te Tangata* by encouraging a sense belonging within the community.
- The range of high quality and affordable venues and events available to residents also reinforces New Plymouth as a visitor destination for leisure, events and cultural activities. This provides opportunities for economic growth and diversification in the tourism market and therefore contributes to Supporting a prosperous community – *Awahi mai, awahi atu, tātou katoa*. A strategic approach to a thriving central city also contributes to ongoing economic growth in the district, supporting a vibrant and prosperous community.
- Providing high-quality and affordable recreation and sport opportunities encourages an active lifestyle, promoting Caring for our place - *Manaaki whenua, manaaki tangata, haere whakamua*.

1.4 Future Demand

The biggest driver of increased demand for all Council services and use of Council assets is population growth. An important issue for future property asset management is balancing any increase in service requirements with an increase in the number of occupied dwellings from which we can collect revenue. In this way, our facilities and services can remain affordable and attractive to our customers.

1.5 Lifecycle Management Plan

The lifecycle of an asset consists of:

- Creation (plan, design, procure, construct);
- Operation and maintenance;
- Renewal or rehabilitation; and
- Disposal.

General descriptions of the asset management practices, processes and systems we use throughout the life cycle of our assets are included in Section 4 of our Asset Management Strategy.

Particular details of how we manage the lifecycle of each asset category can be found in the asset category volumes 1-8, including how we optimise costs over a lifecycle. For example, it may be more cost efficient for us to choose a more expensive valve that costs less to maintain over the course of its life, than to choose a cheaper valve that will require a lot of maintenance.

1.6 Risk Management Plan

Our Corporate Risk Management Framework is used to identify, record, manage and mitigate key risks to the property assets. During project development and system performance analysis, we also investigate and assess opportunities to enhance asset resilience where appropriate.

We have not yet conducted criticality ratings for Property assets. However, we do have future plans to conduct assessment, which will assist our renewal, inspection and maintenance planning. **This is an asset management improvement issue and is recorded as Action 1 in Section 8 – Improvement and Monitoring Plan.**

Further details about risk management are included in Section 6 and in the asset category volumes 1-8.

1.7 Financial Summary

Table 2 summarises the total Capex forecast for property assets as defined in the individual asset category volumes.

Table 2 Capex forecast summary

Expenditure Forecast (\$000)										
Activity	18/19	19/20	20/21	21/22	23/24	24/25	25/26	26/27	27/28	LTP Total
Renewals	5,062	4,084	4,718	3,532	3,484	3,613	3,203	3,195	2,977	37,397
Service Level	1,631	53	1,483	1,516	558	1,059	561	562	4,398	13,353
Growth	-	-	-	-	-	-	-	-	-	-
Total	6,693	4,138	6,201	5,048	4,041	4,672	3,763	3,757	7,375	50,750

1. EXECUTIVE SUMMARY

The Opex forecasts for the operation and maintenance of Property assets are included in the overall Opex forecasts as shown in Table 3. The Property team manages the buildings on behalf of the other teams using the allocations within these forecast budgets.

Table 3 Opex categories

Asset Category		Opex Forecast
Civic Centre	1	Governance (22)
Event Venues and Pools	2	Venues and Events (11)
GBAG and Len Lye Centre	3	GBA and Len Lye Centre (10)
Puke Ariki and Libraries	4	Puke Ariki & District Libraries (26)
Regulatory Buildings	5	Regulatory Services (19)
Housing of the Elderly	6	Community Partnerships (11)
Park Buildings	7	Parks and Open Spaces (13)
Water and Waste Buildings	8	Water Supply (17)
		Waste Water Treatment (18)
		Waste Management and Minimisation (15)

1.8 Plan Improvement and Monitoring

Details about our general Asset Management Maturity Improvement Programme can be found in our Asset Management Strategy. General identified improvements can be found in Section 8 of this General volume. Specific identified improvements are included in the asset category volumes 1-8.



2.1 Background

Under the LGA we have a responsibility to manage Council owned assets and deliver satisfactory levels of service to existing and future customers in the most cost-effective way. The Property Team's mission statement is:

'To provide quality property and maintenance management, advice and systems, to satisfy our community, contributing towards the health, economic and social development of the District.'

Our building and property asset portfolio includes Puke Ariki, the Govett-Brewster Art Gallery, events venues, pools, housing for the elderly, community halls, public toilets, parking buildings, the bus centre and Council offices. We also deliver services to other businesses and teams within the Council including:

- **Lease management** - some 1450 leases, licences and tenancies over residential, industrial, commercial and rural land, including buildings and structures on Council land.
- **Property advice** - advice over a wide range of building and land issues, including property that is leased or administered by Council from a third party. Also includes acquisitions, disposals, statutory requirements and designations.
- **Asset ownership and management** - our portfolio comprises around 1,800 rateable properties, of which more than 900 are leasehold and the balance freehold. The total land area included in the portfolio is approximately 2,000 hectares. Details of the properties in the portfolio are summarised in Section 2.2 and further details can be found in Volumes 1-8.
- **Maintenance management** - reactive and planned maintenance and statutory compliance.
- **Capital expenditure management** - augmentation and renewals undertaken by the Projects Team on behalf of the Property Team to enhance or further develop the Council's facilities.
- **Management of Yarrow Stadium** (excluded from this AMP) on behalf of the owner, Taranaki Stadium Trust.

We currently own around 1800 parcels of land. We manage our land interests in different ways:

- **Restricted land:** is land that provides a benefit or service to the community e.g. various types of reserve – esplanade, historic. It cannot be easily disposed of because of legal or other reasons.
- **Operational land:** forms part of the normal operation of the Council and it has fewer restrictions in relation to sale.
- **Leasehold Land:** We hold the lessor's interest in Waitara Endowment Lands and the Inglewood Library Reserve. We also hold various other miscellaneous leases and licences.
- **Other Land Interests:** Public access to streams, rivers, lakes and the coast in Taranaki is often provided by public roads, esplanade reserves, access strips or esplanade strips. We allocate esplanade strips as part of subdivision, mostly for public purposes. While we have a legal interest in the land, ownership remains with the landowner. Our interest in esplanade strips is recorded on the land asset register. Creation of a strip, plus the restrictions and requirements relating to its use and management are noted on the title and are binding on every party having an interest in the land. We currently have an interest in 372 esplanade strips, comprising a total area of 252 hectares.

Purpose of the Plan

This plan has been developed in accordance with the requirements of the LGA 2002. It covers the forecast activities and expenditure for a thirty year planning period, with an emphasis on the 10 year period from 1 July 2018 to 30 June 2028. The purpose of this plan is to:

- Identify and detail the description of all properties under the management of the Council's Property Business Unit.
- Detail existing levels of service and where appropriate any statutory requirements.
- List known maintenance requirements.
- Produce a 10 year maintenance and renewal programme for each building.
- Identify areas for improvements in the management of property assets.

Relationships with Other Documents

The relationships between AMPs and other Council-wide planning documents are detailed in our Asset Management Strategy. Other documents specific to Property planning include:

- Service Level Agreements, Leases, and Budgets: The service levels, strategies and information requirements described in the AMP are incorporated into contract specifications, Key Performance Indicators (KPIs) and reporting requirements.
- Property Management Guidelines
- Operations – Maintenance & Statutory Compliance
- Reports to Council
- Council Resolutions

2.2 Assets Included in the Plan

The assets included in this plan are all the buildings we own and manage. The Property team is responsible for managing all Council buildings, with the exception of some specialised buildings at treatment plants and pump stations. The assets included in the AMP are summarised in Table 4.

Table 4 Asset summary

Asset Category	Building Name	Volume no
Civic Centre	Civic Building Stages 1, 2 & 3	1
Event Venues - Pools	ShowPlace Main Building	2
	TSB Stadium Main Building	
	Bowl Main Building	
	Indoor Pool/Main Block	
GBAG - Len Lye Centre	Inglewood, Okato, Waitara, Fitzroy	3
	Govett Brewster Art Gallery	
	Len Lye Centre	

Puke Ariki - Libraries	Waitara Council/Library	4
	Library (Puke Ariki Complex)	
	Inglewood Library/Service Centre	
	Museum (Puke Ariki Complex)	
Regulatory Buildings	Animal Control Building	5
	Courtenay Street Car Park	
	Downtown Car Park	
	Bus Station	
Housing for the elderly	Housing for the Elderly	6
Park Buildings	Depots: Hobson Street (including archives), Niger Terrace, Mould Street	7
	Public Toilets	
	Halls	
	Pukekura Park and Brooklands Zoo	
	Crematorium and Cemetery Buildings	
	Camping Grounds	
	General Parks Buildings	
Water & Wastes Buildings	New Plymouth Wastewater Treatment Plant Admin Building	8
	New Plymouth Water Treatment Plant Main Building	
	Waste Management and Minimisation	
	New Plymouth Water Treatment Plant - Sewer	
	New Plymouth Water Treatment Plant - Water	

2. INTRODUCTION

Asset Valuation

The value of the property assets is summarised in Table 5.

Table 5 Asset valuation

Asset Category	Volume no	Replacement Value (GRC) (\$)	Optimised Depreciated Replacement Cost (ODRC) (\$)	Annual Depreciation (\$)
Civic Centre	1	43,145,000	8,300,000	349,215
Event Venues and Pools	2	58,249,700	30,611,236	1,091,670
GBAG and Len Lye Centre	3	21,377,000	18,806,890	406,012
Puke Ariki and Libraries	4	53,971,000	34,211,962	987,485
Regulatory Buildings	5	20,326,200	3,990,300	208,155
Housing of the Elderly	6	16,807,800	9,693,400	205,642
Parks Buildings	7	60,069,600	28,226,963	887,151
Water and Waste Buildings	8	25,999,800	14,628,400	490,410
Total		299,946,100	148,469,151	4,625,739

Assets are valued at optimised depreciated replacement cost (ODRC). To calculate ODRC we first establish the gross current replacement cost (GRC) of an asset by applying unit rates to quantifiable asset attributes (length, width, depth, etc). We then deduct an estimate of the asset's accumulated depreciation from its GRC. Accumulated depreciation is calculated on a straight line basis, using estimates of useful lives and remaining useful lives

Note: The Civic Centre and car parking buildings operate commercially hence valuations are based on market assessments. Funding for these buildings is also recovered from leases, rents and fees.



2.3 Organisational Structure

A range of staff are involved in preparing and delivering the AMP and providing support services for asset management. How these responsibilities are allocated, managed and delivered is shown in the hierarchical diagram in Table 6.

Table 6 Organisational structure

	Elected Members (Council) Approval of key resolutions, policy, LTP, AP and AMPs to ensure Council's responsibilities to the community are being met in an effective and efficient way.		
Tier 1	Chief Executive (CE) Overall management of the organisation's activities to ensure Council objectives are met.		
Tier 2	Chief Operating Officer (COO) Manages delivery the services and plans defined in the asset management plans.	Group Strategy Manager Manages production of our LTP, 30-year Blueprint and District Plan.	Chief Financial Officer Manages our information technology services, legal services, records management, property assets, payroll, accounts, rates, procurement and risk management.
Tier 3	Infrastructure Manager Overall management of internal and external resources to deliver major Property projects and some asset management services for Property assets.	Infrastructure Planning Lead Preparation of strategic asset management plans, asset management objectives, levels of service and the Infrastructure Strategy.	Information Services Manager Support and solutions development for asset management software and systems.
			Business Services Manager Preparation and monitoring of financial budgets and targets related to asset management planning.
Tier 4	Asset Operations Planning Lead Preparation of the tactical aspects of the AMPs, maintaining the asset inventory and asset records, asset valuation summaries and maintenance scheduling.		Property Manager Delivery of day-to-day operations, maintenance and minor renewals of Property assets including compliance, condition assessments, renewal planning and valuations. Management of internal and contract resources. Providing advice and guidance on Property asset management to the CFO and CE.
	Manager Infrastructure Projects Delivery of major projects and technical investigations for the renewal and augmentation of Property assets.		

2.4 Document Structure

A high level description of how this plan links to our vision, mission, goals and objectives can be found in our overarching LTP, with more specific detail in the Infrastructure Strategy and Council Services sections.

Asset management planning content is split between our Asset Management Strategy, a General Asset Management Plan for each asset class, and a volume for each specific asset category within that class. This Property AMP includes a General volume and eight specific asset category volumes:

- Volume 1 – Civic Centre
- Volume 2 – Event Venues and Pools
- Volume 3 – GBAG and Len Lye
- Volume 4 – Puke Ariki and Libraries
- Volume 5 – Regulatory Services Buildings
- Volume 6 – Housing for the Elderly
- Volume 7 – Parks Buildings
- Volume 8 – Water & Waste Buildings

The framework and key elements of the overall asset management plan are shown in Table 7.

Table 7 Asset management document structure

No.	Document Name	Key Document Contents
1	Long Term Plan (LTP)	Infrastructure Strategy <ul style="list-style-type: none"> • Strategic Framework • Guiding Themes • High Level Information for Each Asset Class Council Services <ul style="list-style-type: none"> • High Level Information • Levels of Service • Financial Plan
2	Asset Management Strategy	General Asset Management Principles and Overview

3	Asset Class General Volumes	General Information and Glossary about each asset class <ul style="list-style-type: none"> • Executive Summary • Introduction • Levels of Service • Future Demand • Risk Management Plan • Financial Summary • Plan Improvement and Monitoring
4	Asset Category Lifecycle Management Volumes	Asset Life Cycle Management for each asset category within each asset class <ul style="list-style-type: none"> • Description • Condition • Remaining Lives • Valuation • Operations & Maintenance • Renewals • Acquisition and Augmentation • Disposals • Annual Work Plan • Risk Management • Financial Summary • Improvement Plan

Asset Information and Data

We store and manage information and data about Property assets in various systems, including the following:

- Enterprise Asset Management (EAM) system (Technology 1) for document management, financial management, customer information & requests, asset inventory, asset history, work order management and maintenance scheduling;
- ARCGIS for spatial records with general GIS viewer MILES; and
- Drawing Management System in SharePoint on intranet and drawing files stored on server.

3. LEVELS OF SERVICE

Our levels of service are driven by our overall service objectives, customer expectations, and legislative and technical requirements. The Capex and Opex investment programmes included in this plan are based on effective asset management that delivers on these objectives, expectations and requirements.

3.1 Customer Levels of Service

The services delivered by the Property Team contribute towards achieving the levels of service set out for other functions of the organisation including Community Partnerships, GBAG/Len Lye Centre, Puke Ariki and Libraries, Parks, and Recreation and Events. These are shown in Tables 8, 9, 10 and 11.

Community Partnerships

Table 8 Community partnerships levels of service

What you can expect	How we measure	Actual 2016/17	2018/19	2019/20	By 2027/28
We effectively coordinate and administer the housing for the elderly service.	The percentage of tenants satisfied with the service.	100%	90%	90%	90%

GBAG/Len Lye Centre

Table 9 GBAG/Len Lye Centre levels of service

What you can expect	How we measure performance	Actual 2016/17	2018/19	2019/20	By 2027/28
We provide access to an engaging range of contemporary art from NZ and around the world	The annual number of exhibitions on offer.	6	7	7	7
	The annual number of visitor entries.	116,206	116,000	116,000	116,000
	The percentage of residents satisfied with the service (NRB survey*).	69%	Meets or exceeds peer group average	Meets or exceeds peer group average	Meets or exceeds peer group average
	The percentage of customers satisfied with their overall experience at the Govett-Brewster Art Gallery and Len Lye Centre (in-house surveys).	New measure	82%	82%	82%

* All NRB survey targets are excluding 'don't know' responses.

3. LEVELS OF SERVICE

Puke Ariki and District Libraries

Table 10 Puke Ariki and District Libraries levels of service

What you can expect	How we measure performance	Actual 2016/17	2018/19	2019/20	By 2027/28
We provide an accessible and informative point of contact and booking service for visitors to New Plymouth District.	The percentage of customers satisfied with the i-SITE Visitor Information Centre (in-house survey).	99%	95%	95%	98%
We provide an accessible mix of lending and reference resources that meet the changing needs of the community.	The percentage of customers who are satisfied with the library collections (in-house surveys).	95%	95%	95%	95%
	The number of library members.	New measure	28,000	28,500	30,000
	The annual number of library items loaned	New measure	795,000	795,000	800,000
We offer widely accessible and engaging education programmes.	The annual number of programmed learning opportunities on offer.	1,582	1,200	1,200	1,200
	The number of participants attending.	32,020	29,000	29,000	29,000
	The percentage of participants satisfied with programmes (in-house)	99%	95%	95%	95%
We provide 24/7 online access to the Heritage Collection.	The number of digital heritage records created or improved annually.	11,623	11,000	11,000	11,000

Venues and Events

Table 11 Venues and Events levels of service

What you can expect	How we measure performance	Actual 2016/17	2018/19	2019/20	By 2027/28
We provide high quality community pools that encourage community participation in aquatic activities.	The percentage of residents satisfied with the Council's swimming facilities (NRB survey*).	96%	94%	94%	94%
	The number of pool patrons per year.	397,185	390,000	390,000	390,000
We provide a range of appealing events at high quality venues.	The percentage of residents satisfied with Council's events (NRB survey*).	95%	95%	95%	95%
	The percentage of residents satisfied with the Council's events venues (NRB survey*).	98%	95%	95%	95%
We provide a network of high quality venues that create opportunities for the community to attend arts, cultural, sporting and recreation activities.	The number of attendees and events/bookings across all venues.	326,619 1,160 events	330,000 1,150 events	330,000 1,150 events	335,000 1,200 events

* All NRB survey targets are excluding 'don't know' responses.

3. LEVELS OF SERVICE

3.2 Legislative Requirements

In addition to Customer Levels of Service, there are a number of technical and operational parameters required by legislation. A number of Council policies also govern how property assets are managed. Our Approval of Properties for Sale and Method of Sale Policy determines the rules and process for considering the sale or retention of properties.

A selection of Policies and Council decisions applicable to the Property Assets Team include the following:

- Surrender of Leasehold
- Liability of Independent Trustees of Lessee Trusts
- Approval of Properties for Sale and Method of Sale
- Housing for the Elderly Policy
- New Plymouth City Council Policies, Precedents and Significant Resolutions, Delegations
- Sale of Unformed Roads
- Public Toilet Strategy
- General Policies for Council Administered Reserves
- Earthquake-Prone Dangerous Insanitary Buildings Policy
- Camping Ground Policy
- Consultation Policy
- Disability Strategy
- Rural Halls Funding Policy
- Community Funding Policy
- Fees and Charges Policy
- Encroachments on Road Reserve Policy
- Local Government Act 2002 and 2010 Amendments
- Resource Management Act 1991 including Amendments from the Legislation Act 2012
- Fire Act 1975
- Local Government (Rating) Act 2002
- Civil Defence Emergency Management Act 2002
- Health and Safety at Work Act 2015
- Building Act 2004
- NZ Standards – Technical Specifications for parks construction



3.3 Levels of Service Projects

We have identified a number of projects to improve and maintain levels of service. Level of service projects having a total value of \$13.3m over the 10 year period of the AMP are summarised in Table 12. Details are included in the individual AMP Volumes 1-8.

Table 12 Level of service expenditure forecast summary

Levels of Service Forecast (\$000)										
Activity	18/19	19/20	20/21	21/22	23/24	24/25	25/26	26/27	27/28	LTP Total
Civic Centre	-	-	-	-	-	-	-	-	-	-
Venue Events and Pools	838	53	54	55	558	1,059	561	562	564	4,362
GBAG & LLC	-	-	-	-	-	-	-	-	-	-
Puke Ariki and Libraries	298	-	1,429	1,460	-	-	-	-	3,834	8,496
Regulatory Buildings	-	-	-	-	-	-	-	-	-	-
Community Partnerships	-	-	-	-	-	-	-	-	-	-
Parks Buildings	495	-	-	-	-	-	-	-	-	495
Water and Waste Buildings	-	-	-	-	-	-	-	-	-	-
Total Levels of Service	1,631	53	1,483	1,516	558	1,059	561	562	4,398	13,353

4. FUTURE DEMAND

Population growth in the district is the principal factor affecting the demand for and use of our buildings and properties.

Our demand analysis involves reviewing the key drivers impacting property assets, and assessing the implications for future asset management. When considering changes to the capacity of any property asset, we assess the current ability of the asset, and the team resources, to provide facilities and services at the required levels.

Increased demand tends to place additional wear on property, which can reduce the remaining useful life of an asset. Increased demand can also mean more capacity is required, which may raise service delivery costs over and above what our customers can afford, or are willing to pay.

No growth projects are planned during the period of the AMP.



5. LIFECYCLE MANAGEMENT PLAN

The lifecycle of an asset has four stages:

- Creation (plan, design, procure, construct);
- Operation and maintenance;
- Renewal or rehabilitation; and
- Disposal.

A general overview of how these stages are managed is included in our Asset Management Strategy. Detailed lifecycle management is covered in each asset category volumes 1-8.

5.1 Operations and maintenance

The Opex forecasts that include allocations for the operation and maintenance of Property assets are included in the overall Significant Activity Opex forecasts as shown in the table below. The Property team uses the allocations within these forecasts for managing the Property assets on behalf of the other teams.

Table 13 Opex categories

Asset Category	Volume no	Opex Forecast
Civic Centre	1	Governance (22)
Event Venues and Pools	2	Venues and Events (11)
GBAG and Len Lye Centre	3	GBA and Len Lye Centre (10)
Puke Ariki and Libraries	4	Puke Ariki & District Libraries (26)
Regulatory Buildings	5	Regulatory Services (19)
Housing of the Elderly	6	Community Partnerships (11)
Park Buildings	7	Parks and Open Spaces (13)
Water and Waste Buildings	8	Water Supply (17) Waste Water Treatment (18) Waste Management and Minimisation (15)

Personnel costs include salaries and wages and other personnel expenses including training and recruitment. General operating expenditure includes occupancy and utility costs, property maintenance and legal and professional fees. Direct costs of activities include contractor's costs, materials and services. Shared Services (Overhead) includes internal charges for support services e.g. Executive Leadership Team, HR, labour costing expenses and internal goods and services charges.



5. LIFECYCLE MANAGEMENT PLAN

5.2 Renewals

Our general approach to asset renewals can be found in Section 4.3 of OUR Asset Management Strategy. Renewal projects having a total value of \$37.4m over the 10 year period of the AMP are summarised in Table 14. Details of the renewal activities and programmes are included in each of the asset category volumes 1-8.

Table 14 Renewals expenditure forecast summary

Renewals Forecast (\$000)										
Activity	18/19	19/20	20/21	21/22	23/24	24/25	25/26	26/27	27/28	LTP Total
Civic Centre	1,191	736	1,036	548	404	817	366	374	384	6,252
Venue Events and Pools	1,719	1,448	1,283	1,266	1,418	1,325	1,407	1,304	1,289	13,740
GBAG & LLC	158	163	166	169	176	181	185	190	195	1,756
Puke Ariki and Libraries	298	479	731	377	478	490	501	514	527	4,781
Regulatory Buildings	20	537	540	21	-	-	24	-	-	1,142
Community Partnerships	114	105	107	118	114	117	120	123	126	1,154
Parks Buildings	1,562	617	855	1,033	894	683	600	690	456	8,573
Water and Waste Buildings	-	-	-	-	-	-	-	-	-	-
Total Renewals	5,062	4,084	4,718	3,532	3,484	3,613	3,203	3,195	2,977	37,397

6. RISK MANAGEMENT PLAN

6.1 Critical assets

A formal asset criticality system is to be developed and will include recording the criticality ratings in EAM, regular reviews/updates and integration into asset planning processes.

This is an asset management improvement issue and is recorded as Action 1 in Section 8 – Improvement and Monitoring Plan.

6.2 Risk Assessment

Our risk assessments are conducted, recorded, managed, escalated and monitored in accordance with ECM#1479536 – Corporate Risk Management Framework: Policy & Process. A summary of how the policy and process operate and a list of the current key risks relevant to our assets is included in Section 7 of the Asset Management Strategy. The list includes risks that are applicable across all asset categories and those particular to Properties.

6.3 Infrastructure Resilience Approach

The Infrastructure Resilience approach is directed by the Operational and Maintenance items of the properties to improve the services and the infrastructure.

7. FINANCIAL SUMMARY

7.1 Financial Statements and Projections

The 10-year Capex forecast for Property assets is shown in Table 15. Forecasts for each of the asset categories are included in the individual volumes 1-8.

Table 15 Capex forecast summary

Expenditure Forecast (\$000)										
Activity	18/19	19/20	20/21	21/22	23/24	24/25	25/26	26/27	27/28	LTP Total
Renewals	5,062	4,084	4,718	3,532	3,484	3,613	3,203	3,195	2,977	37,397
Service Level	1,631	53	1,483	1,516	558	1,059	561	562	4,398	13,353
Growth	-	-	-	-	-	-	-	-	-	-
Total	6,693	4,138	6,201	5,048	4,041	4,672	3,763	3,757	7,375	50,750

The 10-year Opex forecasts for other Significant Activities include allocations for the operation and maintenance of Property assets (as described in section 5.1.). The Property team uses these allocations to manage the Property assets on behalf of the other teams.

7.2 Funding Strategy

Community Partnerships

The Housing for the Elderly service is self-funded in that all maintenance, upkeep and other services are funded from rental income. With overwhelming support for retaining the Housing for the Elderly tenancy services, we will evaluate ways to meet the growing demand for our services. While we are committed to offering tenants rent that is below market rental pricing, part of our evaluation may include investigating the impact of rent increases. While we intend retaining the self-funding model, rents will need to increase to fund replacement of existing units that are no longer fit for purpose. It will also allow future Council investment and/or divestment decisions to ensure older stock remains fit for purpose. We will continue to ensure our properties are up to standard and fit for purpose, particularly in relation to the needs of the elderly, such as accessibility supports.

GBAG/Len Lye Centre

The Govett Brewster Art Gallery/Len Lye Centre service is funded primarily through general rates, plus fees and charges. We also raise revenue through fundraising, partnerships, donations, grants and sponsorship, and commercial activities including venue hire, the cinema, exhibition tours, retail shop sales and rent and a profit share from Monica's Eatery.

Additional funds for art acquisitions, and some aspects of operation, are provided by the Govett-Brewster Foundation and through endowment funds.

We also apply for contestable Ministry of Education to deliver learning experiences outside the classroom (LEOTC) every three years.

Puke Ariki & Community Libraries

This activity receives its core funding from New Plymouth District Council but also raises revenue through sponsorship, grants, commission from bookings made through the i-SITE, shop sales, hireage of spaces, and rent from the Taranaki Daily News Café and Arborio restaurant.

Venues and Events

This service is funded through general rates, user fees and charges, grants, sponsorship, grants and donations.

Note: Funding for the Civic Centre and car parking buildings is also recovered from leases, rents and fees.

7.3 Valuation Forecasts

The last 3-yearly statutory valuation of fixed assets was conducted in 2016. Details can be found in the Infrastructure Fixed Asset Final 2016 Certified Valuation Report (ECM#7164171). This includes the valuation methodology and a summary of the gross current replacement cost (GCRC), Optimised Depreciated Replacement Cost (ODRC or fair value) and annual depreciation for all asset categories.

Note: The Civic Centre and car parking buildings operate commercially hence valuations are based on market assessments.

8. IMPROVEMENT AND MONITORING PLAN

Our general Asset Management Maturity Improvement Plan is included in the Asset Management Strategy.

General improvements to Property assets are shown in Table 16. Specific areas of improvement identified for different asset categories can be found in the individual volumes 1-8.

Table 16 Improvements summary

No	Improvement Area	Owner	Start Date	End Date
1	Criticality assessment for property assets has not been carried out. We plan to conduct an assessment in the future to assist renewal, inspection and maintenance planning.	Property Manager	Jul-18	Jun-19
2	Property assets are not componentised in EAM but are detailed on Property team spreadsheets and systems. We are considering migrating componentized assets into EAM.	Property Manager	Jul-18	Jun-19



2018-2028 PROPERTY ASSET MANAGEMENT PLAN
He Rautaki Whakahaere Rawa mō Ngā Hangatanga Whānui

GENERAL VOLUME

HE PUKAPUKA MATUA

PLYMOUTH DISTRICT COUNCIL