New Plymouth District Council

INFORMATION TECHNOLOGY Asset Management Plan 2024 – 2034

Te Kaunihera-ā-Rohe o Ngāmotu
New Plymouth District Council

Contents

Preamble/Foreword

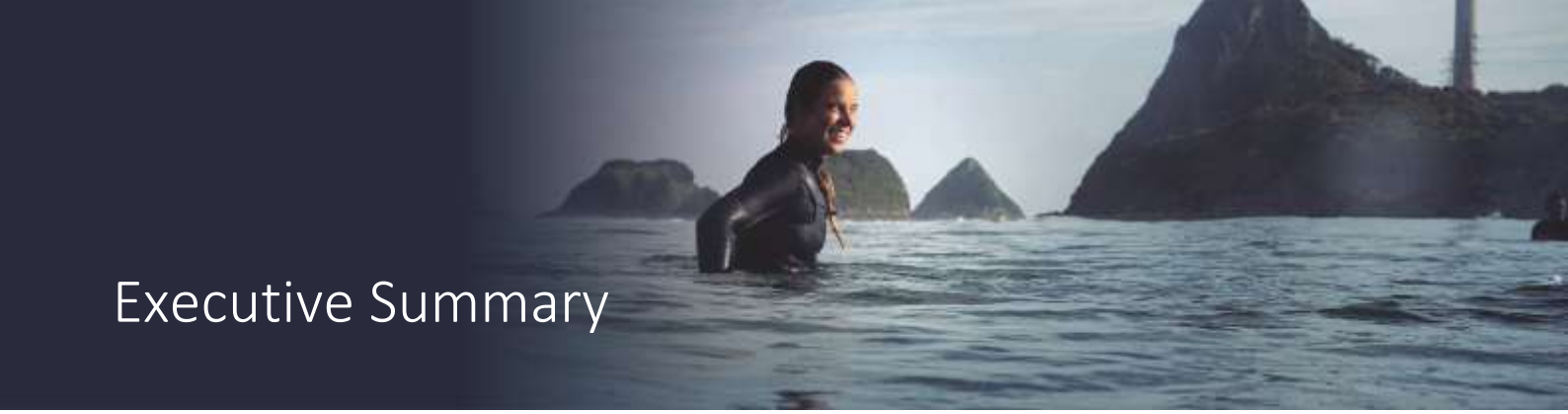
This 2024 Asset Management Plan has been prepared as part of the 2024-2034 Long-Term Plan (LTP) supporting information.

Asset management is considered by New Plymouth District Council to be an essential element of governance for local authorities and allows us as an organisation to take a planned approach towards our service delivery arrangements, levels of service, associated risks and financial forecasts. This Asset Management Plan (AMP) provides clarity to the organisation regarding the level of work required to implement comprehensive and quality lifecycle asset management strategies. This will ensure the delivery of targeted and essential infrastructure to the district and its residents.

The overall intent for this AMP is to provide a high-level document that supports the legislatively required 2024-2034 LTP and focuses on providing a desired level of service through the management of assets in the most cost-effective manner for present and future customers.

This AMP is the result of a substantial body of work over an 18-month timeframe, produced from the efforts of a cross-functional team of representatives including service managers, engineers, financial planners, senior managers, data technicians as well as asset management champions throughout the organisation.

This AMP has been produced concurrently with the 2024-2034 LTP, and all financial information is aligned with the approved budgets under the 2024-2034 LTP.



Executive Summary

This Asset Management Plan is a key supporting document for the Long-Term Plan, to assist in driving the achievement of Council's strategic vision, to describe the assets required to deliver this service, to outline the required Levels of Service we will need to deliver, the necessary actions to ensure we meet the expectations of our community, and the consequences of the decisions made by the elected Council.

1.1 Our Assets

Digital Enablement is a shared services unit that provide digital services across all New Plymouth District Council (NPDC) facilities and significant activities including but not limited to:

- Civic Centre
- Venues and Events
- Museums and Libraries
- Parks and Open Spaces
- Water and Wastewater Treatment Plants
- Regulatory Services
- Emergency Management Services (Regional Civil Defence and Emergency Management)
- New Plymouth Airport / Papa Rererangi I Puketapu Ltd (a Council-Controlled Organisation)

Managing and maintaining information technology assets is resource intensive due to the number of sites and devices. As of 31 October 2023, the current book value of our Information Technology assets was $3M. The gross current replacement cost (GCRC) of these assets was assessed at $24.1M.

Information technology asset management planning tends to consider much shorter timeframes due to the fast pace of technology change which is a challenge. Information technology assets have lifecycles of 3-10 years.

This AMP does not include Operational Technology (OT) assets covered in the Three Waters AMP and any specialised technology assets used by other business units such as Infrastructure (Transport), Compliance (Parking) and Puke Ariki Libraries.

1.2 Our Drivers

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

- Fulfilling customer demand and service requirements in a cost-effective manner
- Maintaining technology assets in good condition to ensure its best performance
- Continuously improving asset management practices
- Ensuring our Delivery Team (Information Management, Applications & Service Delivery), Data & Geographical Information System (GIS), Infrastructure team, and Leadership team achieve Level of Service (LoS) performance targets.

1.3 Our Plan

This AMP contains the information required for effective decision-making about Digital Enablement services in the New Plymouth district. It underpins Council's Long-Term Plan (LTP) and the Annual Plan, prior to those documents going to the community for consultation.

The purpose of this plan is to;

- demonstrate responsible stewardship of NPDC's Information Technology 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 the Information Technology 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 the Information Technology assets,
- optimise lifecycle activities to achieve savings,
- assess the demand and key performance indicators,

This AMP is not an authorisation to commit budgets to the programmes it describes. Such authorisation is made through Council's LTP and AP processes.

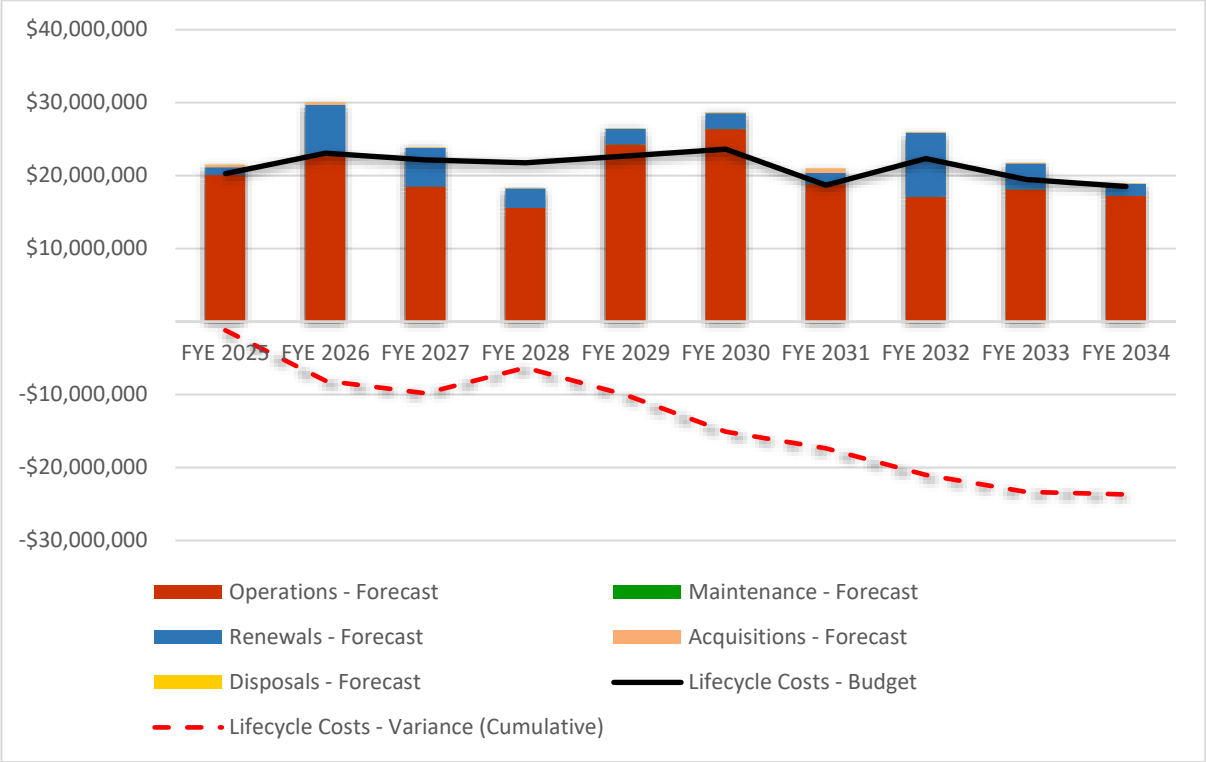
1.4 The Cost

Digital Enablement requires a total of $37M of capital expenditure for renewals projects (~$35.5M) and improvements to LoS (~$1.5M) over the next ten years. There is also an operational expenditure uplift of $12.4M.

The biggest drivers of increased demand are the growing needs for mobility not just in the workplace but also services provided to the community, faster network connectivity, reliable communication services and population growth.

NPDC serves a population of 81,900 who interact across many Council services, primarily through the traditional channels (ie: front counters, phone, email). The desire to provide more online options (e.g. service requests through a customer portal or mobile) is aligned with Council's vision of building a lifestyle capital. Putting people first will increase the demand for IT services and delivery of new systems to support the online offerings.

Figure 1.4.1: Lifecycle Summary Costs



All figure values are shown in current day dollars.

1.5 The Risks

The risk/consequences of not having enough budget allocated will likely result in the following risks;

- costs resulting from an inability to provide a continuously improving digital environment on which NPDC will operate now and in the future,
- there is a lack of understanding about the cost of keeping NPDC abreast of digital enhancement in both security and functionality,
- there is a risk this could likely result in increased future costs due to a greater potential for security breaches, reputational harm and costs resulting from older unsupported hardware and software,
- costs resulting from a reduction in the level to provide an appropriate level of health and safety cover.

1.6 The Future Change

- Better forward planning and oversight for both hardware and software renewal and replacement. This can be done by ensuring AMPs are regularly updated, appropriate workload planning, Annual and Long Term Plan and Internal Projects oversight.

- Early and robust engagement with the organisation for any IT related projects or tasks.
- Engagement with elected members to ensure they gain a better understanding of the need to keep abreast of technology as well as associated risks and processes.
- Appropriate planning and working towards the proposed Digital Enablement Digital Strategy will keep us aligned with current organisational goals.
- Evaluate current expenditure and make focused changes to enhance and automate systems to enable savings and reductions in budget.

Innovation and new technology are changing the world and the daily lives of each and every one of us. Many things that were mere visions of the future yesterday are now a reality. Meanwhile, we are surrounded by technology at every moment of our lives.

Digital Enablement drives the provision of technology in NPDC to build a better future for our community.

Introduction

2.1 Background

2.1.1 Organisation Context

New Plymouth District Council (NPDC or Council) serves the New Plymouth District (the district) situated in North Taranaki, in the North Island of New Zealand. Dominated by the majestic Taranaki Maunga, the Taranaki region has historically been built upon the dual economic pillars of dairy and petrochemical industry but has recently pivoted away from this dual reliance towards a wider economic foundation encompassing other industries to build regional economic resilience. While New Plymouth is the only city in the district, it encompasses a number of small towns including the communities of Waitara, Inglewood, Urenui and Ōakura. The district is currently home to a population of approximately 89,000 people, a figure which is forecasted to reach around 93,500 by 2029.

Figure 2.1.1 Taranaki local authority boundaries (image courtesy of TRC)

Providing adequate delivery of services and meeting the expectations and demands of a growing population will bring a number of challenges and opportunities which the organisation will need to plan for, fund, operate and maintain to provide the appropriate levels of service over the planning period.

The current operating environment of NPDC is being significantly impacted by the ongoing effects of the global COVID pandemic, the international instability caused by the war in Ukraine and the political reforms initiated by both the previous and the current central government. These challenges have created increased financial pressure to all Council departments and to the majority of Council's across New Zealand. More detail about these issues is covered in Section 4 – Demand.

2.1.2 Service Context

Under the Local Government Act, the Council have a responsibility to manage Council owned assets and deliver satisfactory levels of service to existing and future customers.

The overall objective of this AMP is to ensure Information technology assets are maintained, renewed or replaced in a timely manner to meet the required level of service in the most cost-effective way.

Digital Enablement contribute to the LoS of other Council business units by providing the following shared services;

- User Account Management
- Application Support
- Data Centre – production support
- Data warehousing and Business Intelligence
- Database Management services
- Desktop services
- Email and File services
- GIS services
- Information Management
- Internet services
- IS Remote Site Support
- IT Procurement services
- Mail/Print/Stationary services
- Network services (including wireless)
- Print services
- Remote Access services
- Service Desk services
- Storage Management
- System Management services
- Telephone services (fixed and mobile)

2.1.3 Asset Summary

Information Technology assets owned and/or managed by Digital Enablement on behalf of other business units are further categorised into the following three categories; hardware, software and furnishing and fittings. Each category consists of the following asset portfolios;

Hardware

- 520 devices for network, storage, servers, security, power and other IT infrastructure
- 1,550 mobile and workstations (desktops, laptops, tablets, NUCs)
- 754 Telephony and peripheral devices (monitors, scanners, projectors, TV)

Software

- Approximately 250 applications used to run Council operations such as the Enterprise Resource Planning (ERP) system. This also includes software installed or required for the hardware to function
- Applications that do not incur cost using Capital Expenditure budget, classified as Software as a Service (SaaS), are also included in this plan for the purpose of maintenance. Main ones are the HR, Payroll, Health and Safety and Project management Systems

Furnishing and Fitting

- 50 cabinets, racks in the datacentre and meeting room fit outs such as TV mounts

Specialised technology devices such as the traffic light management and car park systems are not included in this plan but are expected to be covered in the business units that manage these assets. Operational Technology (OT) assets are covered in the Three Waters AMP.

2.2 Asset Management Planning

2.2.1 Goals and Objectives

AMPs are developed by NPDC to provide guidance on how to manage infrastructure, property and information technology assets to meet defined levels of service. They are used as supporting documents for the Infrastructure Strategy and Long-term Plan (LTP), which are required under the Local Government Act 2002 (clauses 101B and 93 respectively).

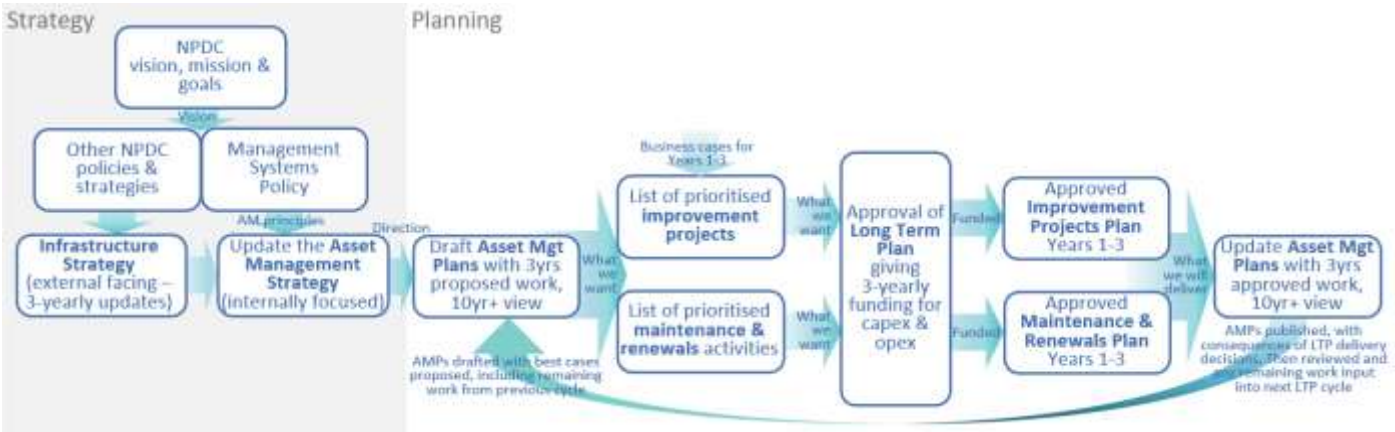
This AMP identifies and addresses the following key elements;

- defining the levels of service and monitoring overall performance,
- identifying and managing the impacts of changing demand,
- assessing the complete lifecycle requirements for the asset portfolio and developing cost-effective strategies for management of those assets,
- identifying, assessing, and treating risks and improving asset resilience,
- outlining the trade-off between service and risk,
- connecting the forecast costs to the financial LTP,
- identifying and acting on opportunities for improvement.

2.2.2 Process

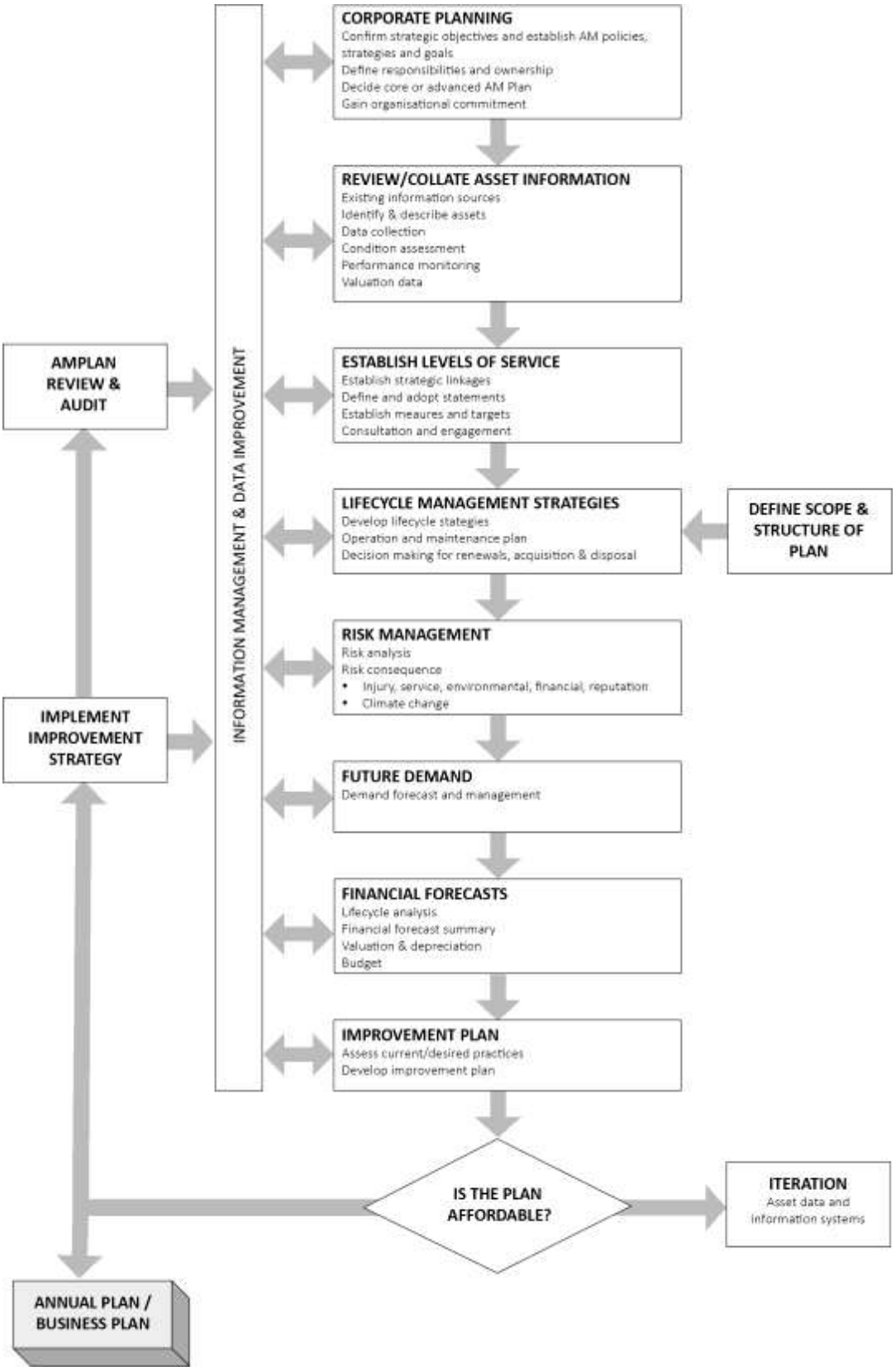
The development of AMPs is part of an overall governance process that is outlined in the Asset Management Strategy. A summary of this process is given in Figure 2.2.2.1

Figure 2.2.2.1: Asset management governance process



This AMP is prepared following the International Infrastructure Management Manual (IIMM) Road Map as shown in figure 2.2.2 below.

Figure 2.2.2.2: IIMM Asset management planning road map

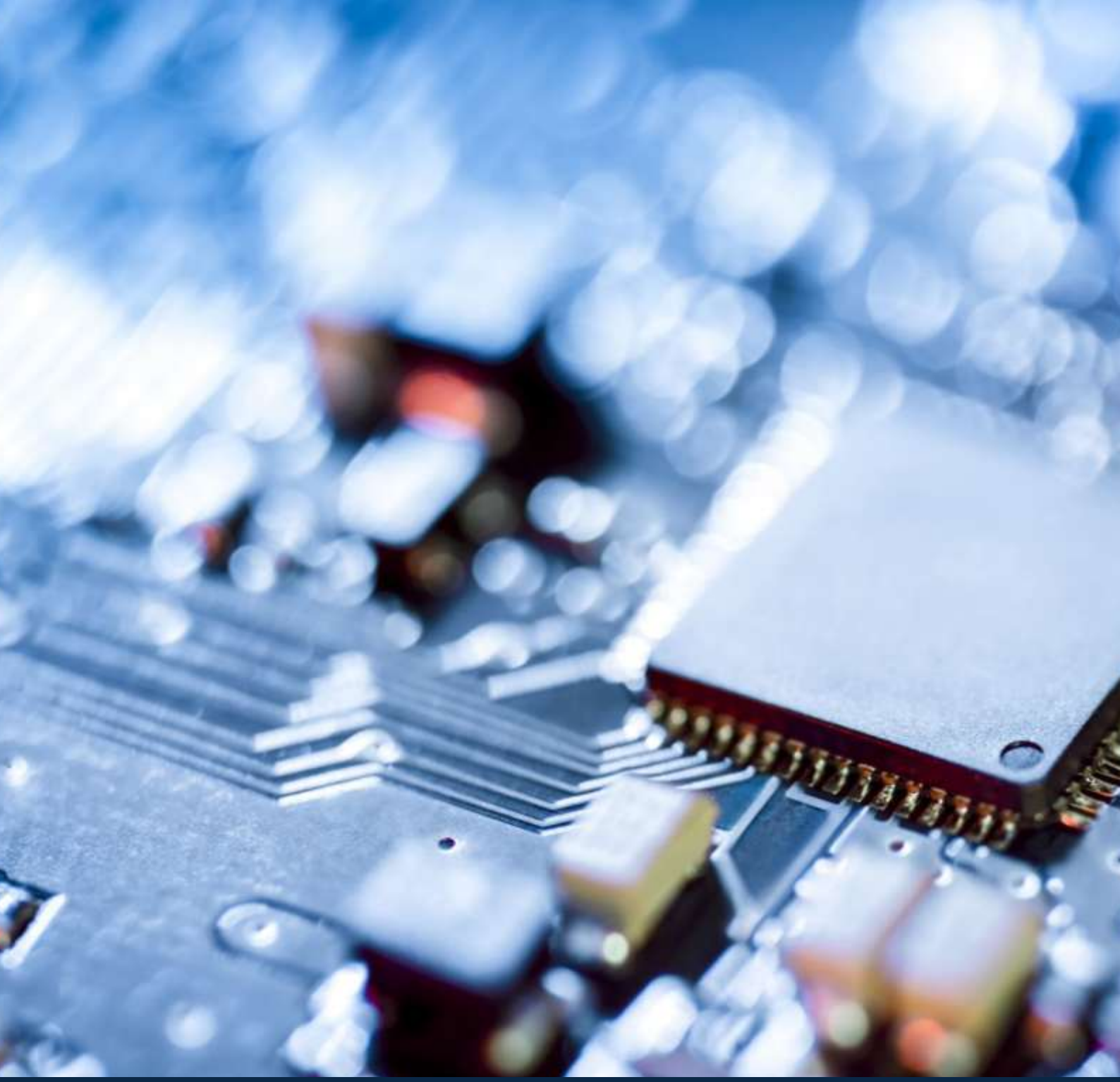


2.2.3 Key Stakeholders

The key stakeholders involved in the preparation and implementation of this AMP are outlined in table 2.2.3 below.

Table 2.2.3: Key Stakeholders

Stakeholder	Role in Asset Management Plan
New Plymouth Council Elected Members & Mayor	• Represent the needs of community, • Define the long-term vision, mission and goals for the district, • Ensure that services remain financially sound and sustainable, • Hold Council staff to account for delivery of services at the desired service level.
NPDC Chief Executive	• Endorsement of AMPs, and actions contained within, • Drive engagement at organisation's top-level for alignment of AM planning with LTP and other organisational-wide strategic plans, strategies, and policies, • Sets standards, timeframes and expectations for AMPs and strategic direction of organisation.
Group Manager Strategy and Planning	• Delivery of Council's Infrastructure Strategy and key supporting documents, • Sponsor the development of the asset management plans including authorising appropriate resources, • Set high level priorities and timeframes for plan preparation, • Endorse, support, and provide resources for the implementation of actions resulting from the plan, • Support improvement of asset management practices, including supporting implementation of relevant new policies, processes and procedures.
Manager Digital Enablement [Technology Assets]	• Manages the delivery of services and plans defined in the Information Technology AMP • Provide resources to deliver major digital projects
Tier 4 Managers, Leads and Coordinators	• Preparation of the tactical aspects of the AMPs, maintaining the asset inventory and asset records, asset valuation summaries and budgeting. • Manage Technology assets and maintenance services including scheduling.
External parties - regulators	• Set requirements in the form of regulations and legislation.
External parties - community	• Provide feedback by responding to Council surveys and public engagement sessions.
Manager, Project Management Office	• Delivery of major projects and technical investigations for the renewal and augmentation of Information technology assets including the overall management of internal and external resources to deliver major digital projects, • Solutions development for asset management software and systems.



Digital Enablement Charter:

To be a trusted partner by using our collective skills, capability and knowledge, we are committed to working in a collaborative, structured and supportive way to provide guidance and solutions that allow our peers to focus on what they do best within a secure environment.

Levels of Service

Under the Local Government Act (LGA), councils are required 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". This requirement translates into a level of service (LoS) – a statement by Council that clearly identifies what it intends to deliver in terms of providing local infrastructure, public services and regulatory functions.

This AMP section outlines the major contributors for defining levels of service statements, the level of service targets that Council is aiming to meet, how those service targets are measured, and the consequences to our communities where levels of service are not achieved. By defining levels of service statements and linked performance measures Council is able to measure performance towards achieving strategic goals and outcomes, as well as identify where performance results achieved differ from performance targets – these are level of service gaps. Where available budget plays a key role in level of service underperformance, the consequences to the organisation and the communities needs to be stated.

3.1 Customer Research

Understanding the requirements of our partners and stakeholders is critical to delivering the service that best meets their needs. Council utilises several consultation tools to understand the priorities of residents, visitors, special interest groups, community boards, local businesses, and iwi these include;

- annual independent community survey – Research First
- in-house visitor feedback surveys
- council website hosted surveys
- formal consultation for Long-term plan and Annual plan documents
- public and Council meetings
- hearings
- social media posts

3.1.1 Community Survey

An independently managed community survey is undertaken annually by Research First to understand customer satisfaction across all of Council's activities. With Digital Enablement as a shared service, there is no specific survey questions that the team is assigned to on the Current 2023 Annual Customer Survey.

3.1.2 Critical customers engagement

Some customers require a higher level of service than the average person. The needs of these critical customers are known and monitored, with regular reviews to ensure information is current. These critical customers are summarised in Table 3.1.3.

Table 3.1.2: Critical customer summary

Critical customer type	Customer needs	How we engage	Customer feedback
Taranaki Civil Defence Emergency Management	Technology platform to conduct emergency services in times incidents.	Service Level Agreement in place and regular meetings	Satisfied with the services provided to date
New Plymouth Airport	Technology platform to conduct Airport services.	Service Level Agreement in place and regular meetings	Satisfied with the services provided to date
New Plymouth District Council Staff	Technology platform to conduct business operations	Service Portal, Helpdesk calls, CRM Meetings, Microsoft Teams	Generally satisfied with the services provided to date
New Plymouth District Council Councillors	Technology platform to carry out Councillor requirements for New Plymouth District Council	Communications facilitated via the Governance team	Generally satisfied with the services provided to date

3.2 Strategic and Corporate Goals

This AMP is prepared under the direction of the New Plymouth District Council's Vision, Mission and Goals, as shown in Figure 3.2.1. This strategic framework is available on NPDC's website at the following weblink: https://www.npdc.govt.nz/planning-our-future/our-vision/.

Figure 3.2.1: NPDCs Vision, Mission and Goals

How these goals are aligned to the Asset Management Strategy focus areas and how they will be addressed by this AMP is summarised in Table 3.2.1 below.

Table 3.2.1: Organisational goals, asset management strategy focus areas and how these are addressed in this AMP

Goal	Focus Area/ Objective	How Goal and Objectives are addressed
Trusted **Building credibility**	*Improve our asset data* – We will improve the quality of our asset data by identifying and addressing gaps and improving data collection.	Ensure internal audit of assets is undertaken as planned and updates are done when assets are created, renewed/upgraded or replaced. Plans are in place to ensure storage and continuity of data assets is maintained for as long as it is needed.
Thriving Communities and Culture **Equitable & inclusive**	*Improve our processes* – We will identify and implement process improvements to improve overall efficiency.	Plan process reviews (part of internal asset audit) to identify any efficiencies. Documentation will be kept up to date in NPDC's Process Management system including relevant Knowledge based articles in the Digital Enablement Service Management system.

Environmental Excellence **Efficient & resilient**	*Reduce our emissions* – We will address how we can reduce emissions to meet the Emissions Reduction Plan target of zero emissions by 2050.	Appropriate and timely digitisation of physical records and archives will reduce the reliance on paper and reduce emissions. Improved use of modern information management technology will reduce paper-based documentation, storage, and use.
Prosperity **High performing & equitable economy**	*Improve our planning* – We will empower our leaders to focus their effort on medium- and long-term planning and reduce their need to focus on firefighting.	Regular update of the AMPs upon creation, renewal/upgrade and replacement of assets. Half-yearly review of AMP to verify that these are in line with the Annual Plans and Long-Term Plan budgets.

In addition to the above, there are other strategies with drivers and goals that are relevant to the management of our infrastructure. These strategies and their relevant drivers/goals are captured in Table 3.2.2 below.

Table 3.2.2: Other strategic objectives and how these are addressed in this AMP

Strategy	Objective/ driver	Description
Infrastructure Strategy	Ensuring our existing assets remain fit for purpose	Maintenance strategy with the internal audit schedule for process review, condition assessment and performance monitoring of all assets are covered in the Improvement Plan section.
	Resilience and adapting to climate change	Planning for continuous improvement of converting physical information into future-proofed digital formats that are auditable to increase utilisation of renewable resources and minimising reliance on services and resources that do not meet requirements for council's ongoing sustainability objectives.
	Providing for sustainable growth and the changing needs of our community	

3.3 Legislative Requirements

There are many statutory and legislative requirements relating to the management of assets. Requirements that have a significant impact on the delivery of the technical and operational services are outlined in Table 3.3.1 below. Other statutory and regulatory requirements are captured in Appendix 1.

Table 3.3.1: Significant Statutory and Legislative Requirements

Legislation/ regulation	Relevance to service/ assets
Local Government Act 2002	To provide services enabling NPDC to deliver on mandated legislative requirements.
Local Government Official Information and Meetings Act 1987 (LGOIMA)	1. To increase progressively the availability to the public of official information held by local authorities, and to promote the open and public transaction of at local authority business meetings thereby to enhance respect for the law and to promote good local government in New Zealand. 2. To provide for proper access by each person to official information relating to that person to protect official information and the deliberations of local authorities to the extent consistent with the public interest and the preservation of personal privacy.
Contract and Corporate Law (Electronic Transactions) Regulations 2017	To ensure all council information and records in physical format are, if appropriate, digitised according to accepted standards and specifications whereby they can be declared the official record of council business activities.
Privacy Act 2020	To promote and protect individual privacy principles for individual privacy, and collection, use, and disclosure of information relating to individuals; and access by individuals to information held about them and the ability to correct that information. Codes of practice that may modify or replace the information privacy principles (such as the Health Information Privacy Code 1994) are also issued from time to time where applicable to council services.
Public Records Act 2005	1. To ensure all information and data created and used by council is made accessible to all users, including the public. That council meets compliance relating to the creation, maintenance, storage, continuity, trustworthiness, protection, and appropriate access to its information and data for as long as it is needed. 2. Management of approx. 21M digital records, 25K paper records, and 1700 linear metres of historical records back to 1850, ensuring that records are easily identifiable, secure, readily retrievable in formats which provide easy access. 3. To uphold rights to identity, culture, community, and rights to live as Māori if the retention and disposal of records review process reflects and raises awareness of the intergenerational value of records, Māori data governance, and collective information interests (*Archives New Zealand*).
Information and Records Management Standard 2016	1. To ensure implementation of Public Records Act requirements relating to compliance with best practice recordkeeping for local authorities. 2. Ensuring council has plans and resourcing in place to continually increase its information management practices to achieve comprehensive, compliant management of public information and data into the future. 3. Auditing of council information and data assets is a routine activity to measure ongoing improvement of council's management activities and practices.
Data and Statistics Act 2022	1. Ensure that high-quality, impartial, and objective official statistics are produced relating to New Zealand to inform the public and inform decision making.

	2. Protect the interests of the people and organisations represented in, or by, data that is used to produce official statistics and for research, by providing appropriate privacy, confidentiality, and security transparency about how the data is used. 3. Recognise and respect the Crown's responsibility to give effect to the principles of Te Tiriti o Waitangi/the Treaty of Waitangi by providing for the interests of Māori in the collection of data, the production of statistics, and access to, and use of, data for research as tools for furthering the economic, social, cultural, and environmental well-being of Māori (including iwi and hapū).

3.4 Levels of Service

The standard of service provided by Council is defined by the preferred level of service (LoS). Digital Enablement consists of four teams that manage the information technology assets.

- **Infrastructure** delivers secure, agile, and high-performing IT infrastructure that aligns with business objectives. Our focus is to ensure uninterrupted availability, scalability for growth, compliance adherence, and proactive support to drive operational excellence and facilitate innovation.
- **Data and Geographical Information System (GIS) Team**
    - **GIS** team provide secure and fit-for-purpose location-based product and services (mapping and visualization, spatial data management) to NPDC and the public.
    - **Data** provide scalable and accessible data services while ensuring data integrity, privacy and compliance to support informed business decisions and meet our statutory obligations.
- **Delivery**
    - ***Information Management*** to continuously increase internal and external access to reliable and trusted business information and records archival assets through planning and resourcing for digitisation, preservation, and publication of holdings to achieve compliance with information management and business legislative/statutory requirements.
    - ***Service Delivery*** deliver a proficient and timely Desktop Support to Council staff by swiftly addressing technical issues, providing comprehensive solutions, maintaining seamless functionality, and empowering staff. The team also provide streamlined and efficient service delivery by adhering to processes, keeping comprehensive and updated documentation in relation to assets and knowledge, and maintaining accurate data.
    - ***Applications Team*** is committed to delivering high-quality and reliable services to support the organization's business processes and objectives. We are responsible for the development, deployment, maintenance, and support of all software applications critical to NPDC and the public.
- **Leadership Team**
    - **Architects** team consists of an Enterprise Architect and a Solution Architect. They provide governance to guide planning and change initiatives within DE and the wider business.

They also assess emerging technology trends and support the realisation of the Digital Strategy, Annual Plan and LTP.

- **Manger Digital Enablement, Technical Coordinator and Team Leads** guide and support the DE team to deliver the mahi by transforming digital services across the organisation.

They are further grouped into two key categories:

- Customer Performance Measures (C): measure how the customer receives or experiences the service, in the context of what matters most to the customer, and
- Technical Performance Measures (T): measure the service the organisation provides in terms that are relevant to delivery, this includes technical indicators that may not be easily understandable to the layperson.

The same level of service may be measured by considering either or both perspectives. This ensures that customers are able to interpret performance in a manner that is understandable to them, while regulators can also see that Council performance is meeting the required targets.

Table 3.4.1 outlines the measures used to determine the overall performance of these assets.

Table 3.4.1: Level of Service Measures

Business Information Management

Relevant Services	Provide access to and continued improvement for management of Council Business Information and Archives							
Level of Service Statement	Increase internal and external access to reliable and trusted business information and records archival assets through planning and resourcing for digitisation, preservation, and publication of holdings to inform timely decision and policy making, provide transparency of operations, and to achieve compliance with information management and legislative/statutory requirements.							
Measure	**C/T**	**Reporting Level**	**Current Performance**	**Target**				**Expected trend**
				24/25	**25/26**	**26/27**	**27/35**	
Providing and supporting access to council business information and archives	C	LTP		90%	90%	90%	100%	Expected to stay the same unless resources are reduced
20% of eligible records and archives in collections are digitised each year	T	AMP		80%	90%	90%	100%	Expected to stay the same unless resources are reduced
Register of digitised record collections is updated and published each year	T	AMP		80%	90%	90%	100%	Register publication dependent on rate of digitisation; should stay the same unless resources are reduced

Applications

Relevant Services	All Applications							
Level of Service Statement	Provide robust, secure, reliable and maintainable solutions that meet the needs of the New Plymouth District Council and the public.							
Measure	C/T	Reporting Level	Current Performance	Target				Expected trend
				24/25	25/26	26/27	34/35	
Availability	T	Internal KPI		99.9	99.9	99.9	99.9	Should remain the same from year to year.
No Security Breaches and Applications are version / patch compliant	T	Internal KPI		0	0	0	0	Target is 0. Should always be 0.

GIS

Relevant Services	Geographic Information System (GIS)							
Level of Service Statement	Provide secure and fit-for-purpose location-based product and services (mapping and visualization, spatial data management) to NPDC and the public.							
Measure	C/T	Reporting Level	Current Performance	Target				Expected trend
				24/25	25/26	26/27	34/35	
Location-based products and services uptime	T	Internal KPI		95%	95%	95%	95%	Expected to stay the same unless resources for DE GIS and DE Infrastructure are reduced
Providing and supporting GIS solutions for core NPDC functions (e.g., Emergency Management response, District Plan)	C	Internal KPI		95%	95%	95%	95%	Expected to stay the same unless resources for DE GIS and DE Infrastructure are reduced

Operations (Infrastructure)

Relevant Services	IT Infrastructure Services and Security							
Level of Service Statement	Delivers secure, agile, and high-performing IT infrastructure that aligns with business objectives and ensures uninterrupted availability, scalability for growth, compliance adherence, and proactive support to drive operational excellence and facilitate innovation							
Measure	C/T	Reporting Level	Current Performance	Target				Expected trend
				24/25	25/26	26/27	34/35	
Network services availability (e.g. WiFi)	C/T	Internal KPI		95%	95%	95%	95%	Expected to remain the same unless resources are reduced
Infrastructure services uptime	C/T	Internal KPI		99%	99%	99%	99%	Expected to remain the same unless resources are reduced
No Security breaches and compliant infrastructure	C/T	Internal KPI		0	0	0	0	Remains at zero with detection and resolution being within 15 mins

Operations (Service Delivery)

Relevant Services	Service Delivery						
Level of Service Statement	Deliver proficient and timely Desktop Support to Council staff by swiftly addressing technical issues, providing comprehensive solutions, maintaining seamless functionality and empowering staff.						
Measure	C/T	Reporting Level	Current Performance	Target			Expected trend
				24/25	25/26	26/27	34/35	
Critical (Priority 1) Incidents actioned within 2 hours	T	Internal KPI		2 hrs	2 hrs	2 hrs	2 hrs	Expected to stay the same unless resources are reduced or workload is increased
Urgent (Priority 2) Incidents actioned within 3 hours	T	Internal KPI		3 hrs	3 hrs	3 hrs	3 hrs	Expected to stay the same unless resources are reduced or workload is increased
Standard (Priority 3 & 4) Incidents actioned withing 5 hours	T	Internal KPI		5 hrs	5 hrs	5 hrs	5 hrs	Expected to stay the same unless resources are reduced or workload is increased

Operations (Data)

Relevant Services	Data Platform						
Level of Service Statement	Our goal is to provide scalable and accessible data services while ensuring data integrity, privacy and compliance to support informed business decisions and meet our statutory obligations.						
Measure	C/T	Reporting Level	Current Performance	Target			Expected trend
				24/25	25/26	26/27	34/35	
Data platform uptime for all internal reporting and analytics.	C/T	Internal KPI		95%	95%	95%	95%	Expected to stay the same.

Current performance can be seen at a glance using the icons within the table. These icons are described in table 3.5.2 below.

Table 3.4.2: Key

Icon			
Status of current performance	Performance target met	Substantially achieved, target not met by a slim margin (~2%)	Target not met.

As we stand on the cusp of a new era, the future of technology promises to be even more transformative, pushing boundaries and redefining possibilities.

Future Demand

4.1 Demand Drivers

Demand drivers are those factors which impact the extent to which an asset or service is required and used, or the type of service required. Demand drivers include factors such as;

- population size, growth and demographics,
- urban development including residential dwelling growth, location, makeup and quantity,
- consumer requirements, preferences, expectations and patterns of use,
- technology type, use, rate of change, level of interaction and customer expectations,
- legislative environment including central government reform,
- district economy including changes in the dominant industry and increases in specific high impact industries such as agriculture,
- tourism industry, visitor numbers and financial changes,
- environmental factors such as those occurring through climate change.

The specific factors relevant to each service and the impact of those drivers are expanded upon below.

4.2 Demand Forecasts

NPDC prepares and adopts a range of non-financial forecasting assumptions to support the preparation of significant plans including AMPs and the LTP. These assumptions present a likely future scenario of projected changes in key demand drivers. By adopting one set of forecasting assumptions Council can have confidence that each plan will be aligned and focused towards fulfilling the same organisational objectives and long-term outcomes for the community.

4.3 Demand Impact and Management Plan

The impact of relevant demand drivers on Information Technology service and how those impacts are managed is shown in table 4.3.1 below.

Council utilises a variety of demand management strategies to control the extent to which demand has an impact on customer satisfaction and levels of service. These demand management strategies include:

- changing the management of existing assets through efforts such as balancing peak and off-peak demand, optimising utilisation and reducing wastage,
- upgrading existing assets,
- providing new assets, and
- reducing levels of service to meet customer appetite/willingness to pay.

Table 4.3.1: Demand Management Plan

Demand driver	Current position	Projection	Impact on services	Demand Management Plan
Population	Estimated district population in 2024: 89,000	2034 projected population: 98,800 (11% increase)	Increased data and transactions on our current systems needing to be processed and stored	Systems that run Council processes that provide services to the community have upgrades and maintenance plan either through renewal or new projects to replace these with robust and capable systems.
Age	2024: 0-14yrs – 19% 15-39yrs – 29% 40-64yrs – 31% 65+yrs – 20%	Population is aging, decreasing proportion of youth and increase in over 65s. 2034 0-14yrs – 16% 15-39yrs – 31% 40-64yrs – 29% 65+yrs – 23%	Whilst younger generation will tend to use more digital methods of engaging with the Council, non-digital methods need to be kept for the older generation. This means increased cost to maintain both.	Any changes on the Information technology services need to ensure that all population regardless of age are considered.
Accessibility	Proportion of district residents with accessibility issues: 7.5%	Expected to increase to 8.5% by 2034	Increased expectation of technology being designed with accessibility in mind.	Plan to increase accessibility as part of planned technology renewals.
Economic activity	NP District GDP 2022: $7.02B	Expected to increase at a steady rate of 1.5%/year	Increased demand for digital services including increased data and transactions on our current systems needing to be processed and stored	Increasing capability to deliver improved services (ERP Delivery)
Employment rates	Unemployment is at a historic low of 3.5% (2022)	Unemployment is expected to increase slightly to 5.0% by 2034	Increase in anti-social impacts from unemployment.	Awareness and safety program for affected NPDC staff
Tourism	Expected to recover from Covid depression by 2024/25 with a $340M spend in 2024.	Estimating slow growth to $471M total spend in 2033/34.	Increased in digital services demand such as Websites, Public and Events WiFi usage.	Websites upgraded. Public and Events WiFi upgrade has been planned but would need to review the scope.
Government Reforms	Three Waters Reform, Resource Management Act Reform and Local Government Act review all underway	Decreased Council rates take, increased compliance requirements	Increased complexity in the information technology solutions required to meet these reforms and will be resource heavy.	Closely liaise with teams that manage the implementation of these Reforms and obtain clear guidance on critical 'must have' requirements

Increasing technology	Increasing use of online and downloadable technology such as e-books, audiobooks & programmes via internet	Increased use of mobile and interactive technologies such as smartphones, computers, tablets, and VR systems.	Increased support and maintenance hours, increase in potential cybersecurity attacks, increase in cost to support digital services	Implementation of the Cybersecurity roadmap, Closely monitoring support and maintenance hours, Update maintenance plans and contracts with vendor as appropriate with an aim to not increase cost
Earthquake strengthening	Legislative change requires buildings meet a higher standard for earthquake strengthening	Ongoing expectation that buildings be more able to protect against impacts of earthquakes	Potential impact on the availability/accessibility of buildings where information technology assets are located.	Closely liaise with the Property team on major structural changes that may require work on technology devices installed on the building structures.
International instability	War in Ukraine and the Covid pandemic is driving up the cost of fossil fuels and causing supply chain shortages and delays	Significant cost increases in fossil fuel (e.g.: gas for boilers, diesel for generators). Significant delays sourcing equipment parts from overseas	Delays on sourcing hardware	Plan hardware requirements in advance and keep enough spares in the inventory
Improved iwi engagement	Te Tiriti O Waitangi is becoming a significant driver for NZ activities	Relationship with local iwi and Hapū developed into full partnership	Current Council system or services may not meet iwi and hapū expectations	Establish effective working relationships with iwi and hapū to ensure information is readily available, secure and easy to access

4.4 Asset Programmes to meet demand

The new assets required to meet demand may be acquired, constructed or donated. Additional assets are discussed in Section 5.4.

Acquiring new assets will commit Council to ongoing operations, maintenance and renewal costs for the entire length of time that the asset provides a service to the community. Forecasting these changes in costs is currently completed inconsistently or not at all. This has a flow-on effect whereby forecast costs for operations and maintenance can be underestimated, or at worst, not taken into account for long term budget planning. Development and implementation of a process for lifecycle costing is recorded as an improvement action in Section 8.

4.5 Sustainability & Resilience

Council has a vision of becoming a sustainable lifestyle capital. Council's sustainability efforts are driven by a focus on;

- conservation of energy and resources (such as water),
- nurturing, and reducing our impacts on the environment,
- increasing biodiversity in our district,
- increasing recycling and working towards zero-waste,
- sustainable procurement practices,
- planning and building communities and infrastructure that interact with the environment, and
- working toward net-zero emissions.

Sustainability throughout our service and achievement of sustainability goals are achieved through a combination of changing the work practices within our organisation and educating the community to be more sustainable in their own homes and workplaces. Table 4.5.1 summarises the changes to assets that could be made to increase overall sustainability.

Table 4.5.1 Information Technology asset sustainability

Proposed new/ changed asset	Long-term impact/ sustainability concern	Outcome of planned change
Records Digitisation	Continued reliance on paper-based records and lack of access to information	Reduce the need for paper with appropriate digitisation
On-premise hardware and software	On-premise software are installed on on-premise servers requiring controlled environments	Cloud based solutions reduce the need for conditions to be maintained and will not require on site management
Data/Records	Records held and maintained on site in a controlled environment	A move to appropriate digitisation of records will reduce the need for growth in storage requirements and minimises on site management to store records while maintaining historic, valuable, and rare archival material appropriately

Like many organisations NPDC is working to improve sustainability and resilience in recognition of the requirements of the Paris Agreement to minimise the increase in global average temperature and address climate change. The New Zealand Government signed this agreement and NPDC as a territorial authority of New Zealand is bound to meet these requirements.

4.6 Climate Change Adaptation

Climate change has the potential to have significant, long-term impacts on the assets managed by Council and the services they provide to communities. Within the context of the asset management planning process, climate change can be considered as both a future demand and a risk.

Climate change is anticipated to result in a number of impacts, such as greater extremes of temperature and weather, more frequent severe weather events, and elevated sea-levels. These impacts are likely to have direct consequences on Council assets, the services they provide, and the communities that depend on those services.

Council has made a commitment to reducing the district's overall contribution to greenhouse gas emissions and has prepared a District-wide Emissions Reduction Plan that outlines the current state, identifies how reducing emissions could impact climate change, what NPDC's role in emissions reduction is, and specific actions that will be taken as we work towards meeting the national targets as indicated in Aotearoa New Zealand's first emissions reduction plan. These plans are part of a network of related documents that guide Council's decision-making in this space, as shown in Figure 4.6.1 below.

Figure 4.6.1: Decision-making documents relevant to sustainability

* Policies internal to NPDC

In addition to reducing the production of emissions, Council has identified the potential impact of climate change on its information technology assets and the actions that will be taken to manage these issues is indicated in Table 4.6.2 below.

Digital Enablement contributes to both mitigation and adaptation efforts. Information Technology assets can be used to mitigate climate change (enable emissions reduction) and prepare the district for any imminent climate change impacts for following reasons:

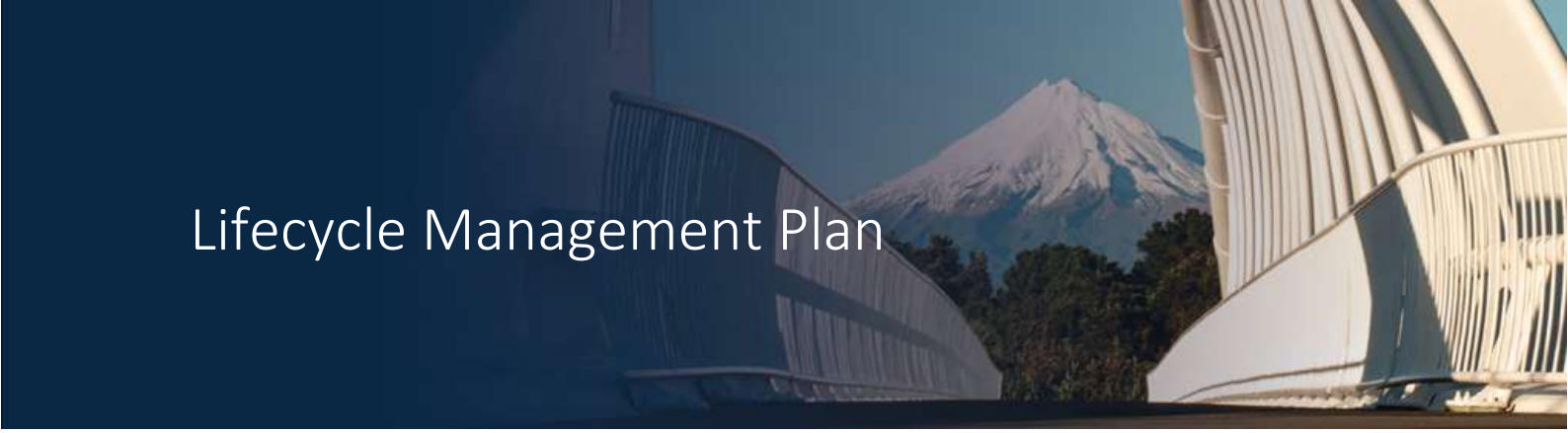
- Customers need information-based tools to understand, anticipate, and prepare for changing weather patterns and physical landscapes.
- There is opportunity for sales growth in emerging markets that are especially at risk from the impacts of climate change and in which network infrastructure is less developed.

- The industry heavily relies on geographic locations vulnerable to climate change for manufacturing and sourcing of key materials.

Table 4.6.2 Managing the Impacts of Climate Change on our Assets and Services

Climate Change Description	Projected Change	Potential Impact on Assets and Services	Management
Severe weather events	Increase in rainfall quantity and duration, increase in strong wind events	Increase risk on assets located either in the basement, lower ground and ground level that may be damaged due to flooding	Keep up to date incident response and business continuity plans; Ensure backup site is up and running and enough spares
Increased temperature	Increased water scarcity and potentially higher energy consumption in storing physical records	Increase need for ICT solutions to: • reduce physical records through digitisation • monitor energy and water consumption through reporting	Enable infrastructure and maintain data analyst team that provide reliable reporting that can be used for communication of potential disruptions and decisions on business continuity and sustainable growth.
Community environmental expectations	Digitisation of records	Ongoing management of climate-controlled storage	Reduce the reliance on a climate-controlled environments for storage of records. Maintain climate-controlled storage only for archival material that cannot be digitised.
Elevated sea-level	Increase or rise in sea levels and water tables	Data and information storage environments at risk	Ensure adequate back-up solutions are in place away from predicted impact zones

Lifecycle Management will ensure that planning is in place to ensure Digital Enablement are effective and efficient in the use of technology now and into the future.



Lifecycle Management Plan

This section details how Council plans to manage and operate its assets to meet the agreed LoS (refer to Section 3) while managing lifecycle costs.

5.1 Background data

5.1.1 Asset data and information

Asset data is collected and managed by Council within several key systems including;

- TechOne Enterprise Asset Management system (TechOne/ EAM) – manages financial information, customer information and requests, asset registers and history, work order management and maintenance scheduling. It is linked with the TechOne Enterprise Content Management (ECM) system which manages records
- ArcGIS – manages spatial records (GIS)
- RedEye – manages all drawings including concept, working and as-built drawings
- SharePoint – supports the sharing of working and in-draft documentation, the collection of data into lists and the sharing of information and processes to internal parties via 'wiki' pages
- ServiceNow Service Management holds the assignment of hardware assets to staff and management of inventory (asset and consumables)

The quality of Council's asset data is essential for supporting effective decision-making in relation to our maintenance, renewal and upgrade work programmes. Information such as asset condition, remaining useful life (RUL) and asset valuations are central to the discussions in this AMP.

Asset data is captured through a variety of processes including;

- when new assets are acquired (e.g. capital projects, community developments, operational renewals)
- when maintenance works are undertaken
- when new valuations or condition assessments are completed, and
- when assets are disposed of

Consistent and timely capture of data has been identified as an area for improvement – both externally with contractors and subcontractors at asset installation, completion and commission stages, as well as internally between teams – and will ensure that maintenance is undertaken appropriately, and assets capitalised promptly within the system.

5.1.2 Asset hierarchy

An asset data hierarchy is a systematic and structured framework of business units, processes, systems and equipment into generic groups based upon organisational relationships and functions. The hierarchy allows Council to identify its assets and related components, as well as creating a clear and logical framework for asset management. A well-defined asset hierarchy is critical to Council's overall AMIS. The asset hierarchy includes the asset class and components used for asset planning and financial reporting, and service level hierarchy used for service planning and delivery. Data is continually updated with details from asset condition assessments and as asset repairs, improvements and completion of other operational works.

Current data confidence levels are indicated in Table 7.5.2.

The organisation's asset hierarchy is currently a work in progress, as Council is undergoing a system migration to an updated online version of TechOne. The migration towards an updated version of TechOne is a multi-stage rollout, and will deliver improvements to our asset data such as

- Recording of land assets within the asset management system for whole-of-life asset management and reporting
- Implementing the review and alignment our asset data schemas delivered by the AIR project. This will align ADAPTs asset register to relevant asset management standards as well as identifying the business processes that they support
- Providing the organisation an opportunity to undertake a data cleanse of our asset data prior to the data migration, to improve overall asset data accuracy and asset data system integrity

In the absence of a standard asset data hierarchy the following hierarchy in Table 5.1.2 can assist from an asset service perspective within the Digital Enablement services.

Table 5.1.2: Asset Service Hierarchy

Service Hierarchy	Service Level Objective
Network Connectivity, Security, Servers, Cameras, Telephony and other Infrastructure appliances	Deliver a secure, agile, and high-performing IT infrastructure that aligns with business objectives. Ensure uninterrupted availability, scalability for growth, compliance adherence, and proactive support to drive operational excellence and facilitate innovation.
End-user computing services and other peripheral devices	Deliver proficient and timely Desktop Support to Council staff by swiftly addressing technical issues, providing comprehensive solutions, maintaining seamless functionality, and empowering staff. Provide streamlined and efficient service delivery by adhering to processes, keeping comprehensive and updated documentation in relation to assets and knowledge, and maintaining accurate data.
Data Storage	Provide scalable and accessible data services while ensuring data integrity, privacy and compliance to support informed business decisions and meet our statutory obligations.

	Provide secure and fit-for-purpose location-based product and services (mapping and visualization, spatial data management) to NPDC and the public. Increase internal and external access to reliable and trusted business information and records archival assets through planning and resourcing for digitisation, preservation, and publication of holdings to achieve compliance with information management and business legislative/statutory requirements.
Applications Services includes Licensing	Provide robust, secure, reliable and maintainable solutions that meet the needs of the New Plymouth District Council and the public.

5.1.3 Scope

The assets covered by this AMP are listed in Table 5.1.3 below.

Table 5.1.3: Information Technology assets

Asset category	Description	Amount + Unit	Asset value / Replacement Cost ($million)
Hardware	Devices such as Servers, Network, Workstations, Storage Systems, CCTV and other Peripheral devices (Monitors, Printers)	2,204 devices	$ 2.2m / $12.2m
Software	Applications used by NPDC to run its business processes such as the NDPC Websites and the Enterprise Resource Planning (ERP) system used by all operational teams. This includes software installed or required for the hardware to function.	420 apps	$0.9m / $11.6m
Furnishing and Fittings	Cabinets, racks in the datacentre and meeting room fit outs such as TV mounts	50	$0.01m / $0.3m
		Total value	**$3.1m / $24.1m**

Note: Information Technology Assets are not revalued but are on a straight-line depreciation unlike Infrastructure asset that where assets valuations are undertaken every three years.

Applications that incur operational costs are also documented in this plan for the purpose of maintenance. The main systems concerned are the ERP system, Cloud computing platform, HR System, Payroll System, Health and Safety System and Project management System.

The assets described in this plan are primarily owned and maintained by NPDC. Council also provides support and assists in the management of assets wholly or partly owned by other parties including (but not limited to) those owned by Taranaki Regional Council (TRC), through joint ventures, via Council Controlled Organisations (CCO's), shared community assets, and assets owned by community groups that utilise Council facilities. These assets are typically excluded from the full lifecycle planning process as while Council has a vested interest, the organisation cannot dictate future actions to be taken in the management of these assets.

5.1.4 Asset capacity and performance

Council aims to construct and maintain assets to meet design standards and specified performance requirements where these are available. However, there are insufficient resources to address all known deficiencies. Locations where deficiencies in service performance are known are detailed in Table 5.1.4 below.

Table 5.1.4: Known service performance deficiencies

Asset & Location	Service Deficiency
ERP Software – Civic Centre (On-premise servers)	TechOne as an ERP system does not deliver against the Council's expected level of service in these areas: • Functionality • Reporting • Integration • Support Model • Mobility NPDC carries a significant risk on our ability and sustainability to provide current business services to the district with our current ERP system if not upgraded. System upgrade project has been approved to proceed on 31 October 2023. TechOne resources are only available from March 2024.

The above service deficiencies were identified from NPDC Corporate Risk and LTP Projects.

5.1.5 Asset condition

Asset condition is monitored and recorded on the asset register using a rating system, as detailed in Table 5.1.5.

Table 5.1.5: Condition rating system

Condition rating	Description of condition
1	Excellent - free of defects, only planned and/or routine maintenance required
2	Good - minor defects, increasing maintenance required plus planned maintenance
3	Average - defects requiring regular and/or significant maintenance to reinstate service
4	Poor - significant defects, higher order cost intervention likely
5	Very poor - physically unsound and/or beyond rehabilitation, immediate action required
0 (or 6)	Unknown, not currently assessed or non-existent. *Note: Condition ratings of 0 have been converted to 6 in the graphs provided below to provide consistency.*

Across Council's asset portfolios several issues have been identified with the condition assessment approach undertaken at present. These include:

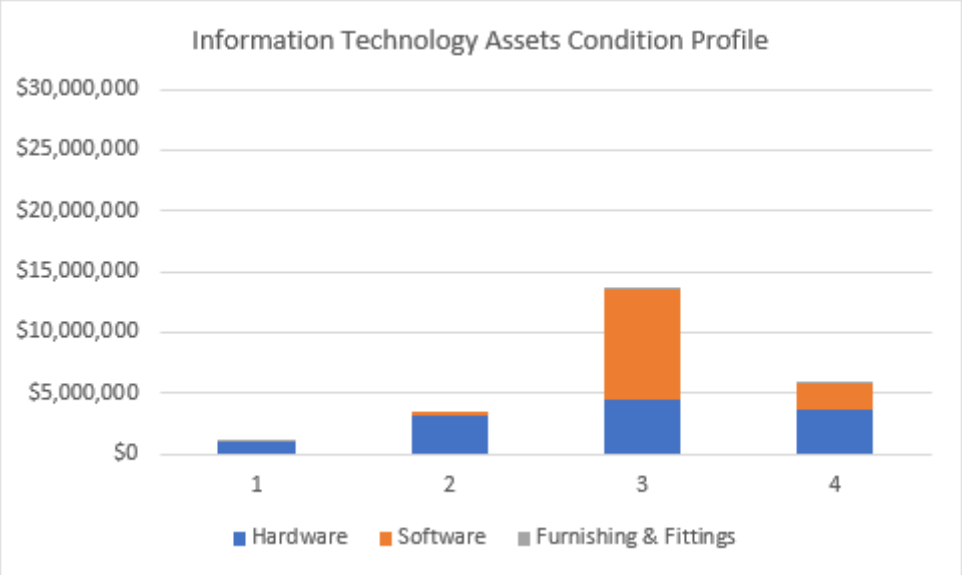
- An inability to easily record the date on which the assessment was undertaken and consequently a lack of awareness of data currency
- Condition assessment data that has not been entered into the asset register but remains in separate hardcopy or other electronic documents, and
- Inconsistencies in rating approach (including basing the rating on asset age rather than a physical assessment).

Addressing the above issues and filling gaps in the historical data are actions identified within the Asset management strategy improvement plan for all asset groups.

Improving the management and frequency of condition assessments has been identified as a key improvement. Initial works will focus on completion of condition assessments on all critical assets and implementation of a standard work programme for routine assessment of other assets.

The condition profile of Information Technology assets is shown in Figure 5.1.5.1 below.

Figure 5.1.5.1: Asset condition profile by Replacement Cost

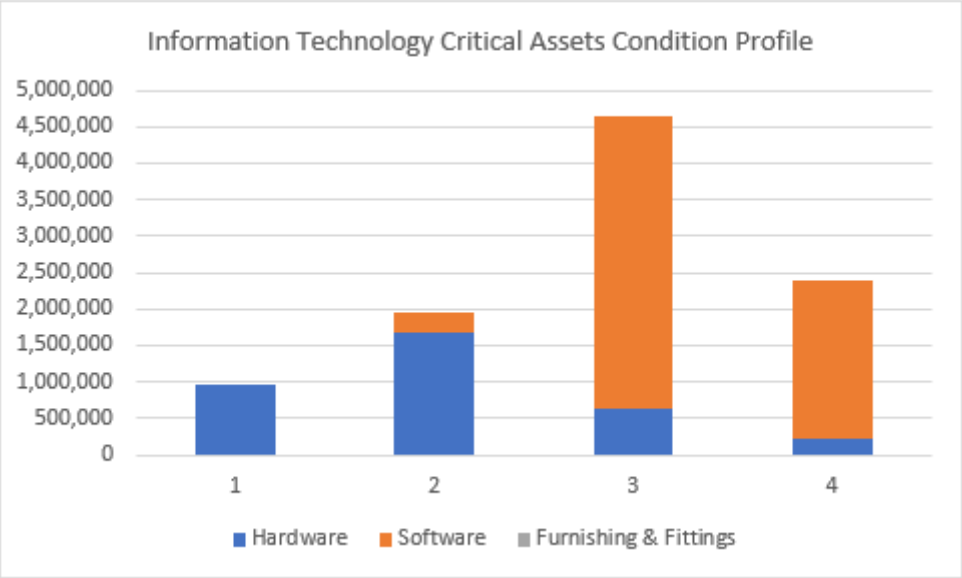


All figure values are shown in current day dollars.

The ratings above show that most of our assets are in an average condition, but steps are being taken to address this via renewals by the IT Infrastructure renewal budgeted in LTP year 2 and 3, the upgrade of Technology One to SaaS and the ERP replacement programme.

The condition profile of Information Technology critical assets is shown in Figure 5.1.5.2 below.

Figure 5.1.5.2: Critical asset condition profile by replacement cost



All figure values are shown in current day dollars.

For hardware assets that are either in average (3 rating) or poor condition (4 rating), the ongoing IT infrastructure refresh project is replacing these assets.

The single software asset in poor condition is Council's ERP system, TechOne. A project to upgrade the TechOne system commenced in March 2024, with a completion date of March 2025. An ERP replacement programme RFP us currently underway and is due to begin July 2025.

For software assets in average condition, projects are either in-flight or for demand prioritisation.

- in-flight prioritisation
    - lease and asset information management system (provision of lease only)

- demand prioritisation
    - aquatic booking and inventory management system (Centaman)
    - digital building consents
    - other business applications

5.2 Operations and Maintenance Plan

Operations activities are those regular activities required to provide the service. Examples of typical operational activities include monitoring inputs and outputs, cleaning, security, insurance, inspection and utility costs.

Maintenance activities are those actions necessary to keep the asset as near as practicable to an appropriate service condition including regular, ongoing day-to-day work necessary to keep assets

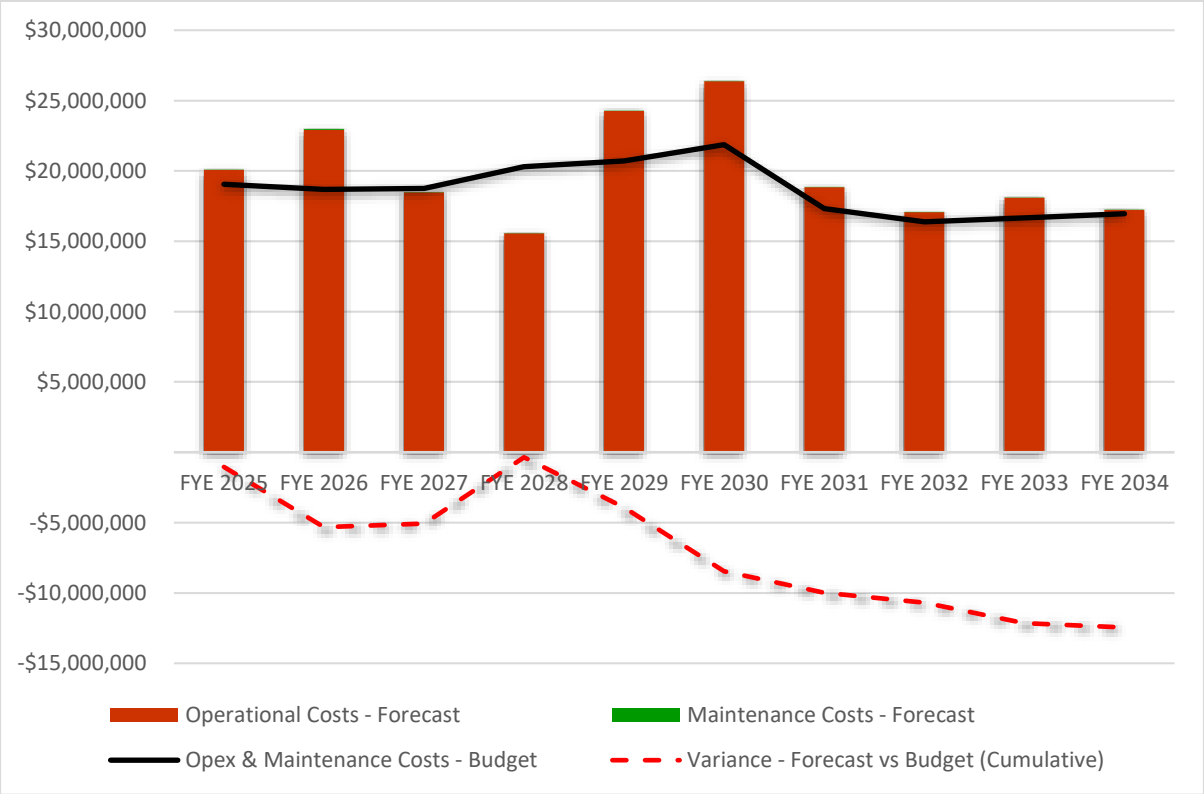
operating. Examples include servicing of equipment, minor repairs, managed services for hardware, software license costs and vendor support services.

The maintenance budget is considered to be insufficient to meet planned service levels. This budget includes an allocation for both preventive and reactive maintenance. Assessment and prioritisation of reactive maintenance is undertaken by operations team members using experience and best judgement. For shared assets such as buildings, maintenance is undertaken according to the specifications in the relevant Service Level Agreements (SLA's).

5.2.1 Summary of forecast operations and maintenance costs

Forecast operations and maintenance costs are expected to vary in relation to the total value of the asset portfolio. As additional assets are acquired, the future operations and maintenance costs are forecasted to increase. Where assets are disposed of the forecast operations and maintenance costs are expected to decrease. Figure 5.2.1 shows the forecasted operations and maintenance costs relative to the proposed operations and maintenance budget.

Figure 5.2.1 Operations and Maintenance summary



All figure values are shown in current day dollars.

The upward trend to operational costs is not unexpected as day-to-day computing equipment increases in cost but also significant reduction in anticipated life expectancy. There has been a trend to more outsourcing of support costs to vendors or vendor partners, removing the in-house skills required to support software solutions.

Renewal budgets are often insufficient to manage the actual ongoing costs of both hardware and software. This is often due to a lack of forward planning.

There is a need to further identify and define digital asset ownership across the organisation.

5.3 Renewal Plan

Renewal works are those activities that restore, rehabilitate, replace or renew existing assets back to the original or 'as new' standard. This work does not significantly alter the original service provided, any work that goes over and above renewal work is considered to be an acquisition (see Section 5.4).

Assets that require renewal are determined through asset condition assessments that return assessments of 'poor' or 'very poor', RUL information and values captured in the asset register, and/or staff judgements on the remaining life of the asset, based on asset condition, maintenance expense, or average renewal requirements for network assets (for example buried pipes or road renewals).

Renewals may be initiated for an asset prior to scheduled end-of-life dates if other works are planned to occur in the same area and efficiencies may be gained by undertaking scheduled renewal works at the same time. This approach may also be applied when Council assets are impacted by other organisations. For example, if a road is being trenched to work on power or phone lines, Council may decide to renew the nearby water, wastewater or stormwater pipes before the road surface is re-sealed. This approach will minimise overall disruption and rework and could ultimately provide financial cost efficiencies for Council and ratepayers.

5.3.1 Asset Age and Remaining Useful Life

The total useful lives of the assets in this AMP are shown in table 5.3.1 below. Asset useful lives were last reviewed in June 2022 as part of Council's scheduled asset valuation process.

Table 5.3.1: Total useful lives of assets

Asset (Sub)Category	Total useful life
Hardware	
Servers Computer systems used as the central repository of data and various programs that are shared by users in a network (provides centralized resource or service in a network)	10 years

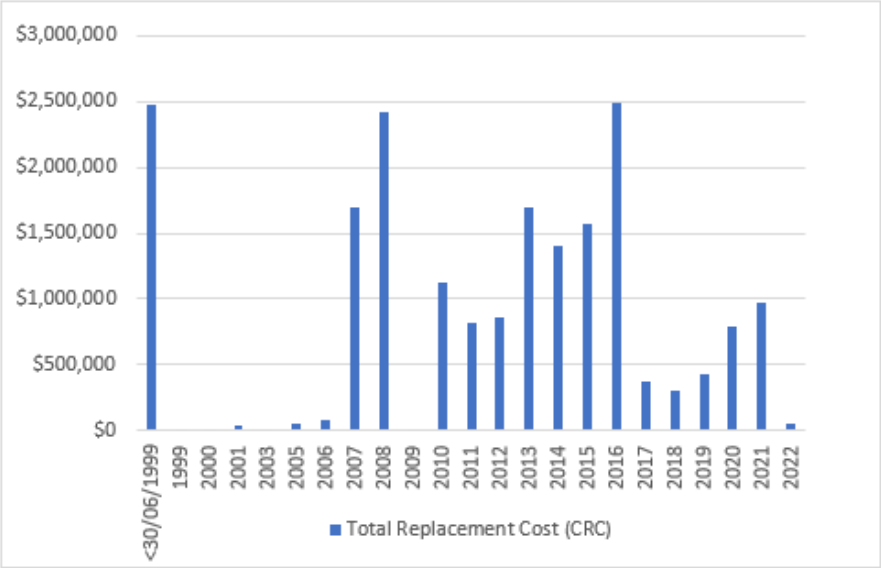
Network Hardware that operates in a network (Ethernet or WiFi or both) and provides interconnectivity to devices connected to it within and outside the NPDC sites such as fibre links, switches, WiFi controllers, etc	10 years
Power Systems Allows devices to keep running when the primary power source is lost - Uninterruptible Power Supply (UPS	10 years
Storage Systems Dedicated high-speed network or subnetwork that interconnects and presents shared pools of storage devices to multiple servers – Storage Area Networks (SAN)	5 years
Security Systems Devices that provide IT Security: • Email security – attachments are major catalyst for viruses, malware, trojans and adware • Firewall – preventing viruses and other unwanted intrusions to or from NPDC network • Wireless Network Security – prevention of unauthorized access using wireless networks • Browser Security – application of Internet security to web browsers	5 years
Mobile Devices Handheld devices such as iPads	3 years
Workstations Covers desktops, laptops, tablets and NUCs (Next Unit of Computing) used in meeting rooms	5 years
Peripheral Devices Input and output devices such as monitors, scanners, printers	5 years
Telephony Devices for electronic transmission of voice, fax or other information associated with telephone systems such as Avaya IP Phones, PBX (Private Branch Exchange)	5 years
Cameras Devices to capture of images (still or moving)	5 years
Other Infrastructure appliances Any other hardware devices that do not classify in the above classifications	10 years

Asset (Sub)Category	Total useful life
Software	
Enterprise resource planning (ERP) This is the platform used to manage and deliver Council services such as consents and license applications, purchasing and finance.	10 years
Document management system	10 years
Core IT infrastructure Software required for the Information Technology hardware assets to function	5 years
Council websites	5 years
Other business systems Specialised software used by the business units such as Finance, HR, Compliance, etc	5 years

Furnishing and Fittings	
Equipment cabinets	10 years
Meeting room fitouts	5 years

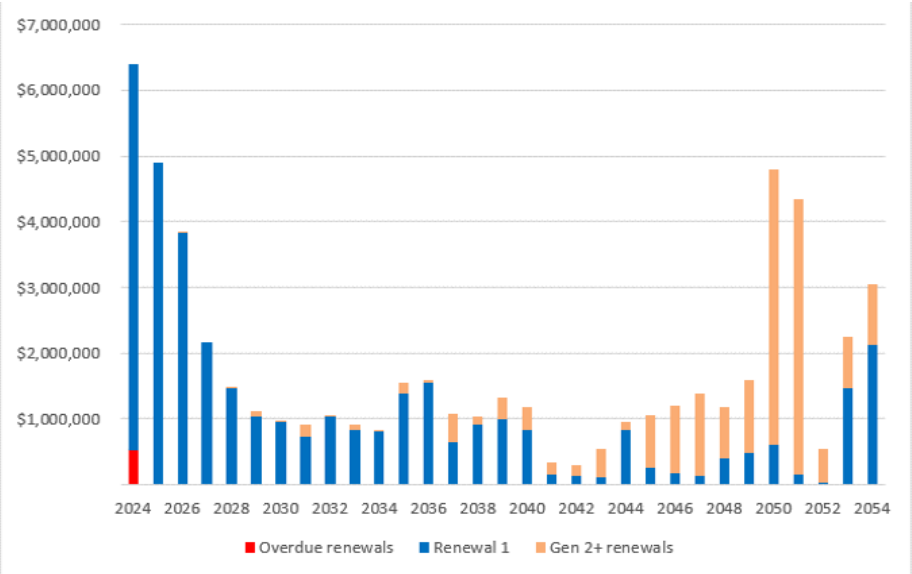
The age profile of the assets included in this plan are shown in Figure 5.3.1.1 below.

Figure 5.3.1.1: Asset age profile



All figure values are shown in current day dollars.

Figure 5.3.1.2: Asset renewal forecast



All figure values are shown in current day dollars.

Figure 5.3.1.1 and 5.3.1.2 provide a 30-year forecast of the future renewal requirements based on RUL. This information is often used to guide long-term planning (i.e. 10-30 years) but is less frequently used to guide short to medium-term planning (i.e. 1-10yrs), as Council's data does not consistently consider factors such as condition assessment within the recorded RUL figures. For this reason, the renewal forecast in this AMP is primarily based on condition assessment and staff judgement. Strengthening the overall quality of data within the asset management information systems is a planned future improvement.

In a technology environment long term planning is difficult to achieve due to evolving technology opportunities and constantly increasing costs. Renewals that are pushed out due to financial constraints have a negative effect of the life expectancy of digital solutions and can limit opportunities for alternative outcomes.

5.3.2 Renewal ranking criteria

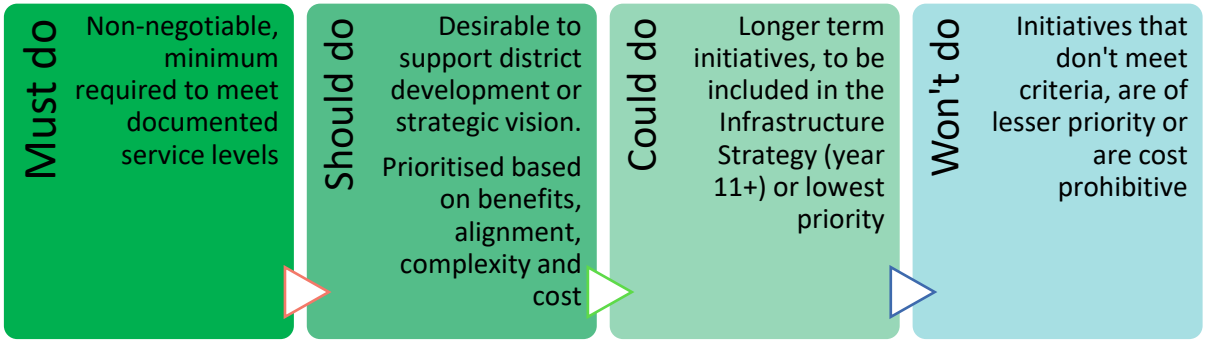
Asset renewal is typically undertaken to either:

- ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g. replacing a bridge that has a 5 tonne load limit), or
- to ensure the infrastructure is of sufficient quality to meet the service requirements (e.g. condition of a playground).

It is possible to prioritise renewals by identifying assets or asset groups that:

- have a high consequence of failure,
- have high use and subsequent impact on users would be significant,
- have higher than expected operational or maintenance costs, or
- have potential to reduce lifecycle costs by replacement with a modern equivalent asset that would provide the equivalent service at a reduced cost.

Council prioritises renewals as part of the project prioritisation process, occurring as part of Council's legislatively required LTP process. The initial assessment stage of the project prioritisation process is most crucial for renewals, and divides projects into four categories;



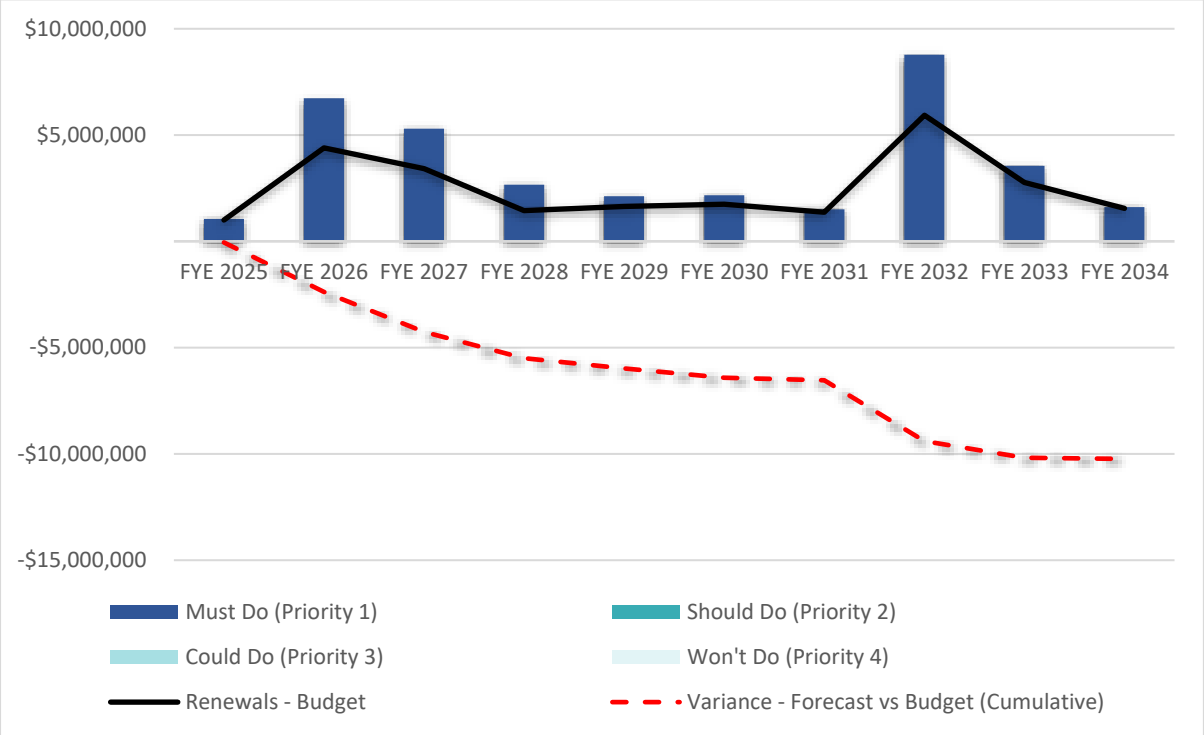
The 'Must do' category includes all critical renewals (including the mitigation of risks ranked medium and above) and the standard renewal budgets for small recurring renewals (these are primarily miscellaneous budgets of <$100K/year).

Non-critical asset renewals are captured in the 'Should do' category and undergo prioritisation as described in section 5.4.1. (Note: Critical assets are detailed in Section 6.1).

5.3.3 Summary of future renewal costs

Forecast renewal costs are projected to increase over time if the asset stock increases. The forecast costs associated with renewals are shown relative to the proposed renewal budget in Figure 5.3.3 below.

Figure 5.3.3: Forecast renewal summary



All figure values are shown in current day dollars.

The forecast renewal costs show that the current budget is insufficient to meet Council's needs, with an overall $10.2M deficit in renewals funding over the course of the AMP timeframe. While the majority of this deficit is located in Years 2-4 and 8 of the AMP, there is a deficit of funding in each individual financial year of the AMP from efforts to smooth the overall funding deficit as much as possible over the timeframe of this AMP.

This overall impact of the shortfall in funding over time will result in increased costs as digital assets reach end of life. Deferring critical hardware and software renewals increases the risk of insufficient security and performance.

5.4 Acquisition Plan

Asset acquisitions include the following types of projects;

- projects that create assets that did not previously exist,
- works which will upgrade or improve an existing asset beyond its current capacity.

The drivers for undertaking acquisition projects or acquiring new assets can be due to level of service changes, growth, or a combination of each. Renewal works may also be combined with acquisition projects where there is a desire to change service levels or respond to growth.

5.4.1 Selection criteria

Proposed acquisitions of new assets, and upgrading of existing assets, are identified from various sources such as community requests, proposals identified by strategic plans or partnerships with others.

Council has a documented project prioritisation framework that provides a transparent and structured approach to reviewing and prioritising projects for inclusion in our LTP. The same process and prioritisation criteria are used for both acquisition and renewal projects.

Proposed upgrade and new work analysis also include the development of a lifecycle costs estimate to ensure that the services are sustainable over the longer term. This is captured within the Detailed Business Case which is prepared for all except the simplest projects.

The priority ranking criteria and weighting is detailed in Table 5.4.1.

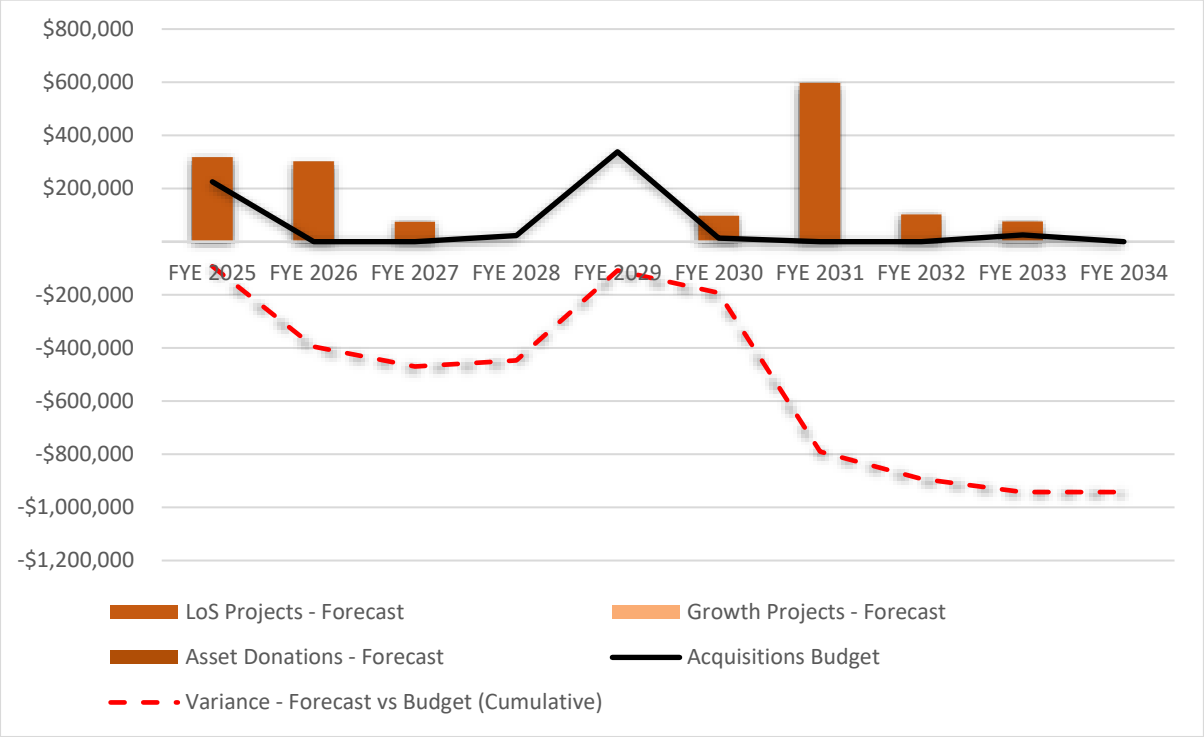
Table 5.4.1: Asset Disposals Summary

Criteria	Weighting
Strategic alignment	35%
Benefits	20%
Level of service	15%
Risk mitigation	15%
Ease of execution	15%
Total	**100%**

5.4.2 Summary of future acquisition costs

Forecast acquisition asset costs are summarised in Figure 5.4.1 and shown relative to the proposed acquisition budget.

Figure 5.4.2.1: Acquisitions Summary



All figure values are shown in current day dollars.

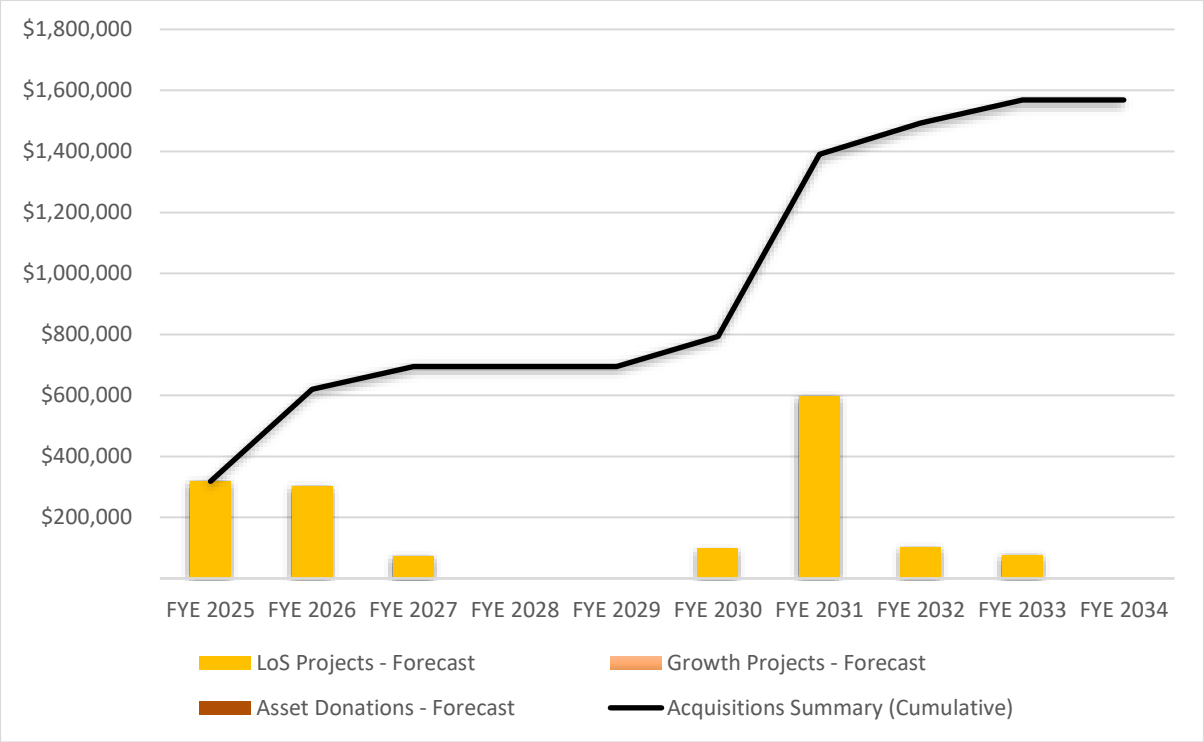
As indicated in Figure 5.4.2.1. there is an overall deficit of $0.9M in acquisitions funding over the timeframe of this AMP, from the requested acquisitions budget of $1.5M.This funding deficit will be particularly noticed in Years 2-3, 7-8 and 10 of this AMP timeframe, as no acquisitions funding has been received in these financial years.

A potential improvement for future funding discussions could be to smooth the $0.6M funding received equally over the ten years of this AMP; assigning $62K for each individual year of this AMP; this would ensure there are no financial periods where $0 funding is received.

For all new assets there are corresponding future operations, maintenance and renewal costs that must be accounted for within the LTP. Future depreciation must also be considered when reviewing long-term sustainability. This is one activity within the LTP process that Council needs to improve upon, as clarity on the lifecycle costs of future acquisitions will ensure that these costs are factored appropriately into Council's lifecycle budgeting.

The cumulative value of all acquisition work, including both constructed and contributed assets are shown in Figure 5.4.2.2 below.

Figure 5.4.2.2: Acquisitions Summary (Cumulative)



All figure values are shown in current dollars.

Expenditure on new assets and services in the capital works program will be accommodated in the LTP, but only to the extent that there is available funding.

5.5 Disposal Plan

Disposals include any activities associated with the disposal of a decommissioned asset. This includes the sale, demolition, or the relocation of the asset. The following asset categories have planned asset disposals throughout the timeframe of this AMP;

Asset Category	Asset Disposal Value
Devices	$14,000
Monitors	$17,000
Network	$14,000
Other	$14,000
Total	**$59,000**

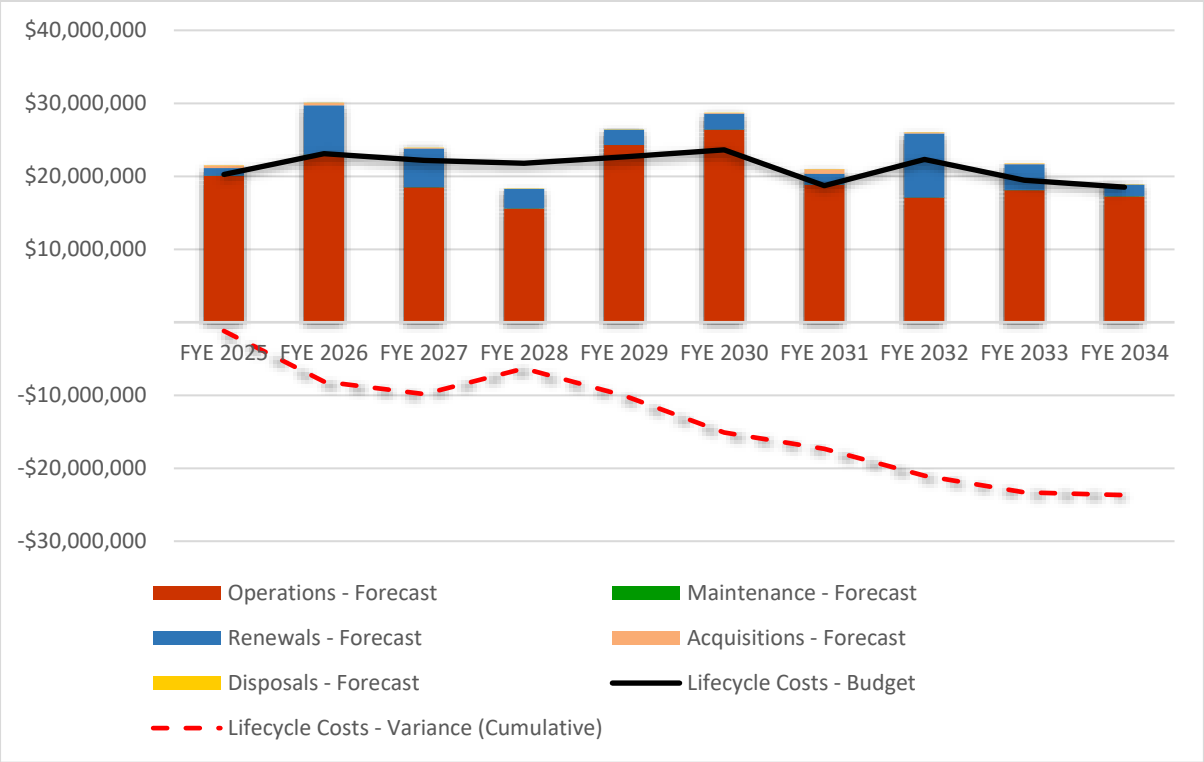
The total value of planned assets is $59,000, and as asset disposals will occur on an annual basis, the overall costs have been smoothed out across the timeframe of this AMP. There is no foreseen disposal value of the above assets to offset disposal costs.

5.6 Summary of forecast costs

The financial projections from this AMP are shown in Figure 5.6.1. These projections include forecast costs for acquisition, operation, maintenance, renewal, and disposal. These forecast costs are shown relative to the proposed budget.

The bars in the graph represent the forecast costs needed to optimise the lifecycle management of these assets and ensure alignment with community needs/expectations. The proposed budget line indicates the estimate of available funding. The gap between the forecast work and the proposed budget is the basis of the discussion on achieving balance between costs, levels of service and risk to achieve the best value outcome.

Figure 5.6.1: Lifecycle Summary



All figure values are shown in current day dollars.

Reviewing the lifecycle summary costs for NPDC for the ten-year timeframe of this AMP, the Digital Enablement service shows a clear deficit of $23.6M. This deficit is comprised almost in total from a $12.4M deficit in operational and maintenance costs and a $10.2M deficit in renewals funding. Furthermore, the increased acquisition costs over the course of the AMP timeframe indicate that a growing amount of work will be required to meet both the current and future digital demands of a district with a population that is only predicted to increase throughout the next decade.

Managing our risks will guide our future while protecting our current environment.

Risk Management Planning

The purpose of risk management planning is to identify and address the potential risks and opportunities associated with Council's infrastructure assets. This section defines those assets which are critical to operations and the potential results of failure; the significant (high or extreme) risks being managed including those risks outside of Council's appetite; and considers the resilience of these assets in the context of service delivery.

6.1 Critical Assets

Critical assets are defined as:

"Assets that are significant in providing essential services to our community, and which may also be important in emergency situations. These assets have high consequences of failure, and as such require a higher level of proactive maintenance and management."

NPDC does not currently have a specific methodology for the identification and grading of critical assets. Table 6.1 describes those assets which meet the above definition as determined by the Asset Owner, as well as the mode by which the asset could fail, and the likely impact of that failure. Developing and implementing a specific methodology for determining critical assets is identified as an improvement action (see Section 8).

Table 6.1: Critical Assets

Critical Asset(s)	Failure Mode	Impact
Servers, Workstations, Networks, Storage and Power Systems	**Level of Service:** Equipment degradation or failure, fire, flood **Financial Inefficiency:** Potential impact to businesses (e.g. events)	Council Services cannot be delivered. • Users unable to login and check emails • Inability to run business applications • No access to data and reports • Public unable to use network services (WiFi)
Security System	**Level of Service:** Security breach can disable access to devices/ applications **Financial Inefficiency:** Potential leak of data can result to large fines	Information Technology Services cannot be delivered (similar to above impact). In addition, sensitive information and council information may be compromised.
Storage systems / Data and Information	**Level of Service:** Inability to access information and data for decision making **Mortality:** Inability to provide critical information for Emergency management agencies during an event/incident	Information such as Council records and data required to comply with legislative requirements cannot be accessed by users including the public

By determining critical assets, operations, maintenance and renewal strategies can be refined, inspections and investigations can be prioritised, high risk information gaps can be identified, and confidence in programming of works is increased.

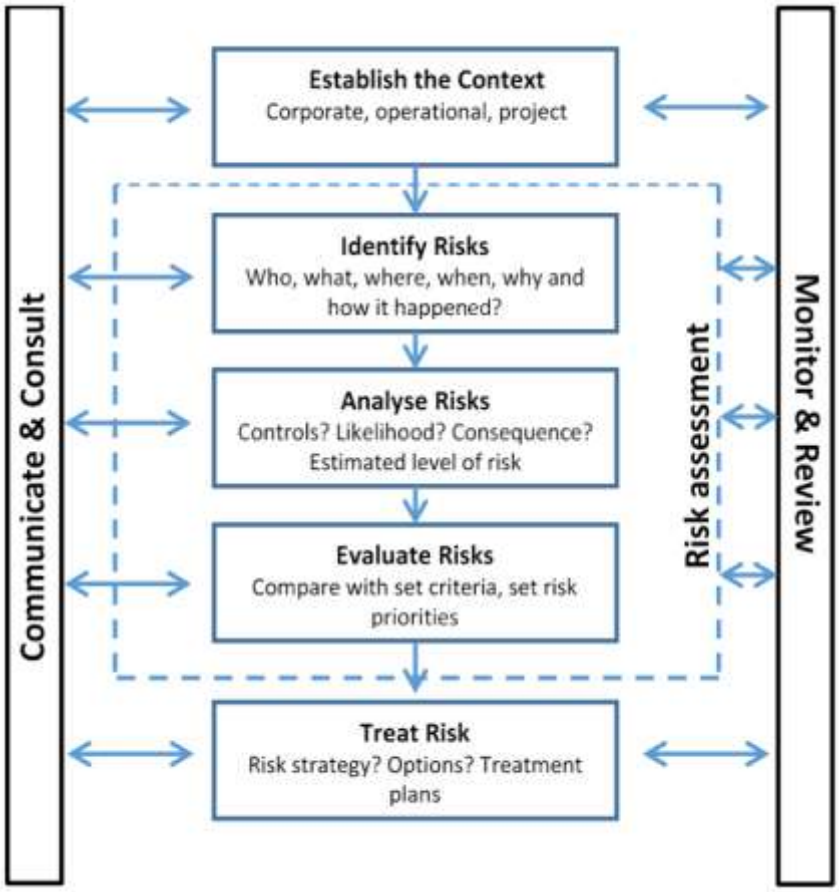
Critical assets will be prioritised when allocating maintenance and renewal funding, undertaking condition assessments and for improvement works.

6.2 Risk Assessment

Risk is an inherent element of all Council operations, and the management of these risks is a critical element of ensuring the organisation is able to deliver services and meet its obligations. For risk management to be effective, Council has developed and utilises its Corporate Risk Management Framework - Policy and Process (ECM#1479536). This internal document is based on the fundamentals of ISO 31000:2009 (Risk Management) and provides key information and advice for how risk assessments are conducted, recorded, managed, escalated and monitored.

The five key steps to Council's risk management procedure are establishing the context, risk identification, analysing risk, risk evaluation and risk treatment – as illustrated in Figure 6.2.

Figure 6.2: Risk Management Framework



A summary of the current key risks relevant to the Council's assets is included in the Risks and Improvements Section of the Asset Management Strategy. The list includes risks to the specific assets, risk to service delivery, and risk relating to the overarching asset management system.

6.2.1 High level risks

Identification of high and extreme risks ensures that Council can prepare for situations that may result in negative consequences such as the loss or reduction of a service, injury, financial damage, loss of reputation, damage to the environment and more.

Table 6.2.1 below lists all high or extreme risks that are relevant to the management of Information Technology assets. This may overlap with the generic risks identified in the strategy but will focus on the actions to be taken to address those risks. Prioritisation of the projects relating to these risks occurs in P3M (Council's Projects, Portfolio and Programme management software).

Table 6.2.1: Planned treatments and costs for identified high level risks

Risk Type	Description	Current risk rating	Proposed Risk treatment actions	Post treatment risk rating	Treatment costs	Relevant projects
Operations and Service Delivery	Continuity of service relating to our enterprise software is vulnerable because the Council relies heavily on a single vendor (Technology One), resulting in the potential for disruption if Technology One fails or our relationship with it deteriorates. [RISK-00005]	High	Currently under contract with vendor to upgrade to Cloud which will ensure ongoing support and maintenance from TechOne for the foreseeable future.	Medium	$11.5m	TechOne ERP Upgrade
Information Management	The Council suffers the following because of inadequate physical security arrangements, resulting in financial, reputational, and potentially legal consequences: 1) Theft/ Loss /Destruction of equipment (e.g. laptops) and records; and 2) Theft of records due to physical break-in, or a member of the public following staff through security doors and into a secure area. [RISK-00106]	High	Reduce the risk by reducing the consequence and/or likelihood of it occurring.	High	$1.1m	Two relevant Projects: 1 – Gallagher upgrade and Visitor Sign-In 2 – CCTV Policy update and system upgrade Not a project but process in place to secure stock rooms.

Note: Current risk is the risk at the point in time this AMP is published, it is not reflective of the full untreated (inherent) risk. The post-treatment risk is the residual risk once the proposed treatments have been implemented.

6.2.2 Risks outside of Council's appetite

It is not always possible to remove all risks. For a treatment to be considered effective the residual risk must be within NPDC's risk appetite. NPDC's risk appetite varies depending on the Risk Category:

- Averse means generally avoiding or eliminating a risk because of its potential impact on Council's service delivery (e.g. disruption to drinking water supply) and/or the health and safety of our staff or the public.
- Balanced means having a flexible approach depending on the nature of the risk, weighing the consequence of not achieving an objective if the risk is avoided or eliminated with the cost of implementing controls.
- Tolerant means being willing to take on significant risks to exploit opportunities associated with activities that support the achievement of Council's strategic goals, despite potentially major consequences if a risk is realised.

The following table defines those projects for which risk is not within Council's appetite, but a decision has been made to delay or not undertake remedial works.

Table 6.2.2: Justification and future treatment for risks outside of NPDC's appetite

Risk Type	Risk Appetite	Description	Current risk rating	Risk treatment actions	Justification for delay to remedy
People and Knowledge	Balanced	Knowledge of core systems, processes, and equipment is lost because reliance is placed on the skills and experience of key individuals, resulting in disruptions when those individuals leave the organisation. [RISK-00007]	Extreme	Review of current resources, skills, capacity and capability	Ongoing Council-wide restructure

6.3 Resilience

The New Zealand Infrastructure Strategy/Rautaki Hanganga o Aotearoa describes resilience as "*the ability to anticipate and resist the effects of a disruptive event, minimise adverse impacts, respond effectively post-event, maintain or recover functionality, and adapt in a way that allows for learning and thriving*."

Resilience differs from risk management as it is focused on management of events that are either unpredictable or have a very low likelihood of occurring, but which have high consequences. In addition, these events are typically complex with multiple interdependencies and therefore have added complexity. This includes events such as natural disasters, economic crises, significant infrastructure failure, cyber-attacks, global conflict, terrorism and climate change.

Improving the resilience of our assets and adapting to climate change are key drivers for Infrastructure management at NPDC. Table 6.3 describes how Council is ensuring resilience and reliable delivery of our digital assets.

Table 6.3: Resilience of Digital Enablement assets

Event	Key points of failure	Redundancies	Interdependencies	Actions	Related Projects
Volcanic Eruption	Entire NPDC network	• Kapua Site is fully operational in the event of a failure at NPDC NPL site	• Automated switch over	• Kapua site is operational in Hamilton • Incident Response Plan developed • Cyber Incident Response Plan developed	• Pakiaka
Cyber attack	Computer systems and online documented information becomes unavailable	• Emergency response plans, operations manuals and other critical documents are available in printed copies • Plant computers running SCADA are on a separate network • Major systems can be operated manually	• All general Council operations • Wastewater and Water plants run remotely using SCADA • Civil defence centres	• Cyber security audits undertaken to identify potential weaknesses • Computer systems updated to align with modern, virus resistant software	• IT Infrastructure refresh project • Security measures implemented through Cyber Security partnership with Spark.

6.4 Service and Risk Trade-offs

The decisions made during the preparation of the LTP are initially guided by the first draft of this AMP and are later reflected in the final iteration. The goal is to ensure that the optimum benefits are received from the available resources, then capture where Council will be unable to achieve all the intended outcomes.

6.4.1 What we cannot do

- The 2024-2034 LTP includes plans to replace known network environments and software. However not all networks and software used within NPDC is known to the Digital Enablement team. This can quickly result in an inability to plan for end-of-life replacement.
- Data Warehouses and Middleware products are cloud-based and are essential for our business to function. There is a move to Cloud based software for all solutions which removes their identification as an Asset.
- Reduction in scope to Council chambers Equipment Refresh has resulted in limiting the equipment upgrade to microphones and minor hardware upgrades rather than a full replacement of the entire technology suite. This may result in reputational risk should there be technical issues preventing online participants hearing meetings or issues within the chamber itself which could impact people that have hearing impairments.
- Digital Asset Management Solution has been re-prioritised to Yrs 4-10 of LTP. This involves an upgrade of systems to improve functionality of the systems and services across Puke Ariki. This may result in reputational risk if systems fail at Puke Ariki.
- Lone Worker Solution has been re-prioritised to Yrs 4-10 of LTP. This is a health and safety risk to lone workers.
- CCTV replacement District wide Phase 2 to continue replacement of CCTV camera district wide has been re-prioritised to Yrs 4-10 of LTP. There are still several sites and areas with service requiring expansion, services not operating to the required standards, or who currently have no service at all. This is a reputational and community risk.
- Document Management Renewals (Digitisation across NPDC) has been re-prioritised to Yrs 4-10 of LTP. There is risk that NPDC pay for the storage of a significant amount of hardcopy paper records and these records being inaccessible online.

6.4.2 Service Trade-offs

Work unable to be completed will result in a service consequence to users. This trade-off is necessary to retain a reasonable balance between expenditure and service. The service consequences resulting from the work that cannot be done include:

- End of life hardware and software have the potential to impact the level of service provided to the community. For example, in the event of system failures there will be an inability to manage Council services such as library book returns and fines, and to manage booking and inventory management systems at venues such as the Todd Energy Aquatic Centre (TEAC).

6.4.3 Risk Trade-offs

Work unable to be completed may also create risk consequences. These risk consequences include:

- Inability to provide current levels of service to the community
- Inability to improve the digital service provided to the community


18424(6)
18476(1)
18437(1)
18590 (2)
18594 (1)
18589 (4)
18573 (2)
18567 (2)
18567 (9)
18514 (1)
18650 (1)
18390 (1)

Financial Summary

This section seeks to describe the financial requirements resulting from the information presented in the previous sections of this AMP. Financial projections will be improved as the discussion on desired levels of service and asset performance matures.

7.1 Financial Strategy

Council's financial strategy and accounting policies are documented in the Financial Information section of the LTP. This financial strategy determines how funding will be provided, whereas the AMP communicates how and when this will be spent, along with the service and risk consequences of various service alternatives.

7.2 Financial Sustainability & Projections

7.2.1 Sustainability of service delivery

There are two key indicators of sustainable service delivery that are considered in this AMP, they include:

- The asset renewal funding ratio (ARFR), and
- The current asset funding indicator (CAFI)

Asset Renewal Funding Ratio

The Asset Renewal Funding Ratio (ARFR) is an important indicator that provides context for Council's planned renewals.

$$\text{ARFR (\%)} = \frac{\text{Proposed renewal budget for 10-year period}}{\text{Forecast renewal costs for 10-year period}} \times 100$$

The calculation is shown in Table 7.2.1.1 below.

Table 7.2.1.1: Renewal forecast

Indicator	Value
10-year renewal budget	$25,243,068
10-year renewal forecast	$35,476,654
Asset Renewal Funding Ratio	71.2%

This information illustrates that over the next 10 years, Council expects to have 71.2% of the funds required for the optimal renewal of assets.

Current Asset Funding Indicator

The Current Asset Funding Indicator (CAFI) identifies the capacity of the organisation to fund the ongoing operations, maintenance and renewal of the existing asset portfolio in a sustainable manner.

$$\text{CAFI (\%)} = \frac{\text{Proposed operation, maintenance \& renewal budget for 10-yr period}}{\text{Forecast operation, maintenance, and renewal costs for 10-yr period}} \times 100$$

This calculation is shown in Table 7.2.1.2.

Table 7.2.1.2: Existing asset funding sustainability

Indicator	Value
10-year proposed budget for existing assets	$186,520,645
10-year forecast costs for existing assets (operations, maintenance and renewals)	$198,971,903
Average annual funding gap	- $2,268,560
Current Asset Funding Indicator	90.3%

The CAFI shows that over the ten year timeframe of this AMP there is a shortfall in which only 90.3% of the forecast costs needed to provide the services documented in this AMP are accommodated in the proposed budget. Note: these calculations exclude acquired assets.

7.2.2 Forecast costs for the Long-Term Plan

Table 7.2.2 shows the expenditure forecast summary (outlays) required for consideration in the LTP.

Providing services in a financially sustainable manner requires a balance between the forecast outlays required to deliver the agreed service levels and the planned budget allocations in the LTP.

A financial gap' between the forecast outlays and the amounts allocated in the financial plan indicates further work is required on reviewing service levels in the AMP (including possibly revising the LTP).

We will manage this financial gap by developing this AMP to provide guidance on future service levels, and resources required to provide these services in consultation with the community.

Forecast costs are shown in FY24/25 dollar values.

Table 7.2.2: Expenditure forecast summary

Activity	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	LTP Total
Operations	$20.07M	$22.93M	$18.49M	$15.57M	$24.27M	$26.38M	$18.84M	$17.08M	$18.10M	$17.24M	**$198.97M**
Maintenance	$0.01M	$0.06M	$0.01M	$0.01M	$0.01M	$0.02M	$0.02M	$0.02M	$0.02M	$0.02M	**$0.19M**
Total Opex	**$20.09M**	**$22.98M**	**$18.50M**	**$15.59M**	**$24.28M**	**$26.39M**	**$18.85M**	**$17.09M**	**$18.12M**	**$17.26M**	$199.16M
Level of Service	$0.32M	$0.30M	$0.07M			$0.10M	$0.60M	$0.10M	$0.08M		**$1.57M**
Growth											
Renewals	$1.05M	$6.73M	$5.29M	$2.67M	$2.13M	$2.17M	$1.50M	$8.78M	$3.55M	$1.60M	**$35.48M**
Total Capex	**$1.37M**	**$7.03M**	**$5.37M**	**$2.67M**	**$2.13M**	**$2.27M**	**$2.10M**	**$8.89M**	**$3.63M**	**$1.60M**	$37.05M

The methods currently used to by NPDC to prepare financial forecasts do not provide a straight-forward breakdown into the Asset Management lifecycle stages of acquisition, operation, maintenance, renewal or disposal. Table 7.2.2 can be aligned with the lifecycle stages by reading as follows:

- asset acquisitions are indicated by the combined totals of Level of Service and Growth activities (above 'Total Capex'),
- asset renewals are captured under the Renewals activity heading
- operations and maintenance costs are collectively provided as 'Total Opex' with no individual breakdown currently available.

An improvement action has been identified to improve forecast definition in the AMP including providing separate operations, preventative and reactive maintenance forecasts.

7.3 Valuation Forecasts

7.3.1Asset valuations

The best available estimate of the value of assets included in this AMP is shown below. Council's asset valuation methodology is described in the Statement of Accounting Policies included in the Financial Information section of the LTP.

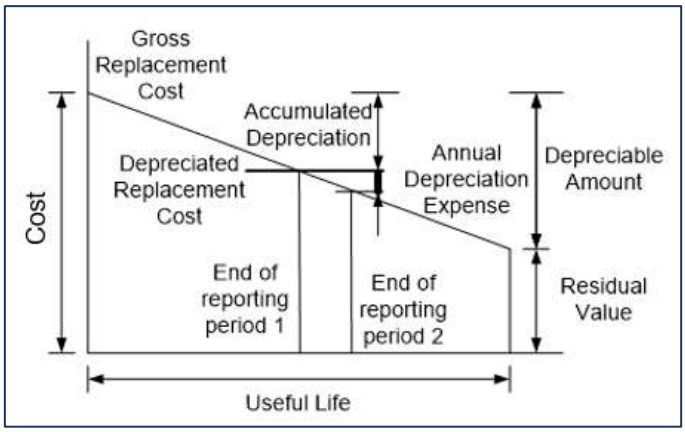
Table 7.3.1 Asset valuations

Measure	Value
Replacement Cost (Current/Gross)	$24,116,622
Depreciable Amount	$3,045,182
Depreciated Replacement Cost[1]	$3,045,182

[1] Also reported as Written Down Value, Carrying or Net Book Value.

Figure 7.3.1 below provides a graphical comparison of the values given above.

Figure 7.3.1: Understanding valuation and depreciation values



7.3.2Valuation forecast

Total asset portfolio value is forecast to stay the same over the term of this AMP as hardware will increase in value which could be offset by on premises services going to the cloud. Additional assets will generally result in increased costs due to:

- operations and maintenance needs
- future renewal costs
- future depreciation forecasts

7.4 Key Assumptions

In compiling this AMP, it was necessary to make some assumptions. This section details the key assumptions made and should provide readers with an understanding of the level of confidence in the data behind the financial forecasts.

Key assumptions made in this AM Plan are:

- All costs for future hardware, software, maintenance and support are based on best judgement of Council staff, utilising current trends.
- Life expectancy is calculated by industry standards.
- There is unknown hardware and software across the organisation that is not fully known by Digital Enablement.
- Digital advancement is one of the most significant evolutions in our current climate resulting in a high degree of inaccuracy in forecasting future trends.

7.5 Forecast Reliability & Confidence

The forecast costs, proposed budgets, and valuation projections in this AMP are based on the best available data. For effective asset and financial management it is critical that the information is current and accurate. Data confidence is classified on an A–E level scale in accordance with Table 7.5.1.

Table 7.5.1: Data Confidence Grading System

Confidence Grade	Description
A. Very High	Data based on sound records, procedures, investigations, and analysis, documented properly and agreed as the best method of assessment. Dataset is complete and estimated to be accurate (i.e. accuracy level ±2%)
B. High	Data based on sound records, procedures, investigations, and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate (i.e. accuracy level ±10%)
C. Medium	Data based on sound records, procedures, investigations, and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated (i.e. accuracy level ±25%)
D. Low	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete, and most data is estimated or extrapolated. (i.e. accuracy level ±40%)
E. Very Low	None or very little data held.

The estimated confidence level for and reliability of data used in this AMP is shown in Table 7.5.2.

Table 7.5.2: Data Confidence Assessment for Data used in AM Plan

Data	Confidence Assessment	Comment
Demand drivers	C. Medium	Uncertainty in forecasts arises due to the potential for change within national and global economies and politics and the occurrence of natural events and disasters which all impact long-term forecast reliability.
Growth projections	B. High	There is generally high confidence in expected changes in population and demographics in the area however lower confidence in likely immigration and tourism forecasts are noted due to international instability.
Operation forecast	High	Based on current trends.
Maintenance forecast	High	Based on current trends.
Renewal forecast - Asset values	High	Based on current trends +CPI.
- Asset useful lives	High	Based on known trends.
- Condition modelling	High	Based on known trends.

The overall estimated confidence level for reliability of data used in this AM Plan is high.

Improvement & Monitoring will ensure that Digital Enablement continues to provide service to its customers while constantly looking forward to find opportunities for improvement.

Improvement & Monitoring

This section provides information about improvement and monitoring of the asset management system and processes at Council.

8.1 Asset Management Maturity

NPDC undertook an asset management maturity assessment across the entire Council asset management system in March 2021. An overview of this review is provided in Council's 2022 Asset Management Strategy (ECM# 7819335). Council is working toward a maturity rating of 3 (Competent) and currently have an average rating of 2 (Developing). Current focus areas for increasing Council's asset management maturity include:

- Increasing process documentation: to provide consistency and minimise knowledge loss during change,
- Implementing management reviews: to enhance overall visibility of activities and more closely track performance, and
- Introducing spot checks to ensure documented processes are aligned to reality.

8.2 Improvement Plan

The following table lists the areas of this AMP that can be improved upon through the development and implementation of improved processes or methodologies, behaviours and tools. Implementation of these actions will enhance operational efficiency and effectiveness and improve overall asset management maturity.

Table 8.2.1: Improvement Plan

Activity	Task	Priority	Accountable	Responsible	Resources Required	Due date
Asset Management	Set firm timeframes for the ongoing maintenance of the AMP to ensure this is kept up to date.	B	Manager Digital Enablement	Delivery Lead/Technical Co-ordinator	BAU collaboration between Digital Enablement teams	June 25
Critical assets	Develop an asset criticality framework that supports the identification of all critical assets.	B	Manager Digital Enablement	Operations Manager	BAU collaboration between Digital Enablement teams	June 25
Action Plan	Develop an action plan to improve forecast definition in the AMP including providing separate operations, preventative and reactive maintenance forecasts.	B	Manager Digital Enablement	Delivery Lead/Technical Co-ordinator	BAU collaboration between Digital Enablement teams	June 25

Asset budget availability	Improved process to capture and report on asset budgeting and renewals	B	Manager Digital Enablement	Delivery Lead, Digital Infrastructure Lead, Technical Co-ordinator	BAU collaboration between Digital Enablement teams	June 25
Environmental Sustainability engagement and inclusion	Ensure that Environmental Sustainability Policy settings are incorporated into all actions and commitments indicated within LTP and AMP	C	Manager Digital Enablement	Operations Manager	BAU collaboration between Digital Enablement teams	Ongoing

Note: Action priority is set using the Eisenhower matrix as a model, with the highest priority works graded as A and lowest priority works graded as D.

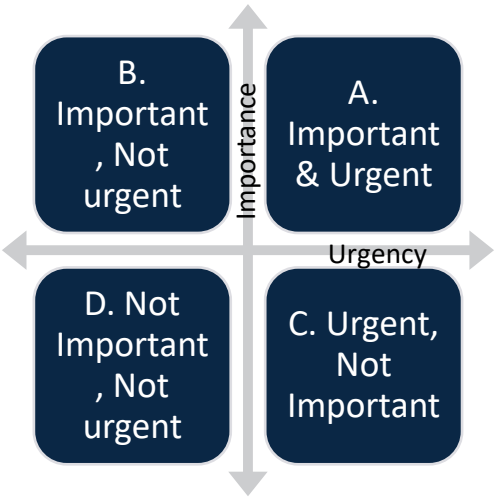


Figure 8.2.1: Eisenhower matrix

8.3 Monitoring & Review Procedures

This AMP will be reviewed and updated annually as part of wider Council annual planning process. These annual reviews will ensure the AMP continues to accurately communicate the current service levels, asset values, forecast costs and planned budgets.

Every three years the AMP will be completely revised to reflect the adjustments to the organisational strategic direction that result from the triennial election of Council's elected members. The AMP review is also aligned to the LTP process for which the AMP is essential supporting information and, as such, these AMPs will be made available for the LTP audit in their draft form. The draft AMP will capture the best-case scenario for management of the assets aligned to anticipated budgets. The final version will reflect the decisions made by elected members including where service levels are expected to be impacted by the availability of funds.

8.4 Performance Measures

The effectiveness of Council's AMPs is monitored through regular internal spot-checks conducted multiple times throughout the year by this asset group's senior management team. The internal spot-checks will assess the extent to which the actions defined within the plan have been implemented, function as a feedback mechanism for senior management, and consider the following;

- accuracy of forecast costs and alignment to the LTP,
- alignment to the Asset Management Strategy and other key strategic documents,
- completion rate of forecast works including renewals, acquisitions, essential maintenance, condition assessments and improvement or risk management activities,
- inclusion of key risk and improvement actions within the relevant Council systems and the completion of corrective actions in a timely manner,
- completeness of information, and
- other relevant topics identified at the time of the check.

References

- IPWEA, 2006, 'International Infrastructure Management Manual', Institute of Public Works Engineering Australasia, Sydney, International Infrastructure Management Manual (IIMM) - Institute of Public Works Engineering Australasia
- IPWEA, 2015, 3rd edn., 'International Infrastructure Management Manual', Institute of Public Works Engineering Australasia, Sydney, International Infrastructure Management Manual (IIMM) - Institute of Public Works Engineering Australasia
- IFRIC Decision - International Financial Reporting Interpretations Committee, IFRS - IFRS Interpretations Committee

Glossary

Term/ Phrase/ Acronym	Definition
Acquisition	Those activities involved in the creation/ purchase/ donation or otherwise gain of new or upgraded assets.
AMIS	Asset Management Information System
AMP	Asset Management Plan
AS/NZS	Australian/ New Zealand Standards
Asset	An item, thing or entity that has potential or actual value to NPDC (such as plant, machinery, buildings, roads, etc)
Asset lifecycle	Describes the activities/ actions relating to an asset from initial planning and acquisition, through operation and maintenance of the asset, then disposal at 'end-of-life.' Many assets are not disposed of but are renewed and their condition and performance reset to 'as new.'
Asset Owner	The person at Council who is accountable for Managing the specific asset group. This is generally the Functional Manager of the relevant area (e.g. Manager Transport)
Asset Register	The record of asset information including asset attribute data such as quantity, type, construction cost and value.
AM Strategy	Internal strategy to provide direction regarding how to manage Infrastructure and Property assets.
CBD	Central Business District
CCO	Council Controlled Organisation
CDEM	Civil Defence and Emergency Management
Council	Refers to New Plymouth District Council specifically
Customer	Customer in this document is used to describe anyone who uses the products or services provided by Council assets or who has a vested interest in those assets. This includes ratepayers, local community groups and businesses, local iwi and Hapū, regulators or statutory bodies and visitors to the region.
Current day dollars	The dollar amount required to undertake a task/activity if it was to be completed today. Potential future inflation is not included in these figures.
Demand	A driver or pressure that has the potential to change the requirements/ expectations of Council's assets.
Disposal	Any activities associated with the disposal of a decommissioned asset. This includes the sale, demolition, or the relocation of the asset.
EAM	TechOne Enterprise Asset Management – Council's asset register software. Manages financial information, customer information and requests, asset registers and history, work order management and maintenance scheduling.
ECM	Enterprise Content Management - manages documentation and records.
ELT	Executive Leadership Team
GCRC	Gross Capital Replacement Cost
GIS	Geographic Information System
GIS	Geographic Information System

Term/ Phrase/ Acronym	Definition
IIMM	International Infrastructure Management Manual
Infrastructure Strategy	A document that must be prepared as part of the LTP (required by the Local Government Act). This document identifies significant infrastructure issues and potential options for their management for a 30year period.
IPWEA	Institute of Public Works Engineering Australasia
ISO 55001	International Standard for Asset Management – Management System requirements.
LGA	Local Government Act 2002
LoS	Level of Service - a statement by Council that clearly identifies what it intends to deliver in terms of providing local infrastructure, public services and regulatory functions
LTP	Long-Term Plan
Maintenance	Those actions necessary to keep the asset as near as practicable to an appropriate service condition including regular, ongoing day-to-day work necessary to keep assets operating.
MfE	Ministry for the Environment
NPDC	New Plymouth District Council
NZD	New Zealand Dollar
Operations	Those regular activities required to provide a service. Examples of typical operational activities / costs that would be charged here include monitoring inputs and outputs, cleaning, security, insurance, inspection and utility costs.
Performance measure	The means by which Council measures achievement of its level of service statements.
Pinnacle	NPDC's health, safety, risk, environment and quality (HSREQ) management software.
Ratepayer	Residents, property owners and businesses who pay rates to NPDC.
Renewals	Those activities that restore, rehabilitate, replace or renew existing assets back to the original or 'as new' standard.
Replacement	The complete replacement of an asset that has reached the end of its life, so as to provide a similar, or agreed alternative level of service.
Research First	The organisation responsible for undertaking the independent community survey
Risk appetite	The amount and type of risk that the Council is prepared to accept in the pursuit of its objectives.
Risk management	The coordinated activities to direct and control an organisation with regard to risk.
Risk treatment	Proposed or agreed method for fixing or reducing a risk that Council is currently exposed to.
RUL	Remaining Useful Life – the amount of time remaining before the asset condition or performance will no longer be capable of meeting required levels of service and must be renewed or disposed of.
TechOne / Tech1 / T1	Council's EAM and ECM system provider.
TRC	Taranaki Regional Council

Appendices

Appendix 1 – Legislation & Regulations

The following is a list of all relevant legislation and regulations relating to the delivery of Technology Services.

Legislation	Requirement
Local Government Act 2002	To provide services enabling NPDC to deliver on
Local Government Official Information and Meetings Act 1987 (LGOIMA)	1. To increase progressively the availability to the public of official information held by local authorities, and to promote the open and public transaction of at local authority business meetings thereby to enhance respect for the law and to promote good local government in New Zealand 2. To provide for proper access by each person to official information relating to that person to protect official information and the deliberations of local authorities to the extent consistent with the public interest and the preservation of personal privacy.
Contract and Corporate Law (Electronic Transactions) Regulations 2017	3. To ensure all council information and records in physical format are, if appropriate, digitised according to accepted standards and specifications whereby they can be declared the official record of council business activities.
Privacy Act 2020	To promote and protect individual privacy principles for individual privacy, and collection, use, and disclosure of information relating to individuals; and access by individuals to information held about them and the ability to correct that information. Codes of practice that may modify or replace the information privacy principles (such as the Health Information Privacy Code 1994) are also issued from time to time where applicable to council services.
Public Records Act 2005	6. To ensure all information and data created and used by council is made accessible to all users, including the public. That council meets compliance relating to the creation, maintenance, storage, continuity, trustworthiness, protection, and appropriate access to its information and data for as long as it is needed. 7. Management of approx. 21M digital records, 25K paper records, and 1700 linear metres of historical records dating back to 1850, ensuring that records are easily identifiable, secure, readily retrievable in formats which provide easy access. 8. To uphold rights to identity, culture, community, and rights to live as Māori if the retention and disposal of records review process reflects and raises awareness of the intergenerational value of records, Māori data governance, and collective information interests (Archives New Zealand).
Information and Records Management Standard 2016	9. To ensure implementation of Public Records Act requirements relating to compliance with best practice recordkeeping for local authorities. 10. Ensuring council has plans and resourcing in place to continually increase its information management practices to achieve comprehensive, compliant management of public information and data into the future. 11. Auditing of council information and data assets is a routine activity to measure ongoing improvement of council's management activities and practices.
Data and Statistics Act 2022	9. Ensure that high-quality, impartial, and objective official statistics are produced relating to New Zealand to inform the public and inform decision making. 10. Protect the interests of the people and organisations represented in, or by, data that is used for the production of official statistics and for research, by providing appropriate privacy, confidentiality, and security transparency about how the data is used. 11. Recognise and respect the Crown's responsibility to give effect to the principles of Te Tiriti o Waitangi/the Treaty of Waitangi by providing for the interests of Māori in the collection of data, the production of statistics, and access to, and use of, data for research as tools for furthering the economic, social, cultural, and environmental well-being of Māori (including iwi and hapū).

Appendix 2 – Operations and Maintenance Expenditure Forecast

The following is a complete list of the forecast costs associated with operations and maintenance expenditure for the ten year term of this AMP. Future iterations of this plan will improve the breakdown classification.

Table A2.1: Operations and Maintenance forecast

Activity	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	LTP Total
Operations	$20.07M	$22.93M	$18.49M	$15.57M	$24.27M	$26.38M	$18.84M	$17.08M	$18.10M	$17.24M	**$198.97M**
Maintenance	$0.01M	$0.06M	$0.01M	$0.01M	$0.01M	$0.02M	$0.02M	$0.02M	$0.02M	$0.02M	**$0.19M**
Total Opex	**$20.09M**	**$22.98M**	**$18.50M**	**$15.59M**	**$24.28M**	**$26.39M**	**$18.85M**	**$17.09M**	**$18.12M**	**$17.26M**	$199.16M
Level of Service	$0.32M	$0.30M	$0.07M			$0.10M	$0.60M	$0.10M	$0.08M		**$1.57M**
Growth											
Renewals	$1.05M	$6.73M	$5.29M	$2.67M	$2.13M	$2.17M	$1.50M	$8.78M	$3.55M	$1.60M	**$35.48M**
Total Capex	**$1.37M**	**$7.03M**	**$5.37M**	**$2.67M**	**$2.13M**	**$2.27M**	**$2.10M**	**$8.89M**	**$3.63M**	**$1.60M**	$37.05M

Appendix 3 – Project Prioritisation Matrix

SCORE	**Criteria 1 – Strategic Alignment** *How well does this opportunity contribute to the delivery of our goal, vision and strategies?*	**Criteria 2 –Benefits** *What benefits (efficiency, innovation, social or economic) will the community gain from this opportunity?*	**Criteria 3 – Level of Services** *How does this project Impact our level of service?*	**Criteria 4 – Risk Mitigation** *How does this project mitigate overall risk profile?*	**Criteria 5 – Ease of Execution** *How easy is this project to execute? Any quick wins?*
Weight	***35%***	***20%***	***15%***	***15%***	***15%***
5	• Contributes to all community outcomes or corporate goals OR required to achieve one outcome / goal. • Critical community demand (>80%) via pre-consultation	• Significantly improve delivery efficiency, digital interaction, or innovation (impact more than 75% ratepayers or employees) • Significant measurable benefits to local economy • Significant measurable social benefits • Cost Benefit Ratio (CBR) > 3 • 100% externally funded (including most internal costs), with a CBR>1	Addresses failure to meet existing stated levels of service	NPDC or the community is exposed to very high risks (*) (*) as per NPDC risk framework	Business As Usual activity, already scoped and well defined, easy to implement (Tier 5)
4	• Contributes to three community outcomes or corporate goals OR very strong contribution to one outcome / goal. • Enabler to an approved Council strategy, policy or framework • Key community Demand (>60%) • Support delivery of cultural narrative and partnership with Tangata Whenua • Included in community board plan	• Significantly improve delivery efficiency, digital interaction or innovation (impact more than 50% ratepayers or employees) • Some benefits to local economy • Some social benefits • Cost Benefit Ratio (CBR) > 2 • Attract external funding contributing to more than 80% of project costs	Maintains existing levels of service	NPDC or the community is exposed to high risks (*)	Very low complexity project - typically Tier4, Roadmap 0

3	• Contributes to two community outcomes or corporate goals OR strong contribution to one outcome / goal • Contribution to an approved Council strategy, policy or framework • Important community Demand (>40%)	• Improve delivery efficiency, digital interaction or innovation (impact more than 35% ratepayers or employees) • Cost Benefit Ratio (CBR) > 1 • Attract external funding contributing to more than 60% of project costs	• Increases level of service: - across the district - to support bringing community together - to support vulnerable part of the community	NPDC or the community is exposed to medium risks (*)	Low complexity project - typically Tier 3, Roadmap 1
2	Contributes to one community outcomes or one corporate goal.	• Some improvement to delivery efficiency, digital interaction or innovation • Attract external funding contributing to less than 60 % of project costs	Increases level of service for part of the community	NPDC or the community is exposed to low risks (*)	Medium complexity project – typically Tier 2, Roadmap 2
1	No contribution to community outcomes or corporate goals	• Do not attract external funding • No social or economic benefits	No impact on level of services	NPDC or the community is exposed to very low risks (*)	High complexity project - typically Tier 1, Roadmap 3

Appendix 4 – Alignment between AMP templates

There were quite significant modifications made between the 2021 Asset Management Plans and these 2024 Asset Management Plans. The below colour coded list shows where the information can be found in the old template. Bold colours represent major sections, lighter tints represent subsections. Section headers 3 tiers and below have been removed.

A large amount of the more detailed content has been moved into the Appendices where it is visible but does not disrupt the flow of the overall plan for the reader. Sections without a colour tag are new or sufficiently different that there is no equivalent in the old template.

2021 AMP Contents		**2024 AMP Contents**	
1	Executive Summary	1	Executive Summary
2	Introduction	2	Introduction
2.1	Asset Descriptions	2.1	Background
2.2	Asset Information and Data	2.2	Asset management planning
3	Strategic Framework	3	Levels of Service
3.1	Strategic Alignment	3.1	Customer research
3.2	Key Issues	3.2	Strategic and corporate goals
3.3	Statutory and Regulatory requirements	3.3	Legislative requirements
4	Levels of Service	3.4	Customer values
4.1	Customer Levels of Service	3.5	Levels of Service
4.2	Technical Levels of Service	4	Future demand
4.3	Level of Service Projects	4.1	Demand drivers
5	Future Demand	4.2	Demand forecasts
5.1	Growth Projects	4.3	Demand impact and management plan
6	Lifecycle	4.4	Asset programmes to meet demand
6.1	Identify need and plan	4.5	Climate change adaptation
6.2	Design and Build	5	Lifecycle management plan
6.3	Operations and Maintenance	5.1	Background data
6.4	Renewals	5.2	Operations and maintenance plan
6.5	Disposals	5.3	Renewal plan
7	Risk management	5.4	Acquisition plan
7.1	Risk assessment	5.5	Disposal plan
7.2	Infrastructure resilience approach	5.6	Summary of forecast costs
8	Financial summary	6	Risk management planning
8.1	Funding strategy	6.1	Critical assets
8.2	Valuation forecasts	6.2	Risk assessment
8.3	Expenditure forecast summary for opex and capex	6.3	Resilience
8.4	Level of service project capex expenditure forecast summary	6.4	Service and risk trade-offs
8.5	Growth project capex expenditure forecast summary	7	Financial summary
8.6	Opex projects related to capex projects expenditure forecast summary	7.1	Financial sustainability and projections
8.7	Opex project expenditure forecast summary	7.2	Funding strategy
8.8	Renewals capex project expenditure forecast	7.3	Valuation forecasts
9	Improvement plan	7.4	Key assumptions
9.1	Asset management maturity	7.5	Forecast reliability and confidence

Te Kaunihera-ā-Rohe o Ngāmotu
New Plymouth District Council

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REVISIONS

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Draft	New document	S. Newland, A. Street, F. van Driel, L. Roach	Feb 2023 – Apr 2025	A. Humphrey, M. Coronno	Sarah Downs	30 April 2025	30 April 2025