



PROPERTY ASSET MANAGEMENT PLAN – EXECUTIVE SUMMARY - 2020

Introduction

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

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

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

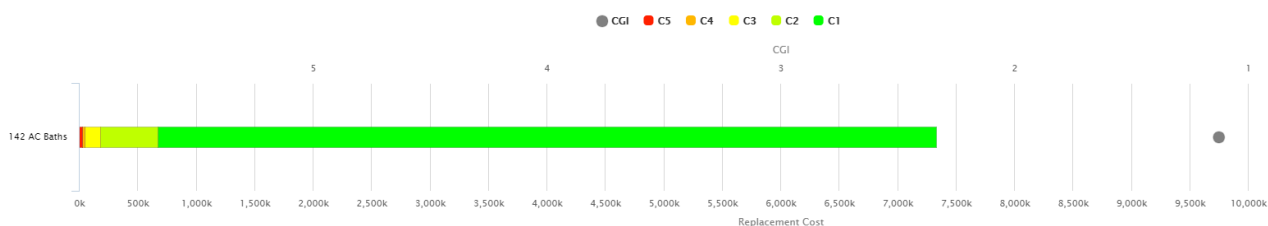
One of the main purposes of Local Authorities under the LGA 2002 is “to meet the current and future needs of communities for good quality local infrastructure, local public services and performance of regulatory functions in a way that is most cost effective for household and businesses”. The AMP demonstrates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

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

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

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

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



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

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

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

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

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

Property Strategic Vision:

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

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

Levels of Service

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

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

Future Demand

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

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

Lifecycle Management Tactics

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

- Safety
- Legal compliance
- Improved environmental outcomes

- Good quality assets that are fit for purpose
- Reduced operating and maintenance costs
- Genuine need met or community benefit obtained

- **On Buildings:** Council's current strategy is to maintain what it has rather than purchase or build new facilities. However, improvement projects due to statutory compliance requirements and/or health and safety reasons are referred to as major projects and in some cases, does not increase the value of the property, in most cases it supports the activity in the building to meet compliance and Health & Safety of the occupants or visitors.

- **On Land Holdings:** Council has acquired and subsequently sold a significant amount of land holdings that are available for development and sale. On-going funding for development and infrastructure of Council's land has been included in the long-term plan. The purpose of these development projects is for the enhancement/maximisation of land sales and profit, and each project will be individually considered for approval by Council.

Risk management

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

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

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

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

Asset Management Practices

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

Plan Improvement Programme

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

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

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

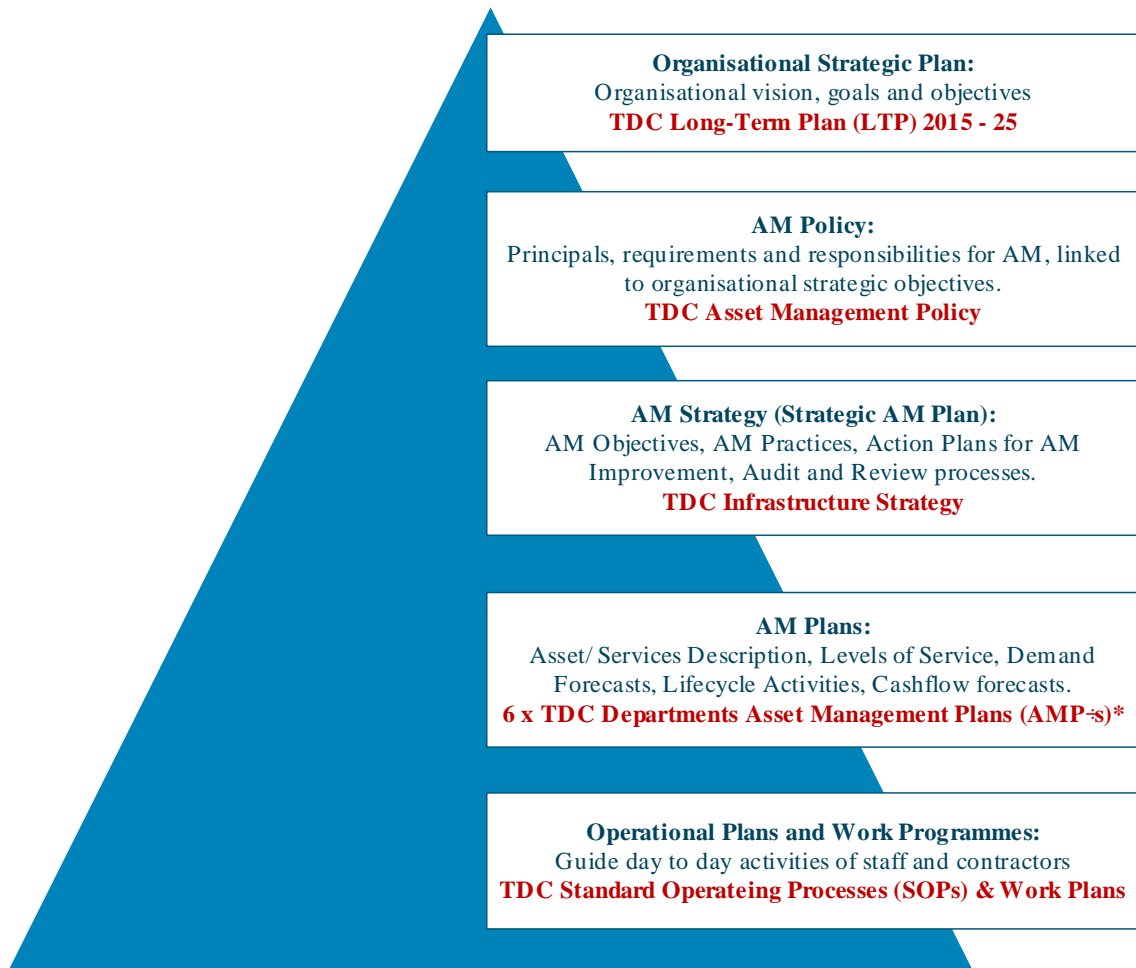
Residential Housing – Broadlands Rd & Delany Dr		\$362,159
Category 9 - Administration Property	11	\$14,582,500
9 Rifle Range Rd (Prefab bldings)		\$1,358,702
40 Manuka St (Parks Depot)		\$4,959,000
11 Manuka St (Archives Building)		\$1,566,200
Taupo Civil Defence Sheds		\$535,600
Kaimanawa St Cricket Pavilion		\$608,400
Turangi Admin Offices – Service Centre, Depot, Omori Depot		\$2,026,900
Mangakino – Service Centre & Library; Depot		\$2,109,000
Category 10 – Other facilities	46	\$21,469,600
Owen Delany Park – Grandstand Venue (incl ticket booths, seating and floodlighting)		\$8,709,300
Taupo Superloo		\$1,364,700
Public Conveniences (district wide)	42	\$10,990,000
Kinloch Golf Course – clubhouse and machinery shed		\$405,600

New Capex Projects:

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

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

Plans which make up the TDC Asset Management System



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

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

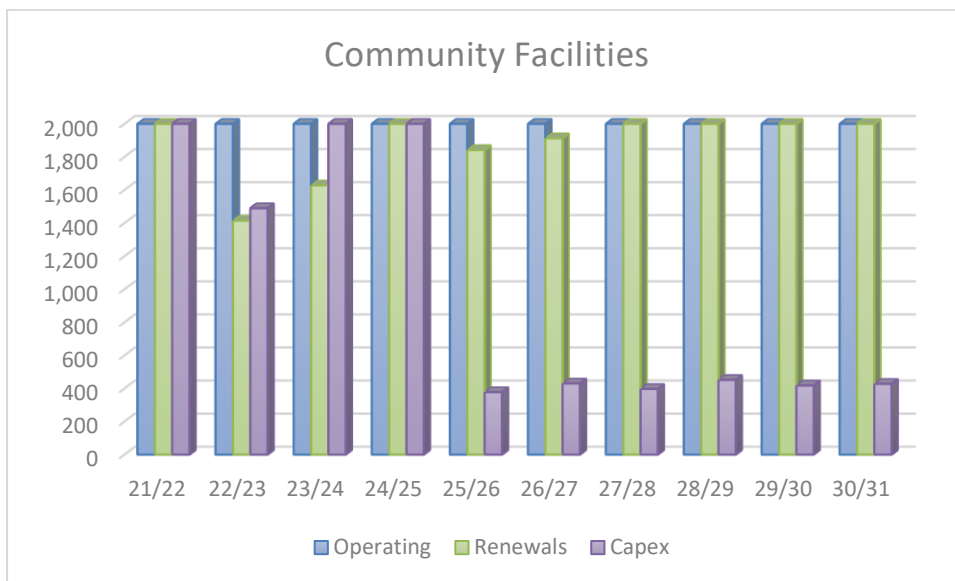
Plans in the TDC AM System as per the IIMM 2014 section 2.1

Facilities Changes Following LTP Submissions Update TBC

Following the release of the draft AMP document and the public submissions and elected members deliberations process a small number of changes were made to the projects identified in this AMP document. These changes are relatively minor and still follow the principles and priorities proposed in this AMP document. The changes made following Council deliberations are: TBC

Property Financial Forecast 2021 to 2031

	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
Operating	14,451	14,687	15,119	15,861	16,743	17,110	17,625	18,095	18,741	19,237
Renewals	2,733	1,415	1,628	2,216	1,842	1,913	2,363	2,827	2,425	2,107
Capex	2,194	1,490	7,013	8,454	378	430	397	452	418	428



10 Year Financial Forecast for the TDC Property Assets