

TAUPŌ DISTRICT COUNCIL

THREE WATERS ASSET MANAGEMENT POLICY

April 2026

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Purpose

The purpose of this policy is to provide a framework for the sustainable management of Council's Three Waters infrastructure, to ensure it meets the current and future planned needs of its consumers. This policy sets the broad framework for undertaking infrastructure asset management in a structured and coordinated way. It outlines why and how asset management will be undertaken. It provides a clear direction for asset management and defines key principles that underpin asset management for Council.

This Policy ensures Council's water services assets are managed and invested in a way that delivers required services, environmental and public health outcomes, supports long-term financial sustainability and affordability, and meets current and emerging regulatory, assurance and information disclosure requirements.

Introduction

Taupō District Council is responsible for the provision of essential water services to the Taupō District. Our physical infrastructure needs to be adequate to meet the community needs now, and the projected future demand as our district grows.

Our infrastructure must be safe, reliable, and provide agreed levels of service. To avoid surprises, we must know our assets, and ensure they are fit for purpose through active maintenance and renewal, and planning for how infrastructure needs will evolve. The active management of assets enables prudent and optimal investment, with timely data driven decisions in an asset's lifecycle, to minimise risks and ensure continuity of delivery.

Good asset management considers how our population is changing and what impact this may have on demand for our infrastructure. It considers current and emerging trends and the changing local, national and global context within which we operate.

What are the possible future scenarios?

Where do we need to provide new capacity?

Where and how might we redevelop or transform our infrastructure?

How can we remain agile in our infrastructure planning?

Through developing a comprehensive asset management framework, we can be confident we are making good infrastructure decisions. We can ensure we are meeting our legislative obligations, maintaining service levels to our communities, and supporting future development in our community.

Scope

This policy applies to all drinking water, wastewater and stormwater assets owned or managed by Council, and governs the development and use of asset management plans, investment decisions, financial planning, and asset data and information systems.

This policy does not apply to the asset management practices of other Council infrastructure such as transport, facilities and parks & reserves.

Where stormwater network assets are managed by Council and are integrated with transport, facilities, or parks and reserves functions, they are included within the scope of this policy

Strategic and Legislative Context

This Asset Management Policy links directly to Council's Water Services Strategy, Long-term Plan, Financial Strategy and Asset Management Plans. Asset lifecycle decisions will inform, and be informed by, these connected plans and strategies.

The Asset Management Policy builds on Council's strategic goals by promoting an integrated and aligned approach to the management of service delivery across all asset classes.

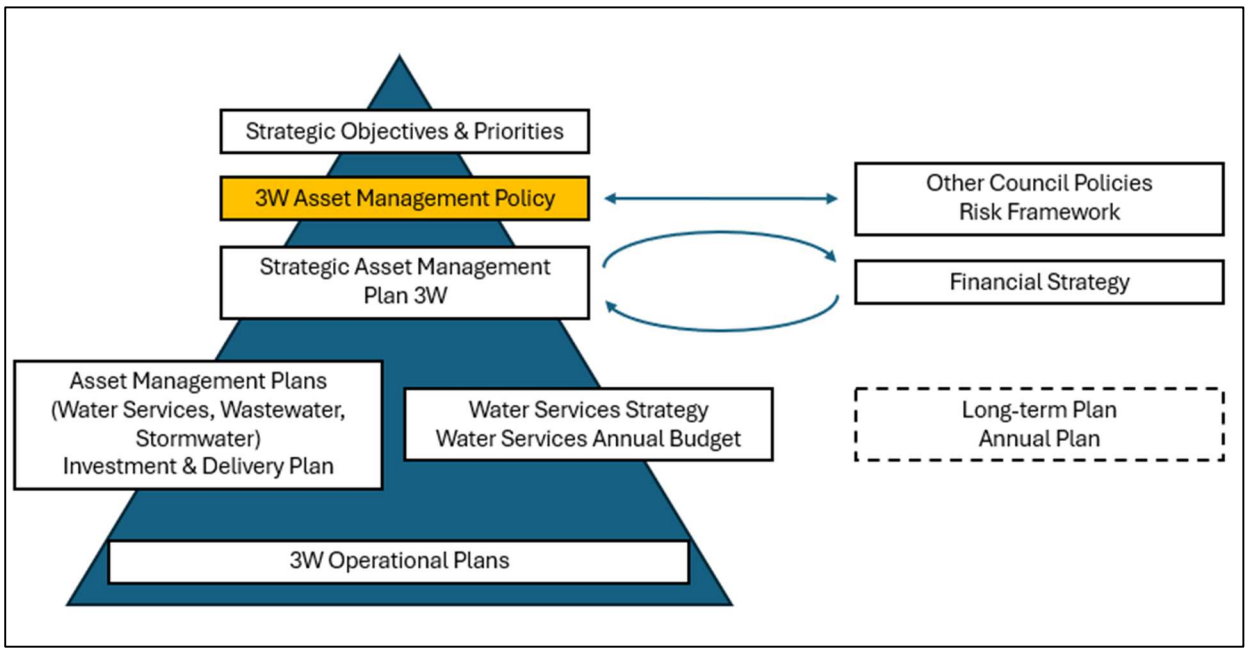


FIGURE 1: STRATEGIC CONTEXT OF THREE WATERS ASSET MANAGEMENT POLICY

Council will comply with all applicable legislation governing water services, including economic regulation, drinking water and environmental regulation, and local government statutory obligations.

Objectives

The asset management objectives are:

- Manage the district's Three Waters assets and deliver associated activities in a cost effective, sustainable, well-planned and coordinated manner, to provide agreed levels of service to the community and plan for future service needs.
- Provide a consistent approach to asset management planning within the Council and ensure plans reflect the strategic direction of the Council.
- Apply a life-cycle management approach to balance risks, costs and performance over the asset life.
- Manage natural hazard and climate risks to ensure our infrastructure is resilient to the agreed level of service and future risks.
- Maintain fit-for-purpose asset data, systems and processes, to support evidence-based decisions and effective planning.
- Build organisational capability and drive continuous improvement in asset management maturity.
- Asset management will support long-term financial sustainability, intergenerational equity, and affordability for current and future communities.

Principles

Taupō District Council will adhere to the following principles in its asset management planning:

- **Service delivery focus** – assets exist to support agreed levels of service for the community.
- **Lifecycle management** – manage assets across their full life, from planning and construction, through operations and maintenance, and to end-of-life decommissioning and disposal.
- **Whole-of-life costing** – consider total lifecycle cost, not just upfront capital cost.
- **Risk-based decision making** – prioritise investment based on likelihood and consequence of failure, applying Taupō District Council's Risk Management Framework.
- **Sustainability** – manage assets in a financially, environmentally, and socially sustainable way that considers our changing context.
- **Informed decision making** – base decisions on fit-for-purpose data, with known confidence and assumptions.
- **Integration with organisational planning** –Asset Management Plans will align with organisational strategic priorities and objectives, and will drive the management of assets on a day-to-day basis.
- **Clear governance and accountability** – define roles, responsibilities, and decision rights
- **Continuous improvement** – seek to continuously improve asset management data and practices, by implementing an asset management improvement plan and conducting a three-yearly review of asset management maturity.

  Partnering approach with mana whenua - recognise and integrate (where practicable) mana whenua values and priorities into our mahi with respect to wai, taiao and whenua. This includes acknowledging their kaitiaki role, engaging early, throughout the duration of a project and project review. The Council understands that strong partnerships increase the delivery of outcomes that exceed what we can deliver alone.

Roles and Responsibilities

Role	Responsibility
Council	Review, approve and adopt the Asset Management Policy, Water Services Strategy, Asset Management Plans, and Investment and Delivery Plans. Ensure adequate resourcing for the organisation to achieve its Asset Management objectives and service levels.
Water Services Committee	Oversee development and make recommendations to Council on the Water Services Strategy, Asset Management Plans, and Investment and Delivery Plans.
Chief Executive & Elected Members	Ensure the organisation has the capability and capacity to deliver appropriate management of its water services assets. Accountable for the delivery of water services asset management to agreed service levels.
General Manager Community Infrastructure and Services	Implementation of the Asset Management Policy and Water Services Strategy. Responsible for the delivery of water services asset management to agreed service levels.
Three Waters Manager	Overall responsibility for ensuring the development of asset management policies, plans and procedures. Responsible for overseeing the implementation of asset management policy and plans, review of asset management outcomes and ensuring alignment with the Council's strategic direction.
Asset Managers	Responsibility for developing and maintaining asset management plans and ensuring appropriate budget provisions are made for asset management.

Implementation of the Policy

The Council will prepare a Three Waters Strategic Asset Management Plan and Three Waters Asset Management Plans generally in accordance with the International Infrastructure Maintenance Manual (IIMM) and Commerce Commission requirements.

The Council will use Asset Management Plans (AMPs) as the means to fulfil its statutory obligations for compliance under all applicable legislation, and the requirements of the Commerce Commission and the Office of the Auditor-General.

Adoption and Review of policy

It is intended that TDC's Asset Management Policy will be adopted by Council in 2026 (as part of the 2027-2037 Long-term Plan and Water Services Strategy development).

Once adopted, our Asset Management Policy will be reviewed every three years in conjunction with the Water Services Strategy development.

Appendix 1 Definitions

Term	Description
Asset	An item, thing or entity that has potential or actual value to an organisation.
Asset Lifecycle Management	This covers the 4 stages of an asset's life -Planning, Acquisition, Maintenance and disposal
Asset Management (AM)	The systematic and coordinated activities and practices of an organisation to optimally and sustainably deliver on its objectives through the cost-effective lifecycle management of assets for current and future customers.
Asset Management Maturity Level	The IIMM has five levels of Asset Management Maturity 1. Aware – processes are informal, inconsistent and reactive 2. Basic – some AM processes are documented but practice is inconsistent 3. Core – AM processes are standardised and documented; risk-based decision-making is applied. 4. Intermediate – AM integrated with organisational strategy; continuous improvement and proactive decision-making are evident. 5. Advanced – AM is fully embedded, optimised and aligned with strategic goals, proactive risk management and innovation in practice.
Asset Management Objectives	Objectives set by the organisation, consistent with the organisational objectives and asset management policy, to achieve specific measurable results.
Asset Management Plan (AMP)	A document that specifies the activities, resources and timescales required for an individual asset, or a grouping of assets, to achieve the organisation's asset management objectives and service levels.
Asset Management Policy	A high-level statement of an organisation's principles and approach to asset management.
Asset Management System (AMS)	An AMS is the **organisational framework** that ensures infrastructure assets are managed systematically to deliver services at the lowest lifecycle cost while meeting community expectations and statutory obligations. It includes practices, processes, information systems and data.
Critical Assets	Those assets that are likely to result in a more significant financial, environment and social cost in terms of impact on organisational objectives.
IIMM	The International Infrastructure Maintenance Manual is the globally recognised resource on applying the ISO 55000 Asset Management Standards.
Levels of Service/service levels	Predefined standards that allow for measurement and evaluation of the performance and quality of an organisation's services or assets. Level of service are one objective of asset management that enables the organisation to meet the service needs of customers and users of its assets.

Strategic Asset Management Plan	A long-term, organisation level document that sets out how asset management will support the organisation's strategic objectives and outcomes.
Sustainability	Sustainability is the capacity to endure; in the context of AM it is about meeting the needs of the future by balancing social, economic, cultural and environmental outcomes or needs when making decisions today.
Three Waters / Water Services	Drinking Water, Wastewater, Stormwater