

1.0 INTRODUCTION

1.1 Background

1.1.1 ASSET MANAGEMENT POLICY

PURPOSE

The Asset Management Policy supports Council's long term strategic goals found in the 2015 LTP of:

- Ensure that the Taupo District remains a great place to live
- Promote economic development
- Protect our water resources and use them wisely
- Maintain the quality infrastructure that we have
- Keep rates and debt affordable

OBJECTIVE

The objective of Council's Asset Management Policy is to:

- ensure service delivery is optimized to deliver agreed community outcomes and levels of service for both residents, visitors and the environment
- optimize expenditure over the life cycle of the assets
- risks are managed appropriately
- provide a service delivery that is sustainable

PRINCIPLES

The following principles will be used by Council to guide asset management planning and decision making:

- effective consultation to determine appropriate levels of service
- Integration of asset management within Council's strategic, tactical and operational planning frameworks including corporate, financial, and business planning
- Informed decision making using a lifecycle and risk management and inter-generational approach
- Transparent and accountable asset management decision making
- Sustainable management of assets for present and future needs

CORPORATE FRAMEWORK

This Asset Management Policy links to Council's LTP, Infrastructure and Financial Strategy and Asset Management Plans. It builds on Council's strategic goals by promoting an integrated approach to the management of service delivery and across all asset classes.

STRUCTURED ASSESSMENT of ASSET MANAGEMENT PRACTICE

Council has undertaken a structured assessment of the appropriate level of asset management practice for each of the asset classes. This structured assessment follows the guidelines provided in Section 2.1.3 of the International Infrastructure Manual (IIMM 2011v4).

IMPLEMENTATION and REVIEW of POLICY

This Asset Management Policy has been implemented in 2015. The next full review of this Asset Management Policy shall be completed in June 2017 prior to completing asset management plan updates to support the 2018 LTP.

1.1.2 PURPOSE OF THE PLAN

Taupō District Council is responsible for managing a range of community owned assets such as the Solid Waste assets and services. To ensure all these assets and services are managed in an efficient and affordable way asset management plans are required.

The size of the Solid Waste investment and importance of Solid Waste services to the community demands excellence in the management of these assets. The community expects the Solid Waste Assets and Services to be managed in such a way that costs are minimised while providing the levels of service the community desires.

The overall purpose of asset management (AM) planning is:

“To meet a required level of service in the most cost effective way (through the creation, operation, maintenance, renewal and disposal of assets) to provide for existing and future customers”.

This asset management plan (AMP) is the tool for combining management, financial, engineering and technical practices to ensure that the level of service required by customers is provided at the lowest long term cost to the community. The plan is intended to demonstrate that Council is managing the assets responsibly and that customers will be regularly consulted over the price/quality trade-offs resulting from alternative levels of service.

AMP's are therefore concerned with outlining optimal life cycle management strategies and providing details of the associated costs. This identification of future needs, management options and cash flows provides the ability to even out peak funding demands and account for asset depreciation loss of service potential.

The main benefits derived from AM planning are:

- Improved understanding of service level options and standards.
- Minimum lifecycle (long term) costs are identified for an agreed level of service.
- Better understanding and forecasting of asset related management options and costs.
- Managed risk of asset failure.
- Improved decision making based on costs and benefits of alternatives.
- Clear justification of forward works programmes and funding requirements.
- Improved accountability over the use of public resources.
- Improved customer satisfaction and organisational image.
- A fundamental objective throughout the preparation (and future review) of this plan will be to identify potential opportunities for reductions in asset lifecycle costs.

This Asset Management Plan has been updated internally by the Solid Waste / Stormwater Asset Manager building on the existing 2015 AMP document. Data has been collated and updated by Councils maintenance engineers using the asset data system and recent asset valuation data. Contributions for this plan have also been made from relevant asset managers/engineering officers within Infrastructure Services and financial updates via the Management Accountant.

1.1.3 LEGISLATIVE REQUIREMENTS FOR ASSET MANAGEMENT PLANNING

The recent focus on AM planning, results from the Local Government Amendment Act December 2014. This Act places an emphasis on strategic financial planning and requires local authorities to:

Prepare and adopt a Ten Year Plan (TYP) with a 10 year planning horizon every three years, taking into account asset creation, realisation, and loss of asset service potential.

In determining their long term financial strategy, consider all relevant information and assess the cost/benefit of options.

Manage assets prudently, in the interests of the district and its inhabitants and ratepayers.

Clearly identify significant forecasting assumptions and risks underlying financial estimates.

Identify any significant negative effects that any activity within the group of activities may have on the social, economic, environmental, or cultural well being of the local community.

The preparation and implementation of an AMP from which long term financial strategies will be developed, is a means of TDC complying with these requirements.

Section 10 Purpose of Local Government

(1) The purpose of local government is-

- a) To enable democratic local decision-making and action by , and on behalf of, communities; and
- b) To meet 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 households and businesses.

(2) In this Act, good-quality, in relation to local infrastructure, local public services, and performance of regulatory functions, means infrastructure, services, and performance that are-

- a) Efficient; and
- b) Effective; and
- c) Appropriate to present and anticipated future circumstances.

1.1.4 LEGISLATIVE DOCUMENTS

There is a variety of legislation affecting Council's responsibilities with respect to Solid Waste management. In some cases the legislation sets the standards required for the provision of Solid Waste service delivery.

Legislation / Bylaw / Policy	Key Areas of Application
Waste Minimisation Act 2008	This new legislation sets out the responsibilities of territorial authorities in relation to waste management and minimisation. And sets a levy cost per tonne that must be paid to the government. (currently \$10)
Local Government Act 2002 (LGA) and Amendments	The LGA requires: Council to periodically assess the provision of Solid Waste services in the district (Water and Sanitary Services Assessment). The planning and community consultation for future demand and consequential health and environmental impacts of Solid Waste discharges. Councils can set Bylaws to license waste activities to ensure that there is no harm to the environment from Solid Waste practices. Section 17A(1) A local authority must review the cost effectiveness of current arrangements for meeting the needs of communities within its district

Legislation / Bylaw / Policy	Key Areas of Application
	<p>or region for good-quality local infrastructure, local public services, and performance of regulatory functions.</p> <p>Under Section 17A(4) you must consider as minimum.</p> <p>-Method of delivery:</p> <ul style="list-style-type: none"> • In house • Council CCO • Multi party CCO • Another local authority • Another person or agency <p>-Method of governance and funding</p> <ul style="list-style-type: none"> • Council • Joint committee or shared service
Resource Management Act 1991 (RMA)	<p>Requires Councils to:</p> <ul style="list-style-type: none"> ▪ sustain the potential of natural and physical resources to meet the reasonable foreseeable needs of future generation ▪ comply with District and Regional Plans ▪ avoid, remedy or mitigate any adverse effect on the environment ▪ take into account the principles of the Treaty of Waitangi in exercising functions and powers under the Act relating to the use, development, and protection of natural and physical resources <p>The RMA establishes the functions of territorial authorities in relationship to the management of and effects of the use of land, subdivision, hazardous substances management and the management of natural hazards as matters relevant to solid Waste management.</p> <p>The District Council also acts as an asset manager and undertakes works that require compliance with the RMA. Council must comply fully with the requirements of the Act, particularly in relationship to the discharge of waste to ground, Leachate to ground and discharges to air.</p>
Regional Policy Statement (RPS) – Environment Waikato	<p>The current Regional policy statement supports regional facilitation of waste minimisation projects within the district.</p>
Health and Safety in Employment Act 1992 (HASIEA)	<p>Responsibilities with respect to Solid Waste management include evaluating the hazards, and assessing the levels of risk associated with Council assets and places of work, and taking all practicable steps to either (in this order) eliminate, isolate or minimise the hazard (s8, s9 and s10). Council needs to assess what level of risk it feels is appropriate, and what measures it considers as practicable for hazard mitigation in the context of the Act.</p> <p>Council has responsibilities under the HASIEA not only as a Principal (owner of Solid Waste assets and property), and Employer (of staff), but also in respect of its engagement of contractors (including consultants) and as a person in control of a place of work (a statutory concept from which Council cannot escape by contracting out)</p>
Emissions trading (climate change legislation)	<p>Requires waste disposal sites to purchase emission credits based on tonnes of waste disposed to landfill</p>

Table 1.2 - Legislative Documents

1.1.5 WASTE MANAGEMENT & MINIMISATION PLAN

The Waste Minimisation Act requires that all local authorities have a Waste Management and Minimisation Plan.

This Document was adopted in May 2018 and included a waste diversion target of, “By 2028 increase the quantity of material (tonnes) diverted from landfill from 46% to 51%” and a number of new waste minimisation initiatives such as:

- Investigate increasing the diversion food waste from going to landfill
- Provide a community grant program for Community waste minimisation initiatives
- Continue to extend the street recycling bin coverage
- Provide E-waste recycling at the Broadlands Rd Landfill
- Advocating for product stewardship / producer responsibility for the recovery and recycling of products
- Develop a community litter awareness program (own a section of beach) and work in with National Litter programs
- Develop a best practise guide for waste handling for event managers
- Work with Industry to support the diversion of C & D Wastes
- Introduce education / awareness programs to support Council waste minimisation initiatives
- Facilitate and support the reduction of single use plastic bags in the district

The waste assessment undertaken as part of the development of the WMMP identified that Council was providing adequate service provision for handling recycling and for the disposing of refuse in the district and is protecting public health.

The Waste minimisation Act 2008, section 50.1 b requires that territorial authorities must review their Waste management and minimisation plans at intervals not more than 6 years after the last review.

The date for the next review of this plan will be 2024.

1.1.6 RELATIONSHIP WITH PLANNING AND STRATEGIC DOCUMENTS

The way in which AM planning links the Strategic planning process with operations and annual plans is illustrated below.

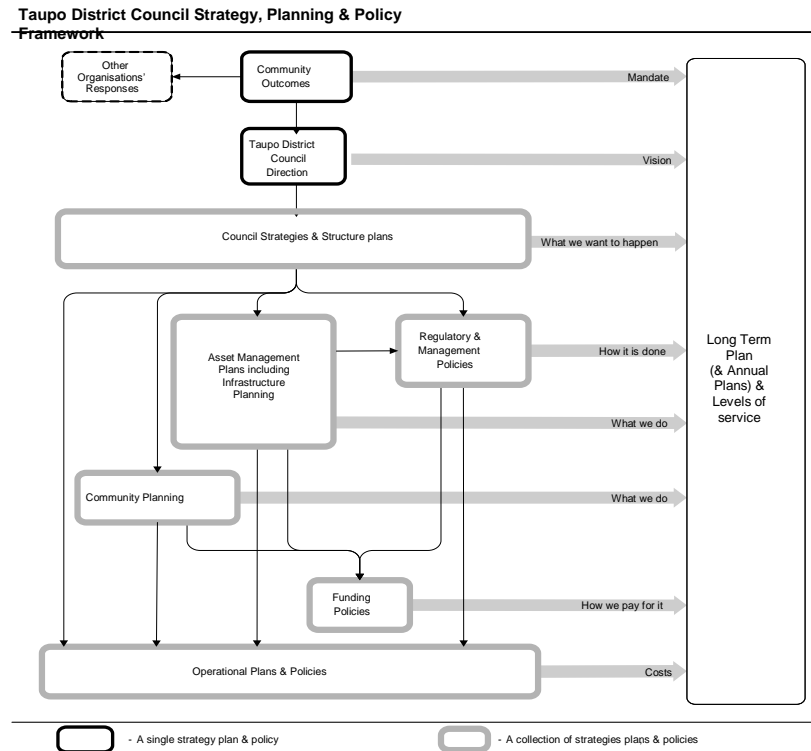


Figure 1.1: Council Planning

AMP's are tactical plans for achieving strategies resulting from the strategic planning process. AMP's are a key component of the council planning process linking with the following documents.

TYP: TYP sets the strategic direction for the Council and is the overarching planning tool which describes the activities the Council will undertake to deliver. It identifies the outcomes the community would like to achieve. It also contains the financial forecast for the next 10 years. This financial forecast is drawn from the AMP.

Annual Plan: This sets out how Council will undertake its strategic goals and details the specific activities, functions for the first three years of the LTP. The works identified in the AMP should automatically become the basis on which future LTP's and annual plans are prepared.

District Plan: The District plan is an implementation tool used to protect values and outcomes important to the community.

Legislation: The AMP must comply with all relevant legislation and provide the means of meeting legislative requirements, there has recently been new legislation introduced through the "Waste Minimisation Act 2008", this legislation comes with a raft of regulatory requirements.

Bylaws, standards and policies: These tools for asset creation and subsequent management are needed to support AM tactics.

Environment Waikato Regional Policy Statement Solid Waste: These references give the policy framework and give effect to the preferred strategic direction and a vision of what kind of Assets and services the region wants, a set of desired outcomes the region wants to achieve and a specific direction to focus the region's efforts in meeting these objectives.

Waste Management & Minimisation Plan: This plan is the guiding document in regards to the future provision of Assets and services for the Solid Waste function. The Waste Minimisation Act now requires that this document is reviewed every 6 years.

Infrastructure Strategy: As required by the amendment to the local government Act, the Infrastructure strategy provides a thirty year overarching strategy for the provision of infrastructure within the district.

Growth Management Strategy 2050: At the core of Taupō District 2050 are 12 Strategic directions. These provide the framework of interrelated policies that guide decision making and growth related issues. Strategic direction 8 and 9 relate to Transportation AMP (refer page 7 of GMS).

Structure Plans: Adopted and proposed structure plans outline how growth is to be managed within areas - Taupō Urban Structure Plan (TUSP), Taupō Town Centre Structure Plan (TTCSP), Kinloch Community Structure Plan (KCSP), Mapara Valley Structure Plan, Turangi and Southern lakeshore Settlements Structure Plan and the (CISP) Commercial and Industrial structure plan.

Contracts: The service levels, strategies and information requirements contained in AMPs are translated into contract specifications and reporting requirements.

1.2 Key Stakeholders

This AMP recognises the following as key stakeholders:

A stakeholder is any person or group having an **interest in the service** provided by the asset. The stakeholders in this AMP are divided into internal and external stakeholders and are shown in Table

Stakeholders - External & National stakeholders	Stakeholders main interest	Engagement Methods/Touch points
Audit New Zealand	Legislative responsibilities as defined in Legislation.	As per audit processes.
Local Government New Zealand/Central Government	To ensure Local Government Act is complied with (via Auditor-General). Enhance value of decision making process.	Occasional correspondence
Ministry for the Environment	Waste levy payment and spend	Monthly reporting
Ministry of Health		Occasional correspondence Submissions if required
Wasteminz	Undertake national performance measurement Assist lobbying Best practise	Regional and national collaboration

Stakeholders – External and Regional	Stakeholders main interest	Engagement Methods
Bay of Plenty District Health Board (includes Lake District Board area)	Sanitary assessments	Survey of service provision
Neighbouring Councils – Waikato & Hawkes Bay	Information sharing and best practise coordination of regional and national programs	Ongoing contact with waste staff looking at best practise
Waikato Regional Council	consenting and monitoring Regional collaboration	Ongoing contact with relevant staff. Regular contact

Stakeholders – External and Local	Stakeholders main interest	Engagement Methods
Taupo District Council ratepayers, residents, customers and visitors	Recognised as large & significant stakeholders. Reliable Waste network services at an affordable cost that have minimal environmental effects on environment.	Broad methods such as phone, service requests, general correspondence, email, meetings, face book, social media, face to face, meetings (informal) service requests.
Consultants and Contractors	Commercial opportunities Project development Maintenance contracts Project designs	Formal and informal meetings Occasional correspondence Short term agreements Offer of service.
Emergency services	Waste disposal options and routing	Contact with civil defence
Local contractors	Service provision	Day to day contact

Stakeholders – Internal	Stakeholders main interest	Engagement Methods
Asset Managers	Implementation of infrastructure and service management activities (eg operations, demand management, maintenance, construction). Effective decision making, finance, communications, IT etc	Continual discussion via informal meetings, face to face, regular asset manager meetings.
Infrastructure Asset Management	Operation of Asset Data function for waste services	Day to day collaboration

Chief Executive	Compliance with regulations, service reliability, quality and economy	Updates when required
Communication team	Project updates, event updates	Councillor weekly update, communication plans, emails, phone, meetings etc
Community engagement team	Litter collection/ clean-up	Informal meetings, phone, email
Contract Managers	Responsible for implementation of infrastructure and service management activities	Continual discussion via informal meetings, face to face
Council committees	As per delegated authority	Regular meetings

Stakeholders – Internal continued.	Stakeholders main interest	Engagement Methods
Customer services	Customer service request systems which minimise and resolve complaints/enquiries relating to the activity.	Broad methods such as phone, service requests, general correspondence, email, meetings, facebook, social media, face to face, meetings (informal).
Elected members	Owner of assets, responsible for sustaining service levels under the LGA 2000.	Councillor weekly updates, regular meetings, email, occasional correspondence.
Financial team	Budget requirements (income and expenditure) including forecasting, annual plan, Long term planning	Spreadsheets updated regularly, phone, email, meetings.
Infrastructure team and manager	Input into the AMP/Activity plan, AMP policy development and Infrastructure 30 year policy	Regular meetings, open plan office discussions
Parks & Reserves team	Litter bin maintenance and illegal dumping clean-up	Regular meetings
Planners & Policy team	AMP support for Long term plans, infrastructure support for current/future district activities	Regular meetings

Table 1.3 Stakeholders

1.2.1 Large or significant Users

There are two large commercial waste companies that bring the bulk of the commercial waste to the Broadlands Rd landfill, these being Envirowaste Services and Waste Management. Both companies compete with council in the kerbside waste collection market and both offer additional waste collection over and above the Council service.

Council is aware of the potential for waste flight so keeps the disposal price at a level which maintains the revenue stream to the landfill.

There is also a benefit to the community to have these additional waste related services as this is the commercial sectors core business to provide. Council can also price incentivise diversion to assist if possible.

1.3 Purpose of Ownership

Uncontrolled waste and litter has the potential to cause significant damage to property and the environment, as well as threaten the safety of sections of the community at risk. TDC has historically developed and taken ownership of Solid Waste assets to help meet the economic, safety and environmental outcomes desired by the community.

The Waste Minimisation Act 2008, section 42 states:

A territorial authority must promote effective and efficient waste management and minimisation within its district.

Section 43 of the Act outlines what must be considered when Councils adopt their waste plan, inclusive of collection, recovery, recycling, treatment and disposal services.

The purpose of solid waste assets is to provide a sustainable, safe, convenient, and cost effective solid waste system for the disposal and handling of refuse and recyclables throughout the District.

By local authorities retaining control of disposal sites such as landfills and transfer stations, as well as collection services and education provision, Councils can continue to directly influence waste streams and take advantage of waste minimisation opportunities.

Some Council's in NZ have lost control of their local waste streams and are no longer able to influence how waste minimisation programs are implemented. Diversion of material is now solely dependent on the cost of the service compared to landfill disposal with services provided with user pays, giving the community the ability to opt out.

Currently Council has control over the waste stream as the price to dispose of waste at Broadlands Rd is such that it would be uneconomic to collect and haul waste to alternatives sites. Council must continue to be aware of market forces and disposal costs to ensure that competition for waste does not undermine Council's revenue streams and intern service delivery.

By rate funding recycling Council can incentivise diversion and continue to influence behaviours around waste.

Section 17A Review

Council has undertaken a review of the Solid Waste service provision to meet the requirements of the Act. This review determined that due to the contract term of the two substantial contracts that make up the bulk of the service delivery, the cost of undertaking a review was not warranted as Council would face significant increases in cost if we were to terminate these contracts prior to the end of the contract term.

It was identified that contractors had to make significant investment in plant and machinery to enable them to meet the service levels required by Council. The term of the contracts also meant that they could develop a market position in regards to their own waste and recovered materials which they would look to protect in any future negotiation.

1.3.1 LINKS OR ORGANISATIONS VISION, MISSION, OBJECTIVES, GOALS

"The solid Waste AMP aims to meet the following Community Outcomes.

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

Environment - A shared responsibility for places we are proud of.

Engagement - Council is connected with its communities, advocating for their social and cultural well-being.

Community Outcomes are taken into account when determining life cycle strategies, levels of service, etc.

Council's response to the Community Outcomes acknowledged that managing growth is one of the biggest issues for TDC over the next 10 years, and in June 2006 published TD2050. TD2050 provides a policy framework to guide where and how future growth should occur and identifies a series of actions to achieve this desired pattern of urban growth. At the core of TD2050 are the 12 Strategic Directions. These provide the framework of interrelated policies that guide decision making on growth related issues. Over time they will be achieved by putting into effect identified policies and undertaking the specific actions identified in TD2050.

The Strategic Directions, policies and actions out of TD2050 that are specifically relevant to the Stormwater activity are:



Strong Communities - Strategic Direction 5:

- Identify and plan for social and community infrastructure needs in advance of development (Policy 5.2).

Sustainable Economy – Strategic Direction 7:

- Ensure that economic activities reflect the need to preserve the natural environment that sustains the district's economy (Policy 7.1).

Integrating Land Use, Infrastructure & Funding – Strategic Direction 8:

- Manage the sequence of development in growth areas so that services are available from inception of new or expanding communities (Policy 8.1).

Leadership, Partnership and Collaboration – Strategic Direction 12

- Develop collaborative working relationships with other key stakeholders to achieve effective implementation (Policy 12.1)

Action – A 8.2

Include agreed growth assumptions in all Asset Management Plans.

Action – A 8.3

Ensure Asset Management Plans support the patterns of development defined by TD2050 are aligned with the LTCCP, proposed District Plan and funding policies.

The objectives of this AMP are to:

Demonstrate responsible stewardship of solid waste assets by TDC on behalf of its customers and stakeholders

Act as a vehicle for communication with all parties with an interest in TDC asset management planning practices

Provide detailed financial information and forecasts based on best available information and manage environmental and financial risk of any asset failure.

Set out the minimum legislative and health requirements to be met by the assets

Identify issues, weaknesses, and deficiencies in asset management data, systems and processes relating to solid waste

Provide a structural framework on which subsequent versions of the plan can be developed

Provide detailed improvement tasks to improve the confidence in the outputs and quality of the asset information.

Manage the assets in terms with the amendments to the local government Act.

Reduction in the volume of waste to Landfill can be achieved by:

Reduction	"making less rubbish"
Reuse	"using products in their existing form for their original purpose or a similar purpose"
Recycling	"reprocessing waste materials to produce new products"
Recovery	"extraction of materials or energy from waste for further use or processing"
Treatment	"subjecting the waste to any physical, biological or chemical process to change the volume or character of that waste so that it may be disposed of with no or reduced significant adverse effect on the environment"
Disposal	"final deposit of waste on land set apart for that purpose"

TDC has already identified a number of important requirements, performance measures and targets for its solid waste assets. These have been included in the following documents: Long Term Council Community Plan (LTP) 2018 – 2028, Waste Management and Minimisation Plan 2018, TDC District Plan, Annual Plan and other Council documents including 'Vibrant and Sustainable Taupō Report and the TDC Economic Development Strategy', TDC Infrastructure strategy.

1.3.2 ASSET MANAGEMENT'S CONTRIBUTION TO CORPORATE OBJECTIVES

Council's goal, as set out in the TYP relating to Solid Waste Assets and Services is:

To protect and safeguard the Taupō District environment by ensuring refuse is managed and disposed of in a safe, efficient and sustainable manner that maintains natural and aesthetic values.

1.4 Assumptions

1.4.1 FINANCIAL

The following financial assumptions have been made. Further information can be found in the TYP document.

Assumption	Potential risk	Mitigation measure
1. Asset Revaluations completed June 2015 have been used as the basis for asset values.	Time between AMP completion and last revaluation	Council undertakes an annual price variance assumption report
2. Investment Returns eventuate as predicted.	Not the required funds to undertake capital works	Councils LTP and annual plan spend can be adjusted annually to meet Councils revenue and finance policy
3. Interest Rate on borrowings remains as predicted within the financial model.	Not the required funds to undertake capital works	Councils LTP and annual plan spend can be adjusted annually to meet Councils revenue and finance policy

Assumption	Potential risk	Mitigation measure
4. Expenditure of capital projects occurs and estimated debt levels are as predicted	Potential under performance in capital spend reflected in Council revenue	Councils LTP and annual plan spend can be adjusted annually to meet Councils revenue and finance policy
5. No allowance has been made for inflation adjustment within this AMP. The source of funds for the future replacement of significant assets is stated in the revenue and Financing Policy.	Under funding of cost centre	Finance team make allowances for GST in funding plan and policy
6. The useful lives of significant assets are as per the accounting policies documented in the TYP. Depreciation is charged at 50% for the first year and 100% in subsequent years.	Asset lives have been incorrectly calculated meaning a funding shortfall	Council has asset depreciation checked externally. Asset lives are compared to the latest asset information nationally
7. Levels of service and funding has been based on historic data	The community desires changes to level of service which are not reflected in this document.	Council undertakes three yearly satisfaction surveys. Council undertakes pre LTP consultation to gauge the community for different service level needs. Council undertakes consultation with the community as part of the development of this LTP document
8. Allowance has been made for vested assets	The level of allowance for vested assets is incorrect.	Councils LTP and annual plan spend can be adjusted annually to meet Councils revenue and finance policy
9. Assume that the revenue received from Rates is as per expected.	A shortfall in rates funding	Councils LTP and annual plan spend can be adjusted annually to meet Councils revenue and finance policy
10. Assume no costs associated with structures on the lake bed	An increase in unbudgeted operational cost	Councils LTP and annual plan spend can be adjusted annually to meet Councils revenue and finance policy.

- NON FINANCIAL

Assumption	Potential risk	Mitigation measure
1. Assume that growth is	Changes in growth will	Councils LTP and annual

Assumption	Potential risk	Mitigation measure
going to occur as per the Growth Model predictions.	impact capital and operational spending	plan spend can be adjusted annually to meet Councils revenue and finance policy
2. The Broadlands Rd operational consent requirements will remain constant.	Changes to disposal requirements through the resource consent will require an increase in operational and capital expenditure	Councils LTP and annual plan spend can be adjusted annually to meet Councils revenue and finance policy
3. Contractors will be available for development and construction of projects.	A shortage on contractors for project completion will mean an increase in project cost	Council can extend tender periods to enable contractors more time to schedule in works.
4. There will be continued growth in public participation in the democratic process and Council will need to respond to this growth.	Increased growth in participation could result in changes in levels of service delivery.	Councils LTP and annual plan spend can be adjusted annually to meet Councils revenue and finance policy
5. There will be no unforeseen legislative changes or central government policy changes that will affect this asset.	Changes in legislation could impact on the funding levels	Changes in legislation have an implementation period to enable Councils to plan
6. Economic and labour market constraints may have a direct effect on recruitment.	If Council is unable to recruit to the required level to complete the works program for the year this could have impact on Councils credibility	Council may have to hire consultants to provide support; this could increase the cost of service delivery which will need to be funded through the annual plan process.
7. That Councils resource consents for its activities will be renewed as required.	The renewal of resource consents will depend on Councils prior performance in meeting the conditions of the existing consent and any changes in legislation	Council works closely with the Regional council to achieve consent compliance. Compliance is also a staff performance criteria, so Council is focused on consent compliance and it is considered that any consent related issues can be resolved.

1.5 Significant Negative Effects to Providing the Solid Waste Service

In general providing Solid Waste services to the community has both public health and environmental benefits.

There is however negative effects in providing this service, these include;

- The cost of providing the service on rate payers, especially smaller communities. (cost would still apply if provided by commercial services providers).
- The cost of keeping up with ever increasing environmental standards requiring significant capital investment.
- The potential for commercial competitors undermining the financial structure thus viability of the service provision
- Potential negative environmental outcomes from owning a landfill or providing collection services.

Mitigating Measures

- By Council staying in the provision of waste services, Council can continue to influence the price charged to the community
- Cost of adhering to changes to environmental services would still need to be passed on to the consumer whether the service was provided by Council or the commercial market, with Council provided service Council can chose the payment option, rates or user charges.
- Council funds the cost centre partially through gate charges and partially through rates so that the cost of the service delivery is spread through to non-resident rate payers and by partial rate funding, thus Council reduces the opportunities for commercial competition.
- The landfill has been engineered to incorporate a three layer liner system to prevent harmful leachate escaping and entering the ground water. Regular inspections are also undertaken to monitor for leachate springs or breakouts. The refuse collection contractor is required to cover all loads that are not collected in compaction vehicles to prevent spillage of materials.

1.6 Asset Management Plan Complexity

1.6.1 OUTLINE OF APPROACH

Basic asset management functions are those which produce an AMP based on providing current levels of service and meet minimum legislative requirements by supporting a long term (10 year plus) cash flow forecast and accounting for changes in the service potential of assets. Basic AMPs define existing levels of service and identify costs based on renewal accounting principles.

Advanced AMP's identify processes to optimise lifecycle AM strategies and provide a greater degree of confidence in the resulting cash flow predictions. Advanced AM functions include predictive modelling, risk management, optimised renewal decision making (ORDM) and service level reviews.

The Solid Waste Asset Management Plan 2018 follows the IIMM framework and it has been developed and collated internally by the Solid Waste / Stormwater Asset Manager. It is considered that this iteration of the Solid Waste Asset Management Plan reflects a "intermediate" level of development.

The development of this Amp takes into account the requirements of the amended Local Government Act.

1.6.1.1 AMP REVIEW BY COUNCIL

The involvement by councillors, including the reviewing and approving of the AMPs is briefly outlined below:

Workshops are held with the council for group of activities including AMPs which gives them following information

- What we do
- Key issues
- The service(s) we provide
- Levels of service, performance measures and targets
- Key projects over the next three years
- Who pays
- Fees and charges
- Financials
- Capital expenditure (including renewals)
- Operating expenditure
- Draft AMPs are provided to councillors to view
- Council finally adopts the AMP

1.6.2 LIMITATIONS OF THIS AMP

As it currently stands, this AM Plan has limitations in the following areas:

- Asset data for the Solid Waste assets needs to be incorporated into the Three Waters Asset Finda database to allow for more robust renewal planning.

1.7 Organisational Structure

Taupō District Council has a flat organisational structure and is structured in order to deliver the key strategic directions of the Ten Year Plan.

Solid Waste service provision is provided by the Infrastructure Services Group.

Asset Management Planning is undertaken by the Asset Manager Storm Water / Solid Waste, who is also responsible for updating the Solid Waste Asset Management Plan and Resource Consent requirements and this position reports to the Infrastructure Manager. Asset management planning is undertaken as part of the asset management team made up of the Asset managers for Water and Wastewater, Storm Water, Solid Waste Transportation, Parks and Property.

Day to day Maintenance is undertaken by the Network Engineer who are responsible for the administration of the solid waste Contracts and reports to the Asset Manager Storm Water / Solid Waste

Capital works identified in the AMP are undertaken by the Asset manager of Network engineer or passed on to the Special Projects team in cooperation with the Asset manager depending on work priorities.

All of these staff members are located on the same floor of the Council office building and work closely together to make sure that there is a coordinated approach to the provision of Solid waste services throughout the district.

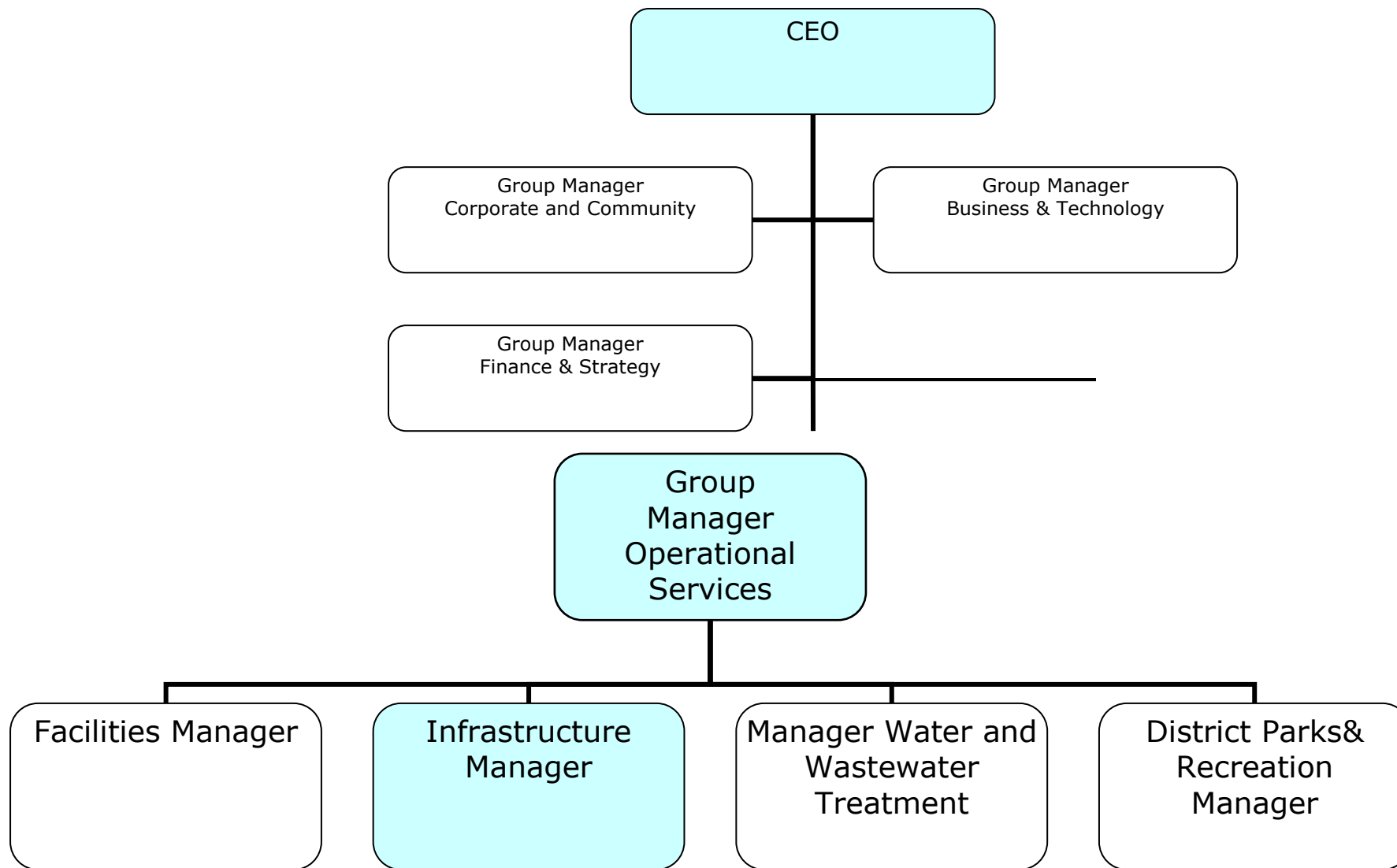
Consultants are employed to assist by providing professional services as necessary. The organisational structure of the Infrastructure Services Group is illustrated in the following figures.

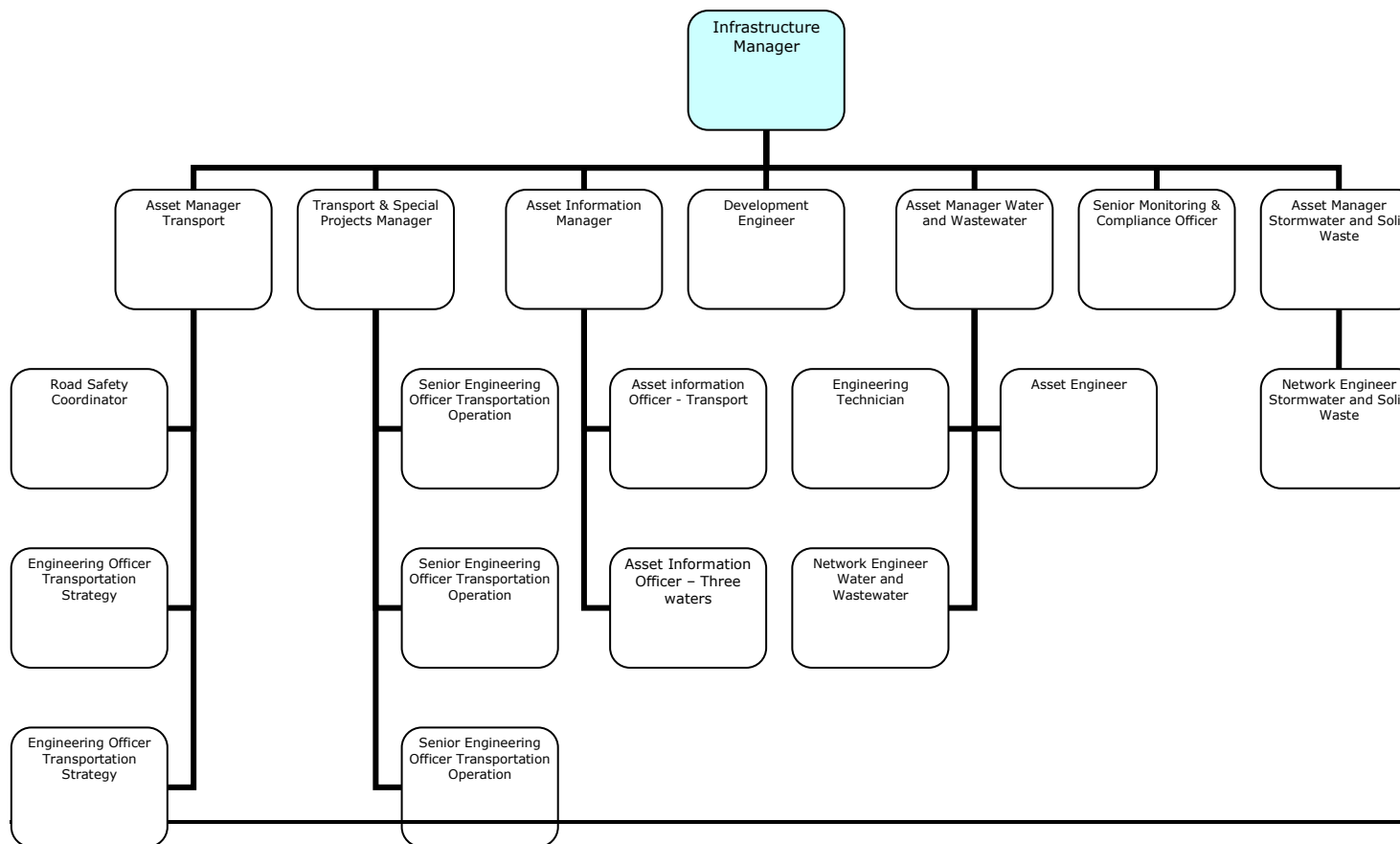
In addition, the Solid Waste services activity is able to draw on the following in-house resources from the Corporate & Infrastructure Group:

- The Finance & Administration Team who is responsible for the development of the Asset Management System and Asset Management Plan financials; and
- The Environmental scientist for Resource consent support

The organisational structure is illustrated in the following figures.

TDC Management Structure





Infrastructure Team Organisational Structure as at May 2017 (who does what & How is it managed)