



Housing and Other Property Activity Management Plan

2018 - 2028

Date of Review: November 2018

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Executive Summary: Housing and Other Property

This Activity Management Plan (AMP) for Housing and Other Property has been prepared by Waitomo District Council. Initial asset data capture was undertaken during 2008 and 2011 and the analysis and updating of this information is an ongoing task. This AMP will provide the basis for the Housing and Other Property activity in WDC's 2018 – 2028 Long Term Plan (LTP) following review and adoption of this AMP by Council in early 2018.

Vision

Council's vision for the 2018-2028 Long Term Plan is:

“Creating a better future with vibrant communities and thriving business”

Council's Community Service Group of Activities, through its Housing and Other Property Activity ensures that facilities for recreation and culture are provided as detailed below. This activity is delivered operationally within Council through the Infrastructure (IS) Group

Purpose

Waitomo District Council (WDC) provides a number of Housing and Other Properties assets that are grouped according to their primary purpose. The different functions of Housing and Other Property are:

Housing – that provides housing in the form of elderly persons' housing units (EPH), potential staff housing and a pool of miscellaneous housing rental units primarily for strategic investment purposes.

Corporate Property – that provides WDC office accommodation, library building.

Community Halls – to provide areas for community focus within the rural District.

WDC Depots – to enable WDC and its operators to function within the District.

Quarries – to provide a sustainable supply of quarry material for the Waitomo District

Te Kuiti Railway Hub – to provide a focus to the central area of Te Kuiti and allow WDC to bring its services to the community

General Property – that includes miscellaneous land holdings for either investment or land-banking for the provision of land across all WDC's activity areas as well as WDC's two historic buildings and campgrounds.

Rationale for Service Delivery

Council's Community Service Group of Activities, through its Housing and Other Property Activity, is involved in considerable property and land holdings to provide resources, places for community activities, affordable housing, preservation of history / culture and a place from which WDC can support its functions.

Link to Community Outcomes

WDC considers in its 2018-2028 Long Term Plan that the Community Service Group of Activities contributes, through its Housing and Other Property Activity, to the following outcomes:

PRIMARY CONTRIBUTION

Thriving Business

CO6: *A place that attracts more people who want to live, work and play, and raise a family*

CO7: *A place where wealth and employment are created through local businesses and tourism opportunities and facilities are developed, facilitated and encouraged*

SECONDARY CONTRIBUTION

Vibrant Communities

CO2: *A place where all age groups have the opportunity to enjoy social, cultural and sporting activities within our District*

CO5: *A place where we preserve the natural environment for future generations, ensuring that natural resources are used in a sustainable manner.*

Effective Leadership

CO8: *A place where the development of partnerships for the delivery of programmes and services is encouraged and pursued.*

Strategic Goals

The strategic goals for Housing and Other Property are:

Strategic Goal 1: To ensure that an adequate Housing and Other Property portfolio is provided and maintained for the well-being of the user and community groups.

Strategic Goal 2: To provide community-agreed Levels of Service (LOS) in the most cost effective way through the creation, operation, maintenance, renewal and disposal of assets to provide for existing and future users.

The Housing and Other Property AMP has been developed to:

- a) Ensure that an adequate Housing and Other Property portfolio is provided and maintained for the well-being of the user groups;
- b) Provide and develop land/buildings located within other activity areas in a manner that meets an appropriate level of social needs;
- c) Act as WDC’s agent for the purchase and supply of land across all WDC’s activities;
- d) Ensure that the long-term operation and maintenance of the Housing and Other Property asset portfolio is sustainable;
- e) Demonstrate responsible management in the operation, maintenance, renewal and disposal of WDC owned Housing and Other Property asset portfolio.

WDC’s principal objectives of the Housing and Other Property AMP are to:

- a) Programme works for the development of land and buildings in accordance with adopted AMPs;
- b) Operate WDC owned halls to a standard acceptable to users by providing appropriate management structures;
- c) Show how assets will be managed in order to achieve LoS and need demand for services;
- d) Continue the disposal of land identified as surplus to WDC requirements and provide land for WDC’s other activities;
- e) Identify life-cycle (long-term) costs for an agreed LoS;
- f) Ensure the maintenance of the public infrastructural assets in perpetuity, so that there is no decrease in value, and to forecast the estimated future cost of so doing;
- g) Put in place a sound management regime for all matters relating to Housing and Other Property activities; and
- h) Ensure WDC’s assets are legally protected by the provision of easements and other legal instruments.

Effects of the Service

The Housing and Other Property Activity has a number of effects on the local community.

Figure S.1: Significant Effects of the Service

POSITIVE EFFECTS	NEGATIVE EFFECTS
<ul style="list-style-type: none"> • Affordable accommodation for the elderly • WDC houses potentially available to entice employees and potential employees into the District • Our customers will be highly satisfied with the quality of the services we provide and our stakeholders will recognise us as providing good quality affordable housing 	<ul style="list-style-type: none"> • Focus on the elderly whilst others with needs such as people with disabilities may be in greater need • Legislative constraints through the Residential Tenancies Act 2010 can limit WDC’s ability to move quickly to maximise market opportunities • Poor quality of housing stock

POSITIVE EFFECTS	NEGATIVE EFFECTS
<ul style="list-style-type: none"> • Employment opportunities with Inframax Construction Ltd 	<ul style="list-style-type: none"> • None identified
<ul style="list-style-type: none"> • WDC involvement in the property market can stimulate development and growth • Provision of local material for roading • Provision of cost effective services to WDC from involvement in LASS 	<ul style="list-style-type: none"> • Legislative constraints through the Public Works Act (1981) and Reserves Act (1977) can limit WDC's ability to move quickly to maximise market opportunities during land dealings • Poor administration of quarry resources • Opportunities for private investors lessened through WDC Company involvement • Limited investment capital
<ul style="list-style-type: none"> • Provides amenities for cultural use, e.g. halls • Provide building facility to house Public Library • Provide facility for TK Community House 	<ul style="list-style-type: none"> • None identified • Limited library capacity in building provided
<ul style="list-style-type: none"> • WDC involvement in the property market can stimulate development and growth • WDC houses could be an incentive and an effective staff retention tool 	<ul style="list-style-type: none"> • Lack of adequate funding mechanisms to maintain asset base, e.g. halls • Legislative constraints through the Public Works Act (1981) and Reserves Act (1977), can limit WDC's ability to move quickly to maximise market opportunities during land dealings • Rural communities ability to provide resources to administer halls
<ul style="list-style-type: none"> • Protecting natural areas and resources 	<ul style="list-style-type: none"> • None identified

Levels of Service

Levels of Service (LoS) are developed from WDC's understanding of customer needs as established through regular interaction with users and WDC's resident satisfaction survey. These surveys do not cover all areas of Housing and Other Property.

The Housing and Other Property Activity has set LoS with the aim to provide and maintain the buildings and services within the activity and throughout the District in a manner appropriate to the respective social, sporting or cultural needs and use. There is also a LoS to internal customers, i.e. other WDC Departments, where the Housing and Other Property Activity provides the land requirements in a timely manner for these other activities.

Some LoS, mainly those dealing with health and safety considerations, are driven by legislative requirements while others are based on the community's expectation of the services provided or WDC's corporate goals.

The operating expenditure forecasts show that overall costs are projected to change predominantly in line with CPI. Maintaining the existing budgets plus CPI for renewal works is expected to provide adequate funding to improve condition and performance of the existing assets over time.

As yet, WDC has not carried out any formal consultation with customers on LoS options. Until tested it is assumed that the current service levels in the maintenance contracts is what is expected by the community.

Predominately LoS centre on the housing portfolio, rural halls and provision of internal property. Within both areas these building conditions are less than adequate and the emphasis is on improving this area and the corresponding satisfaction of these facilities

WDC monitors achievement in key service criteria, through the analysis of data produced by different inspections, surveys and audits as they relate to specific activities.

The key LoS indicators directly relate to meeting the target LoS.

Figure S.2: Key Levels of Service for Housing and Other Property

Key Service Criteria	Link to Community Outcomes	LOS Statement	Type of Measure	Measure	Performance Measurement and Targets				Performance Measurement procedure
					2017-2018 (existing)	2018-2019	2019-2020	2020-2021	
Satisfaction	Thriving Business Vibrant Communities	Provision and maintenance of Elderly Persons Housing that meets the needs of the tenants	Management Tool	Percentage of tenants satisfied with the provision and maintenance of Elderly Persons Housing in the user survey	> 65%	> 65%*	> 80%	>80%	Elderly Persons Housing Customer Satisfaction Survey of tenants
Health and Safety	Thriving Business	Users of WDC owned buildings are safe	Management Tool	Number of accidents recorded in building/property accident register	Nil	Nil	Nil	Nil	Analysis of building /property accident register (to be established)
Cost	Thriving Business Vibrant Communities	WDC's Housing and Other Property Activity delivered within budget	Management Tool	Variance of actual expenditure against yearly budget	Variance + or - 5%	Variance + or - 5%	Variance + or - 5%	Variance + or - 5%	Analysis of budgets

Figure S.3: Key Programmes to Maintain and Achieve Levels of Service

Trend	Project	Key Service Criteria	Forecasted Total Cost	Confidence Level in Projections	Estimated Timeline for Project Completion
Social Health & Safety	Elder Persons Housing Renewals	Health & Safety Quality	12,000 18/19 12,240 19/20 12,504 20/21 12,768 21/22 13,044 22/23 13,332 23/24 13,644 24/25 13,968 25/26 14,304 26/27 14,676 27/28	C-D	2018-2028

Key Strategies Impacting on Future Levels of Service

Other investigatory/strategy type programmes have been identified that, while not impacting on levels of service initially, the outcomes may. These are listed below.

Figure S.4: Other Key Programmes That May Affect Levels of Service

Trend	Project	Key Service Criteria	Forecasted Total Cost	Confidence Level in Projections	Estimated Timeline for Project Completion
Quality	Upgrade 28 Taupiri Street	Quality	\$3,000 18/19 \$3,060 19/20 \$3,126 20/21 \$3,192 21/22 \$3,261 22/23 \$3,333 23/24 \$3,411 24/25 \$3,492 25/26 \$3,576 26/27 \$3,669 27/28	C-D	2018-2028
Health & Safety	Railway Platform Safety Upgrade	Health & Safety	\$10,000 18/19 \$10,200 19/20	C-D	2018-2020

Future Demand

The key issues impacting on demand forecasts for Housing and Other Property are:

- a) An aging population
- b) The need to develop assets relevant to community needs
- c) User pays as a means of funding and addressing equity issues
- d) An increase in public awareness and expectations of higher standards

Capital works projects being planned to meet growth in demand include:

Figure S.5: Capital Programmes to Meet Growth and Demand

Trend	Project	Key Service Criteria	Forecasted Total Cost	Confidence Level In Projections	Estimated Timeline for Project Completion
N/A	N/A	N/A	N/A	N/A	N/A

Housing and Other Property Identified Risks

High risks are shown in this abbreviated summary table:

Figure S.7: Housing & Other Property Identified Risks

Asset Affected	Failure Mode	Description	Risk Rating	Current Mitigation	Managed Risk Rating
Buildings for hire or Community Purposes	Decline in amenity value - deterioration of asset - building, chattels, fixtures and fittings	Building décor and assets provided are outdated, and/or insufficient for customer needs	High	Condition assessments	Low
Building Assets	Compliance	Standards, Regulatory and Legislation not achieved	High	Compliance assessment and compliance upgrades to ensure the asset is kept in line with compliance requirements.	Moderate
Building Assets	Force Majeure	Storms Earthquakes Floods	High	Check for structural issues on a programmed basis to ensure structural integrity is maintained	Moderate
Building Assets	Capacity	Over or under supply	Medium	Monitor requirements and usage and adapt accordingly	Low
Building Assets	Arson	Fire	High	Alarm monitoring and security measures in place will protect commercial buildings but no other building assets. Installation of smoke alarms.	Moderate
Property Assets	Accidental Harm	Death	High	Regular assessment and maintenance ensures the asset is kept in good condition.	Low

One critical asset has been identified in the Housing and Other Property AMP. This primarily centres around WDC's administration building where non-performance of the building would severely impact on WDC's ability to undertake its legislative requirements and provide a Civil Defence headquarters in time of need.

A seismic assessment of the Queen Street Administration Building was completed mid-2017 and a detailed engineering evaluation is pending. An estimate of the costs necessary to strengthen the building is:

Reinforced concrete sheer wall, including entry canopy upgrade, design costs and making good following completion	\$260,000 + GST
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Replacement of exterior windows in 2-storey building with resilient seismic joinery (double glazed) windows	\$160,000 + GST
Replacement of exterior windows in 1-storey building with resilient seismic joinery (double glazed) windows	\$220,000 +GST

N.B. No allowance has been included for disruption or temporary relocation of office operations. The above window costs include exterior atrium windows but not any internal glass partitions. Budget costs are subject to change with final design, and if required, work outside normal business hours are likely to increase costs. Building and site access and occupancy planning will need to be developed during the design stage. The window replacement has been recommended to improve resilience to the building following significant ground shaking (with the upper level of the 2-storey portion as the highest priority).

Project funding will be required for capital expenditure items such as seismic strengthening and renewal works at the Administration Building. These works can be scheduled over multiple years. In regard to the seismic strengthening, the priority is to address the entrance canopy and strengthening of the sheer wall.

Figure S.8: Critical Asset Assessment and Identification

Asset matrix 0= No impact 1= Low impact 2= Moderate impact 3= Severe impact	Direct Costs (Repair, lost revenue, 3 rd damaged, legal costs)	Effect on Community (Loss of supply)	Effect on public safety	Environmental damage	Image/Public support	Other	Total (sum)
Corporate Property	3	3	2	0	2	0	10

Existing Situation Described

The Housing and Other Property activity covers the following assets:

Figure S.9: Summary of Housing and Other Property

Asset Group	Asset Type	Land Only (Sites)	Buildings
Housing	Elderly Persons Housing	1	4
	Rentals	6	5
Corporate Property	WDC Offices	1	1
	WDC Depots	2	5
	Dog Pound / Stock Pound	2	1
	Information Centres	1	1
	WDC Library	1	1
Te Kuiti Railway Hub	WDC Service Delivery Space	1 (Leased)	4
	Community Space		
	Commercial space		
Quarries	Quarries	22	N/A
General Property	Rural Halls Buildings	12	10
	Historic Buildings	0	5
	Campgrounds	2	6

- WDC Property Portfolio is currently doing an internal review on the history of acquisitions and disposals for a final position on retention.

Maintenance and Operations

Independent contractors are responsible for much of the maintenance and renewal of these assets. Maintenance standards, set by WDC, apply to all asset components identified in contract specifications regardless of their location or profile. At this time WDC needs to consider all service delivery options for these operations due to the difficulties experienced in obtaining competitive tenders in small communities. Several specialist maintenance services will always be provided by external providers on a competitive basis. These include security, sanitary provision, air conditioning maintenance etc.

In-house operations are undertaken in some areas such as minor building maintenance and gardening maintenance and mowing.

Regular inspections are completed to assess the condition of Housing and Other Property assets, identify future risks and maintenance needs or repair work that is required. The frequency of inspections is based on the potential outcomes of any asset failure for LoS, costs, environmental impacts or corporate image and are reviewed as part of this document.

Renewals

Inspections and asset gathering/condition grading has identified the following renewals works for inclusion in the AMP:

Queen Street Administration Building – budget to be allocated for staged redesign and upgrade of office building including office space, meetings rooms, storage areas, staffroom, bathrooms and the Customer Service Reception area.

Carparks – Council’s office and library carparks are not eligible for Roading Maintenance contract. A work programme to address annual maintenance has been incorporated in this AMP.

Taupiri Street – Ground Floor – Carpet and entrance to the Library require attention, especially to increase accessibility (i.e. installation of an automatic door).

Rental Properties – renewals are to be continued in order to maintain rentals and elderly persons housing to an acceptable standard.

Figure S.10: Renewal Programmes

Project	Key Service Criteria	Forecasted Total Cost	Confidence Level In Projections	Estimated Timeline for Project Completion
Elder Persons Housing Renewals (covered under key programmes to meet LOS)	Health & Safety Quality	\$12,000 18/19 \$12,240 19/20 \$12,504 20/21 \$12,768 21/22 \$13,044 22/23 \$13,332 23/24 \$13,644 24/25 \$13,968 25/26 \$14,304 26/27 \$14,676 27/28	B	2018-2028
Hall Renewals Compliance	Health & Safety	\$3,100 18/19 \$3,162 19/20 \$3,230 20/21 \$3,298 21/22 \$3,370 22/23 \$3,444 23/24 \$3,525 24/25 \$3,608 25/26 \$3,695 26/27 \$3,791 27/28	D	2018-2028
Dog Pound Renewals	Quality	\$3,000 18/19 \$5,100 19/20 \$3,126 20/21 \$5,320 21/22 \$3,261 22/23 \$5,555 23/24 \$3,411 24/25 \$5,820 25/26	C	2018-2028

Project	Key Service Criteria	Forecasted Total Cost	Confidence Level In Projections	Estimated Timeline for Project Completion
		\$3,576 26/27 \$6,115 27/28		
Unspecified Renewals	Quality	\$20,000 18/19 \$16,320 19/20 \$16,672 20/21 \$17,024 21/22 \$17,392 22/23 \$17,776 23/24 \$18,192 24/25 \$18,624 25/26 \$19,072 26/27 \$19,568 27/28	C	2018-2028

Current Asset Management Processes

The following is a snapshot of where WDC is at regarding asset management practices and Housing and Other Property:

- Some operational processes are documented in service contracts which are randomly audited
- Risk assessments have been undertaken with a forward plan in progress
- Asset knowledge is improving as streams of works are progressed.
- Condition assessments of assets were undertaken in 2008 and selective key assets were revisited in 2011. Another full condition assessment will be conducted during this AMP period.
- Utilisation of Asset information is planned
- Spreadsheets are used to store data with no link between expenditure and asset
- The Service Request process is utilised for complaints and enquiries

Financial Summary

The following budgets have been prepared assuming that all investigatory and strategy type works will lead to future development projects which will be depreciated.

For this reason, this AMP has included these works in the Capital/Renewals section of the budgets, noting that the funding source needs to be confirmed in the future, i.e. either capital, renewal or operational.

The valuations of Council's Housing and other property assets were assessed on 30th June 2017 at fair value \$6,656,485.46. There will be a revaluation of the portfolio on the 30th June 2018.

Figure S11: Housing and Other Property Valuation

Housing and Other Land

Operational Building	3,268,328.90	
Operational Land	2,431,042.00	
Restricted Land	30,000.00	
Restricted Buildings	927,114.56	
		6,656,485.46

The total value of the Housing and other property Activity assets is approximately \$6,656,485.46.

*Reinstatement valuations are incorporated under Insurance

For the purpose of WDC's overall financial budgeting, these works have been included as operational expenditure. For some activities this treatment leads to minor variations between budgets contained in the LTP from that shown in the AMP.

The summary above (S11) outlines the financial implications the Housing and Other Property AMP has on the overall Community Services Portfolio. For this specific summary for Housing & Other Property Activity Management Plan financials refer to (S12).

Figure S.12: Summary of Financial Forecasts for Housing & Other Property

Housing and Other Property (\$000's)	EAP 17/18	LTP Yr 1 18/19	LTP Yr 2 19/20	LTP Yr 3 20/21	LTP Yr 4 21/22	LTP Yr 5 22/23	LTP Yr 6 23/24	LTP Yr 7 24/25	LTP Yr 8 25/26	LTP Yr 9 26/27	LTP Yr 10 27/28
Operating Revenue											
Elder Persons Housing	(113,000)	(110,000)	(112,200)	(114,620)	(117,040)	(119,570)	(122,210)	(125,070)	(128,040)	(131,120)	(134,530)
Community Halls	(3,500)	(3,250)	(3,315)	(3,387)	(3,458)	(3,533)	(3,611)	(3,695)	(3,783)	(3,874)	(3,975)
Other Land and Buildings	(140,000)	(155,000)	(158,100)	(161,510)	(164,920)	(168,485)	(172,205)	(176,235)	(180,420)	(184,760)	(189,565)
Railway Building	(33,000)	(35,000)	(35,700)	(36,470)	(37,240)	(38,045)	(38,885)	(39,795)	(40,740)	(41,720)	(42,805)
	(289,500)	(303,250)	(309,315)	(315,987)	(322,658)	(329,633)	(336,911)	(344,795)	(352,983)	(361,474)	(370,875)
Direct Expenditure											
Elder Persons Housing	105,980	112,370	114,617	117,090	119,562	122,146	124,843	127,765	130,799	133,945	137,429
Community Halls	92,250	75,598	77,334	79,249	81,194	78,981	80,725	82,614	84,576	86,611	88,863
Other Land and Buildings	212,090	188,680	192,454	196,605	200,756	205,095	209,623	214,529	219,624	224,907	230,756
Railway Building	68,670	58,050	59,211	60,488	61,765	63,100	64,494	66,003	67,570	69,196	70,995
	478,990	434,698	443,616	453,432	463,276	469,323	479,685	490,911	502,569	514,658	528,042
Indirect Expenditure											
Allocated Costs	227,359	242,183	249,453	257,273	258,329	266,622	278,469	281,500	289,948	298,408	300,939
Depreciation	386,545	363,973	366,496	181,911	176,365	175,414	175,814	177,819	136,506	135,618	135,571
Interest	114,697	97,333	95,007	92,696	90,062	93,140	88,674	81,873	73,616	65,026	55,934
	728,601	703,488	710,957	531,881	524,757	535,175	542,958	541,192	500,069	499,051	492,444
Net Cost of Service	918,091	834,936	845,258	669,326	665,375	674,866	685,733	687,308	649,655	652,235	649,612
Capital Expenditure											
Elder Persons Housing	11,600	12,000	12,240	12,504	12,768	13,044	13,332	13,644	13,968	14,304	14,676
Community Halls	3,100	3,100	3,162	3,230	3,298	3,370	3,444	3,525	3,608	3,695	3,791
Other Land and Buildings	74,200	26,000	24,480	22,924	25,536	23,914	26,664	25,014	27,936	26,224	29,352
Railway Building	0	10,000	10,200	0	0	0	0	0	0	0	0
	88,900	51,100	50,082	38,658	41,602	40,328	43,440	42,183	45,512	44,223	47,819
Net Expenditure	1,006,991	886,036	895,340	707,984	706,977	715,194	729,173	729,491	695,167	696,458	697,431
Funded By											
Reserves	(295,320)	(262,781)	(261,292)	(104,464)	(103,607)	(101,057)	(104,365)	(103,284)	(78,471)	(75,977)	(79,542)
Internal Loans	(5,000)	0	0	0	0	0	0	0	0	0	0
Total Rates	(706,671)	(623,255)	(634,048)	(603,520)	(603,370)	(614,137)	(624,808)	(626,207)	(616,696)	(620,482)	(617,889)
	(1,006,991)	(886,036)	(895,340)	(707,984)	(706,977)	(715,194)	(729,173)	(729,491)	(695,167)	(696,458)	(697,431)

Specific Improvement Projects 2018-2028

The following priority projects for the 2018-2028 planning period have been identified:

Figure S.13: Specific Improvement Projects 2018–2028

SPECIFIC IMPROVEMENT PROJECTS 2018 - 2028				
PROJECT	YEAR	RESOURCE		ESTIMATED COST
		WDC STAFF	EXTERNAL	
Asset gathering investigations	2018-2021	Yes	No	In-house
Review of AMP 2018	2018	Yes	No	In-house
Include Building data in a "designed" Asset management Programme such as SPM or adapted NCS	2018-2021	Yes	No	In-house
Input leases and licences into NCS	2018-2021	Yes	No	In-house
Investigations into quarry land asset ownership	2018-2021	Yes	No	To be advised
Miscellaneous Asset Management. Works selected from schedule	2018-2021	Yes	Unknown	In-house

Key Assumptions

In reviewing this AMP, some key assumptions have been made as detailed below:

- It is assumed that the Growth projections for the Waitomo District prepared by Rationale Ltd are correct.
- The AMP for WDC's Housing and Other Property assets, which forms part of the Community Services Group of Activities, will be progressively updated as more complete information becomes available over time.
- Best practice and current knowledge has been used in formulating information regarding the assets in this AMP. This information is not well supported by solid historical data. It is assumed that this information is correct.
- The annual cost of the contract maintenance of the network will not increase above CPI when it is re-tendered.
- The valuations using rating value is an accurate assessment of the true valuation of the Housing and Other Property assets.
- All assumptions whether specifically stated or otherwise are aligned with the LTP Forecasting Assumptions.

1.0 Introduction

1.1 Waitomo District Council's Commitment to its Community

WDC is committed to ensuring that appropriate Housing and Other Property is provided to support delivery of WDC services supplied within the District. WDC presently maintains 20 elderly pensioner units, 5 residential properties, 1 corporate office, 2 WDC depots, 10 rural halls, 1 Information Centre, 1 dog pound, 2 historic building sites and 2 campground sites and one library building as well as miscellaneous sections. Excluded from this are the utility holdings forming part of the relevant Utility AMPs.

1.2 Why WDC Provides the Service

The Community Services Group of Activity, through its Housing and Other Property Activity, is involved in considerable property and land holdings to provide resources, places for community activities, affordable housing, preservation of history/culture and a place from which WDC can undertake its functions. This activity is delivered operationally via the Council's IS Group.

WDC provides Housing and Other Property in order to support its services and fulfil social objectives.

WDC provides a number of Housing and Other Properties that are grouped according to their primary purpose. The different functions of Housing and Other Property are:

Housing – that provides housing in the form of elderly persons' housing units (EPH), and a pool of miscellaneous housing rental units primarily for strategic investment purposes and at times can be used as staff housing.

Corporate property – that provides WDC office accommodation.

Community halls – to provide areas for community focus within the rural District.

WDC depots – to enable WDC and its operators to function within the District.

Quarries – to provide a sustainable supply of quarry material for the Waitomo District.

Railway Complex – to assist with providing community space and vibrancy to central Te Kuiti

General property – that includes miscellaneous land holdings for either investment or land-banking for the provision of land across all WDC's activity areas as well as WDC's two historic buildings and campgrounds. (Note; campgrounds form part of the Recreation and Culture Activity Plan but the costing falls into housing and Other Property Activity Plan as they are 100% leased facilities)

Note: Property holdings by WDC associated with specific utility services are included in the relevant utility activity plan.

1.3 The Role of WDC in the Provision of Housing and Other Property Activity

WDC considers in its 2018-2028 Long Term Plan that the Community Services Group of Activities contributes, through its Housing and Other Property Activity, to the following community outcomes:

PRIMARY CONTRIBUTION

CO6: – Thriving Business

A place that attracts more people who want to live, work and play, and raise a family

CO7: – Thriving Business

A place where wealth and employment are created through local businesses and tourism opportunities and facilities are developed, facilitated and encouraged

Tourist activity and visitors are a major part of the District's front window to the world outside and as such, a key means of attracting people and investment permanently to the area. WDC can promote tourism by being proactive in land purchasing and development to assist with this activity and providing facilities for Visitor Information Centre's.

The productive earning capacity of land is the life-blood of the Waitomo economy. Achieving maximum effective economic advantage from the land is the foundation of the District's economy.

Value-added business development associated with the primary sector offers Waitomo the most likely opportunity to significantly improve the wealth of the District through external earnings and local employment.

Supporting that development will need, and offer, other commercial activities such as service industries (electricians, engineers, suppliers, accommodation, food processors, etc.), which in turn provide opportunities for other manufacturing or industrial businesses.

If people are to live and work in Waitomo they must have choice of housing value, style and location. Such choice must be comparable with other communities in New Zealand. Quantity and quality of accommodation is equally critical to meeting the needs and expectations of visitors and the tourist business. WDC provides Elderly Persons Housing, potential staff housing as well as market rentals.

SECONDARY CONTRIBUTION

Vibrant Communities

C02: - *A place where all age groups have the opportunity to enjoy social, cultural and sporting activities within our District.*

Vibrant Communities

C05: - *A place where we preserve the natural environment for future generations, ensuring that natural resources are used in a sustainable manner*

Effective Leadership

C08: - *A place where the development of partnerships for the delivery of programmes and services is encouraged and pursued.*

Waitomo's clean-green (Waitomo Green) natural characteristics are one of the District's greatest recreational assets. They are an integral part of living in Waitomo, a key attraction and a vital component of the way the District is seen, i.e. the external image.

WDC protects this image through the preservation of historic buildings, and the provision of rural recreational facilities (Rural Halls) to promote the rural lifestyle.

WDC also through the Housing and Other Property Activity provides facilities for the ongoing support and administration of the district that is called "Waitomo".

1.4 The Role of Other Parties

In addition to WDC's supply of Elderly Persons Housing (EPH), there are other significant operators providing this service throughout the District. These include private operators and investors, church and/or community groups; and government agencies such as other nearby local authorities and the Ministry of Building and Construction, The Ministry of Housing and Urban Development and the Ministry of Business, Innovation and Economic Development. WDC operates in direct competition to these providers.

Similarly, WDC offers a pool of rental housing in direct competition to the rental housing market. If this housing was of suitable quality it could be used to act as an incentive to attract staff to Waitomo District Council.

The administration of WDC's District halls (excluding Piopio Hall) is undertaken on a community basis, by locally elected committee representatives.

Within WDC's other property portfolios also include various sub-dividable parcels of land should the property market enable a future gain on disposal.

1.5 Significant Effects of the Service

Significant effects of the service are shown in the table below:

Figure 1.1: Significant Effects of the Service

POSITIVE EFFECTS	NEGATIVE EFFECTS
<ul style="list-style-type: none"> Affordable accommodation for the elderly WDC houses potentially available to entice employees and potential employees into the District Our customers will be highly satisfied with the quality of the services we provide and our stakeholders will recognise us as providing good quality affordable housing 	<ul style="list-style-type: none"> Focus on the elderly whilst others with needs such as people with disabilities may be in greater need Legislative constraints through the Residential Tenancies Act 2010 can limit WDC's ability to move quickly to maximise market opportunities Poor quality of housing stock
<ul style="list-style-type: none"> Provides amenities for cultural use, e.g. halls Provide building facility to house Public Library Provide facility for TK Community House 	<ul style="list-style-type: none"> None identified Limited library capacity in building provided
<ul style="list-style-type: none"> WDC involvement in the property market can stimulate development and growth WDC houses could be an incentive and an effective staff retention tool 	<ul style="list-style-type: none"> Lack of adequate funding mechanisms to maintain asset base, e.g. halls Legislative constraints through the Public Works Act (1981) and Reserves Act (1977), can limit WDC's ability to move quickly to maximise market opportunities during land dealings Rural communities ability to provide resources to administer halls
<ul style="list-style-type: none"> Protecting natural areas and resources 	

1.6 About this AMP

1.6.1 Document Structure

This document follows the following pattern to assist WDC fulfilling its legislative requirements to prepare Asset Management/Activity Management Plans for each of its Activities. The pattern being:

- What our customers want and how well we are doing to achieve it
- The assets we use (LoS – Lifecycles)
- How we manage the service (Lifecycle Management)
- Planning for the future – demand for the service (Growth)
- What it costs and how we will pay for it (Financial Summary)
- Our commitment to excellence (Management Practice and Improvement Programme)

1.6.2 Links to Other Plans

Activity Plans are a key component of WDC's planning process that link to the following documents:

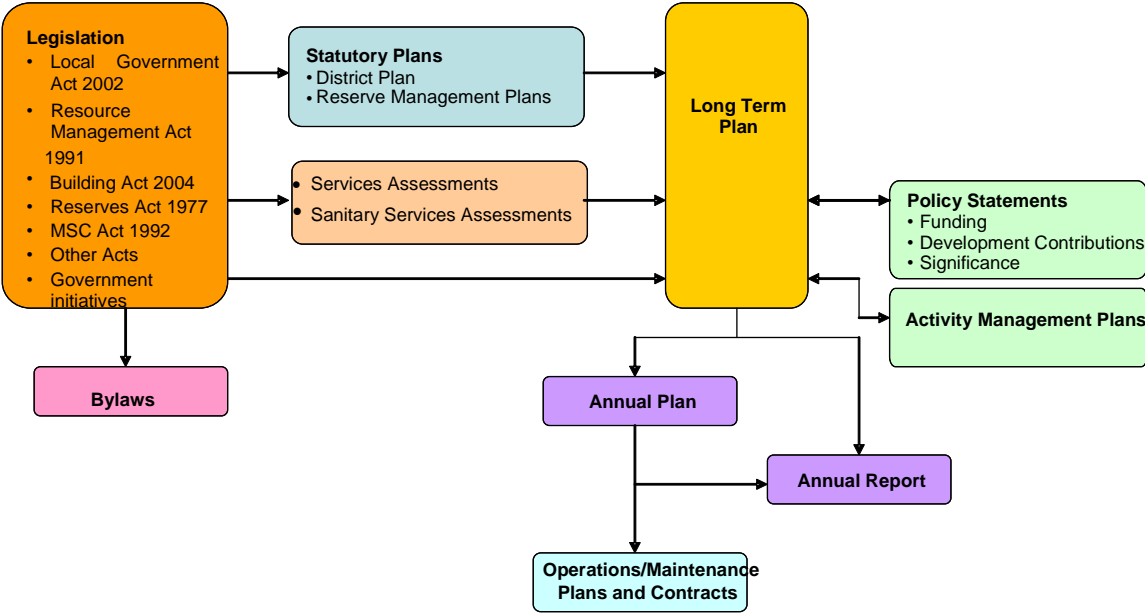
Long Term Plan (LTP): Defines the strategic direction for the next 10 years. AMPs are prepared to supplement the information in the LTP and confirm the WDC's role in achieving Community Outcomes.

Annual Plan: The works identified in the AMP should become the basis on which future Annual Plans are prepared.

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

Bylaws, Standards and Policies: These tools for asset creation and subsequent management are needed to support AMP tactics.

Figure 1.2: Link to other Plans



2.0 Levels of Service - What Our Customers Want and How Well We Are Doing To Achieve It

2.1 How Our Services Contribute To Community Outcomes

The Housing and Other Property Activity contributes to the community by:

Figure 2.1: Relevant Community Outcomes for Housing and Other Property

Primary Outcome Activity Contributes to:	How the Housing and Other Property Activity Contributes	Outcome Effect Indicator
CO6 Thriving Business		
<p>A place that attracts more people who want to live, work and play, and raise a family</p>	<ul style="list-style-type: none"> • By actively committing to the preservation of Historic Buildings in our community. • By increasing the provision of affordable housing to meet the needs of the elderly and disadvantaged in the District. • By providing buildings, structures and property to allow for efficient provision of services for WDC’s customers. • By developing services that respond to changing customer needs. • By providing property to house key WDC services such as Information Centres. • By providing land for productive farming where possible, e.g. disposal of or lease of unformed roads and land-banked land. • By providing adequate land for all WDC activities. 	<ul style="list-style-type: none"> • WDC will provide good quality affordable accommodation for the elderly acknowledging the Community’s expectation that WDC has a responsibility to assist and respect that the elderly: • Are custodians of our heritage contributing to and preserving traditional knowledge. • Are acknowledged as a living cultural asset reflecting the cultural and social identity of our community. • WDC is committed to providing good quality affordable accommodation for the elderly. • People will have good access to services and facilities to provide the services. • WDC is committed to maintaining its relationship with hall committees. • Tourism numbers will increase and new developments created in the District. • Maximisation of WDC’s commercial return from it property dealings and leasing operations.

The productive earning capacity of land is the life-blood of the Waitomo economy. Achieving maximum effective economic advantage from the land is the foundation of the Districts economy and WDC’s involvement in Land, Development, Buildings and Quarrying assists in achieving this.

Primary Outcome Activity Contributes to:	How the Housing and Other Property Activity Contributes	Outcome Effect Indicator
CO 7 – Thriving Business		
<p>A place where wealth and employment are created through local businesses and tourism opportunities and facilities are developed, facilitated and encouraged</p>	<ul style="list-style-type: none"> • By actively committing to the preservation of Historic Buildings in our community. • By decreasing WDC’s carbon footprint through forestry development on unused land. • By providing buildings, structures and property to foster commercial development within the community. 	<ul style="list-style-type: none"> • WDC will actively value and promote the preservation of Historic Buildings. • Maximisation of WDC’s commercial return from it property dealings and leasing operations.

Secondary Outcome Activity Contributes to:	How the Housing and Other Property Activity Contributes	Outcome Effect Indicator
CO2 - Vibrant Communities		
A place where all age groups have the opportunity to enjoy social, cultural and sporting activities within our District.	<ul style="list-style-type: none"> By actively committing to the preservation of Historic Buildings in our community. By actively committing to the provision of rural halls in our community. By providing the infrastructure to enable WDC to perform its obligations under the Local Government Act 2010. By contributing to the health and overall welfare of elderly by providing quality affordable housing. 	<ul style="list-style-type: none"> WDC will actively value and promote the preservation of Historic Buildings. Maximisation of WDC's commercial return from its property dealings and leasing operations. WDC will provide good quality affordable accommodation for the elderly acknowledging the Community's expectation that WDC has a responsibility to assist and respect the elderly.

Secondary Outcome Activity Contributes to:	How the Housing and Other Property Activity Contributes	Outcome Effect Indicator
CO5 - Vibrant Communities		
A place where we preserve the natural environment for future generations, ensuring that natural resources are used in a sustainable manner	<ul style="list-style-type: none"> By actively committing to the preservation of Historic Buildings in our community. By contributing to the health and overall welfare of elderly by providing quality affordable housing. By ensuring the WDC's property needs based on community requirements are met through the provision of adequate land 	<ul style="list-style-type: none"> WDC will actively value and promote the preservation of Historic Buildings. WDC will provide good quality affordable accommodation for the elderly acknowledging the Community's expectation that WDC has a responsibility to assist and respect that the elderly: Adequate land, when identified, is purchased and or sold to meet WDC's requirements

In addition to these, WDC has indicated support for initiatives to:

- Continually develop the capabilities, competencies and culture necessary to achieve our outcomes
- Demonstrate effectiveness and efficiency in the provision of all services and costs
- Potential to purchase land for industrial and commercial development and lease/sell this land to developers when the appropriate economic climate exists
- Promote subdivision of its land to stimulate growth of our towns when the necessary conditions prevail
- Seek sources of funding and/or alternative developments to provide modern Elderly Persons Housing
- Provide economic returns where possible from WDC's holdings
- Provide and enhance low cost accommodation and facilities for tourists

2.2 Strategic (Goals)

The strategic goals for Housing and Other Property are:

Strategic Goal 1: To ensure that an adequate Housing and Other Property portfolio is provided and maintained for the well-being of the user and community groups;

Strategic Goal 2: To provide community-agreed LoS in the most cost effective way through the creation, operation, maintenance, renewal and disposal of assets to provide for existing and future users;

And the WDC's principal objectives are to:

- a) Programme works for the development of land and buildings in accordance with adopted AMPs
- b) Operate WDC owned halls to a standard acceptable to users by providing appropriate management structures / resources
- c) Implement the policies as set out in the proposed adopted forestry management plans
- d) Continue the disposal of land identified as surplus to WDC requirements
- e) Identify life-cycle (long-term) costs for an agreed Level of Service
- f) Ensure the maintenance of the public infrastructural assets in perpetuity, so that there is no decrease in value, and to forecast the estimated future cost of so doing;
- g) Put in place a sound management regime for all matters relating to Housing and Other Property activities
- h) Ensure WDC's assets are legally protected by the provision of easements and other legal instruments.

2.3 Legislative Framework

The following legislation impacts on the management of Housing and Other Property and the LOS offered by WDC in relation to the Housing and Other Property activity.

Local Government Act (2002) and Amendments

This Act gives WDC power of general competence to undertake any business or activity. Provided the activity is consistent with the object of the Act and the community has been consulted in a meaningful way, this can include the protection of reserves and the provision of recreation facilities. The consultation process through the Local Government Act provides an indicator for the Level of Service that the community expects.

Resource Management Act (1991) and Amendments

This Act requires WDC to manage the use, development and protection of natural and physical resources in a way, or at a rate, which enables people and communities to implement and review objectives, policies, and methods to achieve integrated management of the effect of the use, development, or protection of land and associated natural and physical resources of the district.

Reserves Act (1977) and Amendments

The purpose of this Act is to provide the regulatory framework for the management of parks and reserves and through the consultation relating to this framework set the expected community levels of service. It requires Waitomo to classify the different types of reserves and to specify their purpose. The Act also requires Waitomo to protect, to an extent compatible with the principal or primary purpose of each reserve, the scenic, historical, archaeological, biological, geological or other scientific features and indigenous flora and fauna and wildlife. In addition, the Act specifies the statutory procedures for managing each reserve as well as the preparation and development of management plans for each reserve subject to the Minister's approval. Many of WDC's building facilities are on reserves.

Building Act (2004) and Amendments

The purpose of this Act is to ensure that any building work undertaken within the area of a Local Authority complies with the building code. WDC currently administer the powers of this Act and its regulations to ensure that buildings in the District meet the code of compliance.

Health and Safety at Work Act 2015

The purpose of this Act is to ensure that employers provide safe working conditions for their employees in the workplace. WDC has taken steps to ensure that its employees are provided with safe working conditions and that other persons are protected in workplaces.

Land Transfer Act (1952), Property Law Act (2007)

These Acts govern how WDC, and other dealers in land, proceed with the disposal of land and subdivisions that it is involved in. As WDC often deals in land, whether for strategic purposes, land banking or subdivision or leases, due process for the disposal and purchase are followed. The Act provides general rules to dispositions, instruments, transactions and property as well as setting the parameters for leases, covenants, easements, access lots, mortgages and other miscellaneous land dealings.

Residential Tenancies Act (1986 and amendment 2010)

All WDC's residential tenancies, including the Elderly Persons Housing complex, fall under this Act. The Act governs the administration of rental properties and sets out frameworks for this administration.

Other WDC Plans and Bylaws

The District Plan, reserve management plans and bylaws also impact on the management of Housing and Other Property.

2.4 Our Customers

2.4.1 Who Our Customers Are

In order to provide efficient LOS WDC needs to identify its potential customers. For Housing and Other Property assets, the customers include:

Figure 2.2: External and Internal Customers

External	Internal
• Elderly community	• WDC staff and Contractors
• District community	• Elected Representatives
• Lessees	• WDC's consultants
• Licensees	
• Tenants	
• Neighbours	
• Hall users and committees	
• Department of Conservation	
• Department of Health, Waikato Health Board	
• Land sellers and purchasers	
• Department of Work and Income	
• KiwiRail	

2.4.2 Customer Expectations

Elderly Persons Housing

In 2008 the Waitomo Council commenced survey the Residents within its Elderly Housing Complex using an external provider up until 2011. At this point there was a cessation of the survey largely as a consequence of a lack of interest and participation by local residents. In 2013/2014 there was a reintroduction of the survey.

Tenant satisfaction with the survey has rated high since 2013/2014 with only one instance of a poor response relating to "how satisfied were you with the response received from Council". In general, most respondents have rated the Council and the housing provided as Very satisfied or satisfied.

Figure 2.3: Percentage satisfied with the service Council provides

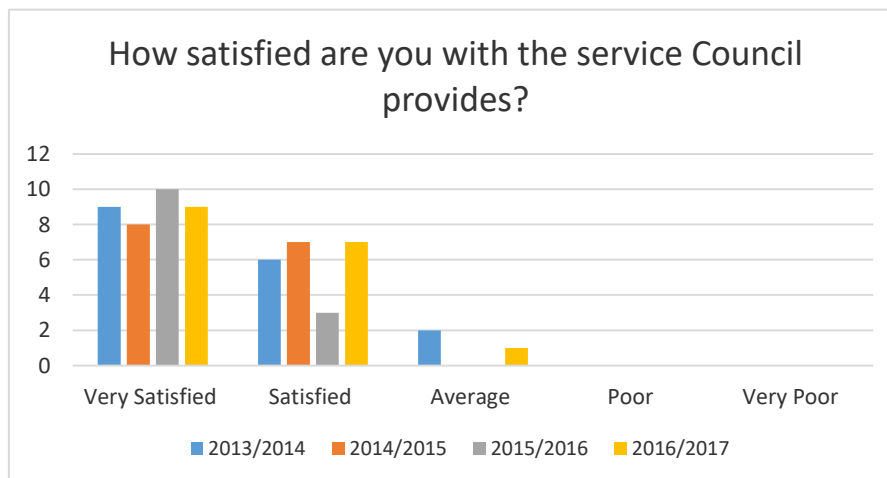


Figure 2.4: Percentage satisfied with the response received from Council

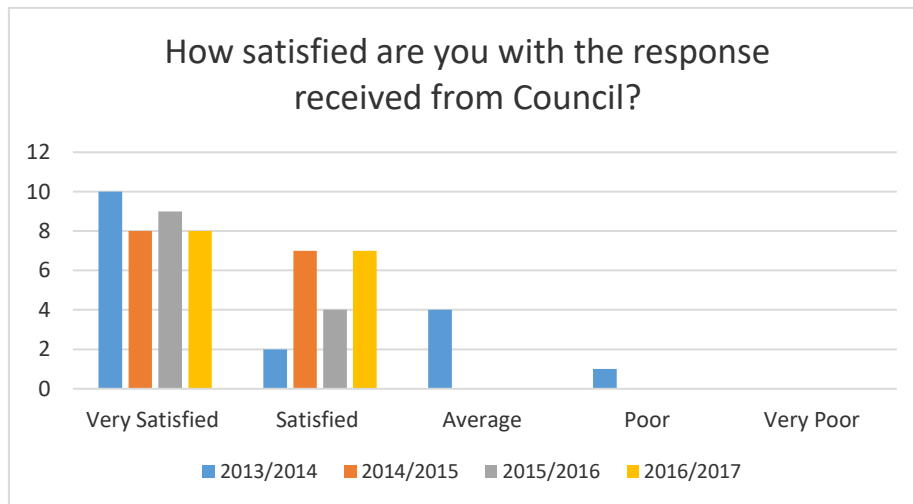
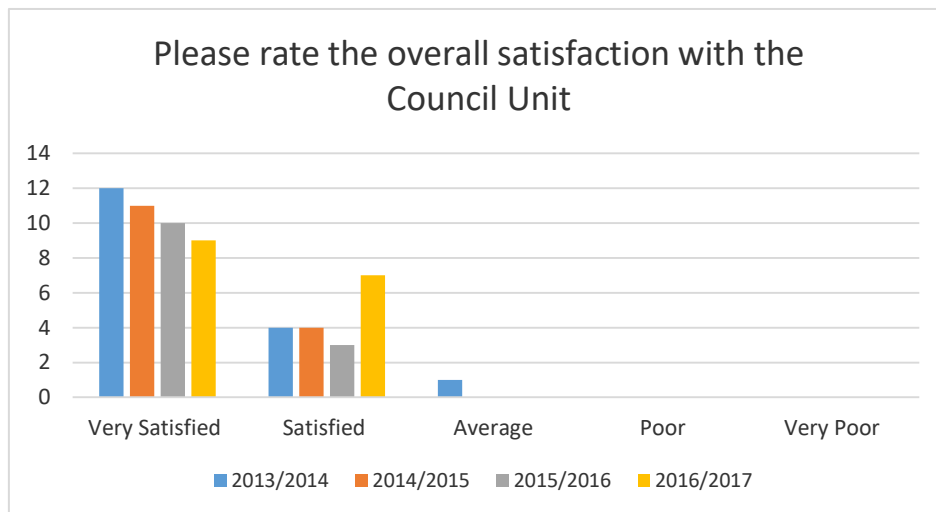


Figure 2.5: Response to the question: Please rate the overall satisfaction with the Council Unit.

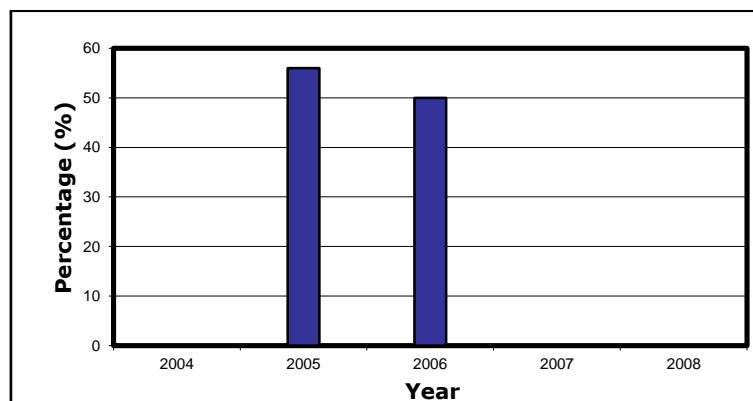


Community Halls

Historically in 2005 and 2006 the halls have been included in the annual “Versus ”survey but not since that time. These figures are shown below in the graph.

In future the hall management committees should be surveyed annually to measure satisfaction with WDC provided services and assistance with building maintenance. The first survey was to be carried out in 2012 after the introduction of the hall deferred maintenance assistance and compliance maintenance but will now be implemented in the 2014-15 year once the assistance programmes have bedded in.

Figure 2.6: Percentage Satisfied with the District Hall Facilities



This survey shows a satisfaction level at or marginally above 50% which is unsatisfactory. The value increases to 60% and 66% respectively if the average figures are included. A high "did not know" figure shows through on the District survey and therefore it may be best to consider those that identified the halls as poor or very poor. These figures are 4% and 1% respectively. More accurate, current information needs to be gathered to give WDC a better picture.

Part of the issue with Rural Halls is the backlog of deferred maintenance and the ability of the hall committees to fund long term maintenance works. WDC included funding for deferred maintenance and compliance works in year 2011/2012 in the LTP which should flow through into the satisfaction figures in the long term. This funding is to be continued into the 2018-28 LTP.

Other

In order to manage customer expectations effectively, the users' perception of the service to be delivered by WDC must match WDC's goals. A customer charter is one way of communicating to customers exactly what it is that WDC provides, while setting clear expectations in terms of the service delivery and responsibilities on both sides. This will be important in providing funding for community halls.

Customer expectations may vary between the different communities, customers and stakeholder groups. Care will be taken to ensure the consultative process to develop the customer expectations framework involves a fair representation of users.

2.5 Other Stakeholders

In order to provide an efficient Levels of Service (LOS) WDC needs to identify its potential stakeholders. For Housing and Other Property, the stakeholders include:

Figure 2.7: Activity's Potential Stakeholders

Housing	Corporate Property	Community Halls	Railway Complex	Quarries	WDC Depots	General Property
<ul style="list-style-type: none"> Department of Building and Housing Department of Work and Income Families of the Elderly WDC Staff Tenants 	<ul style="list-style-type: none"> i-Site New Zealand Waikato Regional WDC LIANZA – for library activities WDC Staff 	<ul style="list-style-type: none"> Hall Committees Rural Schools Sporting Groups Senior Citizens Group All Users 	<ul style="list-style-type: none"> KiwiRail Historic Places Trust 	<ul style="list-style-type: none"> Leases WDC Staff Quarry Operators Ministry of Business, Innovation and Employment Work safe 	<ul style="list-style-type: none"> Other lessees Internal Services Unit WDC Staff 	<ul style="list-style-type: none"> Waikato Regional WDC Department of Conservation Historic Places Trust Transit New Zealand Lessees Other lessees

2.6 Service Delivery Options Considered

LoS in the AMP are determined by WDC's understanding of customer needs as determined through regular interaction with facility users and assessing historical provision. It is the intention in the future to include more formal processes such as lessee exit interviews and undertake specific user surveys.

As yet, WDC has not carried out any formal consultation with customers on LoS options. This is partly offset by monitoring public enquiries/complaints relating to the standards in the maintenance contract and feedback from WDC's ratepayer annual survey.

It is assumed that current contract LoS is correct. A programme to work through this with activity specific customer needs to be developed and WDC has undertaken in mid-2008 and 2011 generic LoS surveys around adequacy of pensioner housing.

At this stage it is unknown what the outcomes of this study will be but for budgetary purposes it is assumed that future development funding for this activity will be predominately sourced from outside WDC.

2.7 Levels of Service

Elderly Persons Housing, Corporate Property, Depots and Community Halls

Strategic Goal 1: To ensure that an adequate Housing and Other Property portfolio is provided and maintained for the well-being of user and community groups.

Figure 2.8: Customer Levels of Service for Housing and Other Property

Key Service Criteria	Link to Community Outcomes	LOS Statement	Type of Measure	Measure	Performance Measurement and Targets				Performance Measurement procedure
					2017-2018 (existing)	2018-2019	2019-2020	2020-2021	
Satisfaction	Thriving Business Vibrant Communities	Provision and maintenance of Elderly Persons Housing that meets the needs of the tenants	Management Tool	Percentage of tenants satisfied with the provision and maintenance of Elderly Persons Housing	> 65%	> 80% *	> 80%	> 80%	Elderly Persons Housing Customer Satisfaction Survey of tenants
Health and Safety	Thriving Business	Users of WDC owned buildings are safe	Management Tool	Number of accidents recorded in building/property accident register	Nil	Nil	Nil	Nil	Analysis of building /property accident register (to be established)

Strategic Goal 2: To provide community-agreed Levels of Service in the most cost effective way through the creation, operation, maintenance, renewal and disposal of assets to provide for existing and future users.

Figure 2.8: Technical Levels of Service for Housing and Other Property

Key Service Criteria	Link to Community Outcomes	LOS Statement	Type of Measure	Measure	Performance Measurement and Targets				Performance Measurement procedure
					2017-2018 (existing)	2018-2019	2019-2020	2020-2021	
Cost	Thriving Business Vibrant Communities	WDC's Housing and Other Property Activity delivered within budget	Management Tool	Variance of actual expenditure against yearly budget	Variance + or - 5%	Variance + or - 5%	Variance + or - 5%	Variance + or - 5%	Analysis of budgets of

It is to be noted that indicators shown as AMP performance measure or Management Tools are for internal management use only. They are not designed to be reported publicly as part of the performance of the Community Service Group.

They are not designed to be audited to any of the standards and requirements which pertain to performance measures which are used to report to WDC and the community. WDC considers that these indicators are valuable for internal management purposes, but for various reasons they are not suitable for reporting at WDC nor community level. Reasons for this may include concerns (sometimes marginal) around:

- Relevance
- Realism / ability of WDC to control performance
- Verifiability
- Neutrality
- Robustness
- Perverse incentives or

Metadata issues, including

- Collection methods
- Monitoring frequency
- Data storage
- Quality assurance systems
- Intended use

These internal management indicators are reviewed, and appropriate remedial action is undertaken, on an ongoing basis.

2.8 Key Performance Indicators

In order to gauge how well we are achieving our LoS and Key Service Criteria Indicators, identified in 2.7 above, WDC's IS staff supervise any relevant contracts. Presently inspections tend to be on an informal basis, although new contracts will allow for random monthly inspections and include specific KPI's e.g. Cleaning contracts. WDC in the future will develop methodologies to analyse these monthly inspections to ascertain percentages over a year period which can then be compared on a yearly basis.

The Levels of Service Indicators / Key Performance Indicators directly relate to meeting the target Levels of Service as measured using the *Performance Measures* identified.

The achievement of the Target LoS is linked to the successful completion of the programmes and projects identified in 2.10 below.

2.9 Trends Impacting on Level of Service (Possible Future Changes/Service Level Review)

2.9.1 Environmental

- An increasing environmental awareness/perceived responsibility in maintaining environmental sustainability – encourages movement towards using environmentally sound technologies in terms of construction, maintenance and energy consumption.
- Environmental imperatives often conflict with economic priorities yet they are critical to local features. Local authorities will have a stake in meeting global targets for sustainability as well as having responsibility to promote the environmental wellbeing of the area.

2.9.2 Economic

- A growing pressure for more sustainable approaches to economic growth.
- Rates of migration into town centres and away from the country as the population ages.
- Market fluctuations:
 - Supply/demand influences by private market on rents (i.e. reflected in market median influencing rent levels and affordability).
 - The fluctuations of the real estate cycle and its current 'boom'/'bust' impact on construction costs.
- Effects of Legal Compliance and new legislation introduced by Government
- Increased demand for localised facilities as the cost of living increases e.g. some local halls

2.9.3 Social

- An aging population may lead to increased demand for WDC's Elderly Persons Housing facilities.
- Improvements in overall life expectancy of the elderly; potentially extending tenancy periods.

- A higher rate of applications for elderly housing made by couples (rather than singles) and the effect this may have on internal and external requirements.
- Increased attention on 'quality of life' issues, growing leisure time and a need for elderly group/community participation, recreation, health management etc.
- Higher rate and extended use of vehicle usage by the elderly.
- An increase in neighbourhood safety concerns for the elderly.
- Rates of volunteerism for hall management dropping.
- Failing demand in some cases for the services that community halls provide. Rural schools generally have a characteristic interdependence with rural community halls in the District; therefore school closure has had a large impact on hall patronage.
- An increase in the rural employee/resident tending to be more transient in nature.

2.9.4 Cultural

- Changing cultural expectations and ethnic profile of the community may lead to a change in the demand for the type of properties the WDC currently operates.
- The impact of cultural diversity may impact on customer relations and/or expectations.

2.9.5 Confidence Levels and Assumptions for Stated Trends

(Refer to Section 6.5 for grading definitions).

Figure 2.9: Data Confidence Levels

Trend	Confidence Level
Growth projections for the Waitomo District prepared by Rationale Ltd.	A
Legal compliance – commissioned from professional interpretation of statute	A
Maintenance and renewal trends – sourced from WDC and contractors records	C

2.10 Key Programmes to Achieve Levels of Service

WDC is implementing a number of projects to achieve the target LoS. These range from facilities/equipment works to process improvement projects.

The projects are split into two categories:

- Key programmes to maintain and achieve levels of service and
- Key programmes/strategies impacting on future LoS.

The table below summarises these projects, their forecasted total cost to WDC and an assessment of the confidence in the projections along with an estimated timeline.

2.10.1 Key Programmes

Figure 2.10: Key Programmes to Maintain and Achieve Levels of Service

Trend	Project	Key Service Criteria	Forecasted Total Cost	Confidence Level in Projections	Estimated Timeline for Completion
Social Health & Safety	Elder Persons Housing Renewals	Health & Safety Satisfaction	\$12,000 18/19	C	2018-2028
			\$12,240 19/20		
			\$12,504 20/21		
			\$12,768 21/22		
			\$13,044 22/23		
			\$13,332 23/24		
			\$13,644 24/25		
			\$13,968 25/26		
			\$14,304 26/27		
			\$14,676 27/28		

2.10.2 Key Strategies Impacting on Future Levels of Service

Other investigatory/strategy type programmes have been identified that, while not impacting on levels of service initially, the outcomes may. These are listed below.

Figure 2.11: Other Key Programmes That May Affect Levels of Service

Trend	Project	Key Service Criteria	Forecasted Total Cost	Confidence Level in Projections	Estimated Timeline for Completion
Social	Upgrade 28 Taupiri Street	Quality Satisfaction	\$3,000 18/19	C	2018-2028
			\$3,060 19/20		
			\$3,126 20/21		
			\$3,192 21/22		
			\$3,261 22/23		
			\$3,333 23/24		
			\$3,411 24/25		
			\$3,492 25/26		
			\$3,576 26/27		
			\$3,669 27/28		
Health & Safety	Railway Platform Safety Upgrade	Health & Safety	\$10,000 18/19 \$10,200 19/20	C	2018-2019

2.10.3 Description of Key Programmes

Elder Persons Housing Renewals

Structural and general maintenance requirements will be assessed during 2018-2021. Legislative changes have already been identified during late 2017 that will require insulation installed at the WDC Elderly Housing Complex.

Taupiri Street – Ground Floor

General maintenance will be reassessed however it is acknowledged with provisions being made for to replace the Carpet and entrance to the Library require attention, especially to increase accessibility (i.e. installation of an automatic door).

Railway Safety Platform Upgrade

Additional works are required to the platforms to ensure that there is an adequate level of barrier protection from main rail lines.

3.0 Growth – Planning for the Future and Demand for the Service

The key issues potentially impacting on demand forecasts for Recreation and Culture are:

- a. An aging population and a higher proportion of under 15 year olds in the population
- b. The need to develop assets relevant to community needs
- c. User pays as a means of funding and addressing equity issues
- d. the low socio-economic demographics for our region
- e. Pressure to maintain and enhance environmental values
- f. An increase in public awareness and expectations of higher standards
- g. An increase in diversity of recreational opportunities
- h. Apparent stabilisation / minor decrease in District population
- i. Governmental emphasis on fitness
- j, Increasing tourism to our District
- k. The need to provide services in a more efficient manner

3.1 Population Growth and Structure

Rationale Limited was engaged to review and develop growth projections for WDC in June 2017. The purpose of the review was to provide population, dwelling and rating unit projections out to 2048. The projections consider elements such as historical and current trends, relevant land-use policies, and relevant national, regional and local level drivers. Council adopted the medium growth scenario from these growth projections.

Regarding the population structure, the district has a similar age profile to the rest of New Zealand. In 2013 the proportion of people aged 20 to 44 was lower than the rest of New Zealand however the proportion of people aged below 15 was higher. The proportion of people aged over 65 is projected to increase from 13% in 2013 to over 25% in 2048 and the number of people aged between 15 and 64 years of age is projected to decrease. This may have a flow-on effect to the make-up of the work force in the district. Factors such as the aging population contribute to a decline in the average household size, decreasing from around 2.6 residents per household in 2013 to under 2.3 in 2048.

In terms of geographic spread of growth, the Te Kuiti Ward is expected to experience a population decline and only small growth in dwellings. The population and number of dwellings is projected to grow in the Waitomo Rural Ward. The number of unoccupied dwellings increases significantly in Te Kuiti due to the declining population.

Population and dwelling growth flows through to rating units. The district's rating units are predominantly Residential and Residential Lifestyle, with nearly two thirds of the total rating units falling under these two categories. Therefore, any rating unit growth is heavily dependent on dwelling growth. The number of Commercial and Industry rating units is projected to increase in Mokauiti, Piopio, and Te Kuiti with no growth elsewhere.

3.1.1 Medium growth scenario

- **Population** -Under this scenario, the district's population decreases at a lower rate than over the past 12 years, around 26 people or -0.3% per year. The population is projected to peak in 2018 but decline from there at increasingly greater rates. The population in the Waitomo Rural Ward increases by 2 people per year with the population in the Te Kuiti Ward declining by 28 people or -0.7% per year.
- **Dwellings** -The dwelling growth that flows from the above population is approximately double the dwelling growth under the low scenario. It is also 20% higher than the historical growth rate. The proportion of occupied dwellings decrease from 82% in 2013 to 74% in 2048. The number of dwellings in the Waitomo Rural Ward is projected to increase at a higher rate than the Te Kuiti Ward, at 16 and 2 dwellings per year respectively.
- **Rating units** -The impact on the rating units is again slightly lower than the dwelling growth, around 0.2% per year. While most of this is due to residential related rating unit growth, Commercial and Industry rating units increase by six units by 2048 or 0.1% per year. Most of this business-related rating unit growth occurs in the Waitomo Rural Ward.

- **Overall** -This scenario is the closest to recent trends and is therefore considered to be the most realistic. It provides a conservatively optimistic midpoint between the construction boom of the mid 2000s and the general economic uncertainty following the global financial crisis.

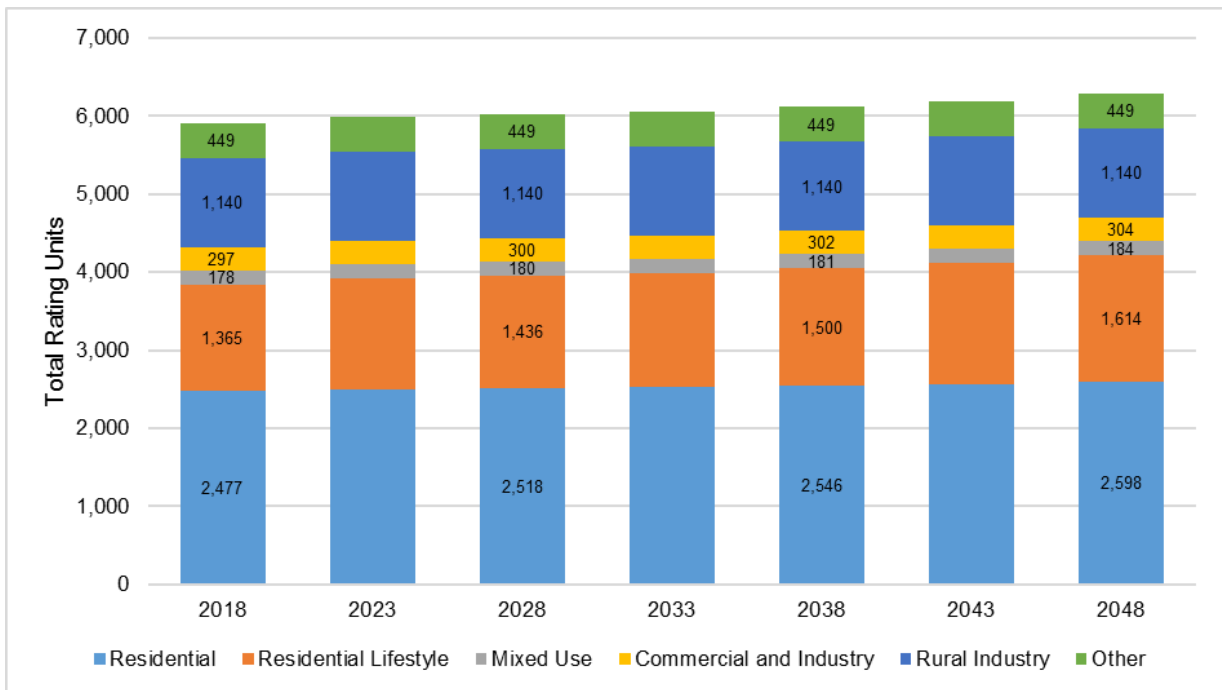
3.1.2 Current Pattern of Building and Subdivisional Development

As stated in the previous section, the population growth for the District is projected to be in decline, while the dwelling and rating units is projected to grow slightly. Historic trends of pockets of sub divisional and building activity in the form of modest lifestyle development around Te Kuiti, Waitomo Village, Mokau, and Awakino are slowing. The sub divisional activity that was occurring in and around the Te Waitere area has also slowed in recent years.

3.1.3 Future Subdivisional Activity

The graph below shows the projected growth in rating units within the district sorted by category. As mentioned above, this shows the district’s reliance on residential rating units - nearly two thirds of the total rating units are in the Residential or Residential Lifestyle category. Rural Industry rating units are around 20% of the total rating units. The remainder is spread between Commercial and Industry, Mixed Use, and Other rating units, each making up less than 10% of the total.

Figure 3.1: Growth in Ratings Units by Category

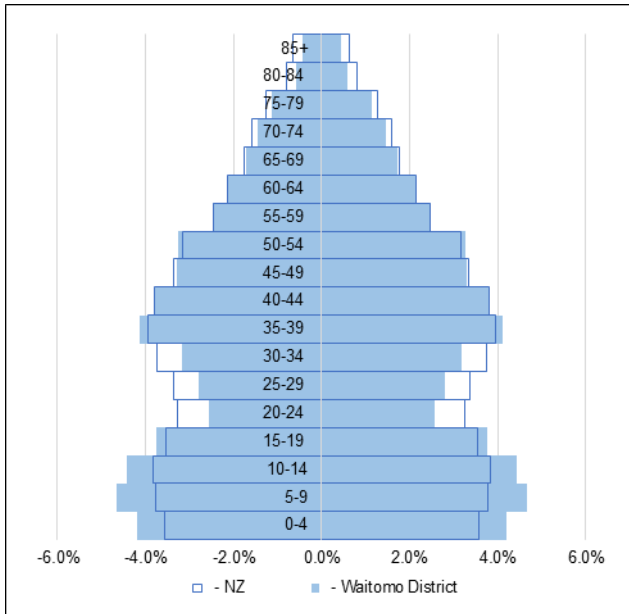


The demographic and development trends show that there is no demand for growth related infrastructure at the present time or in the foreseeable future.

The growth and development trends support an approach of continuing to upgrade and maintain existing assets as opposed to the development of new capacity driven infrastructure. There is currently enough capacity in the infrastructure network to allow for minimal growth should it occur. Council does not anticipate any significant land-use changes during the period of the 2018-28 LTP.

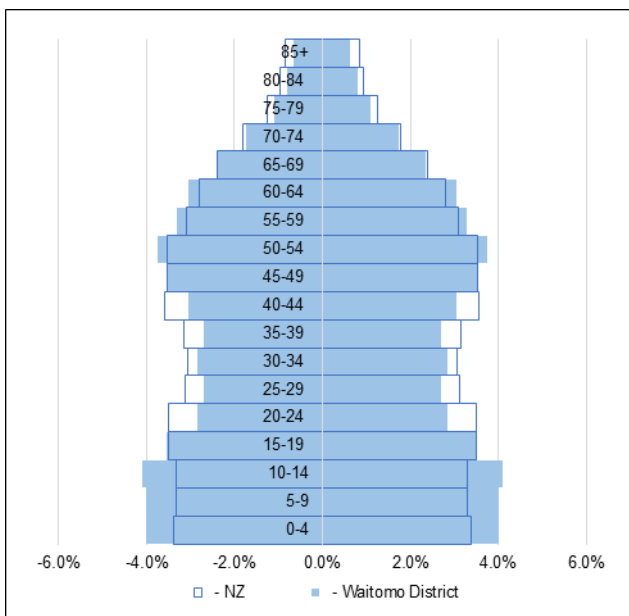
3.1.4 Potential societal change factors

The following age pyramids show the district's resident population in five year age groups, for both 2001 and 2013 in relation to the age distribution of New Zealand. 0-4 year olds are at the base of the pyramid and the over 85 year olds are at the top. Typically, age pyramids show the male/female population split but that level of detail is not necessary for this review. To calculate the total proportion in an age bracket, the two sides of the vertical axis need to be added together ignoring the negative sign.



The first pyramid shows that the district had a higher proportion of children and teenagers than the rest of New Zealand in 2001. The proportion of the district's population in the 20 to 34 year old and retirement age categories was lower than the rest of New Zealand.

Figure 3.2 Pyramid one: 2001 age pyramid, the district compared to New Zealand



The 2013 pyramid shows that like 2001, the district had a higher proportion of children and teenagers than the rest of New Zealand. The proportion of the population in the 50 to 64 year old categories was also above the national average.

Figure 3.3 Pyramid two: 2013 age pyramid, the district compared to New Zealand

Pyramids 3, 4 and 5 below show the projected change in the district's age structure under each scenario and have been overlaid for ease of comparison. The light blue bars show the low growth scenario, darker blue the medium growth scenario and navy the high growth scenario (the widest bars). These pyramids below show the actual population numbers in each age group, rather than a percentage of the total population. The medium scenario is the one adopted by Council.

Figure 3.4 Pyramid three: District wide age pyramid projection for 2018

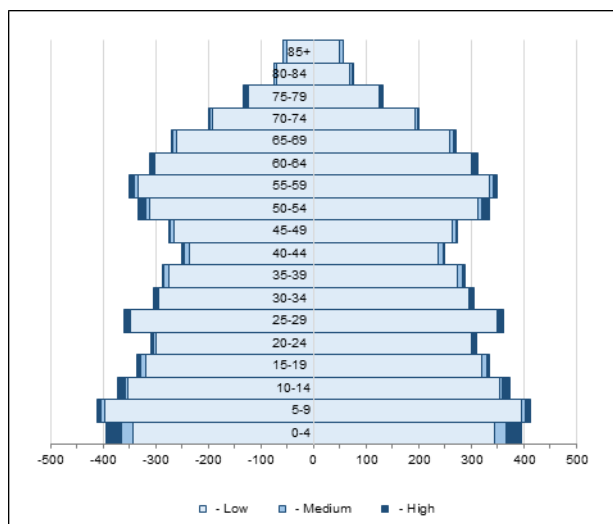
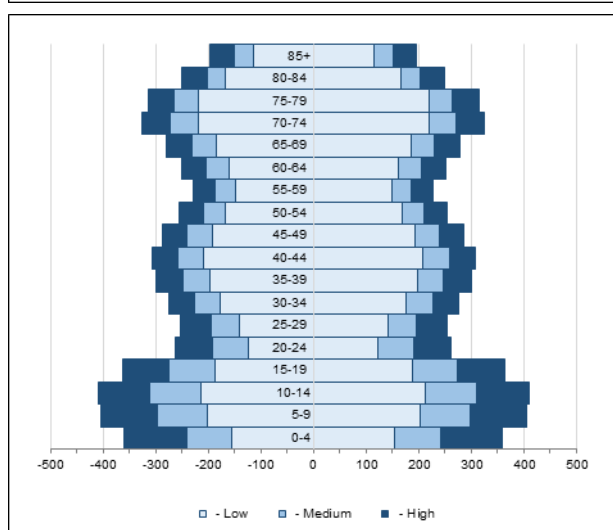
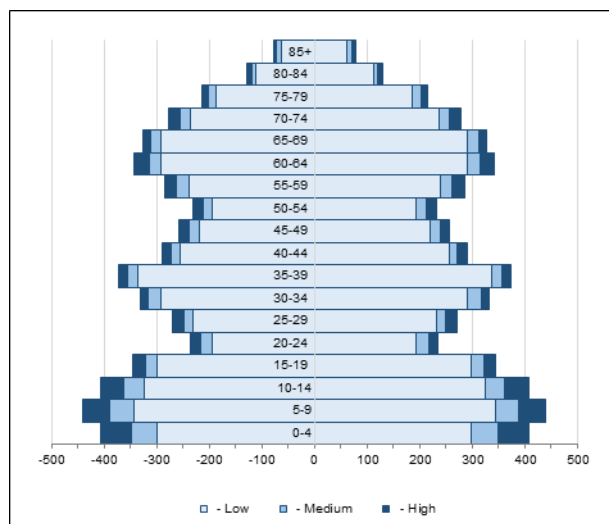


Figure 3.5 Pyramid four: District wide age pyramid projection for 2028



The key points are:

- The age pyramid shows a similar distribution of age groups for each scenario, with only the projected total population differing.
- The trend toward an aging population continues under all scenarios. The proportion of people aged 65+ is forecast to increase from 13% in 2013 to between 25% and 29% by 2048.
- The proportion of the population under 15 years of age is forecast to decline from around 24% in 2013 to between 17% and 23% in 2048.

Figure 3.6 Pyramid five: District wide age pyramid projection for 2048

The result of this changing age structure is that the proportion of people aged between 15 and 64 years of age is forecast to decline from 63% to around 53%. This results in a net decrease in the number of people in this age group under all scenarios. This may have a flow-on effect to the make-up of the work force in the district. Council considers these changes have been adequately catered for in its 2018-28 LTP. Any departure from this assumption can be addressed during the 3-yearly review of the Plan.

3.2 Demand Projections

3.2.1 Economic Trends

Some of the economic trends expected to impact on the long-term provision of Housing and Other Property include Central Government trends (incentives and subsidies, state housing provision, roading subsidies), market fluctuations such as market median rents levels, and construction costs as well as the levels of available accommodation by other providers.

3.2.2 Social Trends

As the District's population ages, it is expected that an increasing number of people will be choosing to move from the rural to the urban areas to have easier access to public transport, healthcare and other urban facilities. Similarly, elderly people are becoming more active and the suitability of WDC's housing stock, e.g. garages/carports, double units for couples needs assessing.

The implications of these trends mean the services provided by the Housing and Other Property Activity need to be relevant to the community's requirements. These requirements are in turn driven by changes to the characteristics of the population, changes to the composition of the workforce within the District and changes to the end users' expectations.

Some identified trends have contrasting impacts on the demand. Whereas an aging population drives the demand for Elderly Persons housing upwards, a reduction in the total population tends to reduce it. Care will be taken to ensure that the long term planning of the Housing and Other Property Activity takes into account the net effects of these trends.

Some of the social trends expected to impact on the long-term provision of Housing and Other Property services include an increasing public awareness of environmental issues.

3.2.3 Leisure Trends

Some of the leisure trends expected to impact on the long-term provision of recreational services include a shift from traditional sports to alternative sports, and a shift from team sports to individual participation sports. Sports like rugby, netball, rugby league and soccer are experiencing a decline in participation rates, whereas sports like indoor rock climbing, athletics and mountain biking, tramping are experiencing an increase in participation rates. Pressure on selected areas of WDC's land holdings could be bought to bear to enable freedom of access to individuals for leisure purposes.

It is important that the small rural townships have facilities such as rural halls available to provide for minor indoor sports developed to cater for our ageing population and the use of these halls is a key factor in determining the sustainability and affordability of them by the community.

3.2.4 Tourism

A draft Tourism Feasibility Study (pre 2007) of the King Country Region was prepared by Stafford & Associates Pty Ltd for Maraeroa C Incorporation. This study concluded that forecast visitor numbers to the region will increase between 139,000 and 153,000 in the 2006 and 2013. (Current economic downturn has affected this study) In percentage terms this is an increase of between 22% and 25%. However, WDC will still need to monitor this trend closely so that it can take advantage of property opportunities that will stimulate and foster such a trend in relation to its land holdings.

3.2.6 Historical Preservation

Our community, along with the rest of New Zealand, are becoming more aware of New Zealand's history and the need to preserve this history. However, the preservation of historic buildings can be a costly exercise, and this must be balance with other demands on WDC's resources.

WDC is also the preserver of two historical features of the town and WDC needs to ensure that these sites are available for our future community. It is also the preserver of historic records of the community within its library system and WDC archives.

3.2.5 Implication of Trends

Housing and Other Property services need to be more relevant to the needs of various groups in the community including the elderly, unemployed, women, low wage income earners and ethnic groups.

Services also need to be relevant to the other activities of WDC and provide the services required to allow development of these activities in a timely manner through acting as WDC's land broker and the holding of land banked land.

WDC will need to give careful consideration to the impacts of utilizing scarce funds to preserve buildings that have come to the end of their economic life.

3.3 Ability of the Activity to Respond

An expected impact identified is an increase in the demand for elderly persons housing facilities. To manage this demand WDC is currently investigating the facilitation of the private provision of more residential units taking into consideration social and economic trends in order to meet the changing needs of the community. The investigation will focus on funding and other provider opportunities.

WDC also believe that there is a demand for services to be bought to the community and is proposing to do this by expanding the Council services available from the i-site and the redeveloped Railway hub.

3.4 Demand Management

The objective of demand management is to modify customer demands for services in order to maximise utilisation of existing assets. This can be achieved by focusing planning on maximising benefits to customers rather than on maximising the outputs from assets. The following strategies enable this objective to be met:

- a) Involving the community in policy and facility development, and where practical devolving accountability for operating the services back to the community.
- b) Developing effective partnerships with community groups such as schools and the private sector organisations for the provision of services.
- c) Recovering costs by charging users, taking into account their ability to pay, assessing public and private benefit. A continuing review of all leases is required to achieve this and maintain rentals and other income as per WDC's funding policy.

3.5 Key Programmes to Meet Growth and Demand

3.5.1 Strategy

In order to meet the challenges presented by demand growth for Housing and Other Property’s services, WDC’s strategies are to:

- Provide quality property and other housing assets and services that grow out of the community’s expressed needs and desires and respond to the community’s growth and change;
- Seek partnerships in providing services;
- Utilise available capital funds with other governmental and private resources;
- Evaluate management of services and facilities that are not forecast to be cost effective and explore whether there are partners in the community to more effectively manage them;
- Report to Council on opportunities identified within the District that assist the developing the core objectives within this AMP;
- Maximise returns from WDC’s leases; and
- Prioritise expenditure within the context of sustainability and affordability.

3.5.2 Tactics

In implementing these strategies to meet Growth, WDC’s management will:

- Practise good demand management in order to maximise utilisation of existing assets;
- Maintain a core commitment to Housing and Other Property services - providing a sustainable framework to deliver the activity;
- Conduct a comprehensive assessment of services to determine where gaps exist and need to be supplemented. Issue reports to encourage program funding for growth. This plan identifies the key areas of quarry investment, hall strategy and EPH assessment as a priority;
- Develop partnership agreements with private and community service providers to supplement existing services;
- Develop collaborative programs (shared services) with neighbouring local authorities to address regional housing needs;
- Encourage partnerships between the community and WDC in order to get projects done on time and on budget;
- Welcome partnerships when WDC cannot efficiently provide the service; and
- Divest assets where they are no longer economic to provide, are underutilised or alternative facilities are available.

3.5.3 Costs

Most capital expenditure is LoS related rather than growth related. WDC proposes to fund growth related capital expenditure primarily by internal loans plus funding from any future financial contributions when and if these are implemented. Completion of WDC’s various strategies and Activity Management Plans will assist in identifying future capital expenditure models and when these strategies and plans are complete, the outcomes will be included in this AMP and future reviews of the LTP.

3.6 Key Projects to Meet Growth and Demand

Capital works projects being planned to meet growth in demand include:

Figure 3.7: Key Projects to Meet Growth and Demand

Trend	Project	Key Service Criteria	Forecasted Total Cost	Confidence Level In Projections	Estimated Timeline for Project Completion
Economic Health & Safety	Platform Safety Upgrade	Health & Safety	\$10,000 18/19 \$10,200 19/20	C-D	2018-2020

Figure 3.8: Capital Programmes to Meet Growth and Demand

Trend	Project	Key Service Criteria	Forecasted Total Cost	Confidence Level In Projections	Estimated Timeline for Project Completion
N/A	N/A	N/A	N/A	N/A	N/A

Figure 3.9: Other Miscellaneous Capital Programmes

Trend	Project	Key Service Criteria	Forecasted Total Cost	Confidence Level In Projections	Estimated Timeline for Project Completion
N/A	N/A	N/A	N/A	N/A	N/A

Railway Safety Platform Upgrade

Additional works are required to the platforms to ensure that there is an adequate level of barrier protection from main rail lines.

3.7 Confidence Levels and Assumptions

The population trends born out of the statistical analysis of the 2013 census are, inherently, inexact results and approximations. They rely on the robustness of the original collection methodology and base data, as well as that of the statistical manipulation.

This analysis assumes that the base information is accurate. The data used in this section has been graded C as per the Confidence Grading Scale explained in Section 6.5 below.

3.8 Climate change

Within New Zealand, the Ministry for the Environment has provided local government with advice on Climate Change and more recently coastal hazards and risks arising from increases in sea level.

The hazards and risks associated with the District coastlines, estuaries and harbours is expected to compound as will the related exposure of people and infrastructure to hazards and risks. Ongoing consideration will be required as it relates to the assets contained within the Activity Management Plans and the impacts of Climate Change on these assets.

As a District how we prepare, assess, plan, manage and monitor the hazards and risks that arise from climate change will influence the intergenerational resiliency of the Waitomo District.

Currently the council has made provisions within AMP's (Water Supply, Waste Water, Storm Water, Road and Footpaths) and more broadly in particular the consequences of new capital work occurring in areas with the potential to be impacted by climate change. This however will be an ongoing cycle in order to manage the risk associated with Climate Change.

3.9 Risks and Resilience Improvement Plan

Aspects that require further development include:

- Further investigation to improve information and AM planning regarding the potential impact of natural hazards
- Further assessment of risk and programmes to mitigate risk in the light of the above investigations
- Development a more advanced approach to identifying critical assets that incorporates rating and other dimensions of criticality.
- Further assessment of current levels of resilience
- Develop a more comprehensive method of assessing resilience using risk-based evaluation and optimised decision making tools to assist decision making around the desired level of resilience
- On-going review of the risk register.

4.0 The Assets We Use

4.1 Description of Asset Base

Figure 4.1 identifies the scope of assets covered by the Housing and Other Property Activity within the Waitomo District.

Figure 4.1: Summary of Housing and Other Property Assets

Asset Group	Asset Type	Land Only (Sites)	Buildings
Housing	Elderly Persons Housing	1	8
	Rentals	7	7
Corporate Property	WDC Offices	1	1
	WDC Depots	2	5
	Dog Pound / Stock Pound	2	1
	Information Centres	1	1
	Library	1	1
Te Kuiti Railway Hub	WDC Service Delivery Space	1 (Leased)	4
	Community Space		
	Commercial space		
Quarry	Quarries	22	N/A
General Property	Rural Halls Buildings	12	10**
	Historic Buildings*	0	5
	Campgrounds	2	6

* includes four railway buildings and Queen Street Building which is yet to be disposed of

** excludes Benneydale (under community ownership) and Kopaki Halls (under Crown ownership DOC)

WDC is currently undergoing an asset verification process and number may be subject to change.

WDC Property Portfolio currently includes an internal review on the history of acquisitions and disposals for a final position on retention.

4.1.1 Critical Assets

Housing

The EPH complex was built in three stages, in 1959, 1965 and 1986. The purpose of WDC's EPH assets is to provide affordable and convenient accommodation to elderly persons living in an urban environment who wish to have a quiet, maintenance-free, supported living environment. The EPH complex also has a privately owned hall on the site. This is owned by the Senior Citizens Society and is now administered by WDC. With the ageing and more mobile elderly, much of the current housing stock is not fit for purpose and as a consequence WDC is currently embarking on an investigation into future funding and opportunities for supply of Elderly Persons Housing.

Staff housing can be provided as an incentive for prospective staff whilst still maintaining agreed optimum returns on the general housing asset. When not used for staff housing they become open market rentals. On three of the rental properties, community facilities exist including the old Doctors Surgery at 10 Kea Street, Piopio. WDC has negotiated for the establishment of a childcare centre at the house/surgery which will return a market rent to WDC. The St Johns Building in Te Kuiti on the Jennings Street property is privately owned and The Te Kuiti Community House is established in one of the rental units. The TK Community House to 28 Taupiri Street which will lead to the disposal of the poor quality house which is currently used by TK Community House.

WDC's depot in Piopio, which has recently been leased, is on the same site as the residential house. Disposal of this depot in the future if deemed surplus will require a subdivision from the house property. While Council has approved the disposal of this property there are difficulties in relation to ownership and offer backs and currently any disposal is put on hold

The following Figure 4.2 and 4.3 identifies the number of sites and buildings for the Housing and Other Property group located in the District as well as where they are situated.

A more detailed breakdown of assets in Housing and Other Property is found in the base information for this Activity Plan.

Figure 4.2: Location of Residential Sites

Location of Housing / Residential Sites	Use	Proposed Future Outcome
120 Esplanade, Te Kuiti	EP Housing complex (20 units)	Unknown, dependent on review of funding / opportunities for redevelopment and facilitation of the provision of alternative elderly person housing
6 Te Kumi Road, Te Kuiti	Rental house	Identified for future for disposal
59 Esplanade Te Kuiti	Rental house adjacent to Civic Centre	Held for strategic purposes
2 Jennings Street, Te Kuiti	2 x flats adjacent to Civic Centre	Held for strategic purposes
Residential section, 6 Jennings Street, Te Kuiti	Leased to TK Midwife Services – adjacent to Civic Centre	Held for strategic purposes
Residential section 4 Jennings Street, Te Kuiti		Held for strategic purposes (
4 Moa Street Piopio	Rental house on depot site	Identified for future for disposal which is on hold due to title issues
10 Kea Street, Piopio	House and adjacent building – Leased to Piopio Day-care Centre	Leased as childcare centre
Parkside Subdivision, Te Kuiti	28 Residential sections in Te Kuiti (included in investment AMP)	Under Tender Review
7 Mangarino Road, Te Kuiti	Vacant residential section – not able to be built on without specific designs	Obtained to settle rates Available for sale

Figure 4.3: District Housing

Significant Activity	Te Kuiti		Piopio		Benneydale		Balance of Rural Ward		TOTAL	
	Land Only (sites)	Building Only	Land Only (sites)	Building Only	Land Only (sites)	Building Only	Land Only (sites)	Building Only	Land Only (sites)	Building Only
Elderly Persons Housing	1	8 20 units	0	0	0	0	0	0	1	8
Residential	34	4	2	3	0	0	0	0	36	7

Corporate Property and Depots

The purpose of corporate property is to enable WDC to carry out its day-to-day operations in an efficient and safe manner. WDC maintains one District dog pound (relatively new facility) on the Waitomo District Landfill site, two depots with the one in Piopio (recently leased to a private operator) and one Information Centre on road reserve / railway land in Te Kuiti, the library and Community House as well as the office in Queen Street, Te Kuiti. WDC also operates an area of land off the Esplanade, Te Kuiti as a stock pound.

Corporate property also provides for emergency centres such as Civil Defence Headquarters at WDC office block.

Figure 4.4 identifies the total number and area of corporate property located in the Wards that comprise the District.

Figure 4.4: Location of Corporate Property

Location Of Corporate Property	Use
Queen Street Office Block	WDC Offices
Dog Compound – Landfill Site	Dog Control
Esplanade, Te Kuiti	Stock Pound
Queen Street Depot	WDC Depot / Car Park
Piopio Depot	Leased
Rora Street Complex	WDC Information Centre
28 Taupiri Street,	WDC Library/ Community House

Figure 4.5: Corporate Property

Significant Activity	Te Kuiti		Piopio		Waitomo		Balance of Rural Ward		TOTAL	
	Land Only (Sites)	Building Only	Land Only (Sites)	Building Only	Land Only (Sites)	Building Only	Land Only (Sites)	Building Only	Land Only (Sites)	Building Only
WDC Offices	1	1	0	0	0	0	0	0	1	1
WDC Depots	1	4	1	1	0	0	0	0	2	5
Dog Pound / Stock Pound	2	1	0	0	0	0	0	0	2	1
Information Centres	1 (road)	1	0	0	0	0	0	0	1	1
WDC Library/ Community House	1	1	0	0	0	0	0	0	1	1

General Property

The purpose of general property is to provide for

- The effective management of Community rural halls where these are fully utilized by the community
- Land banking for core activities
- Provide resources for campgrounds (as described in Recreation & Culture Activity Plan)
- Preserve historic buildings when these are strategically located
- Land banking to initiate future development
- Preserve water catchments
- Stimulate the central hub of Te Kuiti (Railway building development)

Figure 4.6: Identifies the Total Number and Size of Te Kuiti Railway Hub and General Property Located in the District

Significant Activity	Te Kuiti		Piopio		Waitomo		Balance of Rural Ward		TOTAL	
	Land Only (Sites)	Building Only	Land Only (Sites)	Building Only	Land Only (Sites)	Building Only	Land Only (Sites)	Building Only	Land Only (Sites)	Building Only
Rural Halls	0	0	1	1	0	0	11	11	12	10
Camp Grounds	0	0	1	1	0	0	1	5	3	6
Historic Buildings	0	4	0	0	0	0	0	0	0	4
Quarries	5	0	3	0		0	17	0	25	0
Railway Building complex (Historic Buildings)	1	4	0	0	0	0	0	0	1	4

Community Halls

Many of the Rural Halls have minor ancillary buildings on the site – some used and some unused and these have not been included in the building totals. Many of the halls also have additional land attached to them which is on a different title but is included as one land site.

Extensive property investigations have recently been undertaken in relation to halls and in particular what is the land status and ownership of these facilities along with usage. This information is tabled below. It is to be noted that this information is an interpretation of records held by DOC and LINZ and in many cases, this is not complete or is unable to be found.

Figure 4.7: Community Hall Status Information

Hall	WDC's Statutory Interest	Land Status	Land Area	Actions required to tidy land ownership	Subject to Trust	WDC Hall Grant
Aria Hall	Not WDC Property	Held by Aria Hall Society in trust Public Hall and Library (note issues with status of Society) Subject to the Reserves Act	2345m2	Classification pursuant to Reserves Act Call for title	No	Yes
Benneydale Hall *	A WDC hall and library reserve Ownership of hall building in has been transferred to Benneydale Hall Inc.	Reserve for Public Hall and Library Vest in WDC subject to Reserves Act	2345m2	Reverts to Crown if revoke reserve status	No	Yes
Kopaki Hall **	A Crown recreation reserve which DoC manages	Recreation Reserve Subject to the Reserves Act	1.6187ha	Classification pursuant to Reserves Act Call for Title	No	Yes
Mahoenui Hall	A WDC War Memorial	Held by WDC for purpose of a War Memorial	1021m2	Purchased by WDC in 1952 and held in Trust Possible building encroachment onto adjacent land	Maybe	Yes
Mairoa Hall	Not WDC Property	Recreation Reserve Subject to the Reserves Act Mairoa Hall Society appointed to control and manage	1.894ha	Historic DOC file unable to be located	No	Yes
Mapui Hall	An unencumbered holding that may be subject to a trust	WDC unencumbered fee simple title	809m2	Records show Mapui Hall society has interest in this property which was dissolved 1985 resulting in acquisition by WDC	Maybe	Yes
Mokau Hall	A WDC war memorial	Held by WDC for purpose of a War Memorial	1021m2	Land purchased by WDC 1951. Held by WDC in trust	Maybe	Yes
Mokauiti Hall	A WDC reserve, not classified and may be subject to a trust. WDC looking at transferring	Held by WDC as a reserve Subject to the Reserves Act	3.8561ha	Classification pursuant to Reserves Act Could be held in trust	Maybe	Yes

Hall	WDC's Statutory Interest	Land Status	Land Area	Actions required to tidy land ownership	Subject to Trust	WDC Hall Grant
	ownership of the building to an administrative Inc. Society					
Oparure Hall	Not WDC Property Dept. of Conservation advised not WDC Hall.	Local Purpose Reserve. Jurisdiction and management rests with the Crown Handed back to Crown	505m2	No statutory interest	No	No
Rangitoto Hall	Not WDC Property	Crown Land Jurisdiction and management rests with the Crown	379m2	Possible issue with hall on adjoining land. WDC to register it interest and have the reserve vested in WDC	No	Yes
Waitanguru Hall	Not WDC Property	A reserve for a site of a hall. Subject to the Reserves Act Hall Society holds appointment to control and manage	3769m2	WDC to register it interest and have the reserve vested in WDC	No	Yes
Parakoko Hall	WDC currently requesting title	Bare land (Hall removed)	1012	Hall and Hall Society no longer exists WDC currently requesting title	Unknown	No
Senior Citizens Hall		Located on EPH land				No
Piopio Hall	A gifted war memorial hall reserve	Held by WDC for purpose of a War Memorial Reserve	1012m2	Gifted to WDC in 1953 Classification pursuant to Reserves Act	Maybe	No Maintained by WDC

*** Awaiting Gazetting of reversal to rights to manage*

Awakino Hall is not owned by WDC but WDC do utilise the toilet complex as public toilets and therefore provides a hall grant to the administering committee.

Historic Buildings

WDC was gifted the historic old government building in Queen Street, Te Kuiti, from the Crown. The land remains in ownership with the Crown. This building has been administered by the Historical Society but they have been unable to manage the necessary renewals and have indicated to WDC that they would prefer to vacate. In line with WDC's sustainability and affordability philosophy, WDC considers that the extensive renewal works cannot be justified against other priorities such as restoring the strategically located railway buildings. Compounding this decision is the fact that the land remains in Crown ownership and should the Crown wish to utilise the site then WDC would be committed to relocate the building. In light of these factors, WDC resolved as part of the 2018 LTP to seek a release from the Crown over its obligations relating to this building, i.e. offering back to the Crown. Council has indicated that in the meantime, if the Historic Places Trust were to join together with the Waitomo community to restore the building, Council will support such an endeavour and is will to reconsider its position on funding at that time. The Historic Society have in the meantime indicated a preference to vacate the building to allow disposal but this cannot happen until alternative accommodation is established. WDC's disposal is on hold pending this.

In 2012 secured the ownership of the four historic railway buildings located in central Rora Street, Te Kuiti and a subsequent long term lease of the foot print occupied by the buildings. This can only be a lease due to the area remaining as operational railway land. With assistance from the Lotteries Grants Board, WDC has restored 3 of these buildings to create community and commercial space in central Te Kuiti

Quarries

Quarry land is generally leased for grazing except for those that are leased/ controlled by Inframax Construction limited. This lease arrangement has expired and the corresponding royalty rate is outdated. It is WDC's intention to move future leases and royalties in this area onto a commercial market rate scenario to improve WDC's return on investment.

Other

The miscellaneous and other land is predominately to parcels of urban land that is either suitable for subdivision when the economic conditions present i.e. demand and supply.

Parkside

Parkside is a residential subdivision consisting of 32 residential sections that was acquired in 2011 to support growth within the local community. Progress in 2017 has been:

2017 12 sections settled

12 Sections remain on WDC's books and are going through a settlement process.

Camping Grounds

WDC has an association with two campgrounds in the district. The Marokopa campground has two significant community facilities located on the site, being the community tennis courts and the building housing the local fire equipment (refer Recreation and Culture Activity plan for descriptions). The Te Kuiti campground was retired in 2017 due to condition. WDC's intention is to establish a new site located within Brook Park in conjunction with a motor home facility.

4.2 How Assets Work

4.2.1 Performance

Elderly Persons and Rental Housing

Provision

WDC's EPH complex comprises the following number of units:

- 6 bedsit units in two blocks
- 14 single bed units in three blocks
- 2 incorporated laundries

These structures are formed into a horse shoe formation with a central access. No parking – covered or uncovered is provided.

There is no centralised meeting area for the residents although use is made from time to time of the private Senior Citizens hall on the site. Ownership and potential WDC liabilities relating to this hall have been negotiated with the Senior Citizens group and WDC now administers the hall and undertakes the required maintenance and collects revenue generated.

WDC is committed to the provision of affordable housing of appropriate quality, size, design and tenure to meet our user's needs. WDC is also committed to a more sustainable use of resources to enable low income elderly to attain an adequate standard of living. However, it has been noted that the existing housing stock provides limited choices, has limited adaptability and is somewhat mismatched with changing household demographics and preferences (e.g. it has been identified that car parking facilities are inadequate). That, the EP Housing "fit for use" is poor. WDC is currently facilitating the investigation into the provision of new housing for the elderly through a private provider or Trust that utilises vacant WDC land.

Whilst affordability is important, WDC acknowledges that the quality of accommodation is also of great significance, and this along with safety and sustainability will be addressed in EPH provision assessment to be undertaken.

Rentals for the EP Housing have historically been significantly below market rates and over the last three years significant rent increases have been implemented towards 80% of market rents (WDC's target). As at 30 June 2014 the rental value was approximately 23% below market median.

Many of the other rental houses are in very poor condition and require considerable upgrading which affects rental returns. WDC considered the rationalisation of these property holdings as part of the development of the 2018-2021 LTP which identified three houses for potential disposal as they were considered non-strategic. The three houses being 6 Te Kumi Road - Te Kuiti, 4 Jennings Street - Te Kuiti and 4 Moa Street - Piopio. Disposal will enable WDC to purchase better quality housing stock if there is a need. An offer to purchase the house at 6 Te Kumi has been accepted on condition of sale of buyer's property and under offer, 4 Jennings Street is being held for strategic purposes and land title issues have prohibited the disposal of 4 Moa Street, Piopio. Current consideration is being given to the management of these properties driven largely by new compliance requirements and the benefits of social housing to the community.

Safety

An assessment in 2017 has indicated that there is a need to address smoke alarms and insulation of residential properties. Compliance based condition assessments are in progress.

Whilst the EPH is for the elderly, no safety facilities such as ramps and rails have been not constructed. The provision of these items will be dependent on WDC's ability to facilitate alternative Elderly Persons housing

Corporate Property

Provision

WDC has one main office situated in Te Kuiti. Since the beginning of 2007 staff numbers have increased to allow WDC to efficiently undertake its daily operational and compliance duties. Current staff numbers are adequately serviced within the existing building and it is not expected that additional office space will be required in the near future. There is additional office space available for the Water Services Business Unit at the TK Water Treatment Plant if required.

The current depot is adequate in size and caters for WDC's requirements and the In House Services Unit. The library, while limited in space, adequately caters for the needs of the residents of Waitomo District.

The current location of the stock pound, which is in close proximity to the Mangaokewa River, has raised some health and safety concerns with regards to flooding risk - an investigation to assess options to relocate will be undertaken. *Quality*

The quality of Corporate Property is generally defined in terms of functional requirements and:

- fitness for purpose
- quality and flexibility of the workplace over time
- healthy and productive indoor-environments
- added value of the facility for the business process.

There have been issues identified through a seismic assessment which was undertaken.

Safety

WDC is committed to managing its work environments and procedures to promote the safety and health of all staff, visitors and contractors in its control, and has procedures in place to achieve this. WDC's corporate office has a current Building Warrant of Fitness. WDC is committed to reviewing the regulatory compliance of its broader portfolio in the 2018-2028 LTP Period.

Maintainability

WDC's Corporate Property exists on many titles of land and it is believed that the main access to the depot and office is on Crown land. WDC needs to further investigate land ownership and negotiate with the Crown to ensure WDC's essential services are provided from secure land holdings. Alternative road access could also be sought through the purchase of an adjacent property.

Access to the existing WDC offices in Te Kuiti is also compromised by the fact that access is gained across the adjacent Court House land. WDC is endeavouring to gain a Right of Way access across this land to secure its future use of the depot behind and land around the office. Endeavours to date to bring this issue to the table have not been successful.

Quarries

Provision

WDC's currently has 22 known Quarry location sites. Of these 22 sites currently only 4 are operationally active. In order to ascertain the level of sustainable quarries in operation at any one time within WDC, WDC will need to ascertain the aggregate demand of Quarry materials for the District and other related consumers. The ongoing management of Quarries needs further contemplation by Waitomo District Council, this is a consequence of the highly specialised and technical nature of the Mining and Quarrying Industry.

Quality

A review process is occurring in relation to all leases and licenses which encompasses quarries. A consolidated position on the condition of Quarries is not known at this stage and. This is a consequence of many factors including the high reliance of the quality of a quarry usually being assessed on valuations of a quarries. Valuations of Quarries are generally triggered by the sale of Quarries which are uncommon. Basic qualitative elements considered are:

- Cost of production
- Ownership, Investment in plant or upgrades
- Market demand for product
- Lifespan of Quarry

Safety

The Ministry of Business, Innovation and Employment administers the requirements associated with Mining and Quarrying Operations through the Health and Safety at Work Act 2015 and through the supporting regulations (Mining Operations and Quarrying Operations) Regulations 2016.

Maintainability

WDC's Quarry Portfolio exists on many titles of land and has a number of associated leases. WDC needs to further investigate land ownership and leases to confirm the portfolio. WDC also needs to move towards standardised leases to secure existing and future maintainability of the portfolio.

General Property

Provision

WDC has an array of General Property, the most significant being the 12 Rural Halls, Railway Complex, along with land banked land.

Community Halls

Investigations have recently been undertaken into the ownership of the rural halls as summarised in figure 4.7. Of particular interest is that five of the halls are not WDC property, and many have historical "trust" interests. The full implications of the "trusts" is not fully understood at this time without considerable further investigation moving forward. They would however impact on any future rationalisation.

Railway complex

Provision

WDC purchased these four buildings from KiwiRail in 2012. WDC has now undertaken extensive renovation works to 3 of these buildings. They form a very strategic location for central Te Kuiti. Building one is now linked to the i-Site office and provides community space for such groups as arts groups and will provide an area for display. The linkage will allow administration through the i-Site. Building 2 provides commercial interests to generate income for the upkeep of the buildings and building three is a community space focussed on availability of meeting space.

Quality

The overall condition of the buildings when purchased by WDC was very poor and through the assistance from the Lottery Grants Board and other funders, WDC has embarked on a restoration project to vastly improve the quality of the facility. The external fabric of the buildings has now been restored, the buildings have been structurally strengthened and modernization undertaken. This work has been completed.

Maintainability

WDC has incorporated these buildings into its asset base, with its own cost centre due to its importance to the overall viability of Te Kuiti's main centre. Full ongoing budgets will be provided in this AMP for the maintainability of the complex, which will be assisted by the commercial space revenue.

Safety

Incorporated into the upgrade are an alarm system, security cameras, smoke detectors, fire alarm panel, fire extinguishers and sprinkler fire protection, all designed to assist with the protection of WDC's assets, with supporting wheel chair access ramps that improve the safety of the facility.

Camping Grounds

WDC currently owns three campgrounds within the district as shown below. Two of these sites are leased to operators while the third in Piopio is operated as a campervan park by local residents. A formal agreement for this activity in Piopio is to be finalized to ensure that responsibilities and liabilities are documented.

Figure 4.8: Campgrounds

Camp Ground Location	Comment
Te Kuiti Campground	Land returned to reserve 31 August 2017.
Marokopa Campground	Leased complex, old school site
Piopio Campervan site	No Lease, administered by local residents

Quality

WDC is currently undertaking due process with the Waitomo District Community relating to finalising its position on the reestablishment of a new Te Kuiti campground at Brook Park. This will enable the development of a better facility that meets the needs of tourists visiting the area.

Maintainability

WDC currently enters into agreements with Campground operators to manage the facilities of Campgrounds with the District. Whilst it is generally recognised that this meets the basic requirements of maintenance, further consideration is required in relation to securing the future operational sustainability of campgrounds as it relates to the infrastructure and services provided.

Safety

WDC currently enters into agreements with Campground operators to manage the facilities of Campgrounds with the District. Further investigation is required into the ongoing compliance requirements of campgrounds towards the expiry of agreements.

Historic Buildings

WDC is also the caretaker of two historic buildings sites in Te Kuiti, WDC was gifted the old government building in Queen Street but not the land. It is WDC's responsibility to maintain this building into the future although it appears this building was leased to the TK Historic Society although no documents can be established by either party to confirm a formal lease arrangement. WDC is seeking to return this property to the Crown.

The first historic building linked to a Community Space (currently the Meade's Gallery) however the future use of this building is to be confirmed.

The second historic building site (three buildings) is the old railway station on Rora Street which WDC is has leased to a restaurant and bar operator.

The third space is a Community Space which is rented out to Community Groups.

Community Halls

WDC's Rural Halls in some cases are increasingly utilised but in many cases in poor condition, especially in those communities where local schools have closed. In some cases, the community hall committees have ceased. WDC has historically disposed of some of these hall sites. While WDC gathers the depreciation monies, the Rural Hall committees are expected to maintain the hall buildings and in some cases no renewal or maintenance works have been undertaken on these assets – reducing performance. Information has been gathered in respect to usage, condition and land ownership to enable a complete review of the provision of rural halls along with community consultation as required.

WDC has however identified in 2012 three halls which are either poorly used or have alternative facilities available. These halls will no longer be depreciated. The Department of Conservation has been advised that Oparure Hall is not a WDC asset. In the case of the other two halls – Benneydale Hall building asset has been transferred to the Benneydale Hall Incorporated Society and with Mokauiti Hall, further consultation with the community is being / will be undertaken to assess their needs and requirements and potential alternatives for hall maintenance. A possible alternative is to look at other ownership models.

A draft report by GWH Consultants in 2006 identified several compliance issues related to rural halls, although this work has not been undertaken due to the scenario that all works are the responsibility of the hall committees. WDC allowed monies for compliance works in the 2009-2019 LTP and this commenced in the 2011-2012 year and will continue during years one and two of the 2018-2028 LTP. This allowance has been adjusted to reflect the four halls identified for potential disposal.

Similarly a maintenance budget to assist hall committees with major identified maintenance items has been established over the 10 years of the LTP. This has also been adjusted to exclude the costs associated with the four halls.

General property, with the exception of halls, is generally held for some specific future use. WDC endeavours to maximise on this land through leases and licences until required.

Camping Grounds

Campgrounds owned by WDC in Te Kuiti and Piopio are generally in a poor condition with considerable deferred maintenance required to improve the standard. The campgrounds currently do not appear to comply with the campground regulations and as a consequence will need to form part of a compliance review. It is however recognised the importance of providing additional low cost accommodation within the district to promote the tourism trade.

Further investigation into potential freedom camping areas will be undertaken within the Parks and Reserves management plans.

The existing lease at Marokopa will end on the 31st January 2018. Further consideration needs to be given to the commercial model that WDC operates for campgrounds and its potential to evolve.

The Piopio and Marokopa campgrounds are in unencumbered fee simple title. WDC does appear to have authority for disposal of this land through S12 of the LGA 2002 but investigations will be required in relation to Sec 40 PWA 1981 and the LGA 2002 which restricts disposal of "parks" which areas used principally for community purposes.

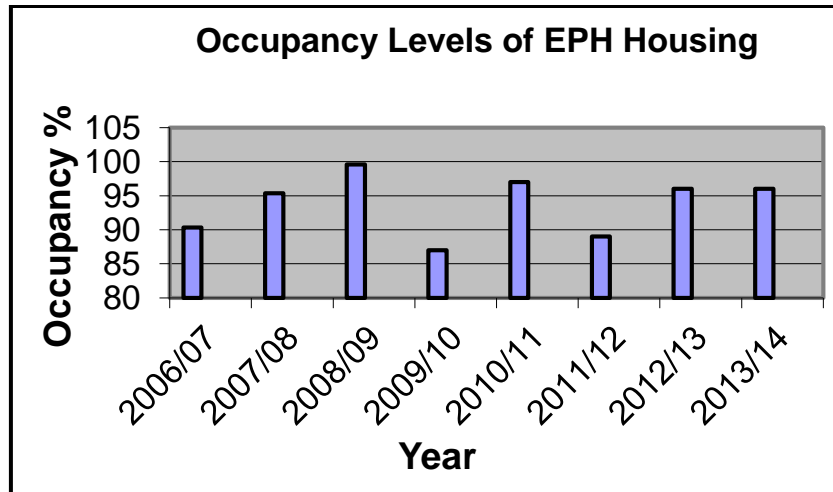
At this time WDC embarked on the process through the LTP to enter into consultation with the local community to re-establish a campground for Te Kuiti at Brook Park. Further consideration needs to be given to future facilities of campgrounds to ensure that the infrastructure and services of campgrounds align with the market.

4.2.2 Utilisation

Housing

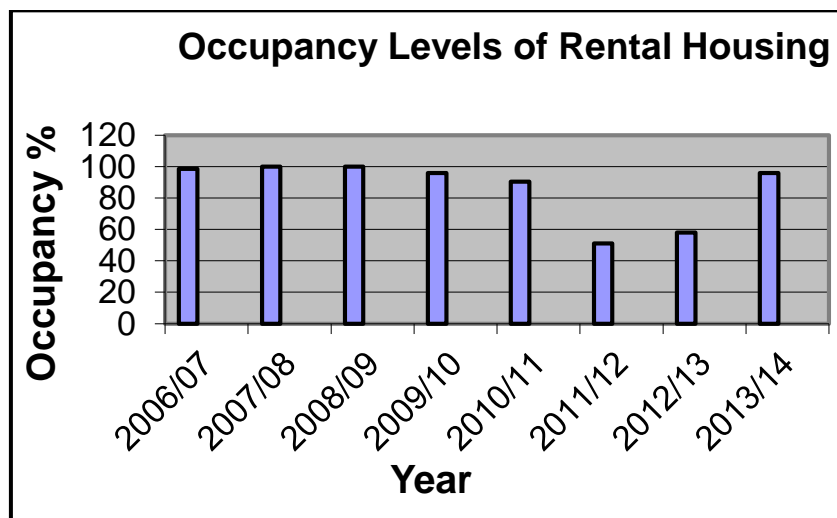
WDC's housing stocks have traditionally had a very high occupancy level as shown in Figure 4.5 and 4.6 below. In all cases, WDC endeavours to keep the occupancy of housing at 100%. Difficulty does exist at times due to the condition and size of some residences, e.g. the bedsits at the EPH complex (the fit for purpose issue). The occupancy figure can also be influenced when housing stock is being upgraded.

Figure 4.9: Occupancy Levels of EP Housing



Overall occupancy of the EPH complex remains high with the exception of the 2009/2010 year where renewals work was undertaken, and tenancy issues reflected in a lower occupancy rate. These issues have now been addressed and occupancy has risen again.

Figure 4.10: Occupancy Levels of Rental Housing



Note – the reduced revenue in 2011/12 and 2012/13 reflects WDC's inability to rent 4 moa Street and 6 Te Kumi Road

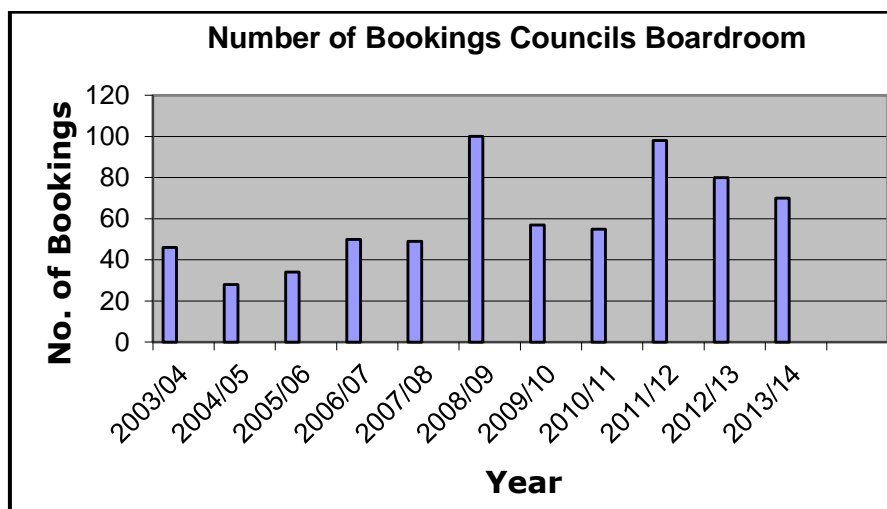
WDC will look at a new method of targeting renewals/upgrade works into units not actually vacant, meaning often a unit must be kept free for temporary reallocation of tenants. This will have a minor impact on occupancy and rental income. Further consideration needs to be given to the commercial model that WDC operate and its potential to evolve.

Corporate Property

The Corporate Property Activity includes space set aside for training/board room as well as meeting rooms – these rooms are situated in WDC's Te Kuiti office complex. These facilities serve as a shared place for meetings, training and presentations (internal and external), and also function as backup seminar rooms, places for socialisation, and large workrooms. They are also a space resource that is available for conversion to other office type uses when space needs are great and space availability is low.

The following Figure 4.11 identifies the extent of use for Corporate Property, in this case WDC's boardroom.

Figure 4.11: Number of Bookings WDC's Boardroom



Finding data about office or depot use, or any type of space, is not easy. There is currently no uniform method for collating and reporting for this information, although investigation towards collecting space data and making comparisons to international scoring systems is one way of moving towards this. The 2008-2009 figure reflects the increase in council meetings relating to the development of the 2009-2019 LTP. For utilisation information in relation to the i-SITE refer to the Community Development Activity Plan.

General Property

Community Halls

Rural schools generally have a characteristic interdependence with rural community halls in the District; therefore, increasing school closures has had a large impact on Hall patronage. Further consideration needs to be given to the management model that WDC operate and its potential to evolve.

Figure 4.12: Community Halls Utilisation (based on 2011 data)

Name	Use: High/Med/Low	Average use period	Estimated Average No. of Events per year (2008)	Estimated Average No. of Events per year (2011)	What is the Hall used for based on 2011 survey
Aria Hall	Medium	Spasmodic	6	30	School productions, prize giving, Kapa Haka, community events, and private functions
Benneydale Hall	High	Weekly	90	160	Recreation/Sporting use, play centre, community library, historical display and private functions, Corrections dept., Sport Waikato
Kopaki Hall	N/A	N/A	N/A	N/A	Not in Use, Under Crown Ownership
Mahoenui Hall	Low	Spasmodic	60	16	Recreation/sporting use, district functions, community meetings and private functions
Mairoa Hall	High	Fortnightly	58	100	Committee meetings, line dancing, family/ community events, fund raising and private functions, table tennis
Mapiu Hall	Medium	Monthly	56	25	Community meetings and functions, school events, badminton and bowls held during winter months
Mokau Hall	High	Weekly	86	52	Boys Brigade, Karate Club, school usage, exercise group, community library, community meetings and functions and private functions
Mokauiti Hall	Low	Spasmodic	2	9	Community functions

Name	Use: High/Med/Low	Average use period	Estimated Average No. of Events per year (2008)	Estimated Average No. of Events per year (2011)	What is the Hall used for based on 2011 survey
Oparure Hall	N/A	N/A	N/A	N/A	School use only Not WDCs
Piopio Hall	Medium	Fortnightly	25	30	School events, community meetings, community events, community market days and private functions
Rangitoto Hall	Low	Spasmodic	18	10	Farmer meetings, fundraising events, community functions and community meetings
Waitanguru Hall	Low	Spasmodic	18	18	Community functions, fundraising, working bees and private functions, table tennis

Data relating to hall utilisation has been difficult to collate as key committee members change often, although the information that has been gathered indicates in some areas a revival in the use of the halls. This is probably a symptom of the current economic climate. No updates to this data have been undertaken since the 2011 survey

Hall committees undertake the day to day operation of halls, setting and administering rentals as a form of income to supplement WDC's annual grant of \$1,000 from WDC's general rate. Targeted rates from the surrounding community are also employed to provide operating funds for the Marokopa Hall Society, who manages the local sports centre and grounds rather than a hall.

Overall WDC has little involvement in the day to day operations of community halls - with the exception of Piopio where WDC controls the bookings and undertakes the necessary maintenance of the building.

WDC needs to review the administration and ongoing viability of certain halls, with regular community input relating to utilisation. Standard procedures and financial reporting need to be developed.

Les Munroe Centre

Figure 4.13: Bookings – Les Munroe

Utilisation	
2016 Bookings	66
2017 Bookings	76

Senior Citizens

Figure 4.14: Bookings – Senior Citizens Utilisation	
2016 Bookings	1
2017 Bookings	1

The Senior Citizens Hall is located next to Redwood Elderly Persons Housing units. Broader consideration should be given to the future use of the centre in order to ensure the economic and social sustainability of the asset into the future.

Campground utilisation (refer Recreation and Culture Activity Plan).

Limited information has been made available regarding the utilisation of the campground facilities, although figures have been sourced for the year March 2010 to February 2011 and is shown below:

Figure 4.15: Campground Utilisation

Utilisation	
Te Kuiti Campground	Undetermined
Marokopa Campground	Undetermined
Piopio Campervan Park	unknown

Note the Te Kuiti figure is made up of approximately 60% overseas visitors.

Historic Buildings

The historic government building in Queen Street is currently administered for a peppercorn rental by the Te Kuiti & District Historic Society but due to its poor condition they have indicated they wish to move from the building. Extensive repairs are required to make this building tenatable and WDC is investigating the gifting back of this building to the Crown.

4.3 Asset Condition/Remaining Life

Condition summaries are provided to a broad component level for each of the major building categories as an overview and relate to the overall condition of the building and not to specific sub elements. This assessment was undertaken in 2008 and for key buildings reviewed in 2011. No further updates of this information is available at the time of this AMP review As information is developed it will form the basis of future maintenance and renewals expenditure and will be included in amendments to this AMP. Detailed condition grades to broad component levels are available for individual buildings and are stored in a database. These gradings were arrived at as part of WDC’s component assets relating to buildings.

Extensive work is required to improve WDC’s asset registers and condition gradings and this is included in the improvement plan. A broad condition assessment has also been undertaken in relation to the assets associated with the campgrounds

EP Housing and Rental Housing

While preliminary condition assessments for the EPH is included in the draft 2006 GWH report, the following assessment is a result of initial broad assessment of categories undertaken by a contractor on behalf of WDC in 2008, with an update in 2011.

Figure 4.16: Condition - EPH Building Components

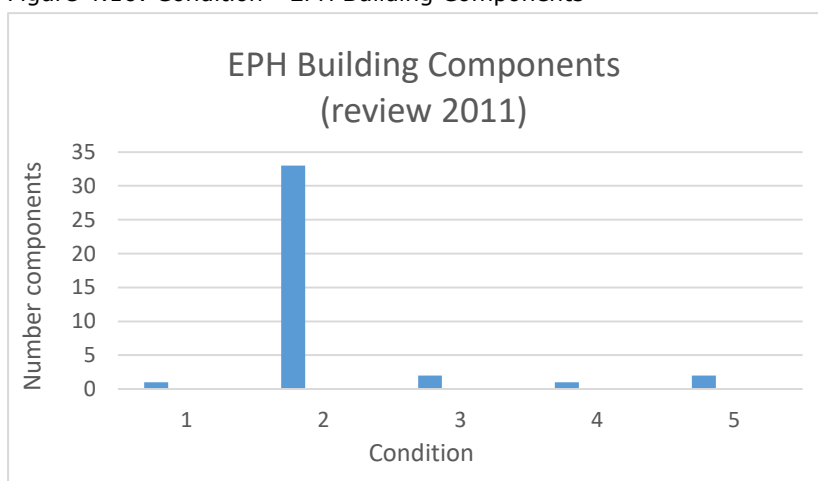
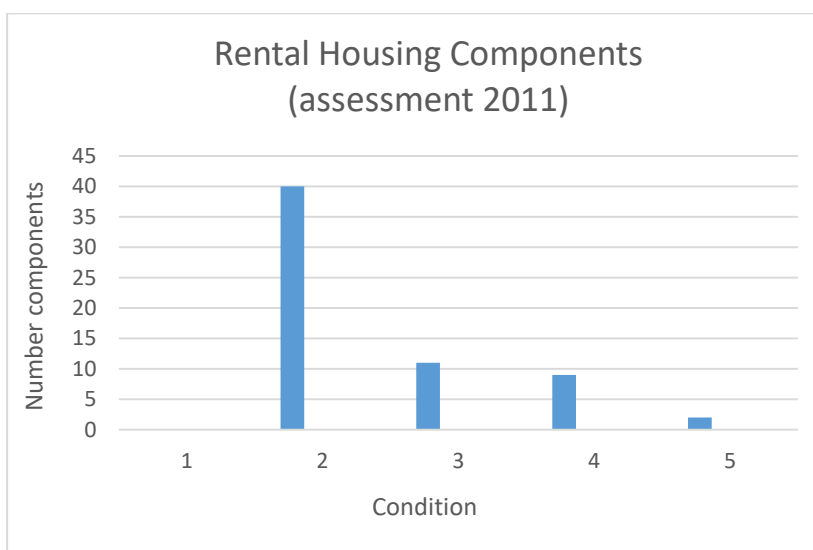


Figure 4.17: Condition – Rental Housing Components

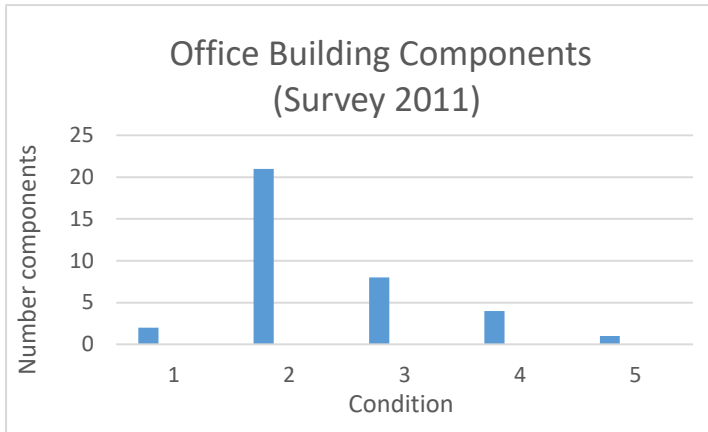


Funding is where the asset predominately is graded. Often part of the asset will fall into another category but is usually minor in nature. This graph reflects the maintenance and renewals work undertaken over the last three years in the housing area.

Corporate Property

The WDC corporate building in Te Kuiti was previously part of government infrastructure and has been well maintained since construction. Initial assessments of this building and the depot buildings have been undertaken, again to a broad component basis. The numbers of components falling into each individual building category is graphed below:

Figure 4.18: Condition - Office Building Components



Note: Excludes leased depot in Piopio.

Figure 4.19: Condition - Depot Building Components

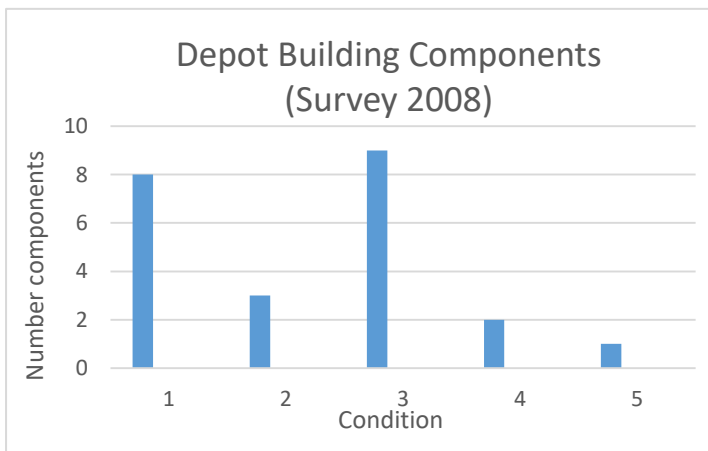


Figure 4.20: Condition – Dog Pound Components

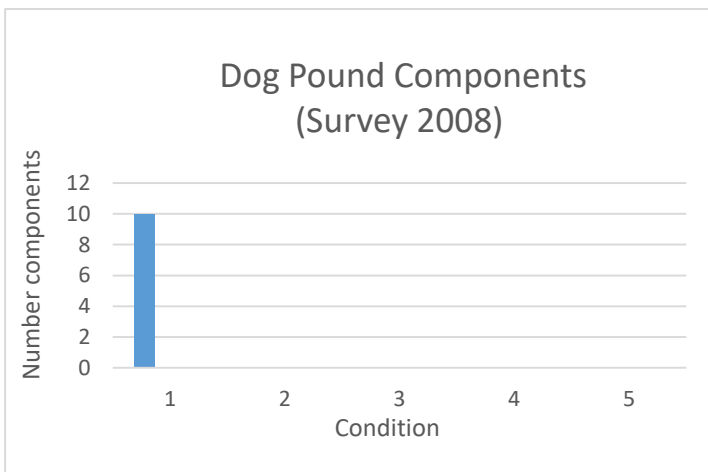
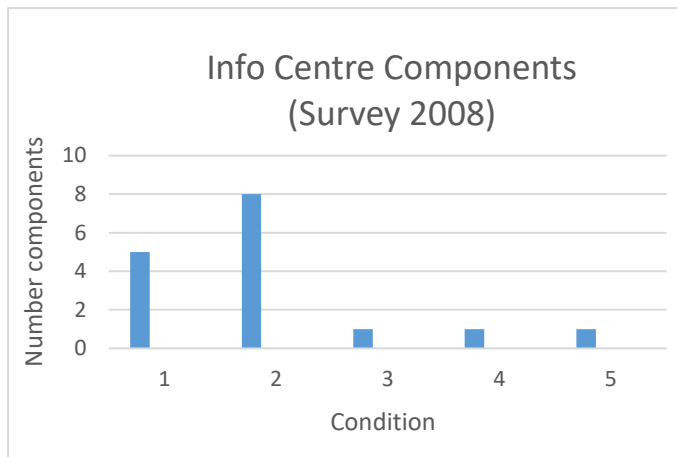


Figure 4.20: Condition – Information Centre Components



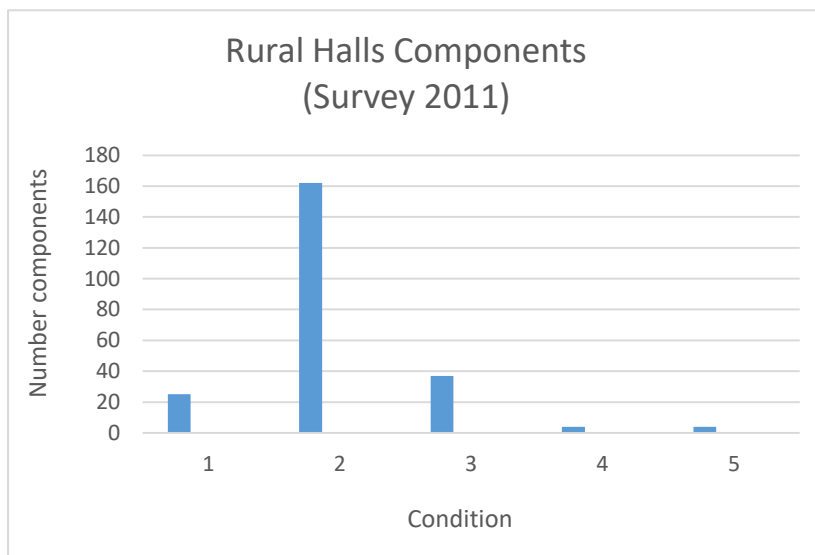
General Property

Rural Halls

Rural Halls are generally old buildings that in most cases (exception being Piopio Hall) have been poorly maintained over the years although renewed interest from local committees has meant a corresponding interest in usage and therefore income, to allow some maintenance to be undertaken. This is not however shown in the overall condition grading for rural halls due to the broad component level established in this first assessment. As a result of other site visits and the draft 2006 GWH Rural Hall report, WDC has included monies in the 2018 to 2021(28) LTP for deferred maintenance (over the life of the plan) and compliance works over the 3 years of the LTP. This excludes the four identified halls for disposal. Further consideration needs to be given to the commercial model that WDC operate and its potential to evolve.

It is proposed that some of the deferred maintenance money be allocated to renewals in the 2018-2028 LTP so that major items such as roof renewal can be undertaken.

Figure 4.22: Condition – Rural Halls Components



4.4 What the Assets Are Worth

All Housing and Other Property assets are valued on the following basis:

All buildings are valued on either fair market basis or replacement cost approach. Where the fair value of an asset can be determined by reference to the price in an active market for the same or similar asset, the fair value of the asset is determined using this information. Where the fair value of an assets cannot be reliably determined using market-based evidence, depreciated replacement cost is considered the most appropriate basis for determination of fair value.

Land Value is valued as vacant land and incorporates the influences of size, contour, quality, location, zoning designation and current and potential usage. Where there is a zoning designation is held against the land adjustments had to reflect the designation in the valuation.

For both buildings and land their value based on highest and best use is considered appropriate value. Highest and best use takes into consideration use that is physically possible, appropriately justified, legally permissible and financial feasible.

Most Council Housing and Other Property assets are considered specialised in their construction and use and are therefore valued using the Optimised Depreciated Replacement Cost, which is an extension the replacement cost approach.

Property assets valued using the fair market value approach include the Pensioner Housing, Council's Administration Building (Queen Street), Riverview Height Sections, Parkside subdivision sections all in Te Kuiti and a building and land situated in Piopio.

4.5 Confidence in Our Data

The data used in the asset summaries above has been graded as per the Confidence Grading Scale explained in Section 6.5. The condition, utilisation and performance information is mostly graded between B & C.

Figure 4.24 Assessment of confidence - Housing and Other Property Assets

Element	Confidence Grade	Comment
Asset Type	B	Data structure in use but gaps in information held.
Installation Date	C	Installation date assumed for majority of assets.
Location	C	Location generally determined by building location.
Quantity	B	Most assets captured with exception of underground utilities and internal fit-out.
Size/number	B	Good information most assets.
Materials	B - C	Information on materials accurate as to assumptions from asset gathering and the broad categories used.
Condition	B	Individual assets graded for categories used.
Performance	C	Performance information held with exception of quarries.
Useful Life	C	Some useful lives assessed.
Unit Cost	D	Valuation not componentised (outdated).

5.0 How We Manage the Service (Lifecycle Management)

5.1 Operations and Maintenance

5.1.1 Strategies/Tactics

EPH and Rental Housing

WDC's goal is to encourage community or private involvement with the EPH. WDC's vision in the long term is to be a facilitator rather than being a funder/provider. To achieve such a vision, WDC has established a working party to look at the potential for a future retirement service centre development. This is in accordance with the objectives for this AMP noted in Section One. These administering (community) groups would assist WDC in the management and maintenance of the respective facility. To date no group has been established in association with the EPH.

While the letting of the EPH is administered by the IS Team, the day to day care of the facility involves the individual tenants. Building maintenance and grounds maintenance (mowing) are collated by WDC staff and undertaken by external contractors.

WDC administers other rentals as an investment and is moving towards a market return from its investment. WDC's involvement with the rental properties revolves around inspections and the undertaking of maintenance, which is generally undertaken by contractors.

Corporate Property

Corporate Property is the hub of WDC's activities and also for Civil Defence operations. It is important that these facilities are modern, functional and available for use at all times. WDC's tactic is to ensure these remain so by allowing sufficient maintenance and renewals monies in its budget.

General Property

Most General Property falls into the land bank category and where possible WDC endeavours to lease the land to local farmers for market rental, but this is often not achieved due to the size, location and quality of the land.

Quarry land (included in the Investments AMP) is generally leased for grazing except for those that are leased/controlled by Inframax Construction Ltd. This lease arrangement has expired, and the corresponding royalty rate is outdated. It is WDC's intention to move future leases and royalties in this area onto a commercial market rate scenario to improve WDC's return on investment.

Rural Halls are generally administered by local hall committees (exception is Piopio Hall which is jointly administered with WDC) who receive a minor annual grant from WDC. This grant is insufficient to maintain the hall in a best practice scenario and because of minimal other income the maintenance of these buildings has deteriorated. The reason for inclusion of this budgeted money is that many of these halls are WDC assets and are being depreciated by WDC. This has been continued into this Activity Plan and budgets.

It is WDC's intention to assist these committees with ongoing large maintenance items and with compliance issues with the halls. This will be a new budget item within this AMP.

The following Figure 5.1 summarises the administering and management arrangements for the Housing and Other Property facilities.

Figure 5.1: Housing and Other Property Administering Groups

FACILITY	ADMINISTERING GROUP	ACTIVITY
Housing & Residential Sites		
<ul style="list-style-type: none"> EP Housing Complex 59 Esplanade – Te Kuiti 8 Jennings Street – Te Kuiti (2 houses) 47Te Kumi Road – Te Kuiti 4 Moa Street – Piopio Parkside subdivision – TK 7 Mangarino Road, Te Kuiti 	<ul style="list-style-type: none"> Infrastructure Services – WDC Infrastructure Services - WDC Infrastructure Services – WDC Infrastructure Services - WDC Infrastructure Services - WDC Infrastructure Services - WDC Infrastructure Services - WDC Infrastructure Services - WDC Infrastructure Services - WDC Infrastructure Services - WDC Infrastructure Services - WDC 	<ul style="list-style-type: none"> Elderly Persons Rental Units Rental Housing Rental Housing Rental Housing Rental Housing 32 Residential section Residential section Residential section Residential section Residential section Residential section

Overall Maintenance Contracts

WDC's Internal Services Unit acts as WDC's mowing and garden maintenance contractor and is responsible for maintenance of WDC's Housing and Other Property assets where they are included in the appropriate schedules. These maintenance items are only minor in this activity.

Local hall committees maintain the grounds as well as the maintenance associated with the halls, much of which is undertaken voluntarily.

Much of the miscellaneous land holdings are either leased or informally grazed by a neighbouring land holder.

Campgrounds are either leased or administered by the local community.

Maintenance standards set by WDC, noted in the contracts detailed in Figure 5.2, apply to all asset components identified in contract specifications regardless of their location or profile. While mowing, and cleaning are tendered competitively; WDC has no intention of tendering several minor specialist maintenance services, mainly because of their small value and in many cases there is only one provider.

These contracts and agreements specify the Levels of Service, performance criteria, standards and reporting details for the following activities. Further detail is provided in 'Contract tables' throughout the following lifecycle management sections:

- Public enquiries and requests
- Weed control
- Garden maintenance
- Edge trimming
- Hygiene supplies
- Air-conditioning maintenance
- Mowing
- Routine inspections
- Emergency works
- Litter control
- Cleaning
- Building pest control

Any work carried out will be in accordance with industry 'best' practice. In some cases different standards apply to different facilities. Where standards change it is usually in response to community demands or financial constraints. However, the primary objective is to provide a consistent standard of management for similar facilities. In general the management standards set for Housing and Other Property facilities relate to one or more of the following characteristics:

- Public safety
- Location
- Value to community
- Capital investment
- National or local significance
- Specialised use
- Community use

Building maintenance has historically been undertaken on a casual basis where need is usually based on poor performance, vandalism and breakage.

Figure 5.2: Building Maintenance Values

2018-2028 LTP Building Maintenance Budgets (excluding capital)		
Activity	Value 2017-2018	Value 2018-20219 (Proposed)
Elderly Persons Housing	\$105,980	\$112,370
Community Halls	\$92,250	\$75,598
Other Land and Buildings	\$212,090	\$188,680
Railway Complex	\$68,670	\$58,050
Total	\$478,990.00	\$434,698.00

This work is not undertaken through the contract system, but undertaken on a day to day basis with no or little forward planning. It is WDC's intention moving forward, to develop maintenance programmes for all buildings, including those in other AMP areas. These will be reviewed yearly. Some similar type items could then be grouped to allow possible competitive tendering of service provision.

Planned Inspections

Regular inspections, initially undertaken in the 2008/2009 survey and key buildings reviewed in 2011, to assess the condition of Housing and Other Property assets identify future risks and maintenance needs or repair work that is required but are not carried through in a programmed LoS of Service, costs, environmental impacts or corporate image. This will become an integral part in developing and updating the long-term maintenance programmes. The inspection programme will be regularly reviewed and

modified in response to unplanned maintenance and risks. The following Figure 5.4 identifies the required actions for carrying out planned inspections:

Figure 5.3: Inspection Details

Asset	Frequency	Inspector	Checks
Housing	Tenancy inspections beginning and end of tenancy Additional 6 monthly inspections to be instigated	Infrastructure services	General condition of building - damage, obstructions, safety, security
	In response to service request	Contractor Infrastructure Services	Feedback from Contractor, tenant, contract inspection
	Property component surveys	Contractor	Component condition survey updates
Corporate Buildings and Depots	Property component survey	Contractor	Component condition survey updates
	On commencement and expiry of Lease	Infrastructure Services	General condition of building - damage, obstructions, safety, security
	Monthly inspections	Infrastructure Services	Garden and mowing maintenance
	Monthly audit	Infrastructure Services	Office cleaning
	Quarterly maintenance inspections	Infrastructure Services	Specialist air conditioning contractor
	Various -	Infrastructure Services	Items associated with BWOF
General Property	Property component survey	Contractor	Component condition survey updates
	Monthly inspections	Infrastructure Services	Garden and mowing maintenance

5.1.2 Planned Maintenance

Planned non-critical building maintenance estimated to account for 15% of the total building maintenance budget. This work usually involves minor routine maintenance items, such as regular maintenance of air-conditioning units, and WDC's cleaning contract. With the advent of the 10 year maintenance schedules, planned routine building maintenance should increase to over 85%, with the balance equating to maintenance from a contingency.

Planned maintenance of higher value or critical works specified in maintenance future contracts or the 10 year programme will ensure that assets remain in satisfactory condition as well as managing the risk of potential asset failure. Such works can include preventative maintenance work of the property portfolio.

These are dependent upon assessment factors such as:

- Impact of failure
- Rate of asset decay
- Economic deficiency
- Weather conditions
- New Zealand Safety Standards

5.1.3 Unplanned Maintenance

Currently, unplanned maintenance is estimated to account for approximately 85% of the total building maintenance budget. This percentage will decrease as the maintenance programmes are established and new contracts/agreements are reached. The unplanned maintenance priorities are:

- a) Concern for the safety of occupiers and adjacent property owners;
- b) The likelihood that if repairs are left unattended the final cost could increase;
- c) Secondary works may be dependent upon primary works.

5.2 Renewal

5.2.1 Renewal Strategies

The general renewal strategy is to rehabilitate or replace assets based on four factors being:

- Asset Performance
- Economics
- Risk
- Asset Condition

These are discussed below. Development and renewable monies are not currently separated and need to be developed into the financial tables as information becomes available. Currently some renewal work is undertaken utilising a general repairs and maintenance allowance included in most budgets. As asset information and maintenance and renewals programmes are developed and improved, budgeting for renewals by creating individual renewals budgets will be created.

The rural halls have a significant backlog of deferred maintenance, compliance works and renewals that are currently out of reach of the rural hall committees financially. WDC has allocated budget money, based on the draft GWH report into Rural Halls throughout the first 10 years of this AMP to assist with this work. A system of utilising and prioritising this money is to be established.

Asset Performance

Failures in the performance of an asset to the required LoS are identified by measuring the asset's condition, performance during inspections and investigation of customer complaints. Indicators of non-performing assets include:

- a) Repeated asset failure
- b) Poor appearance
- c) Low customer satisfaction
- d) Frequent vandalism
- e) Unsafe
- f) Low use rates

Economics

The objective for renewals is to achieve:

- a) The optimum lifecycle costs for the asset
- b) Savings by incorporating renewal works with other works

Risk

The objective in reducing risk is to prioritise and programme work according to the following criteria:

- a) Public safety
- b) Legislative requirements
- c) Environmental risk
- d) Financial risk of deferring work
- e) Importance of asset location
- f) Intensity of use

Condition

Asset condition is an integral part of performance, rehabilitation cost and risk and is further discussed below.

5.2.2 Condition Assessment

The assessment of asset condition is essential for AM planning and the initial survey for Housing and Other Property assets has recently been updated for key buildings. A graphical summary is shown in Section 4.3. Assets external to the buildings have also been assessed with the exception of underground utilities associated with each site, which is included in the improvement programme. Further development of this survey information will increase the confidence and reliability. The data collected from regular inspections is used to determine:

- a) What stage an asset is in its lifecycle
- b) The remaining effective life of an asset

- c) The deterioration rate of an asset
- d) When rehabilitation or replacement of the asset is required
- e) Financial forecasts
- f) The risk of asset failure
- g) The frequency of inspection required to manage risk of failure

This data is used to support core AM activities. For example, risk management, predictive modelling, planned maintenance and rehabilitation, asset valuation and budget forecasting. Asset condition data collected allows for:

- a) Planning for the long-term delivery of the required Level of Service
- b) Prediction of future expenditure requirements
- c) Management of risk associated with asset failures
- d) Refinement of inspection, maintenance and rehabilitation strategies
- e) Selection of work priorities
- f) Using cost effective renovation options to avoid premature asset failure

The condition of building assets is rated according to the National Asset Management Steering Group guidelines. These define specific rating standards and definitions for various asset groups based on the following general grades. WDC does not currently have an asset programme for this information although the suitability of *Asset Finder* is to be investigated. This is the programme WDC uses for its utility assets. In the meantime, the information is kept as Excel spreadsheets and will be used to identify maintenance, development and renewal or disposal works.

Information related to leases is to be recorded in NCS.

Figure 5.4: Condition Grade Definitions

Condition Grade	Definition
0	Non-existent - absent or no longer exists
1	Excellent - sound physical condition; no work required
2	Good - acceptable physical condition; only minor work required if any
3	Average - significant deterioration evident; work required but asset is still serviceable
4	Poor - failure likely in the short term; substantial work required but asset still serviceable
5	Very poor - failed or failure imminent; major work or replacement required urgently

A detailed breakdown of condition information can be found in the base information for this Activity Plan.

5.2.3 Renewal Standards

The standards and specifications for renewal works are generally the same as new works.

5.2.4 Key Renewal Programmes

Several Housing and Other Property assets have been identified as less than average in condition and will require assessing for renewal or removal. An allowance to continue this ongoing process has been made.

Figure 5.5: Renewal Programmes

Project	Key Service Criteria	Forecasted Total Cost	Confidence Level In Projections	Estimated Timeline for Project Completion
Elder Persons Housing Renewals	Health & Safety	\$132,480.00	C	2018-2028
Hall Renewals Compliance	Health & Safety	\$34,223.00	D	2018-2028
Dog Pound Renewals	Quality	\$44,284.00	C	2018-2028
Unspecified Renewals	Quality	\$180,640.00	D	2018-2028

As the recently gathered asset condition data is assessed further renewal works will most likely be added to this listing. Once completed it is the intention to prepare a 10-year renewal programme to complement the 10-year maintenance programme and further works included in the next review of the LTP in three years' time.

5.3 Description of Renewal Programmes

Hall Compliance Renewals

The GWH (consultants) draft report of 2006 identified deferred maintenance and compliance works at the community halls. The 2018-2028 LTP recognised this and has programed assistance in this area to cover a structural and maintenance investigation for all halls. This is scheduled to occur from 2018 through to 2028.

Elder Housing Renewals

With any complex of this size and age, minor renewal works arise on a day to day basis. This allowance allows a monetary sum for a structural and maintenance investigation to the elderly housing complex. The 2018-2028 LTP recognised this and has programed assistance in this area to cover a structural and maintenance investigation for the elderly housing complex. This is scheduled to occur from 2018 through to 2028.

Dog Pound Renewals

With any complex of this size and age, minor renewal works arise on a day to day basis. This allowance allows a monetary sum for a structural and maintenance investigation to the elderly housing complex. The 2018-2028 LTP recognised this and has programed assistance in this area to cover a structural and maintenance investigation for the pound. This is scheduled to occur from 2018 through to 2028.

Unspecified Renewals

With any portfolio the size and age of the Waitomo District Councils, it is not uncommon upon structural and general maintenance to identify items which were previously unspecified. This allowance allows a monetary sum for a structural and maintenance investigation for unspecified renewals. The 2018-2028 LTP recognised this and has programed assistance in this area to cover a structural and maintenance investigations. This is scheduled to occur from 2018 through to 2028.

Deferred Renewals

Works identified in terms of renewal strategies may be deferred where costs are beyond WDC's current ability to fund them. This may occur where higher priority works are needed for other infrastructure assets, or there are short-term peaks in expenditure or inadequate funds exist. The asset lifecycle management sections detail any deferred renewals for that category of assets.

5.4 Disposal and Rationalisation and Creation

5.4.1 Disposal

The primary assets considered for disposal are declared surplus and listed on the 'surplus property list'. To date there are some historical assets identified but these are not collated into an informative list as individual information is held in different files.

The assessment of whether an asset should be considered as surplus will in future be made by a Surplus Property Working Group - using the adopted framework constructed to identify whether the land/building use is required for core activities and/or strategic requirements WDC resolution will be required to ratify the Working Group's recommendations. The Group Manager - Community Services oversees the sale of property identified as surplus to requirements. The proceeds from the sale may be considered as funds for future development for the relevant activity throughout the Working Group or resolution process.

It is noted that WDC to date has only identified a few surplus properties and these are itemised in Figure 5.7 below where information is readily available. WDC has however identified the following properties - 4 halls and three houses - for possible disposal, the outcome being dependent on the LTP consultation process.

Figure 5.6: Properties Identified for Consultation Relating to Possible Disposal

Location	Identified Asset
Te Kuiti	House - 6 Te Kumi Road on the market
	House - 4 Jennings Street subject of relocation TK Community house
Mokauiti	Mokauiti Hall Process to transfer to independent body yet to be undertaken

Furthermore, disposal processes apply to 'all' Housing and Other Property assets and must comply with the following legal obligations:

Local Government Act 2002

- a) Provides that a Local Authority has the general power to deal with the property as a company or person
- b) Consideration must be given to whether the land to be disposed of is a strategic asset; if so, the sale can only be carried out if it is expressly provided for in WDC's LTP
- c) Every decision must be made in accordance with consultation requirement – including (if significant) consideration to the relationship with Maori
- d) Consult before it sells or agrees to sell a park or part of it.

Reserves Act (1977)

- a) Observe the process for revoking the status of reserves
- b) Notifying the public prior to sale or revocation
- c) Offer land acquired under the Public Works Act back to the original owners

Public Works Act (1981)

- a) For land acquired for a public work (i.e. depot, community hall) Section 40 must be considered to establish rights of former owner as to offer back or exemption.

Figure 5.7: Property Surplus to Requirements and identified as available for sale

Valuation No	Name	Location	Classification	Size Ha.	Comments
Various	Riverview Heights	Mangarino Road, Te Kuiti	Leased bare land with no encumbrances	3.4 ha	Some unstable land, subdivision proposal prepared but on hold due to economic climate in 2009
0588605800	Gadsby Road dog pound	Gadsby Road Te Kuiti	Disused ex-metal site, poor land and much fill	0.4 ha	Very poor quality land, informally grazed Engineering assessment indicates site unable to be built on
Various	Parkside Sections	Off Eketone Street, Te Kuiti	28 New residential sections	varies	Currently marketed
0588408601	Te Kuiti Section	7 Mangarino Road, Te Kuiti	Residential Section	1012m ²	Available for resale although site conditions may prohibit use of site for building

This Activity plan does identify additional properties for consultation purposes. Through the District Plan Review process it has become evident that WDC own a substantial amount of land. These areas will be assessed and considered for sale, land banking or repurposing.

5.4.2 Asset Rationalisation

The asset rationalisation process is an opportunity to review configurations, type and location of assets and the service delivery processes relevant to the activity. It involves two parts. The first parts consists of regular and close monitoring of Housing and Other Property assets data identified from the following processes:

- a) Monitoring occupancy rates of buildings
- b) Monitoring condition of assets (planned inspections)

The second part of the asset rationalisation process involves the identification and investigation of alternative uses for existing assets or other courses of action prior to disposal being considered. It may be that user expectations may be better met or user numbers increased, this may involve one or more of the following processes:

- a) Upgrading of facilities (feasibility study)
- b) Alternative uses for facilities (feasibility study)
- c) Refitting of facilities (feasibility study and engineers report)
- d) Entering into partnership with private enterprise (feasibility study)

The Community Service Group undertake this type of work for other Activity Managers within WDC.

5.4.3 Capital Renewal Fund Pool

The disposal and rationalisation of property and other assets across the Community Service Group and other Groups of WDC gives rise to the opportunity for WDC to create a "Capital Renewal Pool" of monies. The purpose of creating such a pool gives WDC the opportunity to respond to opportunities that may arise, whether this be a need for investigatory funding or asset purchase funding.

Any rationalisation and establishment of a renewal fund will align to Councils adopted 2010 process for dealing with property issues and is the next step in the development of this process. The adopted property rationalisation process clearly defines how WDC is to approach such issues.

Initially this "Capital Renewal Fund Pool" would be used as a seed fund to undertake a strategic review of all WDC owned property. The need for seed funding was determined in Councils Workshop on this Activity Management Plan.

5.5 Assessments Undertaken (Cemeteries/Public Toilets)

While WDC's Corporate Buildings and Halls have public toilets, these have not been reported in the Public Amenities AMP or the Sanitary Assessments recently undertaken by WDC.

5.6 Managing Risk

WDC to date has undertaken an identification process for the risks associated with Housing and Other Property assets. WDC however, to date has not undertaken a risk management plan and this is a key issue to be addressed. It is to include a Public Health Risk Management Plan and investigations to establish as built information. It has been deemed in establishing this AMP that the risks associated with Housing and Other Property is relatively low, with the exception of those identified.

There is, however, four higher identified risks to WDC relating to Housing and Other Property. These include the potential for building arson, potential for forestry destruction, serious harm as a result of building failure and deterioration of WDC's assets.

Risk management is all about limiting the consequences of failure in our assets and limiting the likelihood of this failure.

5.6.1 Risk Approach

$$\text{Risk} = (\text{failure consequence} \times \text{likelihood of failure})$$

A pragmatic approach has been taken to risk management in identifying risk events they have been grouped into:

- Natural events, where there is no real control over the timing or extent of the event, although probabilities may be understood, e.g. floods, lightning strikes, earthquakes.
- External impacts, where other service providers are not providing services which impact on the organisation or individuals, e.g. power supply failures, material supply failures.
- Physical failure risks, where condition or performance of the asset could lead to failure.
- Operational risks, where management of the asset or asset management activities may impact adversely on the asset.

These risk events, while impacting directly on the assets, have other consequences on such things as:

- Repair costs – financial
- Loss of income
- Loss of service
- Loss of life, or injury
- Health impacts
- Damage to property
- Failure to meet statutory requirements
- Third party Loss
- Loss of image

5.6.2 Risk Management Process

Risk Identification – In the identification stage all risks should be noted, however further work is required to further identify specific risks to the Housing and Other Property area.

The matrix chart as detailed below identifies some of the risks (threats) that could impact on Housing and Other Property assets, and WDC Staff.

Risk Evaluation – Evaluation requires that all risks are measured as to the likelihood of them occurring, and then scored allowing a monetary conversion.

Risk Management – Management of the risks to Housing and Other Property assets requires that Staff exercise judgement regarding avoidance, reduction or transfer. It is proposed that risk will be avoided, mitigated, reduced or transferred by the following means:

- Avoid risk by – Changing location, procedures, materials, or equipment and/or no longer provide the service or asset that presents the risk;
- Reduce the risk by – The Installation of security devices such as lighting; Formulating procedural safeguards, such as condition assessments, security patrols and performance evaluations; and further training to educate Staff and Contractors in safe working conditions and emergency procedures;
- Transferring the risk – Legal methods to assign the risk of potential Losses to a third party by – Insurance or altering the terms or conditions of contracts or adding this risk to new contracts.

Retention of Risk – WDC can take on the risk as increasing insurance premiums and insurance excesses are also forcing the retention of further risks onto WDC.

The probability of physical failure of an asset is related directly to the current condition of the asset, hence the importance of realistic and accurate condition assessment. The effort put into assessing and managing risk needs to be proportional to the risk exposure.

5.6.3 Measures of Likelihood of Risks

Measures of likelihood or probability are explained in the table below:

Figure 5.8: Probability Table

LIKELIHOOD	DESCRIPTOR	DESCRIPTION	100% PROBABILITY OF FAILURE	PROBABILITY
9-10	Almost certain	The event is expected to occur in most circumstances	Within 1 year	0.9
7-8	Likely	The event will probably occur in most circumstances	Within 2 years	0.5
5-6	Possible	The event should occur at some time	Within 3 – 10 years	0.15
3-4	Unlikely	The event could occur at some time	Within 11 – 20 years	0.07
1-2	Rare	The event may occur but only in exceptional circumstances	After more than 20 years	0.02

5.6.4 Measures of Consequence

Figure 5.9: Measures of Consequence or Impacts

CONSEQUENCE	DESCRIPTION	FINANCIAL	TECHNICAL	PERSONNEL INCIDENT OR ACCIDENT	SOCIAL	POLITICAL	COMMERCIAL
1	Negligible	<\$10,000	Minimal impact to production	First aid treatment. Limited Lost time	Minimal impact or disruption	Minimal interest	Minimal impact
2	Minor	>\$10,000 <\$50,000	Limited disruption and some Loss of production	Medical treatment required. Lost time injury	Some disruption to normal access or community systems	Minor impact or interest. Questions raised in local forums, local media reports	Claims from business or repairs to other services. Customers inconvenienced
3	Moderate	>\$50,000 <\$500,000	Significant impact, production reduced or stopped for up to two weeks	Serious injury. Extended medical treatment required	Disruption to public access and other systems. Increased potential for accidents	Community discussion. Broad media cover over a regional basis	Significant claims. Customers forced to other options. Questions from regulator
4	Major	>\$500,000	Disruption and damage to system or incident involving other infrastructure	Serious injury or Loss of life	Extensive disruption. Incidents/ accidents involving the public	Loss of confidence in facility management. Corporate credibility affected	Loss of substantial business opportunity. Rebuke or threat from regulator
5	Catastrophic	Very high. Extensive Losses within and beyond the system	Extensive disruption and damage with broad impact on other infrastructure	Loss of more than one life and or extensive injuries	Broad impact on community health or the environment	Public furore and investigations. Management changes demanded	Loss of substantial part of business. Loss of licence for a large area or region

5.6.5 Risk Matrix

Risks are aligned to Public Health, Environment, Security of Service, Quality; Asset Protection and Capacity.

The following table explains the risk rating matrix used to assess the risks tabulated below for the Housing and Other Property assets. Risk is assessed as the product of Consequence and Probability, thus a high likelihood of the event occurring with a major consequence leads to an extreme risk that requires immediate action.

Figure 5.10: Risk Rating

EVENT	Consequence				
Likelihood Rating	1 Negligible	2 Minor	3 Moderate	4 Major	5 Catastrophic
9-10 Almost Certain	Moderate	High	High	Extreme	Extreme
7-8 Likely	Moderate	Moderate	High	Extreme	Extreme
5-6 Moderate	Low	Moderate	Moderate	High	Extreme
3-4 Unlikely	Low	Low	Moderate	High	Extreme
0-2 Rare	Low	Low	Moderate	High	High

5.6.6 Housing and Other Property Identified Risks

High risks are shown in this abbreviated summary table. A full assessment is included in the base information for this Activity Plan.

Figure 5.11: Housing & Other Property Identified Risks

Asset affected	Failure Mode	Description	Risk Rating	Current Mitigation	Managed Risk Rating
Buildings for hire or community purposes	Decline in amenity value – deterioration of asset - building, chattels, fixtures and fittings	Building décor and assets provided are outdated, and /or insufficient for customer needs	High	Condition assessments	Low
Building Assets	Structural Damage	Building experiences a seismic event and is uninhabitable	Med	Seismic Assessment	Moderate
Building Assets	Arson	Fire	High	Alarm monitoring and security measures in place will protect commercial buildings but not other building assets Installation of smoke alarms	Moderate
Property and Building Risks		Building or property asset experiences a risk associated with climate change and structure or infrastructure is unoccupied, damaged or unusable	Low	Impact Assessments Condition Assessments	Moderate
Property Assets	Accidental Harm	Death	High	Regular assessment and maintenance ensures the asset is kept in good condition	Low

5.7 Mitigation Measures

Mitigation measures typically include design and engineering measures to strengthen the ability of the asset to withstand the hazard event.

When an asset has failed or is expected to fail in the future, strategies can then be developed to avoid or react to the failure. If the failure mode of an asset is critical to the organisation, failure avoidance is likely to be more effective than reactive activities.

Depending on the failure mode, the strategies may include changed maintenance activities, rehabilitation works, replacement works, or abandonment of the asset.

These Strategies can provide a list of works, which may be further broken down into:

- 'Should Do' – Complete within 5 years;
- 'Could Do' – Works which may possibly be deferred for 5 years;
- 'Defer' – Works which can be deferred for 5 years.

Based on the risk rating matrix above, the table below gives guidance on mitigation measures:

Figure 5.12: Mitigation Matrix

Extreme	Immediate action required to reduce risk
High Risk	Treatment options must be reviewed and action taken to manage risk
Moderate Risk	Treatment options reviewed and action taken dependant on treatment cost
Low Risk	Managed by routine procedures

5.8 Critical Asset Identification

A critical asset is one that if it fails to provide the required service it will result in a significant impact on the community. (*Significant impact can be viewed as Loss of a major amenity, disruption to many businesses or people, harm to WDC's image, inability for WDC to function*).

Identification of critical assets involves assessing the asset against a series of criteria and allocating a grade. The process involves

- Listing the main asset group
- Assessing and scoring the impact of an event using 0-3 grade
- Summing the scores
- Assets deemed to have a total of 10 or more, then the asset is a critical asset

Housing and Other Property assets are assessed below:

Figure 5.13: Critical Asset Assessment and Identification

Asset matrix 0= No impact 1= Low impact 2= Moderate impact 3= Severe impact	Direct Costs (Repair, Lost revenue, 3 rd damaged, legal costs	Effect on Community (Loss of supply)	Effect on public safety	Environmental Damage	Image/Public support	Other	Total (sum)
Housing	3	2	0	0	1	0	6
Corporate Property	3	3	2	0	2	0	10
Forestry	2	1	1	3	1	0	8
Community Halls	2	2	1	1	1	0	7
WDC Depots	2	2	2	0	1	0	7
General Property	1	1	1	2	1	0	6
Railway Building	2	2	2	2	1	0	9
WDC Library Building	2	3	1	1	3	0	10

By this method it can be seen that two asset groups within the Housing and Other Property Activity area scores the required 10 points to be classified as critical. This primarily relates to the ability of WDC to carry out its statutory obligations should WDC's administration building be damaged, especially in relation

to its Civil Defence obligations, also the potential Loss of historic records. WDC library building, which is such a focus for the Waitomo community also falls within this category.

5.9 Impact of Risks on Program Funding

The funding of measures to protect assets from high risks would impact on current budget provisions. That in itself introduces a further risk in that asset condition may decline in the short term because of the diversion of funding away from core maintenance and renewal programs in the absence of additional funding.

Aspects that require further development include:

- Further investigation to improve information and activity management planning regarding the potential impact of natural hazards
- Further assessment of risk and programmes to mitigate risk in the light of the above investigations
- Development of a more advanced approach to identifying critical assets that incorporate rating and other dimensions of criticality
- Further assessment of current levels of resilience
- Develop a more comprehensive method of assessing resilience using risk-based evaluation and optimised decision making tools to assist decision making around the desired level of resilience
- On-going review of the risk register.

6.0 Financial Summary – What It Costs and How We Will Pay For It

6.1 Summary of Financial Policies

The focus of this AMP is to provide agreed Levels of Service at the optimum or lowest lifecycle cost to the community. The acquisition of funds required to achieve this focus are noted below.

Corporate Buildings

General rates, UAGC rates and all other funding methods, fund the net costs of this function through the allocation of overhead direct costs and depreciation within each activity of WDC. Capital development is funded by loans or depreciation with interest charged in accordance with WDC funding policy. This interest is then allocated to rates funded activities. Specific activities e.g. dog pound are fully charged as WDC recovers this money.

EPH

WDC's policy is that Elderly Persons Housing and Owner Occupier Housing are required to be self-funding through user charges to the extent of 60% funding. Rents have been extensively reviewed over the last 3 years and WDC is systematically working towards this goal with regular increases. Currently cost recovery sits in the vicinity of 49% of the total cost centre, but increases to 99% of direct expenditure.

Community Halls

WDC assists in the funding of community halls throughout the District through general rates and UAGC charges that are distributed to hall committees through a grant of \$1,000 per year to assist with administration and maintenance. The exception to this is Piopio Hall where all maintenance is undertaken by WDC with WDC also retaining the income. Similarly, this occurs with the senior Citizens hall. A small legacy is available for major maintenance This AMP has however continued the deferred maintenance monies and compliance monies over the life of the AMP to assist these hall committees. This work was identified in a preliminary draft study of halls. Marokopa Hall has a targeted rate.

Some assistance for building maintenance/capital improvement can be applied for by way of loan through the Annual Plan process.

Other

Other rental housing is funded through user charges.

6.2 Capital Works Framework

The identification of capital works is guided by the Housing and Other Property strategic goals which are:

Strategic Goal 1: To ensure that an adequate Housing and Other Property portfolio is provided and maintained for the well-being of the user and community groups;

Strategic Goal 2: To provide community-agreed LOS in the most cost-effective way through the creation, operation, maintenance, renewal and disposal of assets to provide for existing and future users;

And the WDC's principle objectives are:

- a. To programme works for the development of land and buildings in accordance with adopted AMPs;
- b. To operate WDC owned halls to a standard acceptable to users by providing appropriate management structures;
- c. To implement the policies as set out in the adopted forestry management plan;
- d. To continue the disposal of land identified as surplus to WDC requirements;
- e. To identify life-cycle (long-term) costs for an agreed LOS;
- f. To ensure the maintenance of the public infrastructural assets in perpetuity, so that there is no decrease in value, and to forecast the estimated future cost of so doing;
- g. To put in place a sound management regime for all matters relating to Housing and Other Property activities; and
- h. Maximise returns on investment property.

6.2.1 Project Identification and Prioritisation

Projects are identified from:

- Changes to LoS i.e. demand for higher LoS
- Community groups/organisations
- Eliminate health, fire or safety hazards
- Regulatory or legislative requirements
- Funding constraint / availability
- Availability of internal resources

Capital projects will include the correction of all deferred maintenance, as a general principle, in the areas identified for the renovation of existing facilities through the budgetary process.

6.3 Development and Financial Contributions

The overall premise on which contributions are based is that development should pay the cost for providing services and facilities required to accommodate growth and effects. Waitomo District has a declining population but within the Housing and Other property area growth can be related to an aging population or subdivision of land. Section 102 of the Local Government Act 2002 (LGA 2002) requires WDC to have a policy on development contributions or financial contributions. WDC may operate both, but only for different purposes.

A financial contributions policy prepared under the Resource Management Act 1991 forms part of WDC's operative District Plan. It provides for the protection of the natural and physical environment, retention and possible enhancement of public access to the sea and along the margins of the District's significant lakes, rivers and streams in the form of access strips and esplanade reserves, and the equitable sharing of the costs of the provision and maintenance of infrastructure for development.

Full details of WDC's Financial Contributions Policy can be found in Part 3, Section 25 of WDC's Operative District Plan.

WDC has currently not implemented its abovementioned Financial Contributions Policy, but needs to investigate this option as a way of funding enhancements to the Community Services Assets. Contributions will provide the appropriate balance of funding between the community, WDC and those undertaking the development. There are risks associated with contributions as a funding source and mainly these risks relate to formulating projections and other trend information on which the calculations are based.

WDC intends to review its contributions policy during the term of its 2018-28 LTP.

6.4 Financial Forecasts

The following budgets have been prepared assuming that all investigatory and strategy type works will lead to future development projects which will be depreciated.

For this reason, this AMP has included these works in the Capital/Renewals section of the budgets, noting that the funding source needs to be confirmed in the future, i.e. either capital, renewal or operational.

The following Figure 6.1 summarises the financial forecasts for Housing and Other Property assets from 2018/2019 to 2027/2028 for the purposes of this Activity Management plan, expenditure / revenue is identified as:

- a. Operations/Management/maintenance (planned and unplanned) including depreciation
- b. Revenue
- c. Renewals
- d. Development
- e. Source of funding- to be supported by Treasury
- f. Leases
- g. Licenses

The Management costs include administrative rates, AM planning, data collection etc.

Figure 6.1: Summary of Housing and Other Property- 10-Year Expenditure Forecast

Housing and Other Property (\$000's)	EAP 17/18	LTP Yr 1 18/19	LTP Yr 2 19/20	LTP Yr 3 20/21	LTP Yr 4 21/22	LTP Yr 5 22/23	LTP Yr 6 23/24	LTP Yr 7 24/25	LTP Yr 8 25/26	LTP Yr 9 26/27	LTP Yr 10 27/28
Operating Revenue											
Elder Persons Housing	(113,000)	(110,000)	(112,200)	(114,620)	(117,040)	(119,570)	(122,210)	(125,070)	(128,040)	(131,120)	(134,530)
Community Halls	(3,500)	(3,250)	(3,315)	(3,387)	(3,458)	(3,533)	(3,611)	(3,695)	(3,783)	(3,874)	(3,975)
Other Land and Buildings	(140,000)	(155,000)	(158,100)	(161,510)	(164,920)	(168,485)	(172,205)	(176,235)	(180,420)	(184,760)	(189,565)
Railway Building	(33,000)	(35,000)	(35,700)	(36,470)	(37,240)	(38,045)	(38,885)	(39,795)	(40,740)	(41,720)	(42,805)
	(289,500)	(303,250)	(309,315)	(315,987)	(322,658)	(329,633)	(336,911)	(344,795)	(352,983)	(361,474)	(370,875)
Direct Expenditure											
Elder Persons Housing	105,980	112,370	114,617	117,090	119,562	122,146	124,843	127,765	130,799	133,945	137,429
Community Halls	92,250	75,598	77,334	79,249	81,194	78,981	80,725	82,614	84,576	86,611	88,863
Other Land and Buildings	212,090	188,680	192,454	196,605	200,756	205,095	209,623	214,529	219,624	224,907	230,756
Railway Building	68,670	58,050	59,211	60,488	61,765	63,100	64,494	66,003	67,570	69,196	70,995
	478,990	434,698	443,616	453,432	463,276	469,323	479,685	490,911	502,569	514,658	528,042
Indirect Expenditure											
Allocated Costs	227,359	242,183	249,453	257,273	258,329	266,622	278,469	281,500	289,948	298,408	300,939
Depreciation	386,545	363,973	366,496	181,911	176,365	175,414	175,814	177,819	136,506	135,618	135,571
Interest	114,697	97,333	95,007	92,696	90,062	93,140	88,674	81,873	73,616	65,026	55,934
	728,601	703,488	710,957	531,881	524,757	535,175	542,958	541,192	500,069	499,051	492,444
Net Cost of Service	918,091	834,936	845,258	669,326	665,375	674,866	685,733	687,308	649,655	652,235	649,612
Capital Expenditure											
Elder Persons Housing	11,600	12,000	12,240	12,504	12,768	13,044	13,332	13,644	13,968	14,304	14,676
Community Halls	3,100	3,100	3,162	3,230	3,298	3,370	3,444	3,525	3,608	3,695	3,791
Other Land and Buildings	74,200	26,000	24,480	22,924	25,536	23,914	26,664	25,014	27,936	26,224	29,352
Railway Building	0	10,000	10,200	0	0	0	0	0	0	0	0
	88,900	51,100	50,082	38,658	41,602	40,328	43,440	42,183	45,512	44,223	47,819
Net Expenditure	1,006,991	886,036	895,340	707,984	706,977	715,194	729,173	729,491	695,167	696,458	697,431
Funded By											
Reserves	(295,320)	(262,781)	(261,292)	(104,464)	(103,607)	(101,057)	(104,365)	(103,284)	(78,471)	(75,977)	(79,542)
Internal Loans	(5,000)	0	0	0	0	0	0	0	0	0	0
Total Rates	(706,671)	(623,255)	(634,048)	(603,520)	(603,370)	(614,137)	(624,808)	(626,207)	(616,696)	(620,482)	(617,889)
	(1,006,991)	(886,036)	(895,340)	(707,984)	(706,977)	(715,194)	(729,173)	(729,491)	(695,167)	(696,458)	(697,431)

6.5 Confidence Levels and Key Assumptions

The confidence in the asset data used as a basis for the financial forecasts has been assessed using the following grading system shown in figure 6.2, from the NZWWA NZ Guidelines for Infrastructure Asset Grading Standards, final draft, August 1998.

Figure 6.2: Confidence Grading Scale

Confidence Grade	General Meaning
A	Highly Reliable Data based on sound records, procedures, investigations and analysis which is properly documented and recognised as the best method of assessment
B	Reliable Data based on sound records, procedures, investigations, and analysis which is properly documented but has minor shortcomings' for example the data is old, some documentation is missing and reliance is placed on unconfirmed reports or some extrapolation
C	Uncertain Data based on sound records, procedures, investigations or analysis which is incomplete or unsupported, or extrapolation from a limited sample for which grade A or B data is available
D	Very uncertain Data is based on unconfirmed verbal reports and/or cursory inspection and analysis

The confidence level is 'C' overall. The asset data grading is C.

Key Assumptions

- It is assumed that the Growth projections for the Waitomo District prepared by Rationale Ltd is correct.
- The AMPs for WDC's Housing and Other Property assets, which form part of the Community Service Group, will be progressively updated as more complete information becomes available over time.
- Best practice and current knowledge has been used in formulating information regarding the assets in this AMP. This information is not well supported by solid historical data. It is assumed that this information is correct.
- The annual cost of the contract maintenance of the network will not increase above CPI when it is re-tendered.
- The valuations using rating values is an accurate assessment of the true valuation of the Housing and Other Property assets.

7.0 Our Commitment to Excellence (Management Practice and Improvement Programme)

This section of the AMP firstly describes the current asset management practices under the headings of processes, systems and data. The gap between current and desired asset management practices in particular is described. The improvements required to close this gap are set out in the improvement programme. The programme also identifies priorities, timetables, resources and estimated costs for achieving the desired management practices. Finally, the methodology for the monitoring and review of asset management activities is described. Selected improvement items are scheduled for the three years until the 2021 LTP review.

7.1 Assessment of Current Practice

This section outlines the decision-making practices that WDC currently use to determine long-term maintenance, LOS, renewal and capital expenditure requirements for Housing and Other Property. Current practice is summarised in four broad areas of activity:

- a) **Processes:** The processes, analysis and evaluation techniques needed for life cycle asset management.
- b) **Information Systems:** The information support systems used to store and manipulate the data.
- c) **Data:** Information available for manipulation by the systems to produce the required outputs.

The following sections detail 'current management practices' and describe the 'desired management practices' WDC intends to develop over time

7.1.1 Asset Processes

Figure 7.1: Asset Management Processes – Current and Desired Practice

Current Management Practices	Desired Management Practices
Operations	
<ul style="list-style-type: none"> Some operational processes documented in service contracts Some ongoing monitoring of contractors performance by contract supervisor (5-10% of work is randomly audited per month) for some contracts. Process relating to contract management is under review with draft guidelines being reviewed. 	<ul style="list-style-type: none"> Operational activities identified and documented in 'controlled' manuals. Operational activities contestably priced where appropriate. Operational activities optimised to minimise lifecycle costs. Contractor performance monitored using specific key performance indicators.
Performance Monitoring	
<ul style="list-style-type: none"> Performance measures and LOS linked. Monthly surveys of contractors work performance. Performance Standards documented in some contracts. Performance reported to customers through Key Performance indicators. 	<ul style="list-style-type: none"> Performance standards fully documented. Performance reported to customers and contractors regularly. Continuous monitoring and reporting of performance against measures.
Optimized Lifecycle Strategy	
<ul style="list-style-type: none"> Developing a 10-year forward works programme. Risk Assessments undertaken. Critical assets identified. Develop planned maintenance programs 	<ul style="list-style-type: none"> Failure works predicted. Risk assessments carried out and treatment options identified. Lifecycle costs determined and optimised using NPV analysis. 10 year plus forward works programme available.

Current Management Practices	Desired Management Practices
Knowledge of Assets	
<ul style="list-style-type: none"> Plans and records are incomplete especially underground services and hard surfaces. Updating processes not documented/recorded. One-off Attribute information relating to assets undertaken. Second cut asset information and relating to risk being undertaken. 	<ul style="list-style-type: none"> Full 'as built' recording process in place to continually update data. Process documented for updating of asset information. Process documented for collecting attribute information via maintenance activities. Ability to access asset registers for all relevant staff.
Condition Assessments	
<ul style="list-style-type: none"> Regime for Condition assessment of property components (initial assessment in 2008 with partial review 2011). Components into broad categories. 	<ul style="list-style-type: none"> Condition assessment of critical assets carried out on an agreed frequency. Componentisation to be more vigorous and detailed. Maintenance feedback processes established and documented. Assessment interval optimised.
Project Management	
<ul style="list-style-type: none"> Contract management reporting processes. Designs undertaken to best practice. Quality Assurance is in place to ensure project is carried out to specifications. 	<ul style="list-style-type: none"> Designers required to consider lifecycle costs.
Asset Utilisation	
<ul style="list-style-type: none"> Incomplete knowledge of asset utilisation. Some satisfaction information available through annual "Versus" survey. Disposal procedures adopted by Council. 	<ul style="list-style-type: none"> All asset utilisation identified (perhaps via customer surveys). Non-performing assets investigated and correction options assessed. Rationalisation policy clearly identified. Develop "versus" survey questions relevant to Housing and Other Property LOS.
Quality Assurance	
<ul style="list-style-type: none"> Deloitte's annually audits performance measures reported in Annual Plan. Quality assurance inspections for maintenance contracts as new contracts developed. Continuous QA of maintenance contracts. 	<ul style="list-style-type: none"> Continuous improvement evident in all AM processes.
Accounting and Economics	
<ul style="list-style-type: none"> NCS financial system for cost records and property lease information. In house spreadsheets to monitor overall department expenditure. Asset values based on rating value. 	<ul style="list-style-type: none"> Process in place for recording costs against assets where appropriate. FRS-3 valuation complete for property and other housing assets.
Levels of Service	
<ul style="list-style-type: none"> Levels of Service are noted in the contract documents. 	<ul style="list-style-type: none"> LOS based on customer research and reviewed regularly.

7.1.2 Information Systems

Figure 7.2: Asset Management Information Systems – Current and Desired Practice

Current Management Practices	Desired Management Practices
Asset Register	
<ul style="list-style-type: none"> Basic asset register of Housing and Other Property kept in Excel spreadsheets and hard copy form. 	<ul style="list-style-type: none"> Database for all Housing and Other Property assets. Integration of Database and GIS databases. Integration of database to Financial system.

Current Management Practices	Desired Management Practices
Financial System	
<ul style="list-style-type: none"> Flexible job costing system (NCS). Financial system is not currently linked to any proprietary AMS. Spreadsheets used to hold valuation data. 	<ul style="list-style-type: none"> Database used to record maintenance costs against individual assets. Asset valuation generated from database.
Maintenance Management	
<ul style="list-style-type: none"> Maintenance work on assets is not recorded and is not linked to the asset. 	<ul style="list-style-type: none"> "System" links maintenance details to significant assets and asset groups to enables tracking of work history. Critical and non-critical assets flagged in databases.
Condition/Performance Monitoring	
<ul style="list-style-type: none"> Hard copy records available. Information also recorded in databases. 	<ul style="list-style-type: none"> Condition, performance and utilisation data stored in "System".
Customer Enquiries	
<ul style="list-style-type: none"> Request for Service: customer service complaint and enquiry register and response tracking software that features: <ul style="list-style-type: none"> Complaint location, type and frequency response time to query Resolution times for faults 	<ul style="list-style-type: none"> Customer enquiry records recorded against individual assets. Customer enquiry tracking system in place.
Risk Management	
<ul style="list-style-type: none"> Under active review 	<ul style="list-style-type: none"> Risk register developed to record identified high risk assets.
Optimised Renewal Strategy	
<ul style="list-style-type: none"> Under active review 	<ul style="list-style-type: none"> No change.
Systems Integration	
	<ul style="list-style-type: none"> The benefits and costs of an asset management system integration with GIS and Financial system analysed and integrated if appropriate.
Plans and Records	
<ul style="list-style-type: none"> As built plans; maintenance contract files; general files; CAPEX contract files; inspection reports and property register available in some cases. 	<ul style="list-style-type: none"> Electronic plans and records linked to GIS database.

7.1.3 Asset Management Data

Figure 7.3: Asset Management Data – Current and Desired Practice

Current Management Practices	Desired Management Practices
Asset Classification	
<ul style="list-style-type: none"> Asset classification system in place for assets stored in spreadsheet form. 	<ul style="list-style-type: none"> Formalised asset classification system for all assets and documented.
Asset Identification	
<ul style="list-style-type: none"> Unique asset identification system in place for assets stored in spreadsheet along with photos. 	<ul style="list-style-type: none"> No change.
Asset Attributes	
<ul style="list-style-type: none"> Inventories established for services and structures, horticultural amenities, and furniture and fittings and building components approximately 90% complete. Condition ratings approximately 95% complete on a broad component basis. 	<ul style="list-style-type: none"> Relevant and up to date attributes recorded for all assets. Location of land assets identified on GIS.
Maintenance Data	
<ul style="list-style-type: none"> Regular maintenance activity and costs available from contracts. Unscheduled maintenance work records available in hard copy form. 	<ul style="list-style-type: none"> Maintenance data collected against significant assets or groups of assets.

Current Management Practices	Desired Management Practices
Lifecycle Costs	
<ul style="list-style-type: none"> • Renewal and capital costs for common items are available from recent works. 	<ul style="list-style-type: none"> • Good database of complete lifecycle costs, which can be used for decision making.
Future Prediction Data	
<ul style="list-style-type: none"> • Limited current future prediction data available. • Census results used to predict future demand. 	<ul style="list-style-type: none"> • Actual versus predicted growth monitored.
Levels of Service	
<ul style="list-style-type: none"> • LOS recorded in AMP. 	<ul style="list-style-type: none"> • Regularly monitor and recorded current Level of Service against performance measures.
Asset Management Plans	
<ul style="list-style-type: none"> • First AMP completed 2008. • Second draft completed 2011-2012. • AMPs updated in advance of every Long Term Plan. 	<ul style="list-style-type: none"> • Up to date AMPs available for all asset groups and used as basis for forward planning.

7.1.4 Asset Management Plan

The 2008 Activity Management Plan was prepared with the assistance of Hollier Consultants, Prophet Iam Consultants as well as builders undertaking component condition assessments. A desktop peer review by Hollier Consultants was undertaken in 2009 to gauge compliance. This plan at the time was considered to meet the requirements of a basic asset management plan and further detail has been added since that time.

7.2 Planned Improvements

The development of this draft third AMP is based on current LOS, asset information and the knowledge of WDC staff. The AMP will be continuously reviewed, regularly monitored and updated to improve the quality of AM planning and accuracy of financial projections. This process is dependent upon improved knowledge of customer expectations, further developed AM practices, data to optimise decision making, review of outputs, development of strategies and further planning. Minor progress has been made on improvements identified for the 2018/21 period in the improvement plan due to other priorities relating to staff time during that period. The improvement programme therefore repeats those items previously identified.

7.2.1 Improvement Programme

The purpose of an AM improvement programme is to improve the current management practices for AM processes, information systems and data, by implementing an improvement programme that brings current management practices in to line with desired management practices. The improvement plan will provide for the staged improvement of AM practices to an appropriate level for AMP preparation, process improvements, information system development, and data collection and recording.

The improvement programme tasks to be completed to bring this activity plan to the advanced developed AMP and are to be used as the basis for future funding of the improvement programme and are shown in the Figure below:

Figure 7.4: Improvement Programme

TASK
AM PLAN PREPARATION
<ul style="list-style-type: none"> • Review AMP every 3 years. • Review Levels of Service • Confirm corporate AM objectives • Refine current Los/performance measures • Conduct external audit of AMP • Identify and include any assets that are not included in this AMP • Identify development, renewal, maintenance strategies where required • Link financial forecasts to the lifecycle management strategies • Include valuation results
AM DATA IMPROVEMENTS
<ul style="list-style-type: none"> • Asset attributes Continue to collect asset attribute information • Maintenance tasks/data Collect maintenance data against significant assets or asset groups

TASK
<ul style="list-style-type: none"> • Lifecycle costs Collect lifecycle costs for significant assets or asset groups and recorded in Confirm • Future prediction data Monitor actual versus predicted growth • Levels of Service Measure performance in Levels of Service against targets
AM PROCESSES IMPROVEMENTS
<ul style="list-style-type: none"> • Operations Ensure operations and maintenance are competitively tendered Optimise operations to minimise lifecycle costs Documentation of operations and maintenance activities • Performance monitoring Process in place for monitoring, analysing and reporting of performance against LOS and other performance measures. • Optimised lifecycle strategy Predict failure works Assess risks and identify treatment options Determine and optimise lifecycle costs using NPV analysis for major new works. • Knowledge of assets Develop process for updating asset data with new assets and data collected via the maintenance contract. Asset register available to all relevant staff Compile up to date information on leases and record in NCS Complete reserves management plan • Condition Assessments Process in place for the condition assessment of assets including assets to be assessed, frequency and ranking procedures. • Project management Designers to consider lifecycle costs and risk. Audit CAPEX development plans • Asset utilisation Processes in place to ensure identify current asset utilisation of significant assets Develop and assess options for non-performing assets Develop disposal/rationalisation policy • Accounting and economics Process in place for collecting costs against assets where appropriate FRS-3 compliant valuation complete for public amenities assets • Levels of Service Process developed for the review of Levels of Service (including customer consultation procedures) • Compliance Establish a process for managing, maintaining and monitoring compliance
AM SYSTEMS IMPROVEMENTS
<ul style="list-style-type: none"> • Asset register Develop database for all community facilities • Financial system System available to allocate maintenance costs against individual assets Use Confirm to generate valuation • Maintenance management Develop planned maintenance programs Link maintenance history to significant assets or asset groups Criticality of assets identified in Confirm • Condition/performance monitoring Use Confirm to store asset condition, performance and utilisation data where appropriate • Customer enquiries Record all customer enquiries against individual assets • Risk management Develop a risk register • Systems integration Investigate the integration of Confirm with GIS and the financial system, integrate if appropriate. • Plans and records Link electronic plans and records to GIS database • Compliance Development of a compliance schedule

7.2.2 Monitoring and Review

To ensure the effective development and implementation of this activity plan the following tasks will be carried out:

- a) WDC Adoption of AMP
- b) Review/Adopt LoS
WDC will review service levels, via public consultation, to ascertain an accurate understanding of current and future needs and expectations of customers. The resulting redefined LoS and performance measures will be adopted by WDC.
- c) AMP Revision
The AMP will be revised and updated on a three yearly basis to incorporate the outcome of service levels review and any new knowledge resulting from the AM improvement programme.
- d) Quality Assurance Audit
Audits will be undertaken to ensure that the integrity and cost effectiveness of data collected for use in the AMP is maintained.
- e) Peer Review
Internal audits will be undertaken to assess the effectiveness of AM processes, information systems and data, whereas, external audits will be undertaken to measure AM performance against 'best practice'.

7.2.3 Review of AMP against the OAG Requirements

The review of the AMP for Housing and Other Property was undertaken by Hollier Consultants and reviewed against the guidelines issued by the Office of the Auditor General for basic AM Plans as published in the *International Asset Management Manual*. A summary of this 2009 review is provided below. As a result of this review additional asset information has been gathered and the addition of financial information into the plan has been completed.

WDC believes that this plan satisfies these requirements. The next full audit of this activity plan is scheduled during the production of the 2018 LTP process and is included in the improvement programme.

7.2.4 Specific Improvement Projects 2018 – 2021

Specific improvement projects are recorded below for the 2018-2021 periods that relate to the Housing and Other Property AMP and based internal resources being made available each year to fund these improvements. Timeframes, resource requirements and estimated costs are recorded. The confidence level of the estimated resources and costs is graded as C – D.

Figure 7.5: Specific Improvement Projects 2018-2021 (year ending)

SPECIFIC IMPROVEMENT PROJECTS –2018-2021				
PROJECT	YEAR	RESOURCE		ESTIMATED COST
		WDC STAFF	EXTERNAL	
Asset gathering investigations	2018-2021	Yes	No	In-house
Review of AMP 2018	2018	Yes	No	In-house
Include Building data in a "designed" Asset management Programme such as SPM or adapted NCS	2018-2021	Yes	No	In-house
Input leases and licences into NCS	2018-2021	Yes	No	TBA
Miscellaneous Asset Management. Works selected from schedule	2018-2021	Yes	No	In-house