



# **Community Property Asset Management Plan**

**June 2009**

**Ruapehu District Council**

**30 June 2009**

**Document No.: RDCAMPREP**

# Community Property Asset Management Plan

Prepared for

**Ruapehu District Council**

Prepared by

Margaret Hawthorne  
Team Leader – Community Property

3 February 2009

## Quality Information

Document Community Property Asset Management Plan


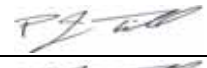


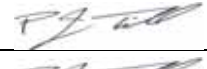

Ref

Date 3 February 2009

Prepared by Margaret Hawthorne

Reviewed by 

### Revision History

Revision	Revision Date	Details	Authorised	
			Name/Position	Signature
Draft 1	18/06/2008	Draft for Group Manager – Assets	Peter Till	
Draft 2	2/12/2008	Draft for Group Manager – Assets	Peter Till	
Draft 3	12/12/08	Draft Presentation to Councillors	Peter Till	
Draft 4	3/2/09	Updated Draft Post Council Workshops	Peter Till	
Final Draft	24/3/09	Approved by Council For Community Consultation	Peter Till	
Final	30/6/09	Adopted by Council	Peter Till	

**See Appendix A for Significant Updates to Asset Management Plan**

# Table of Contents

List of acronyms	6
Summary	i
1.0 Introduction	7
1.1 Background	7
1.2 Community outcomes and strategic goals	13
1.3 Plan framework	15
2.0 The services we provide	19
2.1 Our customers and stakeholders	19
2.2 From community outcomes to AM plan tactical goals	22
2.3 Legislative requirements	23
2.4 Industry standards and guidelines	25
2.5 Levels of service we provide	25
2.6 Closing identified service gaps	27
2.7 Future improvements	28
3.0 Managing Growth and Demand	29
3.1 Growth and demand trends	29
3.2 Impacts of changing demand on the community property activity	34
3.3 Demand assumptions and projections	34
3.4 Meeting growth and changing demand needs	35
3.5 Future improvements	35
4.0 Managing risk	36
4.1 Introduction	36
4.2 Risk management process	37
4.3 Other risk assessments	39
4.4 Mitigating risks	40
4.5 Climate change	41
4.6 Emergency response planning	41
4.7 Future improvements	41
5.0 Lifecycle Management Plans	42
5.1 Introduction	44
5.2 Administration Buildings	51
5.3 Older Persons Housing	55
5.4 Taumarunui Aerodrome	63
5.5 Miscellaneous Property	67
5.6 Rental and Community Housing	69
6.0 Sustainability in Ruapehu District	74
6.1 Social and Cultural	74
6.2 Economic	74
6.3 Environmental	75
7.0 Financial summary	76
7.1 10-year financial forecast summary	76
7.2 Expenditure categories	77
7.3 Key assumptions	78
7.4 Confidence levels	78
7.5 Development contributions	79
7.6 Valuation summary	79
7.7 Revenue and financing policy	79
7.8 Significance Policy	79
7.9 Future improvements	80
8.0 Continuous improvement	81
8.1 Improvements achieved	81
8.2 Approach	81
8.3 Short-term improvement programme	84
8.4 Asset management plan review and monitoring	87

Appendix A	Summary of 2009 LTCCP Process	A
Appendix B	Detailed Financial Tables	B
Appendix C	Summary Financial Tables with Inflation Factors	C
Appendix D	Risk Process	D
Appendix E	Risk Register	E
Appendix F	AM Practices Gap Analysis	F
Appendix G	Community Expectations	G
Appendix H	Asset Information and Values	H
Appendix I	10 Year Financial Forecast	I

## List of acronyms

The following lists key acronyms and abbreviations used in this document:

AEP	Annual Exceedence Probability (e.g. 10% is once in 10 years)
AM	Asset Management
AMP	Asset Management Plan
AMS	Asset Management Systems
Capex	Capital expenditure
CBD	Central Business District
CCTV	Closed Circuit Television
CPP	Competitive Pricing Procedures
COs	Community Outcomes
FIS	Financial Information System
GIS	Geographical Information System (computer programme)
Horizons	Horizons Regional Council
KPIs	Key Performance Indicators
LoS	Level of Service
LGA 1974	Local Government Act 1974
LGA 2002	Local Government Act 2002
LTCCP	Future Ruapehu Long Term Council Community Plan
MAV	Maximum Acceptable Value
MFE	Ministry for the Environment
MoH	Ministry of Health
NAMS	National Asset Management Steering (Group)
NRB	National Research Bureau
NZIAS 16	New Zealand Equivalent to International Accounting Standard 16
Opex	Operational expenditure
ODM	Optimised Decision Making
RMA	Resource Management Act 1991
RDC	Ruapehu District Council
SGs	Strategic Goals
TUAC	Targeted Uniform Annual Charge
URP	Usual Resident Population

# Summary

## Introduction

The vision for the District outlined in Ruapehu District Council's Long Term Council Community Plan 2006 -16 is one where core facilities, services and infrastructure keep pace with the needs of the community, the cultural diversity of the District is recognised, a sustainable environment is achieved and a safe and healthy community with strong community networks is achieved.

Community property is not an 'activity' as such. Council is the owner of a variety of properties, held for different purposes, and, has a variety of reasons for retaining, maintaining or managing these properties.

The value of the property portfolio is currently estimated to be \$13,500,000. The portfolio includes Council administration buildings and libraries, older persons housing units, community property rental units, some small forestry plantations and a number of miscellaneous properties which include the Taumarunui Aerodrome, Taumarunui Saleyards, Ohakune Railway Station and a number of other properties of interest to the community.

There is a relationship between the community property asset management (AM) plan with other Council planning documents. Council recognises and is managing increasing stakeholder expectations, localised areas of increased demand and provincial commercial limitations.

## The services we provide

Council recognises there is a wide range of customers and stakeholders with an interest in how community property is managed, including the resident community, iwi and specific interest groups within the community and regional and central government agencies.

Council's LTCCP 2006–2016 is the primary document for determining and agreeing levels of service and costs with the community and stakeholders.

Specific levels of service adopted are outlined in Section 2.5 of this AM plan.

Projects required to close service gaps are identified in Section 2.6. These relate mostly to older persons housing issues.

The planned investment in closing service gaps over the next three years is around \$215,000.

## Managing growth and demand

The number of people that usually live in Ruapehu District is declining, with 13,572 people at the 2006 Census. However, the District is growing in other ways. Growth is being fuelled by tourists and non-residential owners of holiday homes.

This has an affect on the peak population growth which is expected to grow overall at 2.5% per annum. The projected peak population growth is not uniform district wide, due to the distribution of the visitor industry and holiday homes. In particular, National Park and the Ohakune areas are showing increases in peak populations at 3.5% and 1.8% per annum respectively.

This change in District growth is not expected to impact on how Council manages community property. There is a low possibility that there will be a slightly higher demand for older persons housing accommodation in the future, but at the present time, there are no waiting lists for most of the Council owned housing units. There is a small waiting list for the Cherry Court two bedroom community housing units.

There are no identified growth driven projects for community property.

## **Managing risk**

Risk management is an inherent part of Council's overall property management philosophy. Risk is managed through the development and ongoing review of risk assessments, as well as through emergency response planning, routine inspections and maintenance response.

The risks identified through these processes are a key input into identification and prioritisation of programmes and projects. The review as part of the development of the 2008 AM plan identified the following highest property risks:

- Destruction of buildings by fire, earthquake, volcanic eruption or other disaster.

These risks are managed with the following existing controls:

- Condition monitoring, maintenance history analysis, targeted renewal programmes, and system redundancy options.
- Response planning.
- Replacement or Indemnity Insurance cover.

It is recognised that controls need to be developed to provide for the temporary or even permanent re-housing of occupants or tenants of buildings that may be damaged or destroyed. These buildings include the Council administration buildings which currently house up to sixty staff members in Taumarunui, and eight to ten staff members in Ohakune and Raetihi.

Although a formal criticality assessment has not been undertaken, the following assets have been identified as critical for the community, or the occupants of the buildings. There is a greater level of management applied to them:

- Taumarunui – Ruapehu District Council service centre, Huia Street, Taumarunui.
- Ohakune – Ruapehu District Council service centre, Ayr Street, Ohakune.
- All older persons housing units.
- All community housing units.

## **Lifecycle management**

Council owns and manages:

- Council administration buildings and libraries in Taumarunui, Ohakune and Raetihi.
- Older persons housing units (69) in Taumarunui, Ohakune and Raetihi.
- Community housing units (12) in Taumarunui and one community house in Raetihi
- Taumarunui Aerodrome.
- Miscellaneous properties

Council manages these assets by applying the following broad strategies:

- **Operations:** Council will manage the assets in a manner that minimises the long term overall total cost. Scheduled inspections and monitoring will be undertaken as justified by the consequences of failure on levels of service, costs, public health, safety or corporate image. The inspection programme will be modified as appropriate in response to unplanned maintenance trends. Competitive pricing will be ensured by using CPP contract structures and performance based term contracts where applicable.
- **Maintenance:** Council will maintain assets in a manner that minimises the long term overall total cost. Competitive pricing will be ensured by using CPP contract structures, and term contracts.

- Unplanned maintenance: A suitable level of preparedness for prompt and effective response to asset failures will be maintained by ensuring suitably trained and equipped staff to allow prompt repair of critical assets and mitigation of any hazards. Term contracts specify response times.
- Planned maintenance: A programme of planned asset maintenance will be undertaken to minimise the risk of critical asset failure, or where justified when considering financial, safety and social impacts. Major maintenance needs will be identified through the scheduled asset condition inspections and those generated from the investigation of customer complaints.
- Renewals: Council will rehabilitate or replace assets when justified by:
  - Risk: The risk of failure and associated financial and social impact justifies action (e.g. probable extent of damage, safety risk, community disruption).
  - Asset performance: Renewal of an asset when it fails to meet the required level of service. Non-performing assets are identified by the monitoring of asset reliability, efficiency and quality during routine inspections and operational activity. Indicators of non-performing assets include repeated and/or premature asset failure, inefficient energy consumption and inappropriate or obsolete components.
  - Economics: When it is no longer economic to continue repairing the asset (i.e. the annual cost of repairs exceeds the annualised cost of renewal).
  - Efficiency: New technology and management practices relating to increased efficiencies and savings will be actively researched, evaluated and, where applicable, implemented.

Renewals needs for key asset groups will be identified through the scheduled asset condition inspections, the investigation of customer complaints and a practical knowledge of the portfolio. Renewals works will be prioritised and programmed in accordance with defined criteria, or in urgent cases undertaken immediately.

- Development: Development works will be planned in response to identified service gaps, growth and demand issues, risk issues and economic considerations.
- Disposal: Property that is surplus to requirement or future need and of no social or cultural significance, or of any investment benefit to the community, will be disposed of whenever possible.

Key performance issues are:

- Some buildings do not meet current building codes:
  - Ramps to Rochfort Flats older persons housing units are too steep and do not meet current building code requirements.
- Probability that the Ohakune Railway Station will be registered as a category II historic building:
  - Maintenance and renewal needs will have to be identified and budgeted.
- Some property held for the benefit of very few members of the community:
  - Taumarunui aerodrome – only used by small number of recreation users and farmers (top dressing fertiliser lifted from aerodrome).
  - Taumarunui saleyards – stock processed through saleyards reduced to small numbers over recent years

Condition and performance has been assessed through annual property inspections by the staff directly involved with the management of the portfolio. The results are summarised below for the buildings within the portfolio. The grading methodology was a 1 to 5 grading where 1 is excellent and 5 is poor. The 2006 and 2008 development projects for Council administration buildings in Taumarunui and Ohakune is reflected in the condition grading for these buildings. The dual grading for some buildings reflects the situation where some components are in better condition following renewal, than others that are original or older but are still adequate and in reasonable condition. The forestry plantations will be assessed by an expert consultant in 2009 but these have not been maintained, are very small and advice is being sought on how best to manage these blocks in the

future taking into account environmental issues and the possible introduction of an emissions trading scheme by Central Government.

Detailed component condition grading has been carried out for the Administration Buildings, Older Persons Housing Units, and Community Housing Units. This information is held in excel spreadsheets awaiting input into Biz-E-Asset database. This information is available on request.

<b>Administration Buildings</b>	<b>Condition Grading</b>	<b>Performance Grading</b>
Taumarunui	1	1
Ohakune	1	1
Raetihi	3	2

<b>Older Persons Housing</b>	<b>Condition Grading</b>	<b>Performance Grading</b>
Taumarunui	2/3	2/3
Ohakune	2/3	2/3
Raetihi	2/3	2/3

<b>Community Rental Housing</b>	<b>Condition Grading</b>	<b>Performance Grading</b>
Taumarunui (residential units)	2/3	2/3
Raetihi (residential house)	3	2/3

<b>Taumarunui Aerodrome</b>	<b>Condition Grading</b>	<b>Performance Grading</b>
Buildings	3	3
Fencing, Fertiliser Bin and ancillary components	3	3

<b>Miscellaneous Property</b>	<b>Condition Grading</b>	<b>Performance Grading</b>
Buildings	3	3
Fencing, and ancillary components	3	3

Major projects in the next three years for community property (excluding administration buildings), are:

- Proposal to re-configure a number of bed sit older persons housing units using Housing New Zealand suspensory loan funds for the cost of re-development. Initial project cost \$185,000.

Three year financial requirements are:

- |                                                       |             |
|-------------------------------------------------------|-------------|
| • Operations and maintenance (excluding depreciation) | \$1,642,000 |
| • Depreciation                                        | \$ 90,000   |
| • Renewals                                            | \$ 33,000   |
| • Capital development (growth)                        | \$ Nil      |
| • Capital development (levels of service)             | \$ 30,000   |

### Sustainability in Ruapehu District

Council manages community property in a suitable manner across the four community well-beings.

- **Social.** Older persons housing and a number of other properties in the portfolio are held in Council ownership for the social well-being of the community. For example, other properties include the Taumarunui Aerodrome, the Taumarunui Saleyards, the Taumarunui Fire Station (land).
- **Economic.** The activities of Ruapehu District council contribute to the economic well being of the community. Affordability remains one of the key issues facing Ruapehu District and Council continues to explore and implement cost effective management initiatives for the recreation and community facilities activity including the adoption of sound “best appropriate” asset management practices, balancing in-house and outsourcing physical works and specialist advisory services.
- **Environmental.** Council has adopted the community’s views on the importance of the environment within the District. All works on community property, but in particular, the forestry blocks, will only be carried out after giving consideration to environmental impacts and minimising these to the maximum possible.
- **Cultural.** Some community property may be held for cultural or historic reasons. The Ohakune Railway Station is an example of this. Community halls are another example of property held by Council for cultural reasons; however these assets are dealt with in the Recreation and Community Facilities AMP.

### Financial summary

The forecast expenditure requirements over the ten year planning period to continue to manage community property sustainably are presented in the figure below. The dollar value summary for financial expenditure has been included in Appendix B.

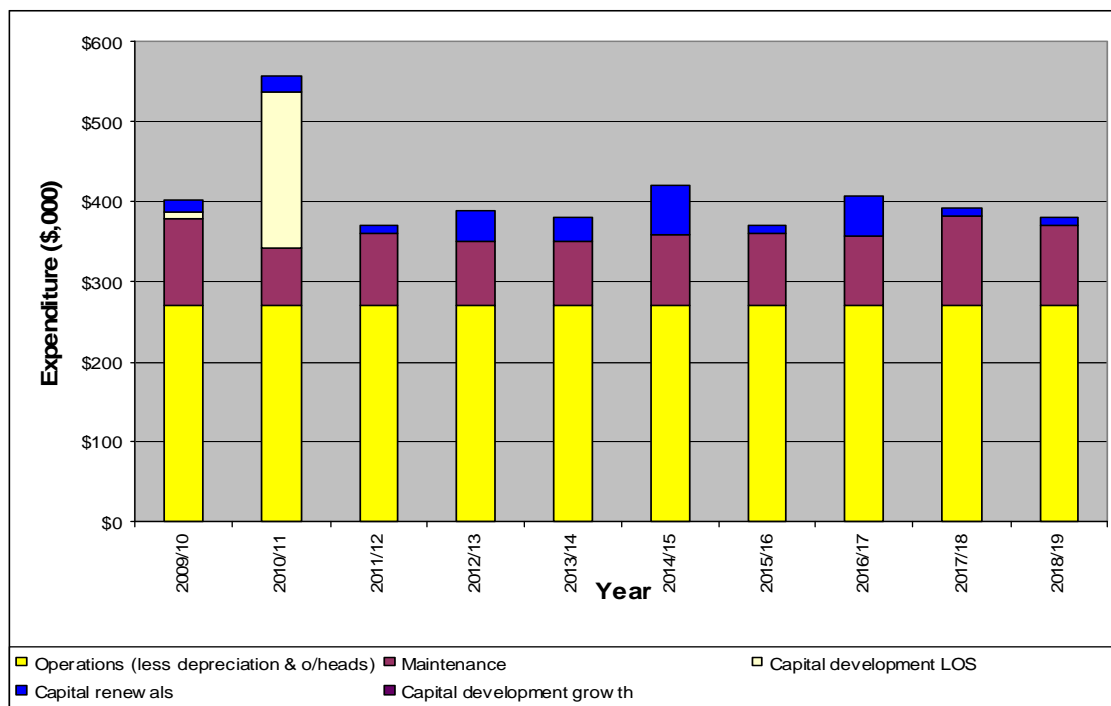


Figure 1 Financial Summary

The key trends in this financial forecast are:

- Operations and maintenance – \$5,829,000 is budgeted for over the 10 year planning period for community property asset operations and maintenance. There is an increase in maintenance forecast from 2012/13 to allow for contract increases.
- Renewals - \$256,000 is budgeted for over the 10 year planning period for community property asset renewals.

- Capital development for growth – There is no capital allocated for growth as within the 10 year future time frame, growth predictions are not expected to impact in any particular way on the community property portfolio.
- Capital development for level of service – \$20,000 is budgeted for over the 10 year planning period to address identified service gaps and risk issues. The reconfiguration of old persons housing units will not proceed unless a Housing New Zealand suspensory loan is available to offset cost.

## 1.0 Introduction

The vision for the District outlined in Ruapehu District Council's Long Term Council Community Plan 2006-16 is one where core facilities, services and infrastructure keep pace with the needs of the community, the cultural diversity of the District is recognised, a sustainable environment is achieved and a safe and healthy community with strong community networks is achieved.

Community property is an important part of achieving this vision.

The purpose of community property portfolio management is to ensure that property that is held by Council for the social, cultural or environmental well-being of the community is managed in a sustainable and responsible manner.

To achieve this purpose, Council manages a \$13 million community property portfolio including older persons housing, community housing, Taumarunui Aerodrome, Ohakune Railway Station, Taumarunui Saleyards and a range of other land and buildings including the Council administration buildings in Taumarunui, Ohakune and Raetihi.

There is a relationship between the community property asset management (AM) plan with other Council planning documents.

Further, Council is committed to initiatives to help manage potential negative effects associated with the community property activity, such as managing the community expectation that older persons housing costs are fully recovered from rent revenue, when there is a low level of occupancy. This problem is principally in the bed sitting accommodation which comprises 50% of the total accommodation offered.

## 1.1 Background

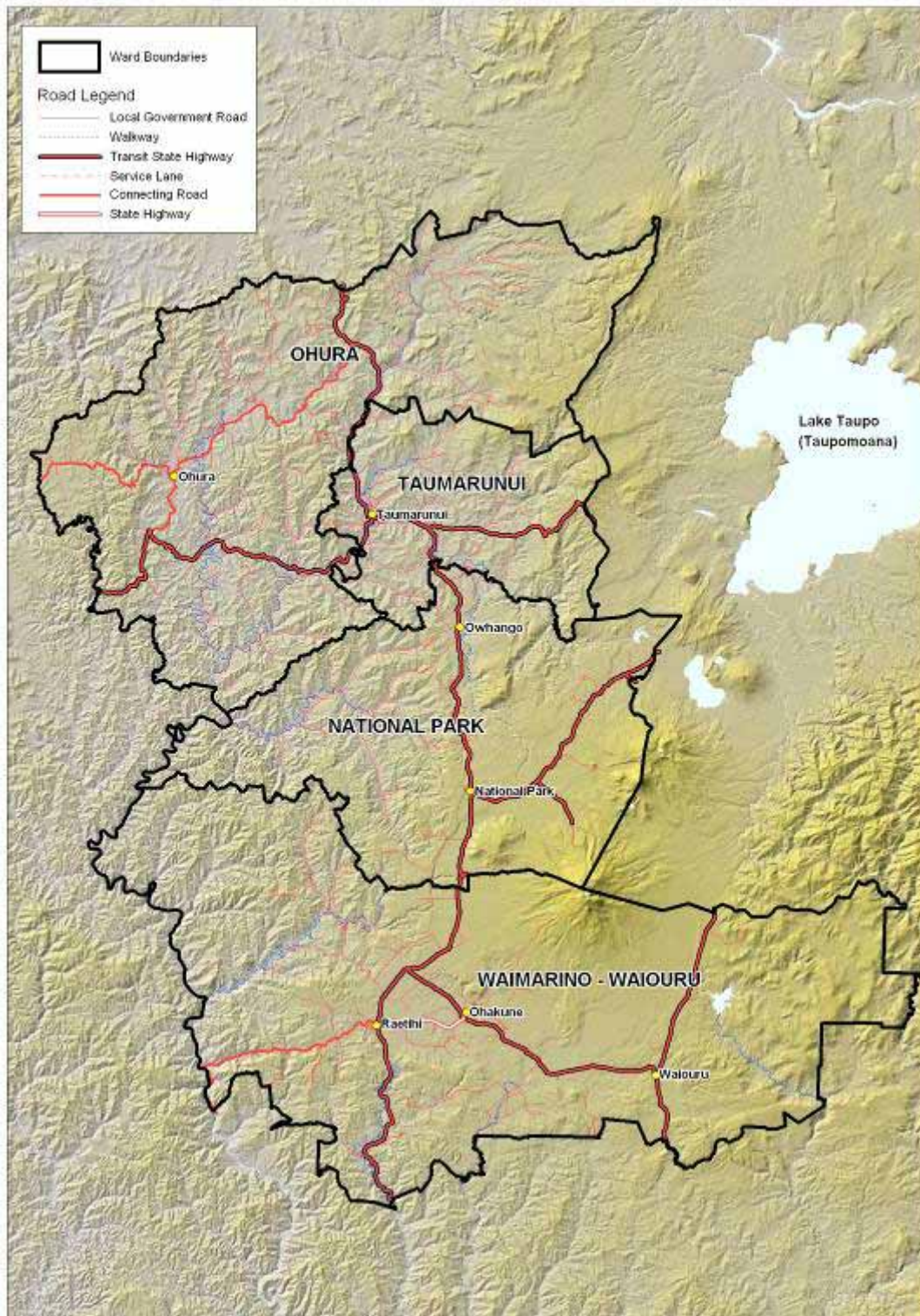
### Ruapehu District

The Ruapehu District is a land-locked area encompassing 6,700km<sup>2</sup>, with a population of 13,572 (Statistics NZ, Census 2006). Ruapehu is one of New Zealand's largest Districts by land area but has a relatively small and dispersed population base.

The District's landscape is varied, ranging from pastoral hill country and indigenous forest to the volcanic plateau of the Desert Road and New Zealand Army (Army) land at Waiouru. In the east the District features the Tongariro National Park, which includes the mountains Tongariro, Ngauruhoe and Ruapehu and in the west, the Whanganui National Park, which accompanies much of the Whanganui River.

The District borders with Rangitikei and Wanganui Districts in the south, extends to Waitomo District in the north, stretches east to Taupo District and west to Stratford District.

Townships are scattered throughout the District. Taumarunui is a service centre for the surrounding sheep, cattle and deer farms and forestry plantations. Ohakune caters for the ski and tourist industry as well as the surrounding horticultural and farming activity. Raetihi is a rural township servicing farming, market gardening and forestry and forms a gateway to the historical Whanganui River settlement of Pipiriki. At the southern end of the District Waiouru features the Army Base.



**Figure 2 – Map of Ruapehu District**

The Ruapehu environment is largely high quality with a relatively low number of heavy industries or high intensity residential development. The high quality of the environment makes the Ruapehu District attractive to tourists who seek to visit natural and unspoilt landscapes.

As a consequence of the small and dispersed population, large tourist industry and large land area, the District faces many challenges in meeting the current and future service expectations of residents and tourists, in terms of Council's ability to fund the desired service levels at an affordable (sustainable) cost level.

### **The community property activity**

Property is not a distinct 'activity' of Council. It encompasses assets from several activities including Community Property (Older Persons Housing), assets identified as relevant to Corporate Support (Administration Buildings) and Community Facilities (Libraries).

Through the community property activity, Ruapehu District Council (Council) aims to

*"Ensure that property that is held by the Council for the social, cultural or environmental well-being of the Community is managed in a sustainable and responsible manner.."*

*"Act as a steward for property that is of social, cultural, environmental or economic benefit to the community".*

This asset management (AM) plan demonstrates how Council will achieve this goal and associated strategic targets to directly support the achievement of Ruapehu District's community outcomes through effective sustainable management of the community property portfolio.

### **Assets which enable the community property activity**

The property portfolio owned by Council includes:

- Council administration properties Taumarunui, Ohakune and Raetihi
- Stand alone Library Taumarunui
- Stand alone Visitor Information Centre Ohakune
- Older persons housing units
- Community housing units
- Miscellaneous properties including Taumarunui Aerodrome, Ohakune Railway Station, leased commercial properties, unimproved land and parcels of closed road, metal pits and land that may be retained for infrastructure purposes e.g. sewer or water pumping stations.
- Small forestry blocks

Council owns, and, is responsible for the management of these assets. The community property portfolio included in this Asset Management (AM) Plan and the estimated current replacement values are summarised in Table 1, noting that quantities are correct as at 30 June 2008. This shows that the cost of replacing the community property building portfolio in today's terms, excluding land cost, is around \$13.5 million.

<b>Asset Group</b>		<b>Quantity</b>	<b>Replacement Cost</b>
<b>Administration Properties</b>	<b>Service Centres and Libraries Taumarunui, Ohakune and Raetihi</b>	<b>3</b>	<b>\$5,200,000</b>
	<b>Taumarunui Library</b>	<b>1</b>	<b>\$740,000</b>
	<b>Ohakune Visitor Information Centre</b>	<b>1</b>	<b>\$681,000</b>
<b>Community Housing</b>	<b>Older Persons Housing Units</b>	<b>69</b>	<b>\$4,031,000</b>

<b>Asset Group</b>		<b>Quantity</b>	<b>Replacement Cost</b>
<b>Units</b>			
	<b>Community Housing Units</b>	<b>13</b>	<b>\$2,083,000</b>
<b>Special Properties</b>	<b>Purpose</b>		
	<b>Taumarunui Aerodrome</b>	<b>1</b>	<b>\$277,400</b>
	<b>Taumarunui Saleyards</b>	<b>1</b>	<b>n/a</b>
	<b>Ohakune Railway Station</b>	<b>1</b>	<b>\$288,000</b>
	<b>Taumarunui Fire Station (land only)</b>	<b>1</b>	<b>n/a</b>
	<b>Pukehou Quarry and quarry house (NOTE: THIS IS EXPECTED TO BE SOLD DURING 2008/09 )</b>	<b>1</b>	<b>n/a</b>
<b>Pine Plantations</b>	<b>Pinus Radiata</b>	<b>5</b>	<b>n/a</b>
	<b>Douglas Fir</b>	<b>1</b>	<b>n/a</b>
<b>Miscellaneous Properties</b>	<b>Various (refer Appendix A) Buildings only</b>	<b>2</b>	<b>\$250,000 (estimated)</b>
<b>Total</b>			<b>\$13,550,400</b>

Table 1- Community Property portfolio

### Relationship with other planning documents

AM plans are a key component of the strategic planning and management of Council with strong links to other Council strategies and policies, external agency strategies and policies, and to legislation and other regulatory instruments.

AM plans are tactical plans which provide the link between community outcomes and work programmes presented in Figure 3.

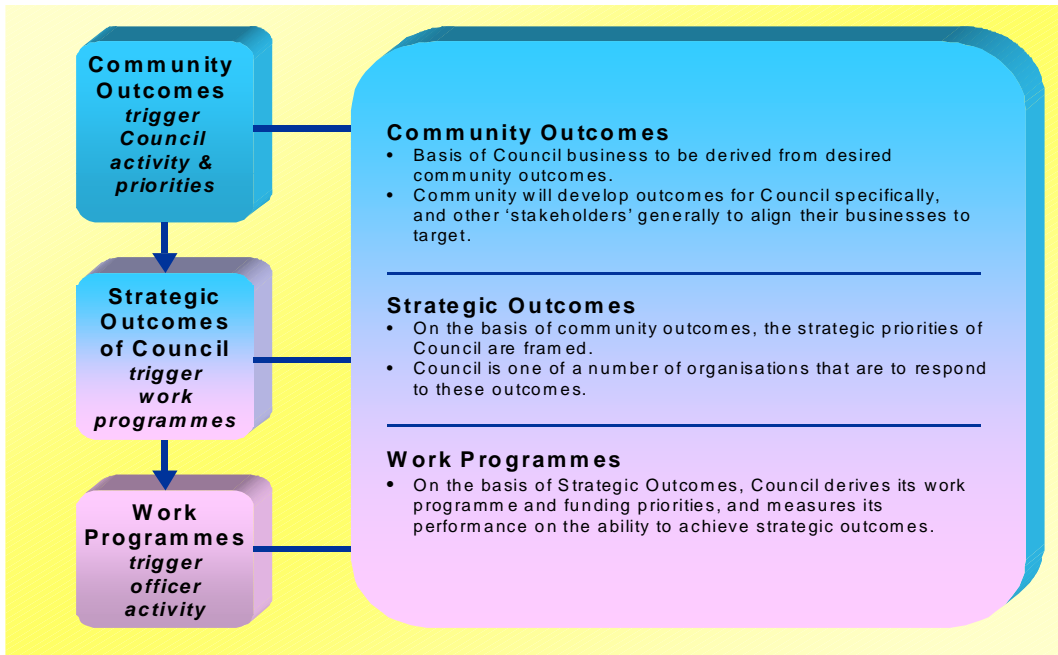


Figure 3 - Community outcomes, strategic outcomes and work programmes

Figure 4 illustrates how this AM plan fits into the overall Council planning framework. It shows that the Local Government Act (LGA) 2002 provides the primary regulatory framework for the AM plan and that this AM plan forms the basis for providing inputs for the Community Property activity into the Long Term Council Community Plan (LTCCP).

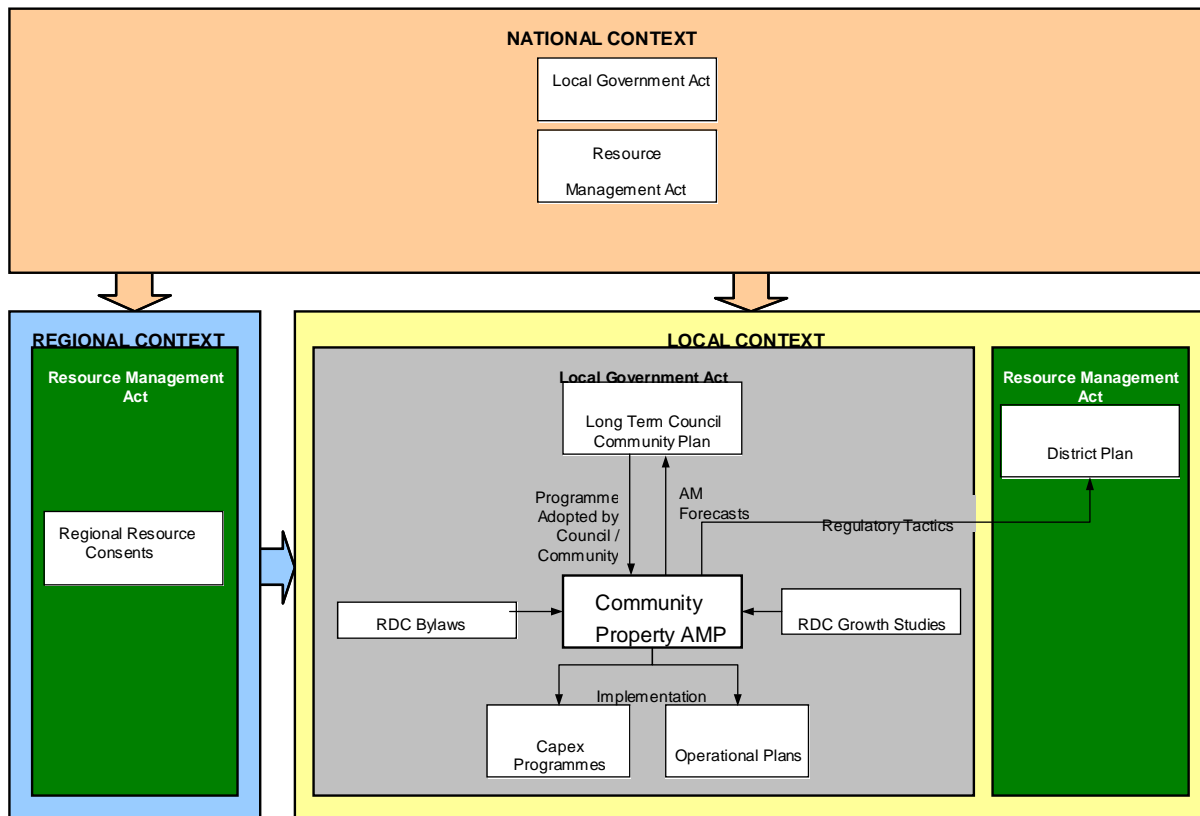


Figure 4- AM plan relationship with overall Council planning framework

The key planning documents linked with the AM plan are discussed in Table 2.

<b>Document</b>	<b>Summary</b>
<b>National Context</b>	
<b>Local Government Act</b>	<b>Schedule 10 requires that the council’s long-term plan contains information on the assessment and management of the AM implications of changes in demand or service levels.</b>
<b>Regional Context</b>	
<b>Regional Policy Statements</b>	<b>A key function of the Regional Council is “the establishment, implementation and review of objectives, policies and methods to achieve the integrated management of the natural and physical resources of the region”. These objectives, policies and methods are set out in the Horizons Regional Policy Statements.</b>
<b>Local Context</b>	
<b>Long Term Council Community Plan</b>	<b>As a mandatory requirement of LGA 2002, this strategic plan must be adopted every 3 years and cover a planning period of at least 10 years. The AM plan’s financial projections are incorporated in the LTCCP. Key requirements:</b> <ul style="list-style-type: none"> <li>• <b>Describes the activities of Ruapehu District and its community outcomes</b></li> <li>• <b>Provides integrated decision making and co-ordination of resources</b></li> <li>• <b>Provides a long-term focus for Council’s decisions and activities</b></li> </ul>
<b>Exceptions Annual Plan</b>	<b>A document produced annually to update information reported on within the LTCCP including its objectives, intended activities, performance, income and expenditure. The Annual Plan shows how that year of the LTCCP will be funded and will provide detailed financial forecasts for the first 3 years, with summary forecasts provided for years 4 to 10.</b>
<b>Growth Studies</b>	<b>This document sets out the planning growth assumptions for the District for the development of the Long Term Plan 2009-19. It will provide consistency across all asset groups.</b>
<b>District Plan</b>	<b>This core document incorporates policies and objectives for landuse in Ruapehu District and designations for future works incorporated in the AM Plan.</b>

**Table 2- Key planning documents**

Legislative requirements, policies and standards driving these planning processes and documents are discussed in Section 2.3 and 2.4.

This plan has been written to provide the information required for good AM planning as set out in:

- LGA 2002 Schedule 10.
- Office of the Auditor General criteria for AMPs, 2006.
- International Infrastructure Management Manual 2006, published by the National Asset Management Steering Group.

## 1.2 Community outcomes and strategic goals

### Why we are involved in community property?

Council's management goals for community property are:

- **Older Persons Housing:** To continue to provide the current stock of housing on a cost recovery basis, to senior citizens, until such time as greater benefits to Council would arise from the sale of assets that are no longer required
- **Community Housing and other miscellaneous property activities:** To provide a return on these activities where possible in the provision of services that may not exist without Council assistance.
- **Corporate Support:** To provide sufficient resources and support to efficiently and effectively achieve Council's output objectives

Council ownership and management of these assets is the most sustainable means of achieving these activity outcomes. Council staff has the experience and skills to oversee the consulting and contracting service providers.

### Community outcomes

Community outcomes are the community's overall aspirations for the District's future and drive all Council activities. Council carried out extensive community consultation in 1997 and 2005 in order to develop community outcomes for the LTCCP. This process identified 42 desired community outcomes, from which a vision for the District was developed as presented in Table 2.

Well-being	Community Outcome Statement
Economic	Ensure that core facilities, services and infrastructure keep pace with the needs of the community
Cultural	The cultural diversity of the District is recognised
Environmental	The achievement of a sustainable environment
Social	The achievement of a safe and healthy community with strong community networks

Table 2 – District vision

The community property activity primarily supports the following community outcomes:

• CO 12	Key service providers consult with the community and common goals are identified and worked towards.
• CO 18	Excellent standards of safety are promoted and individuals take personal responsibility for their safety.

• CO 22	An environment which has an excellent quality of water, soil and air.
• CO 31	An urban environment, which is tidy, clean, safe, easy to get around and beautified.
• CO 25	A District that retains the natural beauty, aesthetic values and vistas of the District.
• CO 42	The provision of excellent medical, educational, leisure and retail services attract families and skilled workers to the District.
• CO 24	A community that promotes a zero waste outlook and encourages minimisation of the impact of waste on the environment.
• CO20	A Community that respects the safety and welfare of others

Table 3 – Community Outcomes

These are discussed further in Section 2.0.

### Strategic objectives

Council has developed strategic objectives to target achievement of the relevant community outcomes. The strategic objectives for Community Property are:

- **Quality SG 1** Council will act as a steward for property that is of social, cultural or environmental benefit to the community and maintain these properties to a high standard.
- **Safety SG 2** Council owned buildings are structurally sound and safe, and Council occupants and tenants in administration buildings, older persons housing and community housing feel safe.
- **Sustainability SG3** The optimised decision making process will be applied to larger community property renewal and development projects to achieve affordable and sustainable outcomes for future generations.

These are discussed further in Section 2.0

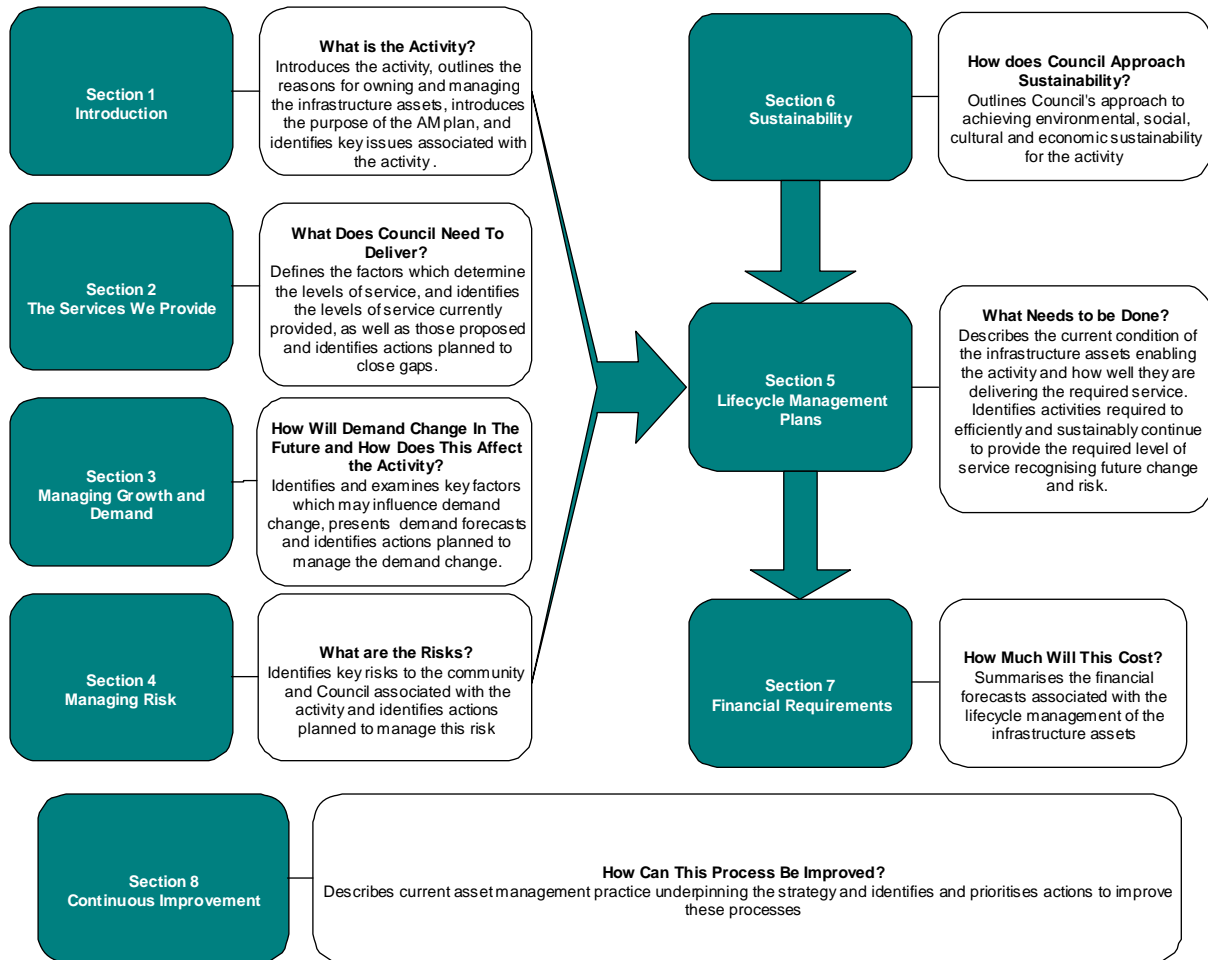
### Highlights 2005-2008

The major highlights during this period were the completion of the development projects for the Council administration buildings in Ohakune and Taumarunui, and the new Visitor Information Centre in Ohakune, which were the culmination of nearly ten years of planning and development work.

These three assets represent 35% of the total value of the community property assets.

### 1.3 Plan framework

The framework of the plan is presented in Figure 5.

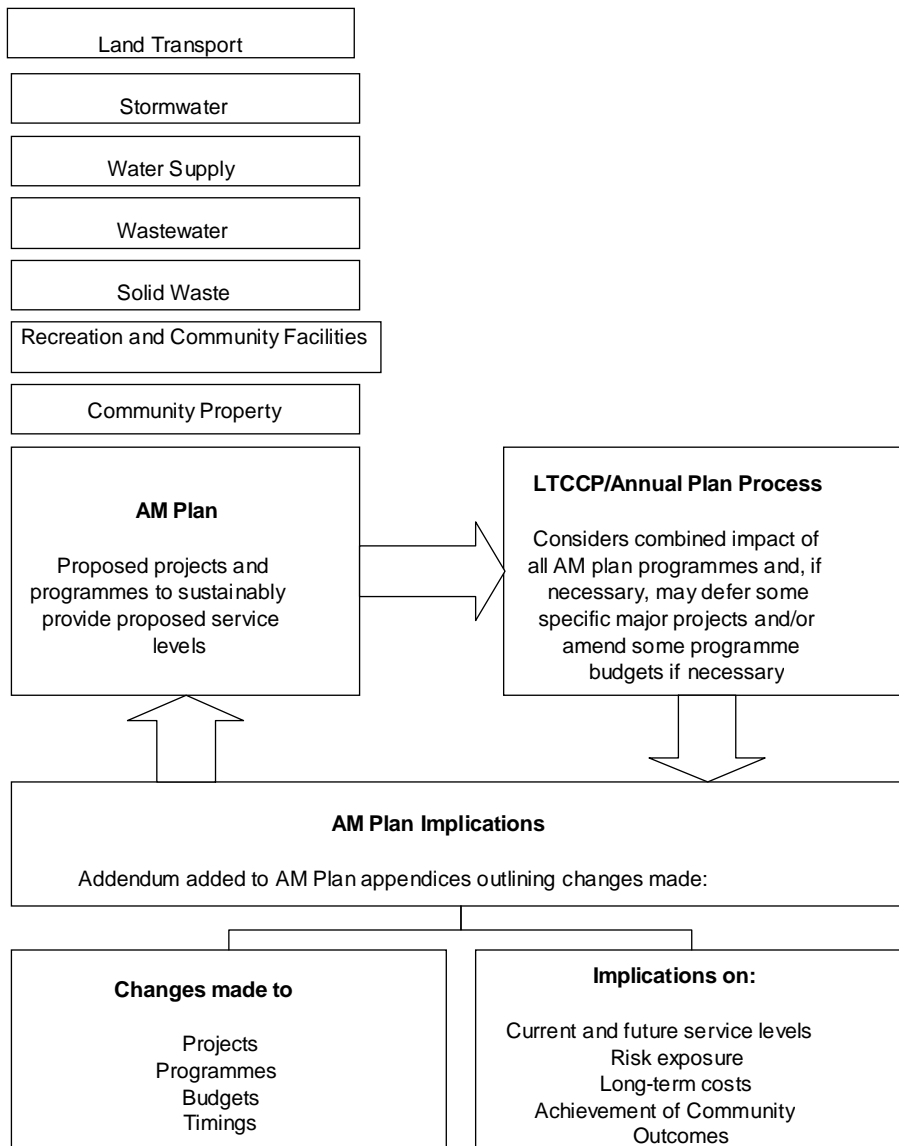


**Figure 5 – AM plan framework**

This AM plan presents levels of service we propose to provide, with the identified demand changes and risks.

The AM plan is then reviewed by Council alongside AM plans for the other Council activities as part of the LTCCP/Exceptions Annual Plan process. This process considers the overall impact of the proposed programmes to deliver the defined levels of service on the Ruapehu community. This review by the elected members moderates competing priorities within the context of community affordability and may result in some projects being deferred, and, some reductions to ongoing programmes.

The adopted programmes and budgets, and the implications of any changes made from the proposed AM plan are identified within Appendix A. These changes and implications will then be a key input into subsequent plan updates as indicated in Figure 6.



**Figure 6 – AM plan and LTCCP/EAP process**

## 1.4 Key issues we are managing

### Key issues

The key issues Council is managing as part of the community property activity are summarised in Table 4:

Issue	Potential impacts	Refer to
Ageing community	<p>The community's expectations are increasing with regards to:</p> <ul style="list-style-type: none"> <li>• Provision of access, or improved access, for disabled users and occupants of community property.</li> <li>• Standard and size of accommodation in community housing units.</li> </ul> <p>Changes in expectations may result in a gap between service level delivered and service level expected. Closing these gaps may challenge affordability.</p>	Section 5.3
Increasing legislative requirements	<p>Legislative requirements are increasing, particularly regarding transparency and environmental and economic sustainability. Managing these increased requirements can incur additional cost.</p>	Section 2.3
Age of building structures – status of building structures	<p>All pensioner housing units are now of an age where some major components such as roofs, bathrooms and kitchens are reaching the end of their useful life.</p> <p>Some buildings, for example, the Ohakune Railway Station, which are old and past their useful life span, have historical value to the community. It may become expensive to keep maintaining such buildings.</p>	Section 5.3

Table 4- Key issues involved with the community property management

## Potential negative effects

There is recognition of the potential negative effects resulting from the community property management which need to be managed. These are outlined in Table 5:

Potential Negative Impact	Mitigation
<b>Environmental.</b> The community identified that a clean/unspoilt/scenic/beautiful natural environment was a key strength of the community during the LTCCP consultation process, and, rated “an environment which has an excellent quality of water, soil and air” in the top five priority community outcomes.	
The potential for emissions to affect climate, and especially ‘global warming’, including the effect of certain substances on the ozone layer.	Council is committed to understanding the impacts of climate change on public infrastructure and mitigates this through advice from central government agencies.
Environmental damage during construction of new works.	Environmental damage is mitigated through resource consent conditions which are specified into the contract document and monitored closely during the implementation of physical works.
Environmental detrimental effects arising from forestry harvesting operations.	Council prepares a management plan for the future management of forestry blocks within accepted industry standards for the mitigation of environmental effects.
<b>Economic</b>	
The cost to the ratepayer of maintaining facilities such as the Taumarunui Aerodrome and Ohakune Railway Station that is used by a relatively small percentage of the residents and ratepayers but is of high importance to those that use these facilities.	Council is committed to implementing cost-effective solutions as part of successful asset management. Levels of service have been set with consideration to community affordability and efficiencies are sought on an ongoing basis.
Significant compliance costs for developers and businesses and individual households.	Council is transparent with its compliance costs with the development community as practicable.
<b>Social</b>	
Disruption to individual property tenants, occupants or other affected parties during new works construction.	Construction is undertaken in such a way as to minimise effects to property tenants, occupants or other affected parties and to keep them fully informed of the proposed work.
Potentially higher future demand that cannot be met by the private sector, for older persons housing as population ages more quickly than in the past. Council may need to continue to supply older persons housing at a higher level than at the present time.	Changes to demand will be closely monitored to determine need for planning purposes.
<b>Cultural</b>	
Potentially, some development or demolition/removal may be of concern to iwi.	Council is committed to understanding iwi concerns through communication with iwi.

**Table 5– Potential significant negative impacts**

## 2.0 The services we provide

Council recognises there is a wide range of customers and stakeholders with an interest in how the community property portfolio is managed, including the resident community, visitors, specific interest groups within the community and regional and central government agencies.

Council's LTCCP 2009–2019 is the primary document for determining and agreeing levels of service and costs with the community and stakeholders.

Specific levels of service adopted are outlined in Section 2.5 of this AMP and include:

- Council provides and maintains to a suitable level, older persons housing
- Council will retain property that is of social, cultural or environmental benefit to the community.
- Council will undertake reforestation with native species only on steep plantation blocks or those adjoining waterways.

Capital development projects required to close service gaps identified in 2.6 include:

Re-configuration of a number of bed-sit older persons housing units into 1 or 2 bedroom units.

Re-configuration of access ramps to four one bedroom units older persons housing units Rochfort flats to make ramps Building Code compliant.

Install windows to laundries in four older persons housing units Ohakune.

The planned investment in closing service gaps over the next three years is around \$205,000 which will be offset by an anticipated suspensory loan from Housing New Zealand for the re-configuration of bed sit units to the extent of \$185,000.

## 2.1 Our customers and stakeholders

### Our customers and stakeholders

Table 6 lists the customers and the main stakeholders in the District's community property activity.

Customers	External Stakeholders	Internal Stakeholders
<ul style="list-style-type: none"> <li>• The community – citizens and ratepayers, tenants and visitors to the District</li> <li>• Community Groups</li> </ul>	<ul style="list-style-type: none"> <li>• Government agencies, including:               <ul style="list-style-type: none"> <li>- Local Government NZ</li> <li>- New Zealand Police</li> <li>- Office of the Auditor General</li> <li>- Civil Defence and Emergency Management</li> <li>- Ministry for the Environment</li> </ul> </li> <li>• Horizons Manawatu-Wanganui Regional Council</li> <li>• New Zealand Historic Places Trust</li> <li>• Iwi</li> <li>• Environmental groups</li> <li>• Consultants and contractors</li> </ul>	<ul style="list-style-type: none"> <li>• Councillors and management team</li> <li>• Community boards</li> <li>• Corporate, Finance and Planning</li> <li>• Stormwater, Wastewater and Water Supply activity managers</li> <li>• Community Development</li> <li>• Recreation and Community Facilities</li> <li>• IT Manager</li> <li>• Land Transport activity</li> </ul>

## Table 6 – Key stakeholders

### Engaging our customers and stakeholders

The LGA 2002 requires Council to consult with affected and interested parties in making decisions. Before implementing level of service changes, options analysis and the selection of the best practicable and preferred options must be done using a coherent and transparent process.

Council ensures that all interested stakeholders listed above have an opportunity to influence the level of service decisions by:

- Making this community property AM plan available on Council's website.
- Engagement with key stakeholders about any proposal for new development.
- Undertaking periodic focus group consultation as part of the LTCCP development.
- Public opportunity to provide submissions on strategic targets through Council's LTCCP process.
- Consulting with affected persons on specific projects (as required by the RMA 2001).
- Carrying out periodic levels of service surveys and three-yearly residents surveys to monitor customer satisfaction.
- Monitoring and analysing requests for service from customers recorded within HEAT, Councils customer service request system.

Focus group studies, levels of service surveys, resident surveys and HEAT data analysis are discussed below.

#### Focus group studies

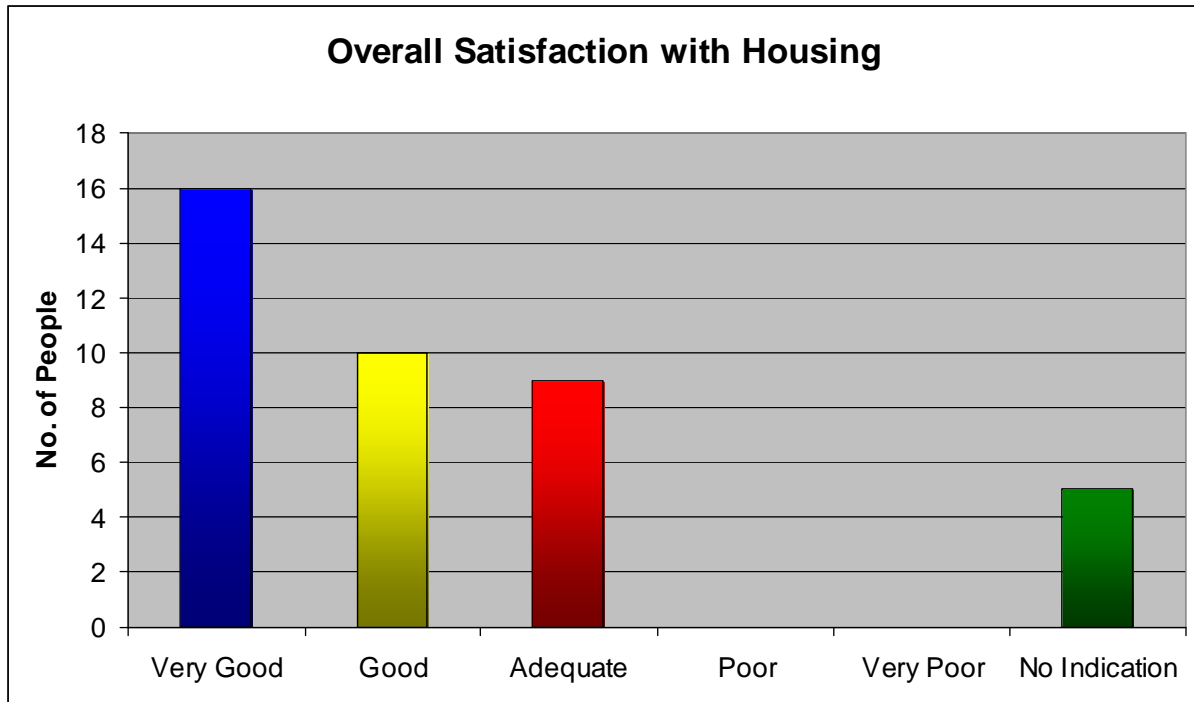
During the LTCCP consultation process, the community identified that a clean/unspoilt/scenic/beautiful natural environment was a key strength of the community. The community prioritised the community outcomes as part of this process. The values identified in these priority ratings reflect the importance the community places on the welfare of the community and environment, with an understanding that adequate infrastructure, coupled with effective and transparent management, are essential for the successful achievement of these outcomes.

#### Levels of service surveys

Council undertook specific levels of service surveys in 2007 for the parks and reserves, solid waste and land transport. Levels of service for community property are very subjective with those most directly involved or affected being Council staff working in administration buildings, tenants of housing units or tenants of the few commercial buildings that Council owns. Accordingly levels of service surveys were not carried out for community property.

#### Resident surveys

Satisfaction surveys which provide an indication of whether current levels of service are satisfactory or not are undertaken two yearly with tenants of older persons and community housing units. The 2007 survey result was an overall level of 75% being satisfied or very satisfied with their accommodation and customer service from Council.



**Figure 7 – Resident satisfaction ratings**

Sources of dissatisfaction have been identified as:

- Damp bedrooms in Cherry Court units which adjoin carports
- Access ramps too steep (Rochfort flats, Taumarunui. These do not comply with current disabled access standards)
- Lack of disabled access at entry doors and to bathrooms in many units
- Lack of covered car parking in older persons units
- Lack of ventilation in laundries (Ohakune)

### **Customer service data analysis**

Analysis of the service call data captured within HEAT since 2000 indicates that the total service calls received fluctuate quite considerably as presented in Figure 8 with a significant increase in graffiti vandalism. The surge upward in miscellaneous property issues and non urgent building issues relate principally to the need for Council contractors to assist with issues arising from the Ohakune and Taumarunui administration building projects. Most of the plumbing and electrical calls relate to leaking taps, stove elements that have failed and similar minor repair requirements.

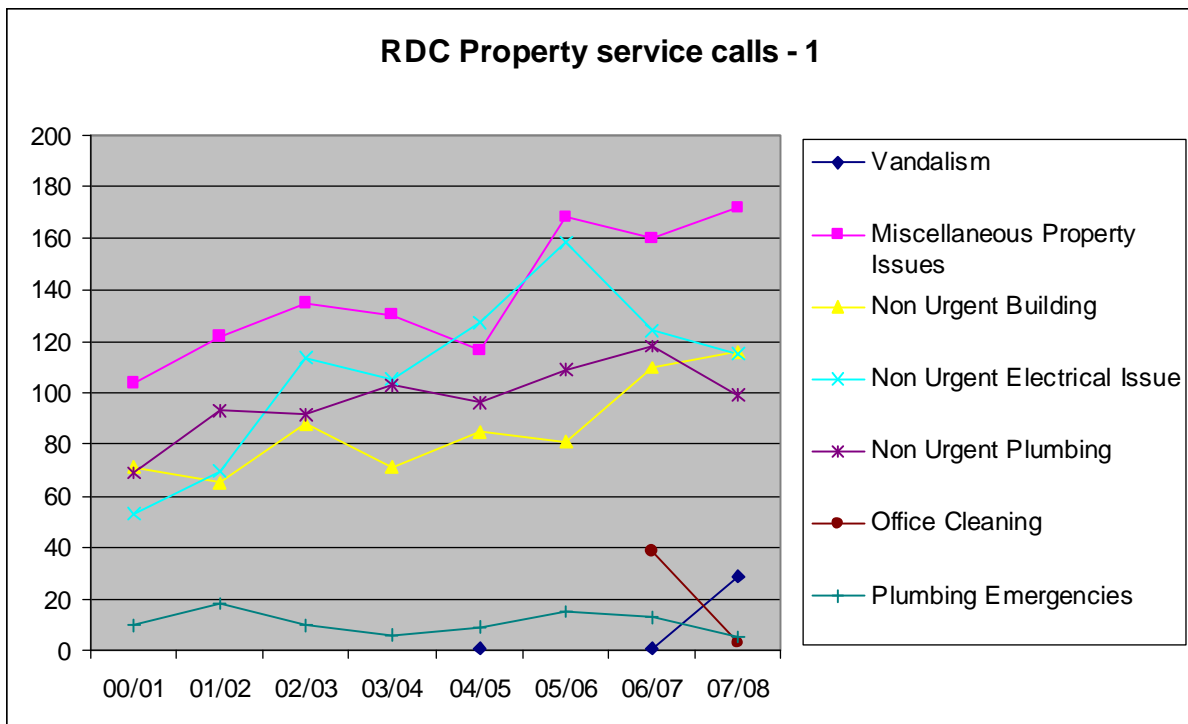


Figure 8 - Service call trends for community property

## 2.2 From community outcomes to AM plan tactical goals

### Community outcomes

The community property activity primarily supports the following community outcomes

• CO 12	Key service providers consult with the community and common goals are identified and worked towards.
• CO 18	Excellent standards of safety are promoted and individuals take personal responsibility for their safety.
• CO 22	An environment which has an excellent quality of water, soil and air.
• CO 31	An urban environment, which is tidy, clean, safe, easy to get around and beautified.
• CO 25	A District that retains the natural beauty, aesthetic values and vistas of the District.
• CO 42	The provision of excellent medical, educational, leisure and retail services attract families and skilled workers to the District.
• CO 24	A community that promotes a zero waste outlook and encourages minimisation of the impact of waste on the environment.
• CO20	A Community that respects the safety and welfare of others

Therefore, management of community property is likely to be driven by themes of:

- Provision of community housing for the elderly and others which is safe and where possible, addresses the needs of disabled or partially disabled tenants.

- Retention of property which has value to the community for historic or other reasons.
- Provision of some property that is of value to the community and might otherwise not be available.

These themes have been developed into strategic goals discussed below.

## Strategic goals

Council has developed its strategic goals and works priorities with reference to the District's community outcomes.

- **Quality**
  - Strategic Goal 1** Council will act as a steward for property that is of social, cultural or environmental benefit to the community.
- **Safety**
  - Strategic Goal 2** Council owned buildings are structurally sound and safe, and Council occupants and tenants in administration buildings, older persons housing and community housing feel safe.
- **Sustainability**
  - Strategic Goal 3** The optimised decision making process will be applied to all community property renewal and development projects to achieve affordable and sustainable outcomes for future generations.

Council will continue to use the optimised decision-making strategies outlined in this AMP in respect of the retention of community property. Property identified and accepted by Council and the Community as not of social, cultural, environmental or economic benefit will be disposed of if possible within legislative constraints.

## 2.3 Legislative requirements

The key legislation, policy and planning documents affecting the levels of service provided by the provision of community property are:

**Local Government Act:** Section 10 of the LGA states the purpose of Local Government as being:

- To enable democratic local decision-making and action by, and on behalf of, communities: and
- To promote the social, economic, environmental and cultural well being of communities, in the present and for the future.

These statements carry a key theme that runs through the LGA as a whole. Local government must take into account, and should promote the following ideas through all decisions, actions and strategies of the local authority:

- Democracy
- Effectiveness
- Local decision-making and accountability
- Community well-being

This AM plan demonstrates Council's approach to these ideas as follows:

- Democracy – Council provides opportunities for the community to participate in Council's decision-making by requesting submissions on the strategic direction of Council's AM plans as part of the LTCCP process.
- Effectiveness - Effective local government relies on information as the basis of good decision-making and accountability. Council is committed to monitoring and continuously improving the

information that this plan is based on and the processes and frameworks which guide decision making.

- Local decision-making and accountability - Council promotes local decision-making by requesting submissions on the strategic direction of asset management plans as part of the LTCCP process, as well as through consultation on work programmes and individual projects as discussed in Section 2. Outcomes from these consultations are combined with asset knowledge and engineering best practice to produce management plans for Council's assets that are sustainable, appropriate and acceptable to the Ruapehu Community.
- Community well-being - Council promotes community well-being through the achievement of desired community outcomes. Council's asset management plans demonstrate how Council's activities directly support the achievement of these outcomes.

Schedule 10 requires that Council's LTCCP contains information on the assessment and management of the AM implications of changes in demand or service levels. This means that local authorities should disclose:

- Whether they intend to change the service levels for an asset over the life of the plan;
- What they expect will happen either to demand for the service and/or consumption of the service; and
- Demonstrate how risks are to be managed.

**Resource Management Act:** The RMA 1991 is an established planning framework covering land designation processes and resource consents for activities that affect the environment. MW Horizons Regional Council is responsible for monitoring compliance with the environmental provisions of this Act that relate to earthworks, sediment control, work within watercourses etc.

**Office of the Auditor General Criteria for AM Plans:** Community housing (in entirety), is significant as defined in council's Significance Policy. For significant properties, the Office of the Auditor General defines a higher level of customer consultation. This includes evaluating level of service options, and undertaking consultation on level of service options with the community and other relevant stakeholders. Customer consultation is undertaken as detailed in Section 2.1

Other legislation relevant to the community property includes:

<p><b>Building Act 2004</b></p>	<ul style="list-style-type: none"> <li>• Requires building consent for building construction or re-location, existing building structural alteration or existing building demolition.</li> <li>• Provides the necessary controls relating to building work and the use of buildings, and for ensuring that buildings are safe and sanitary and have means of escape from fire.</li> <li>• The co-ordination of those controls with other controls relating to building use and the management of natural and physical resources.</li> </ul>
<p><b>Reserves Act 1977</b></p>	<p>The purpose of this Act is for providing for the preservation and management for the benefit and enjoyment of the public, areas of New Zealand possessing;</p> <ul style="list-style-type: none"> <li>• Recreational use or potential, whether active or passive; or</li> <li>• Wildlife, indigenous flora or fauna; or</li> <li>• Natural, scenic, historic, cultural, archaeological, biological, geological, scientific, educational, community, or other special features or value.</li> <li>• Sets requirements for leasing, classification, use of land and application of funds.</li> </ul>
<p><b>Civil Aviation Act 1990</b></p>	<ul style="list-style-type: none"> <li>• Requirements for the operation of Aerodromes.</li> </ul>
<p><b>Historic Places Act 1993</b></p>	<ul style="list-style-type: none"> <li>• Provides for the protection of historic sites including land and buildings.</li> <li>• Restricts management and operation of a protected building.</li> </ul>
<p><b>Property Law Act 1952 and Residential Tenancies Act 1986</b></p>	<ul style="list-style-type: none"> <li>• Provide the legal obligations for landlords in respect of residential tenancies and obligations and procedures for dealing with the acquisition and disposal of property, leasing of property and other miscellaneous property transactions.</li> </ul>

<b>Public Bodies Leases Act 1969</b>	<ul style="list-style-type: none"> <li>Provides some of the powers and legal obligations for Local Government in respect of leasing public land.</li> </ul>
<b>Health and Safety in Employment Act 1992</b>	<ul style="list-style-type: none"> <li>Requires the provision of safe work places for all activities by local authority staff, contractors and volunteers working in or on Council property, and the maintenance of an audit trail to demonstrate compliance.</li> <li>Requires the identification of hazards and disclosure to persons entering the building.</li> </ul>
<b>Fencing Act 1978</b>	<ul style="list-style-type: none"> <li>This is an Act relating to the erection and repair of dividing fences.</li> </ul>
<b>Land Act 1948</b>	<ul style="list-style-type: none"> <li>This Act is to consolidate and amend certain enactments of the Parliament of New Zealand relating to the lands of the Crown in New Zealand.</li> </ul>
<b>Local Government Rating Act 2002</b>	<ul style="list-style-type: none"> <li>This Act is to consolidate and amend certain enactments relating to the making and levying of rates on property.</li> </ul>

## 2.4 Industry standards and guidelines

Standards Association of New Zealand: provides a range of standards covering required or recommended practice and which may impact directly on assets or management of contracts, e.g. the NZS3604 Code of Practice provides a range of building standards.

## 2.5 Levels of service we provide

The levels of service we provide are presented in the following tables:

<b>Core Value: Quality</b>						
<b>Key Community Outcomes:</b>						
CO 12 - Key service providers consult with the community and common goals are identified and worked towards.						
CO 24 – A community that promotes a zero waste outlook and encourages minimisation of the impact of waste on the environment.						
<b>Strategic Goal 1: To act as a steward for property that is of social, cultural or environmental benefit to the community</b>						
Level of Service	Performance Measure	Past performance	Future Year Targets			
		07/08	09/10	10/11	11/12	12/18
Council will retain property that is of social, cultural or environmental benefit to the community.	All Council property is categorised as to community benefit.	0%	80%	100%	100%	100%
Council will maintain property that is of social, cultural or environmental benefit to the community to a high standard.	Percentage of respondents who are satisfied or very satisfied with the level of service	New measure from 2009	75%	75%	75%	75%

**Table 7 - Levels of service – Quality**

<b>Core Value: Safety</b>						
<b>Key Community Outcomes:</b>						
CO 18 - Excellent standards of safety are promoted and individuals take personal responsibility for their safety.						
CO 20 – A community that respects the welfare and safety of others.						
Strategic Goal 2: <b>Council owned buildings are structurally sound and safe, and, Council occupants and tenants in administration buildings, older persons housing and community housing feel safe.</b>						
Level of Service	Performance Measure	Past performance	Future Year Targets			
		07/08	09/10	10/11	11/12	12/18
Specified systems are checked and maintained on a regular basis.	Building Warrants of Fitness are always current	New measure from 2009	100%	100%	100%	100%
Smoke alarms are installed in all renting housing units and tested six monthly	All smoke alarms work when tested or replaced	New measure from 2009	100%	100%	100%	100%
Housing units are maintained to be safe to live in and provides a safe environment for tenants.	Percentage of respondents who are satisfied or very satisfied with the level of service	New measure from 2009	75%	75%	80%	80%

**Table 8- Levels of service – Safety**

<b>Core Value: Sustainability</b>
<b>Key Community Outcomes:</b>
CO 10 - Core facilities, services and infrastructure planning and provision keep pace with development.
CO 12 – Key service providers consult with the community and common goals are identified and worked towards.
CO 22 – An environment which has an excellent quality of water, soil and air.
CO 25 – A District that retains the natural beauty, aesthetic values and vistas of the District.
CO 23 - River catchment areas and waterways are protected from erosion and pollution.
CO 32- A community that respects and promotes understanding of the environmental values of Tangata Whenua.
Strategic Goal 3: <b>The optimised decision making process will be applied to all community property renewal and development projects to achieve affordable and sustainable outcomes for future generations.</b>

Level of Service	Performance Measure	Past performance	Future Year Targets			
		07/08	09/10	10/11	11/12	12/18
Council will undertake reforestation with native species only on steep blocks, or blocks adjoining waterways	Number of management programmes developed and adopted prior to harvesting	0	1	1	1	1
Properties retained because they are of value to the community are leased wherever possible to reduce the holding cost for the ratepayer	Council receives revenue from properties retained because they are of value to the community but would not otherwise be owned by the Council.	New measure from 2009	>50%	>50%	>50%	>50%

**Table 9 - Levels of service – Sustainability**

These LoS will be carried forward into the 2009 LTCCP process.

## 2.6 Closing identified service gaps

Since the completion of the new Council administration building projects, service gaps related to these properties have been removed. The identified service gaps relate to the community housing rental units as follows:

- Lack of covered carparking
- Lack of, or poor, disabled access into some housing units
- Lack of one or two bedroom units and surplus of bed sit units in some housing complexes
- Some building components nearing end of useful life

Re-configuration of some bed sit units has been identified as a renewal project for some time with funding allocated in the 2006/2016 LTCCP. Lack of resources resulted in this project not being progressed and it has now been included in the 2009/2019 LTCCP in 2010/2011.

Lack of covered carparking is not considered a priority but will be considered over the life of this AMP.

Some funding for the renewal of the worst of the steep ramps has been allocated in 2009/2010 (\$30,000).

The annual sum of \$10,000 has been allocated for renewal of smaller failed building components in older persons housing units.

## 2.7 Future improvements

The following priority improvements have been identified that will contribute to the robustness of the service level processes described in this section:

- Reviewing the levels of service statements and performance measures against quality of description and ease of data capture.
- Developing a consolidated performance database that supplies information to all relevant reports such as the AM plan, the LTCCP, and contract performance monitoring.
- Capture and trend performance achieved against the key levels of service targets.

### 3.0 Managing Growth and Demand

The number of people that usually live in Ruapehu District is declining, with 13,572 people at the 2006 Census. However, specific areas are experiencing growth in subdivisional activity, driven largely by increasing numbers of tourists and non-residential owners of holiday homes.

This has an affect on the peak population growth which is expected to grow overall at 2.5% per annum. The projected peak population growth is not uniform district wide, due to the distribution of the visitor industry and holiday homes. In particular, National Park and the Ohakune areas are showing increases in peak populations at 3.5% and 1.8% per annum respectively.

Out of all of the activities that Council is involved in, with the exception of Council administration buildings, the lowest priority is community property. A clear outcome of previous consultation processes is that Council should not be involved in investment property, and that property not required for Council services or property that is of cultural, social or environmental value to the community should be disposed of wherever possible.

#### 3.1 Growth and demand trends

##### Growth and demand drivers

Future demand for older persons housing or community housing, the only community property likely to be affected by growth and demand in the foreseeable future, is driven by population and demographic patterns.

##### Population and demographic patterns

The Usual Resident Population (URP) of Ruapehu District has been trending downwards over the years. 13,572 people usually live in the District at the 2006 census. This equates to a decrease in population of 3.8% since the 2001 census. Census projections indicate that the URP of Ruapehu District is expected to continue to decline as shown in Figure 9 The prediction is based on comparing trends from the 1996 Census with data from the 2001 and 2006 Census.

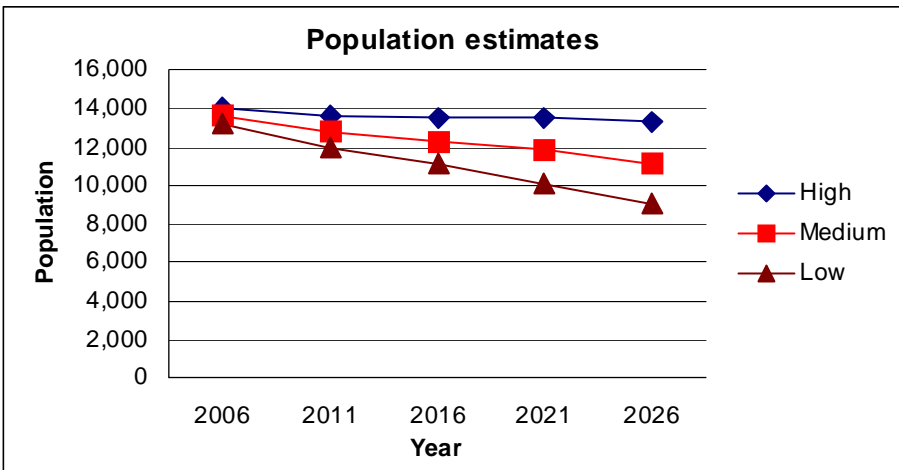


Figure 9 - Usual resident population estimates

However, The URP does not take into account those who own homes in the area and visit for prolonged stretches of time, but are not counted as part of the URP. The population also increases during the winter season as seasonal workers move into the District. Growth is expected to occur

from development in Ohakune and its surrounding areas, as well as in National Park and Taumarunui. This District growth is fuelled by the increasing number of visitors, including tourists, but especially by non-residential owners of holiday homes. Because of the lack of medical services, particularly no hospital located in the south of the District, growth of older person numbers is less likely than a general trend throughout the country. Some elderly are known to move out of the District to be closer to full medical services in larger centres.

Taking into account the growth in the non resident home owners and the visitor industry as discussed in the following sections along with the declining URP, the peak population for the District is forecast to grow at an overall rate of 2.5% per annum as presented in Figure 10.

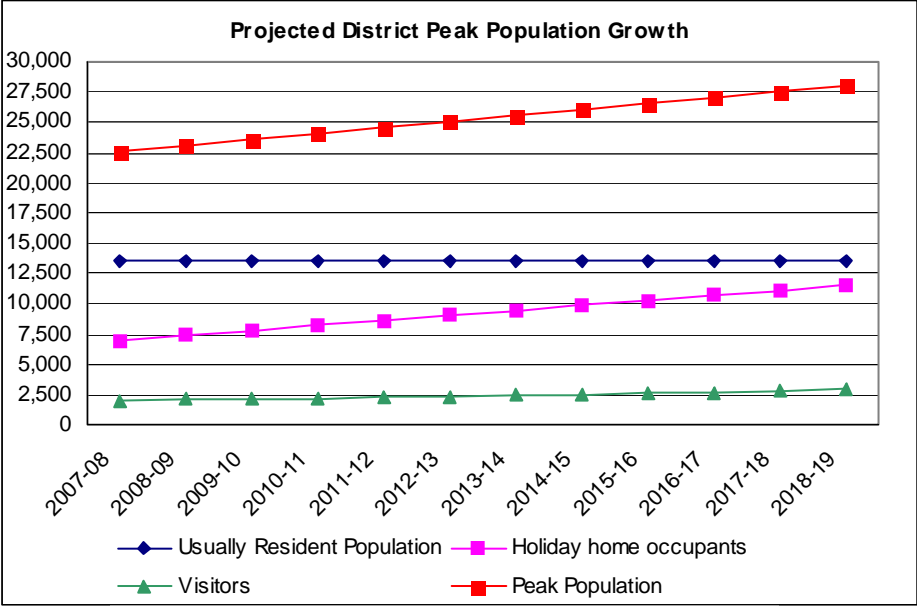


Figure 10 – Projected district peak population growth

The projected peak population growth is not uniform district wide due to the distribution of the visitor industry and holiday homes. In particular, National Park and the Ohakune area are showing increases in peak populations at 3.5% and 1.8% per annum respectively. However, the peak population for the remainder of the District is static.

**New holiday homes and subdivisional activity**

**Holiday homes**

People are buying holiday homes in the Ruapehu District to escape from their busy city lifestyles. Over a third of the entire District houses are owned by people living out of the area. Holiday homes are one of the main contributors to growth in the District. Council conducted a survey of non-resident holiday home owners in January and February 2008 to gain an understanding of the impact this group has on the District. This provided valuable data on the visiting trends of these ratepayers who are not accounted for in either URP or visitor statistics. It was found that an average of 965 extra people were in the District every day. Analysis indicates that the number of holiday house residents in Ohakune and National Park is more than the number of the usually resident population as indicated in Figure 11.

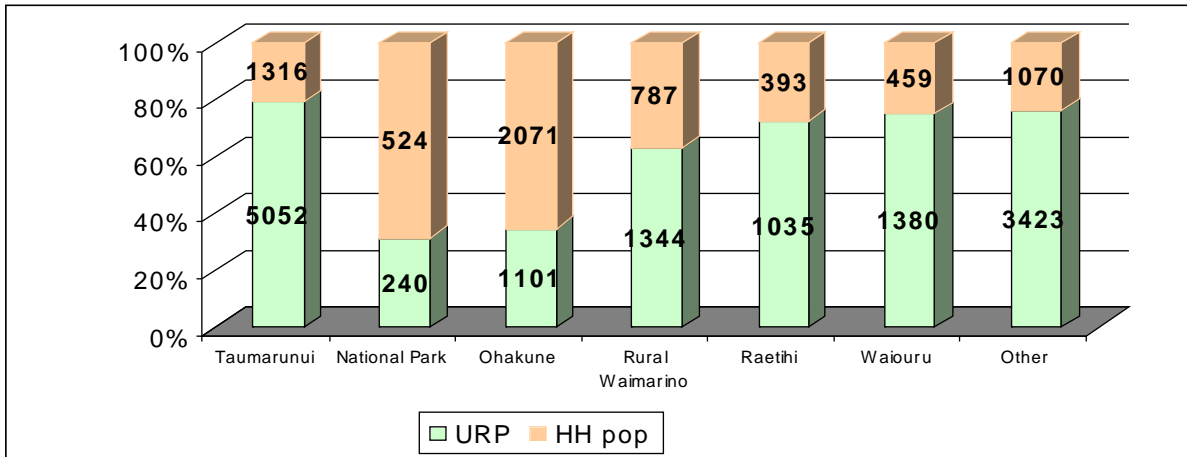


Figure 11 – Peak population summary

The assumed projected growth in holiday homes is 100 homes per annum district wide based on actual figures from the 2006 Census data and historic property development, as shown in Figure 12. This also shows that the concentration of holiday homes varies across the District. This has been accounted for in projections by applying a north-south<sup>1</sup> split based on actual numbers of holiday homes as at 2007.

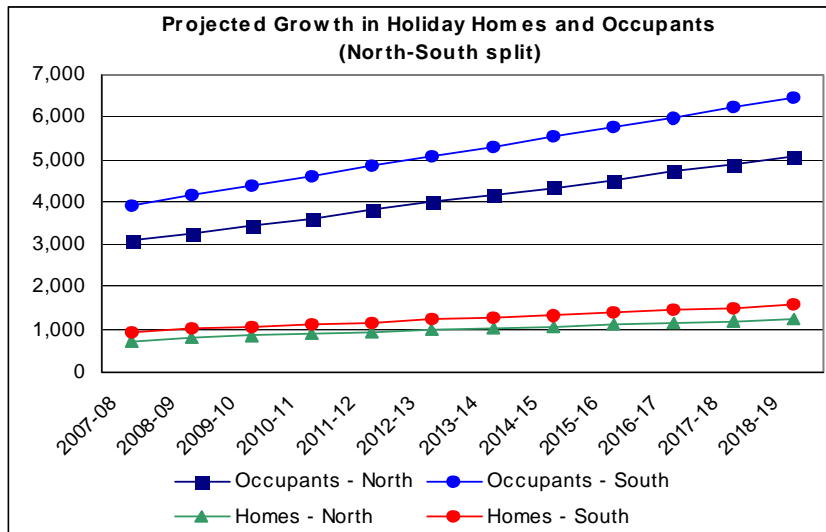
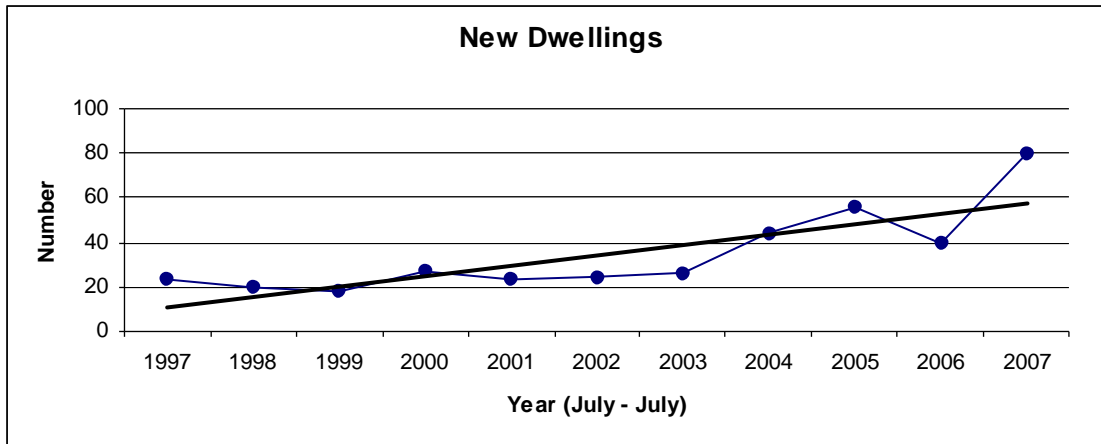


Figure 12 - Projected growth in holiday homes

### New Dwellings

There have been 381 new dwellings since 1997 as shown in Figure 13. This represents an increase of 6% in total numbers of dwellings in the District since 2001 (1.0% per year). The number of new dwellings translates directly into an increase in infrastructure needs but does not have a direct affect on community property.

<sup>1</sup> For these purposes 'North' consists of Taumarunui, National Park and 'Other', totalling a portion of 44% while the remainder is 'South' and equates to 56%.



**Figure 13 – New dwelling activity**

The following specific areas have been identified as being likely to show significant subdivisional activity during this ten-year planning period:

- Ohakune
- Rangataua
- National Park
- Horopito

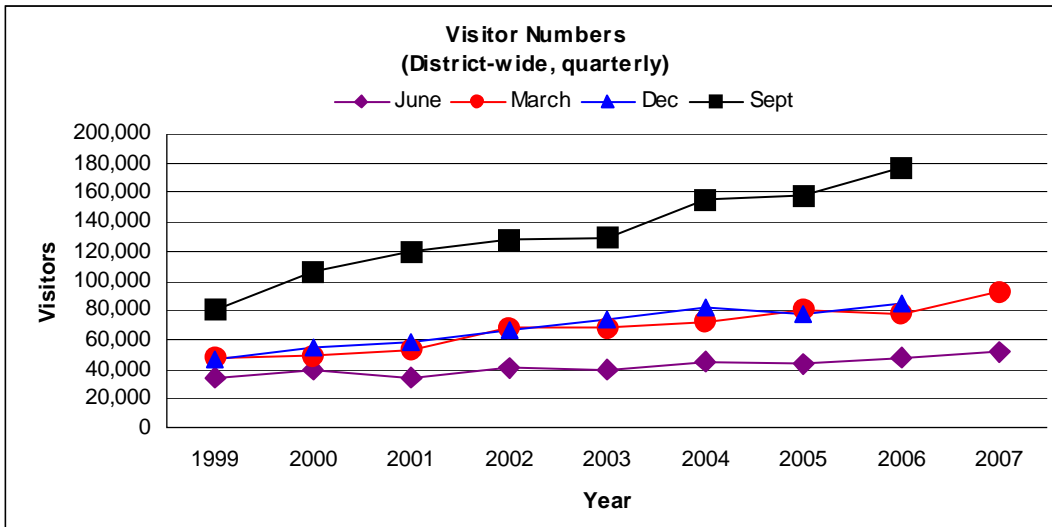
### **Commercial, industrial, agricultural development and tourism industry**

Commercial and industrial activity in the region is not expected to grow significantly over the next ten years, with the exception of the tourism industry, forestry, and to a lesser extent, pastoral farming and mining.

### **The tourism industry**

The tourism industry is a significant contributor to the economic well-being of the community. Ruapehu District has become an attractive holiday destination to both local and international visitors.

Numbers of visitors swell during the ski season, with a peak in September, as shown in Figure . Overall for the period 1999 to 2007, the average growth rate has been 46% per year. The March quarter also shows a large increase (49%) since 1999, showing that summer visitors are also increasing. For the year ended December 2006, Ruapehu District attracted 386,458 overnight visitors. Annual growth in the visitor industry since 1999 has been at an average of 5%.



**Figure 14 – Historical visitor numbers**

Indications are that tourism is likely to be strong for the foreseeable future. Economic development through tourism growth is a key aspect to obtaining funding from Central Government for upgrading of a number of important tourist routes in the District and the townships of National Park, Ohakune and Raetihi.

- Of possible importance for tourism growth is the preservation of historic buildings and places of historic interest. Council may become involved if the community identify any property of particular historic interest that should be purchased to remain accessible to the public.

### **Forestry and farming**

The harvesting of large areas of forestry throughout the District is not expected to have any impact on community property. Council own stock sale yards in Taumarunui retained for this purpose, however stock sales have considerably reduced over the past decade with stock generally being sold at larger centres now. This trend is unlikely to change.

### **Mining**

Council purchased the Pukehou Quarry on the assumption that it would receive a significant return on the investment through royalties received from a lessee of the property working the quarry. This proved not to be the case and at the expiry of the lease, Council made the decision to withdraw from the activity and sell the property. Privately owned mines are not expected to have any affect on Community Property.

### 3.2 Impacts of changing demand on the community property activity

Table 10 summarises the effects of the identified growth and demand trends on Community Property.

Growth/Demand Trend	Impact
<b>Overall population and subdivisional growth patterns:</b>	
<ul style="list-style-type: none"> <li>Overall usually resident population declining in the District</li> </ul>	<ul style="list-style-type: none"> <li>Decrease in rating base to fund works, offset by increased holiday home development in specific locations.</li> </ul>
<ul style="list-style-type: none"> <li>Subdivisional activity and usually resident population growth in:               <ul style="list-style-type: none"> <li>Ohakune</li> <li>Rangataua</li> <li>National Park</li> <li>Horopito</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>None expected with regard to Community Property</li> </ul>
<b>Increasing visitor numbers:</b>	
<ul style="list-style-type: none"> <li>Growing tourism industry leading to increased visitor numbers and significant holiday home development in               <ul style="list-style-type: none"> <li>Ohakune</li> <li>Horopito</li> <li>National Park</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>None expected with regard to Community Property</li> </ul>

Table 10- Impact of changing demand on Community Property

### 3.3 Demand assumptions and projections

The following assumptions have been made for the growth projections:

- URP is static. Ruapehu is not expecting any major increases or decreases in the usual resident population.
- There will be growth of 100 holiday homes per annum district wide, with assumed average occupancy of 4.1 people. It is assumed occupancy will be running at 100% capacity in the September quarter, 50% in December and March quarter and 30% in the June quarter.
- Visitor numbers are expected to continue to increase on a yearly basis at a rate of 3.4%.
- Peak population is 2.5% overall. The peak population of National Park is increasing at 3.5% per annum and at 1.8% per annum in Ohakune.
- New dwellings and the number of rateable units will increase by 1.5% per annum.
- The overall growth demand assumption is 2 % increase per annum.

The key demand assumptions are:

- Development will occur in accordance with the Growth Planning Assumptions prepared for the 2009 AMPs and the Future Ruapehu Long Term Plan 2009.

The key demand risk assumption is:

- Growth does not occur in accordance with the documented Growth Planning Assumptions.

### **3.4 Meeting growth and changing demand needs**

Council meets growth and changing demand needs through a mix of demand management initiatives and capital development programmes as discussed below.

#### **Demand management**

RDC does not have a formal demand management plan, nor does it consider it necessary to have a formal demand management plan for managing the community property portfolio.

Demand management strategies provide alternatives to the creation of new or improved assets in order to meet demands. They address ways of modifying customer needs in order that the utilisation of existing assets is maximised and the need for new assets is deferred or reduced. An example of this is re-configuration of existing bed sit housing units into one or two bedroom units for which there is a greater demand.

It is not expected that there will be any impact of the small predicted growth on Community Property in the foreseeable future.

#### **Capital development**

There is no anticipated capital development relating to growth.

### **3.5 Future improvements**

The following improvements have been identified as contributors to the robustness of the growth and demand forecasting, and management processes.

These include:

- Consider the impacts of an increase in the number of older persons within the community.
- Revise the need for a demand management plan for Community Property annually, taking into consideration best practice in the industry and adapting this for Ruapehu's needs.

## 4.0 Managing risk

Risk management is an inherent part of Council's overall community property management philosophy. Risk is managed through the development and ongoing review of activity risk assessments, as well as through emergency response planning, and detailed assessments of critical assets.

The risks identified through these processes are a key input into identification and prioritisation of programmes and projects. The review as part of the development of the 2009 AM plan identified the following highest community property risk:

**Destruction of buildings by fire, earthquake or volcanic event**

This risk is managed with the following existing control:

- Council has effected replacement insurance cover for all significant building assets and indemnity insurance cover for buildings of lesser importance that may not be rebuilt in the case of total destruction.
- Smoke Alarms fitted and monitored to all new administration buildings.
- Smoke Alarms fitted to all community housing units.

Temporary re-location plans for occupants or tenants of Council administration buildings or housing units damaged or destroyed need to be developed.

### 4.1 Introduction

Council strives to manage risk in a responsible manner to enable business objectives to be consistently met, recognising social, cultural, environmental and economic impacts of its activities. Council is in the process of developing a formal risk management policy and a corporate risk management framework, underpinned by the following lower-level risk assessments:

- Activity risk assessments, undertaken as part of the ongoing development of the AM plans.
- Risk assessments undertaken as part of emergency response planning procedures.

This section covers the management of risks associated with community property.

The risk management process is designed to ensure that:

- All significant risks to the community, the environment and Council are identified and understood.
- The highest risks that should be addressed in the short to medium term are identified.
- Risk reduction treatments which best meet business needs are applied.
- Responsibilities for managing risk are allocated to specific staff.

The risk management process adopted by Council is consistent with Australian/New Zealand Standard AS/NZ 4360 (see Figure 15), which defines the generally accepted process for risk assessment and management.

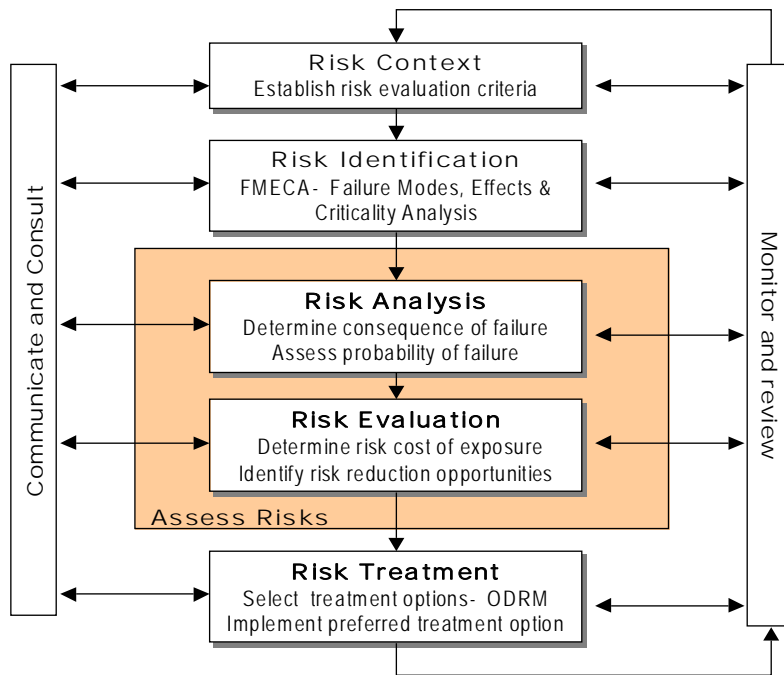


Figure 15—Risk management process

## 4.2 Risk management process

### Risk context

The following steps were undertaken to establish the context:

- The relationship between the organisation and the environment has been defined and the organisation's strengths, weaknesses, opportunities and threats identified to provide an understanding of the 'big picture' potential risk areas and opportunities to manage these risks.
- Internal and external stakeholders were considered to identify the extent of consequence to be included.
- The organisation's capabilities to meet the levels of service and community outcomes were identified.
- Broad categories for sources of risk of not achieving the levels of service and community outcomes and areas of impact, were identified.

Areas of impact, reflecting the extent of the consequences assessed are:

- Corporate Image and Reputation
- Public Safety & Health
- Environmental
- Loss of Service and Community Effects/Costs
- Loss of Revenue or Business Costs

### Risk identification

Events leading to failure to achieve defined levels of service, and therefore compromising achievement of strategic goals and community outcomes have been identified. These risks, the related consequences and adopted risk reduction treatments are presented in the risk register attached as Appendix E.

## Critical assets

Although a formal criticality assessment has not been undertaken, the following assets have been identified as critical, with a greater level of management applied to them:

All Council administration buildings

All older persons and community housing units

## Risk analysis

Risk severity has been assessed as the product of consequence and likelihood. The impact and likelihood ratings used are defined in Appendix D.

## Risk evaluation

The matrix of consequence of failure and likelihood ratings shown in Appendix D is used to assess the level of risk, ranking events as low, moderate, high or extreme risk, as indicated below. Asset risks have then been compared, ranked and mitigation options assessed for all high and extreme risks identified. Council has adopted the following broad treatment strategy for the levels of risk:

Risk Severity		Treatment Strategy
<b>E</b>	<b>Extreme</b>	<b>Immediate action required to reduce risk</b>
<b>H</b>	<b>High</b>	<b>Treatment options must be reviewed and additional action taken to manage risk</b>
<b>M</b>	<b>Moderate</b>	<b>Management responsibility must be specified</b>
<b>L</b>	<b>Low</b>	<b>Manage by routine procedures or accept risk</b>

Table 11- Risk evaluation and treatment strategy summary

## Risk treatment

Options for mitigating risks considered to reduce the cause, probability or impact of failure, are:

- Do nothing- accept the risk.
- Management strategies- implement enhanced strategies for demand management, contingency planning, quality processes, staff training, data analysis and reporting, reduce the target service standard, etc.
- Operational strategies- actions to reduce peak demand or stresses on the asset, operator training, documentation of operational procedures, etc.
- Maintenance strategies- modify the maintenance regime to make the asset more reliable or to extend its life.
- Asset renewal strategies- rehabilitation or replace assets to maintain service levels.
- Development strategies- investment to create a new asset or augment an existing asset:
- Asset Disposal / Rationalisation- divestment of assets surplus to needs because a service is determined to be a non-core activity or assets can be reconfigured to better meets business needs.

### **4.3 Other risk assessments**

Council has undertaken the following more detailed risk assessments and issues analysis:

- Emergency response planning.

#### 4.4 Mitigating risks

##### Extreme and high risks

Extreme and High risks identified are summarised in Table 12 below. Proposed actions to mitigate these risks are presented in the far-right column.

Community Outcome	Core Value	Strategic Outcome	LOS Failure Indicator	Asset Group	Caused By	Risk Severity	Controls	
							Existing	To Develop
CO 12 CO 24	Quality	To provide and maintain an appropriate level of infrastructure	Availability of buildings usually occupied	Older persons housing	Destruction by fire, earthquake or volcanic eruption	H	Replacement insurance effected	Relocation plans for temporary accommodation in loss event required
CO 18 CO 20	Safety	Buildings are safe for public or occupier use	Building Warrants of Fitness	Administration Building	Destruction by fire, earthquake or volcanic eruption	H	Replacement insurance effected	Relocation plans for temporary accommodation in loss event required
			Availability of community buildings which are usually occupied	Residential Housing units	Destruction by fire, earthquake or volcanic eruption	H	Replacement insurance effected	Relocation plans for temporary accommodation in loss event required
CO 12 CO 22 CO 25	Sustainability	The negative effects of the activity on the environment are avoided, remedied or mitigated	Inefficient management as assets	Forestry Plantations	Contamination to waterways at harvest or reforestation	H	Consultant advice is being obtained on harvest and replanting options	

Table 12 – Extreme and high risk summary

## **4.5 Climate change**

Climate change is not expected to impact on community property unless much greater volumes of rainfall result in flooding, which results in water ingress inside buildings. The predicted volumes of higher rainfall over the next ten years should not result in any serious flooding to developed properties.

## **4.6 Emergency response planning**

Emergency management deals with the response to severe events. The Civil Defence Emergency Management (CDEM) Act 2002 stipulates that Lifeline Utilities must plan for continuity of service, be capable of managing its own response to emergencies, and establish CDEM Groups across regions consistently.

There is a dedicated Council emergency management resource to coordinate these activities across Council and with neighbouring Councils and Horizons Regional Council.

RDC also participates in the Manawatu Wanganui Regional Lifelines Group. A Civil Defence Emergency Management Group Plan has been prepared and it identified the natural hazards for the region, the likelihood and the consequences and assigned responsibilities.

## **4.7 Future improvements**

The following improvements have been identified as reducing Council's risk exposure in the most cost-effective way:

- Review risk management process and develop corporate risk policy, framework and assessment.
- Develop and implement formal criticality assessment framework to identify critical assets.

## 5.0 Lifecycle Management Plans

Council owns and manages a community property portfolio comprising:

- Council administration buildings and libraries in Taumarunui, Ohakune and Raetihi
- Ohakune Visitor Information Centre
- A total of sixty nine older persons housing units, forty five in Taumarunui, sixteen in Raetihi and eight in Ohakune
- A total of sixteen community housing units in Taumarunui and one community house (ex Doctor's Surgery – medical personnel) in Raetihi
- One rental dwelling house – attached to Pukehou Quarry property which Council has resolved to sell
- Taumarunui Aerodrome
- A total of seven small forestry plantations
- Sixty nine miscellaneous properties including Taumarunui Saleyards, Ohakune Railway Station, metal pits, industrial land, residential land, closed road and road severances.

Council manages these assets by applying the following broad strategies:

- **Operations:** Council will manage the assets in a manner that minimises the long term overall total cost. Scheduled inspections and monitoring will be undertaken as justified by the consequences of failure on levels of service, costs, public health, safety or corporate image. The inspection programme will be modified as appropriate in response to unplanned maintenance trends. Competitive pricing will be ensured by using CPP contract structures and performance based term contracts where applicable.
- **Maintenance:** Council will maintain assets in a manner that minimises the long term overall total cost. Competitive pricing will be ensured by using CPP contract structures and performance based term contracts.
  - **Unplanned maintenance:** A suitable level of preparedness for prompt and effective response to asset failures will be maintained by ensuring suitably trained and equipped staff to allow prompt repair of critical assets and mitigation of any hazards. Term contracts specify response times.
  - **Planned maintenance:** A programme of planned asset maintenance will be undertaken to minimise the risk of asset failure (e.g. painting of exterior weatherboard sheathing), or where justified when considering financial, safety and social impacts. Major maintenance needs will be identified through the scheduled asset condition inspections and those generated from the investigation of customer complaints.
- **Renewals:** Council will rehabilitate or replace assets when justified by:
  - Risk: The risk of failure and associated financial and social impact justifies action (e.g. probable extent of damage, safety risk, community disruption).
  - Asset performance: Renewal of an asset when it fails to meet the required level of service. Non-performing assets are identified by the monitoring of asset reliability, efficiency and quality during routine inspections and operational activity. Indicators of non-performing assets include repeated and/or premature asset failure, inefficient energy consumption, and inappropriate or obsolete components.
  - Economics: When it is no longer economic to continue repairing the asset (i.e. the annual cost of repairs exceeds the annualised cost of renewal).
  - Efficiency: New technology and management practices relating to increased efficiencies and savings will be actively researched, evaluated and, where applicable, implemented.

Renewals needs for key asset groups will be identified through the scheduled asset condition inspections, the investigation of customer complaints and a practical knowledge of the network. Renewals works will be prioritised and programmed in accordance with defined criteria, or in urgent cases undertaken immediately (e.g. failure of hot water cylinders).

- **Development:** Development works will be planned in response to identified service gaps, growth and demand issues, risk issues and economic considerations.

**Disposal:** The development of AMS and asset condition/performance data will allow better planning for the disposal of assets through rationalisation of the asset stock, or when assets become uneconomic to own and operate. The strategies relating to asset disposal are stated below:

In all cases asset disposal processes must comply with Council's legal obligations under:

- **LGA 1974 and LGA 2002:** These Acts cover responsibilities and procedures in respect of the ownership, acquisition and disposal of community property assets.
- **Reserves Act 1977:** Covers procedures for changing or revoking the classification of reserves, including public notification prior to sale, resolution of objections, and any requirement to first offer back surplus land to the original owners.
- **Public Works Act 1981:** Covers procedures for disposal where offer back provision is identified.

The sale of surplus property assets can be beneficial in either of two ways, by utilising the proceeds to repay debt and hence reduce loan-servicing costs, or by improving service and facilities by investing the sale proceeds in new projects that are of direct benefit to the community. The proceeds of sale of any property asset is accumulated in the General Reserves of Council and applied for the purpose of funding capital works (File Ref: P50-0007 Adopted RDC – 24/06/94 Item 17).

Key performance issues are:

- The cost of retaining ownership of assets which may be of high value but benefit very few residents, ratepayers or visitors e.g. Taumarunui Aerodrome, Taumarunui Saleyards.
- Residential housing units that no longer meet current Building Code requirements for disabled access and are not configured to meet current demand.

Condition and performance of the built assets

Administration Buildings	Condition Grading	Performance Grading
Taumarunui	1	1
Ohakune	1	1
Raetihi	3	2

Older Persons Housing	Condition Grading	Performance Grading
Taumarunui	2/3	2/3
Ohakune	2/3	2/3
Raetihi	2/3	2/3

Community Rental Housing	Condition Grading	Performance Grading
--------------------------	-------------------	---------------------

Taumarunui (residential units)	2/3	2/3
Raetihi (residential house)	3	2/3

<b>Taumarunui Aerodrome</b>	<b>Condition Grading</b>	<b>Performance Grading</b>
Buildings	3	3
Fencing, Fertiliser Bin and ancillary components	3	3

<b>Miscellaneous Property</b>	<b>Condition Grading</b>	<b>Performance Grading</b>
Buildings	3	3
Fencing, and ancillary components	3	3

Major projects in the next three years are:

- Proposal to re-configure a number of bed sit older persons housing units using Housing New Zealand suspensory loan funds for the cost of re-development. Initial project cost \$185,000.

Three year financial requirements are:

- |                                                       |             |
|-------------------------------------------------------|-------------|
| • Operations and maintenance (excluding depreciation) | \$1,642,000 |
| • Depreciation                                        | \$ 90,000   |
| • Renewals                                            | \$ 33,000   |
| • Capital development (growth)                        | \$ Nil      |
| • Capital development (levels of service)             | \$ 30,000   |

## 5.1 Introduction

This section describes the community property assets and their performance and condition. It presents the lifecycle management strategies and programmes used by Council to manage the service level requirements (Section 2.0), demand change (Section 3.0) and risk exposure (Section 4.0) associated with community property for the next 10 years.

The lifecycle management plans for each of the sub-asset groups are detailed in the Table 13:

<b>Section</b>	<b>Asset Group</b>		<b>Quantity</b>	<b>Replacement Cost</b>
<b>Section 5.2</b>	<b>Administration Buildings</b>	<b>Buildings</b>	<b>5</b>	<b>\$6,621,000</b>
<b>Section 5.3</b>	<b>Older Persons Housing units</b>	<b>Buildings</b>	<b>69</b>	<b>\$4,031,000</b>

Section	Asset Group		Quantity	Replacement Cost
Section 5.	Community Housing units and Community rental house	Buildings	13	\$2,083,000
Section 5.	Taumarunui Aerodrome	Buildings Pump house and water tank	2	\$277,400
Section 5.	Miscellaneous Properties	Buildings	2	\$500,000
Section 5.	Pine Plantations	Land and trees	6 Plantations	Unknown

Table 13- Community Property asset groups

### Lifecycle activities

The lifecycle management strategies are divided into the following five work categories:

- **Asset Operations:** The active process of utilising an asset, which will consume resources such as manpower, energy and materials. Operations include asset management planning activities, routine inspections and testing to monitor asset condition and identify the need for maintenance and repair work, and customer service activities, e.g. interface with residential tenants.
- **Asset Maintenance:** The on-going day-to-day work activity required to keep assets serviceable and prevent premature deterioration or failure. Two categories of maintenance are carried out:
  - **Unplanned Maintenance:** Work carried out in response to reported problems or defects (e.g. Stove not working).
  - **Planned Maintenance:** Work carried out to a predetermined schedule (e.g. re-decoration or painting).
- **Asset Renewal:** Work that restores an asset to its original capacity or the required condition.
- **Asset Development:** This section of the plan covers tactics for the creation of new assets or works which upgrade or improve an existing asset beyond its existing capacity or performance in response to changes in supply needs or customer expectations.
- **Asset Disposal:** Disposal is any of the activities associated with the disposal of a decommissioned asset. Assets may become surplus to requirements for any of the following reasons:
  - Under utilisation.
  - Obsolescence.
  - Provision exceeds required level of service.
  - Asset no longer provides the service or fulfils the purpose for which it was intended.
  - Uneconomic to upgrade or operate.
  - Policy change.
  - Service provided by other means (e.g. private sector involvement).

- Potential risk of ownership (safety, financial, environmental, legal, social, vandalism).

### **Asset management strategies**

Council has adopted the following asset management policy and strategy to provide a framework for guiding and integrating asset management practice within the Council.

### **Asset management policy**

The asset management policy states the overall intention and direction of asset management as:

- The discipline of asset management will be directed to the achievement of the Council's Community Outcomes and strategic goals as stated in the Long Term Council Community Plan.
- Asset management will be applied to the long term stewardship of assets, with planning undertaken for a minimum horizon of 10 years.
- Asset management will be focused on delivering the required level of service to existing and future customers in the most cost-effective way.
- Applicable legislation, regulatory and statutory requirements will be complied with.
- A robust risk management approach consistent with the corporate risk management framework will underpin all asset management activities.
- The outputs of the asset management process will be endorsed by senior management and the Council.
- The outputs of the asset management process will be communicated to relevant employees and third parties to ensure they are aware of their asset management responsibilities.
- The asset management plan will be available to all stakeholders.
- The asset management plan will be reviewed periodically to ensure it remains relevant and consistent with the Long Term Council Community Plan.
- Council is committed to the continuous improvement of asset management activities to achieve an alignment between the quality of asset management and the nature and scale of Council's assets and operations.

### **Asset management strategy**

The asset management strategy to meet policy and planning objectives is:

<b>Levels of service</b>	<b>To formally review levels of service at least every three years. Engagement with the community on satisfaction with the levels of service provided and improvements desired will be undertaken periodically. Consultation on options will be undertaken for specific projects. The level of service reviews will inform the levels of service adopted by the Council.</b>
<b>Demand forecasting and management</b>	<b>To invest in works for growth in a timely way. To review demand forecasts annually based on analysis of population and economic growth projections, social and demographic data, technological advances and other relevant data. Demand management options will also be considered when planning to meet growth.</b>
<b>Asset service potential</b>	<b>To maintain the current service potential of the asset through an appropriate level of maintenance and renewal works.</b>

<b>Risk management</b>	<p>Manage risk exposure through:</p> <ul style="list-style-type: none"> <li>• A three-yearly review of the risk management plan and implementing risk mitigation measures where risk exposure is incompatible with corporate risk policy.</li> <li>• Undertaking performance and condition monitoring of critical assets</li> </ul>
<b>Operational</b>	Service agreements with contractors will contain performance measures consistent with AM and activity KPIs to achieve alignment from operational level to the LTCCP
<b>Information and systems</b>	<p>Data collection programmes (condition, asset performance, registers and service performance) will be closely aligned to the nature and scale of the assets and to tracking achievement of service targets.</p> <p>Asset management system functionality will be developed to meet the requirements of core asset management planning and specific business needs.</p>
<b>Organisational</b>	To embed asset management capability and practices throughout the organisation.
<b>AM plan</b>	<p>The AM plan will be developed as a 'living' document and reviewed on a regular basis to ensure alignment with current council, organisational and asset management policy.</p> <p>AM Plans will be subject to formal adoption by the Council</p>
<b>Continuous improvement</b>	Improvement of AM practices, processes, systems and plans will be undertaken in accordance with the improvement plan which will be reviewed annually.

## General lifecycle management strategies

### Overview

Council maintains ownership and responsibility for managing community property. Consultants are used to provide specific expertise and assistance as required. Council staff provide the day to day management of the assets, including asset information capture, recommendations for strategies, programmes, projects and expenditure, and generally, the management of maintenance and capital development contracts.

All maintenance and minor renewal work is carried out using building, plumbing, electrical and IQP contracts let in accordance with competitive pricing procedures (CPP), on a performance basis wherever possible. The contract documents specify technical standards required and defines response times and cyclic inspection periods.

All major renewals and capital works are implemented through individual project contracts. Current maintenance and renewals term contracts are listed in Table 14. Annual value totals approximately \$100,000.

<b>Contract Name and Contractor</b>	<b>Term (Years)</b>	<b>Completion Date</b>
Ruapehu District Parks, Reserves and Gardens Maintenance – Downer Edi Works Limited	9	November 2011
Plumbing Maintenance North – Taumarunui Plumbing Limited	7	June 2013

Contract Name and Contractor	Term (Years)	Completion Date
Plumbing Maintenance South – B&M Frederickson	5	June 2009
Building Maintenance North – Gary Jacobs	7	June 2013
Building Maintenance South – Horne Brothers Limited	5	June 2009
Electrical Maintenance North – New Contract tendered February 2009	4.25	June 2013
Electrical Maintenance South – Stu Ridley	5	June 2012
Building WOF and Specified Services - Chubb	2	September 2010

**Table 14- Schedule of community property maintenance contracts**

Professional services are obtained from a mixture of consultants and internal resources.

### **Operations and maintenance strategies**

The following general operations and maintenance strategies are applied to community property assets:

- **Operations:** Council will manage the assets in a manner that minimises the long term overall total cost. Scheduled inspections will be undertaken as justified by the consequences of failure on levels of service, costs, public health, safety or corporate image. The inspection programme will be modified as appropriate in response to unplanned maintenance trends. Competitive pricing will be ensured by using CPP contract structures and performance based term contracts where applicable.  
Asset monitoring processes include periodic performance and condition assessments of built assets. Customer enquiries and complaints are recorded on the “Asset Development - Customer Services Enquiries” database, summarising data on the date, time, details, responsibility and action taken.
- **Maintenance:** Council will maintain assets in a manner that minimises the long term overall total cost. Competitive pricing will be ensured by using CPP contract structures and term contracts where applicable.
  - **Unplanned maintenance:** A suitable level of preparedness for prompt and effective response to asset failures will be maintained by ensuring suitably trained and equipped staff to allow prompt repair of critical assets and mitigation of any hazards. Term contracts specify response times.
  - **Planned maintenance:** A programme of planned asset maintenance will be undertaken to minimise the risk of critical asset failure (e.g., housing units), or where justified when considering financial, safety and social impacts (e.g. Ohakune Railway Station). Major maintenance needs will be identified through the scheduled asset condition inspections and those generated from the investigation of customer complaints.

### **Renewals strategies**

Council will rehabilitate or replace assets when justified by:

- **Risk:** The risk of failure and associated financial and social impact justifies action (e.g. probable extent of damage, safety risk, community disruption).
- **Asset performance:** Renewal of an asset component when it fails to meet the required level of service. Non-performing assets are identified by the monitoring of asset reliability, efficiency and quality during routine inspections and operational activity. Indicators of non-performing assets

include repeated and/or premature asset failure, inefficient energy consumption, and inappropriate or obsolete components.

- Economics: When it is no longer economic to continue repairing the asset (i.e. the annual cost of repairs exceeds the annualised cost of renewal).
- Efficiency: New technology and management practices relating to increased efficiencies and savings will be actively researched, evaluated and, where applicable, implemented.

Renewals needs for key asset groups will be identified through the scheduled asset condition inspections, the investigation of customer complaints and a practical knowledge of the network. Renewals works will be prioritised and programmed in accordance with the following criteria, or in urgent cases undertaken immediately:

- Public safety risk;
- Criticality of assets to accommodation needs;
- Criticality of assets to achievement of service standards and community outcomes;
- Financial risk of deferring work;
- Intensity of usage;
- Environmental risk;
- Political preference.

Renewal works identified in accordance with the renewal strategies may be deferred if the cost is beyond the community's ability to fund it. This can occur when higher priority works are required on other infrastructure assets, there are short-term peaks in expenditure or if an inadequate rating base exists.

When renewal works are deferred, the impact of the deferral on economic efficiencies and the asset's ability to achieve or contribute to the required service standards will be assessed. Although the deferral of some renewal works may not impact significantly on the short-term operation of assets, repeated deferral will create a liability in the longer term.

A register of all deferred works will be maintained in Appendix E, the Risk Register, the total value of which will be recognised in the financial reporting.

### **Development Strategies**

Development works will be planned in response to identified service gaps, growth and demand issues, risk issues and economic considerations.

When evaluating significant development proposals, the following issues will be considered:

- The contribution the new or improved assets will make to the current and anticipated future levels of service and community outcomes;
- The risks and benefits anticipated to be made from the investment;
- The risks faced by not proceeding with the development works. These could include safety risks, social risks and political risks;
- Ability and willingness of the community to fund the works;
- Future operating and maintenance cost implications.

Significant development works will be prioritised and programmed with contributions from:

- Targeted user groups (e.g., tourism operators, industry groups, adjacent residents);
- The general community (through public consultation);
- Council staff and consultants that may be engaged to provide advice to the Council;
- The LTCCP/Exceptions Annual Plan process.

- The elected Council. (Significant proposals are subject to Council decision and available funding).

### **Disposal Strategies**

Asset disposal processes will comply with Council's legal obligations under the Local Government Act 2002, or other relevant legislation e.g. Public Works Act 1981, which covers:

- Consultation and/or public notification and offer back procedures prior to sale;
- Restrictions on the minimum value recovered; and
- Use of revenue received from asset disposal.

Property surplus to current or anticipated future need or requirement will be sold in accordance with relevant legislation and Council policies to minimise future maintenance costs or other liabilities and to obtain a return on underutilised land assets. Both the Public Works Act and the Local Government Act refer to these processes.

All relevant costs of disposal will be considered when considering disposal options. These costs may include:

- Evaluation of options;
- Consultation/ advertising;
- Obtaining resource consents;
- Professional services, including engineering, planning, legal, survey;
- Demolition/site clearing/make safe costs.

The use of revenue arising from the sale of assets, or the source of funds required to dispose of assets, will be decided by Council at the time of its consideration of the asset's disposal.

### **General standards and specifications used**

Council comply with the following standards and legislation when maintaining, operating, renewing and developing the community property assets:

- This AM plan;
- Resource Management Act 1991;
- Building Act 2004;
- Relevant Technical Standards
- Manufacturer's Specifications;
- Emergency management plans;
- Health and Safety in Employment Act 1992;

These standards and legislation are discussed in more detail in Section 2.3 and 2.4

### **Business support systems**

The primary support system Council has to manage the assets is BizE Asset. However, there is a very large amount of data input required before this support system can be used. At the present time Excel spreadsheets are used for the changing of component and financial data information relating to the assets. The customer service request system HEAT is used mainly to log in complaints, but is also used as a management tool in flagging future works for consideration.

## 5.2 Administration Buildings

### 5.2.1 Asset Description

With the development and completion in 2007 of the new Taumarunui Service and Governance Centre in Huia Street, Council administration buildings represent the highest value of all Council owned property and require the same recognition and planning as any other property asset. Part of the Huia Street building complex is leased by Council; however the lease cost is based on ground rent and a concrete and steel shell, with Council responsible for all maintenance and renewal needs. For this reason, the leased building will be monitored, maintained and when necessary renewed, as if it were owned by Council. It should be noted that Council holds a first option to purchase this property as part of the registered lease contract.

Appendix H provides an overview of the asset detail and value.

The funding of maintenance and renewal costs for administration properties is slightly different to most other activities in as much as expenditure is part of the Corporate Services activity cost and overheads.

#### **Administration Building, Huia Street, Taumarunui - Part owned by Council, part leased by Council.**



**Photograph depicts building owned by Council**

This building houses approximately 60 Council staff. It also encompasses the Taumarunui Council Chamber, Councillor Supper Room, Councillor Resource Room and most of the Council records. The building complex which comprises part refurbished buildings and part new construction, was completed in December 2007 and occupied by Council in January 2008.

The buildings are in an as new condition and have design features which minimise exterior maintenance.

### **Taumarunui Library, Hakiaha Street, Taumarunui**



The Taumarunui Library was extended and upgraded in 1984. The old part of this building is a wood frame and floor structure. Extensive re-piling and replacement of a number of rotten joists and bearers was identified as an urgent need early in 2008. The re-piling and subfloor renewal was completed in November 2008. This work will extend the expected life of the building. However, there remain a number of issues which need to be resolved such as the poor access to the building for disabled customers and the lack of earthquake protection through structural bracing in the building.

### **Administration Building and Library - Ayr Street, Ohakune -**



This building houses between 6 and 8 staff members and when the building was refurbished and extended in 2006, the Ohakune library was re-located from Clyde Street to Ayr Street. The building is partly an older refurbished building and a new extension, most of which is occupied by the library. The building still has many old components such as the wooden windows, old timber flooring and sub-floor in the old part of the building. The building did have new roofing, gutters and exterior sheathing fitted and the expected life of the building extended considerably. However, the old wooden windows should be replaced with aluminium double glazed windows and the old floor insulated within a reasonably short period of time.

### **Visitor Information Centre - Clyde Street, Ohakune**



The construction of this new purpose designed building was completed in 2006. The building should be relatively maintenance free being of aluminium, glass and corrugated iron construction but there have been problems with leaks into the building through the front glazing panels which have been very difficult to seal against all prevailing weather. Sun strike issues resulted in shade cloths being installed behind the front timber façade and these will need to be replaced from time to time but are expected to last over the ten year period to 2019.

### **Service Centre and Library - Seddon Street, Raetihi**



This building incorporates a Council Chamber and an annexed library. The building is of plastered concrete and Hinuera stone construction and is approximately 40 years old, purpose designed, and in average condition for its age. The building should remain fit for purpose for some time. A modest interior re-configuration in 2005 when the Raetihi Chamber and Library switched locations with each other within the building has resulted in re-decoration and replacement of carpet in most of the building.

## **Performance**

All buildings have been purpose designed or modified to meet the needs of both staff and customers for the foreseeable future. There is a good understanding of the specified systems within the buildings.

The mechanical air-conditioning of the Taumarunui building is very complex and not performing to full specification ten months after the occupation of the building.

## **Condition**

An asset grading has been undertaken for the Raetihi Service Centre building only. This building is in good condition for its age with the exception of the back staff entrance door and entry area which needs to be protected from the weather with a small external foyer area. This minor work has been included in planned maintenance for the building. The Ohakune VIC, the Ohakune Service Centre and the Taumarunui Huia Street complex are currently in as new condition.

## **Critical Assets**

All of the buildings are critical for the ongoing delivery of Council services to the community. All buildings are covered by replacement insurance and planned maintenance has been included in financial forecasts to keep the buildings in excellent condition.

### **5.2.2 Operations and maintenance Plan**

The operation/maintenance budgets for this activity consist of the following costs:

- Operational Costs
  - Rates
  - Insurance Premiums
  - Energy
  
- Maintenance Costs
  - Vegetation control and lawn mowing
  - General maintenance items
  - Interior Cleaning on a daily or weekly basis
  - Internal decorations
  - Exterior painting
  - Chattel replacement, carpets, vinyl, blinds and drapes, whiteware
  - Maintenance of specified services (air conditioning, automatic opening doors, emergency lighting etc.)
  
- Regulation Costs
  - IQP testing for Building Warrant of Fitness

An unplanned maintenance allowance is included within the budget for replacement and repair of a minor nature, i.e. replacement of strip light bulbs, plumbing items, Ajax valve repairs, breakages, and minor damage.

The standards that administration buildings must be operated and maintained in accordance with are:

- Health and Safety in Employment Act 1992
- Resource Management Act 1991
- Relevant technical standards
- Manufacturer's specifications and operating manuals
- Fire Regulations 1992
- Electrical Regulations 1993
- Building Act 2004

Other standards selected are associated with one or more of the following interrelated characteristics:

- Client safety and comfort
- Aesthetics
- Presentation of the asset
- Preservation of the asset

### **5.2.3 Renewals Plan**

A renewal assessment will be carried out for components that may be of limited life span in the new buildings however it is not expected that there will be any renewals required within the next ten years.

### **5.2.4 Development Plan**

No asset development is anticipated in the foreseeable future.

### **5.2.5 Disposal Plan**

No disposals have been identified in the foreseeable future.

### **5.2.6 Summary of future costs**

The ten year financial projections for administration buildings are in Appendix B.

These costs are included in corporate overheads

Financial models are based on an assumption that Council will enter into a contract with an external provider of Visitor Information Services from 1 April 2009 under which that provider pays for all operational outgoings for the Ohakune Visitor Information Centre.

## **5.3 Older Persons Housing**

### **5.3.1 Asset Description**

The asset comprises 69 individual units constructed at four separate sites.

The Raetihi complex consists of six units constructed in 1977, a further six units being added in 1980, and finally four units completed in 1985. A small residential section situated between the 1980/1985 blocks was obtained through private purchase in 1993/1994 to enable future expansion of the complex if required. In 2005 the Lessee, Waimarino Resthome Trust, obtained Council approval to build a relocatable annex comprising a day room, office, and several interim care units on this section.

The Ohakune complex contains eight units constructed circa 1976.

The 20 Taupo Road Units, named Rangimarie Flats, comprise ten initial units constructed in 1975, six units were added in 1981 and a further four units in 1988.

The 25 Taumarunui Street Units, named Rochfort Flats, were erected in two stages in 1967 and 1970.

Appendix H provides an overview of the asset detail and value.

Overall the assets have been maintained to an average standard. The newer Rangimarie Flats, Blocks 3 and 4, Taupo Road, are units that are generally of a higher standard.

On average one to two units are internally decorated each year and the replacement of the chattels such as drapes, nets, stoves etc. continues as that component reaches the end of its economic life.

## Raetihi Older Persons Housing Units – Seddon Street, Raetihi



In December 2002, following a period of consultation with the Community, Council resolved to enter into a long-term lease of the 16 units with the Waimarino Rest Home Trust, a non-profit, charitable organisation. The lease was conditional upon the incumbent tenants being undisturbed for life or voluntary termination of existing tenancies. The future direction of the Trust is to provide not only housing for the elderly, but rest home care for those in need. A communal kitchen and day room building with attached temporary respite care units attached has been constructed, and officially opened for operation in early 2005. A small extension to Unit 4 has provided a garage for several mobile scooters.

The lessee has assumed all maintenance responsibilities including replacement of failed components. Other outgoings of rates and insurance have also been assumed.

Overall, the Raetihi complex is in average condition.

Exterior paintwork, roof coverings, and exterior joinery are all maintained to a reasonable condition. Internally a number of the units have been completely decorated and all are generally maintained to a good standard. Exterior painting of the units was carried out summer 2000-01. Main construction components are iron roof, fibrolite cladding, aluminium joinery, 4 units on a concrete slab, and 12 units on piles with timber or particleboard floors.

Overall the chattels were in a reasonable state at the commencement of the lease period 1 March 2003.

## Ohakune Older Persons Units – Moore Street, Ohakune



The Ohakune complex consists of buildings constructed wholly in timber and as such requires higher exterior upkeep than other sites. The main construction components are iron roof, timber weatherboard sheathing, 4 units with aluminium joinery, 4 units with wooden joinery, and all units on piles with tongue and groove timber or particleboard floors.

Generally the asset is reasonably maintained and is in average condition internally and externally. Repainting of the exterior of the units was undertaken in March 2000 and re-painting has been scheduled for 2010/11. The roofs are close to the end of their economic life and will probably need replacing within the next 10 year period. Roof renewal has been scheduled in the LTP 2009-19 for 2014/15.

Overall the chattels are in average condition and allowance has to be made in each financial year for the replacement of items such as net curtains, which deteriorate relatively quickly due to exposure to high ultra violet (UV) levels.

The landscape is maintained to a performance-based specification. Gardening, vegetation control and exterior minor maintenance such as water blasting, are carried out under individual contracts.

There is no vehicle garaging on the site. Conversion of the eight open storage areas into five carports, and creation of a sealed drive/parking area on the northern boundary of the property, had been planned but not progressed. A new purpose built garage to house 8 vehicles will be investigated in the life of this plan.

Occupation of these units has dropped in the past two years and two units have been vacant for in excess of 12 months. In time, as population demographics change, there may be a need in this community for additional housing units, as rental property is often purchased by investors with the purpose of obtaining the very high rentals that can be achieved over the ski season, rather than regular mid to long-term tenancies.

## Taumarunui Older Person Units

### Rangimarie Flats – Taupo Road, Taumarunui



**Taupo Road, Taumarunui Older Persons Housing Units 1-10**



**Taupo Road, Taumarunui Older Persons Housing Units**

**Units 11-16 (no number 13)**

**Units 17-21**

Overall the Rangimarie Flats asset is in above average condition.

The asset has been maintained to a reasonable standard throughout its life. General maintenance required to the exterior is minimal as the buildings are brick or block faced, with aluminium exterior joinery and either pre-finished tiles or colour steel roofing. Exterior painting is carried out at approximately ten year intervals and consists of repainting barges, fascia, soffits, safety rails, and the exterior doors to Units 1 through to 10. The ten newer units have aluminium and glass doors.

The communal laundries are constructed of similar easy care materials and are maintained to the same standard and at the same time as maintenance to the accommodation blocks. The washing machines are fully automatic with tumble dryers for winter use.

The complex is serviced by four lock-up garages of light timber construction, clad in colour steel requiring minor repairs occasionally.

Generally the interior and chattels of the Rangimarie complex, Blocks 1 and 2, Flats 1-10, are in reasonable condition, although total redecoration and new floor coverings are required in Flats 1 and 3 as identified in the 2005 component inspections. In the newer Blocks 3 and 4, Flats 11-21 are generally in good condition.

The complex is fenced on three sides with timber paling fences requiring minor repairs occasionally and painting at ten year intervals.

The landscape is maintained to a performance-based specification. Gardening, vegetation control and exterior minor maintenance such as water blasting, are carried out under individual contracts. There have been ongoing problems with stormwater disposal, which is by a basic soak hole system. After surface flooding in October 2005, new soak holes with soak rings were installed.

### **Rochfort Flats – Taumarunui Street, Taumarunui**



**Taumarunui Street Older Persons Housing Units**

Despite the asset being over 30 years old, it is generally in an average condition and presented to a good standard. Exterior cladding is brick that is maintenance free. Roofs are metal tiles, which may need to be resurfaced in the foreseeable future. Joinery is wooden. All units are on piles with timber floors. Exterior painting is carried out every seven to eight years to the soffits, fascia, infills and the timber exterior joinery and was last done summer 1999-2000. Repainting is scheduled for the 2008/2009 year.

Generally the interiors of the units are of an average to good standard. Bathroom upgrades were carried out on a regular basis from the late 1980s to late 1990s, with one unit still with a bath, receiving a total upgrade and a wet floor shower bath replacement in 2008.

Overall the chattels are in a reasonable condition with the exception of the rangettes that are being progressively replaced. The replacements are necessary not only due to age, but the scarcity of obtaining suitable parts for servicing. The rangettes are not popular, and where the size of kitchen allows, replacement with conventional stoves will be considered.

Provision to replace one to two hot water cylinders annually is required, as breakdown of those fittings due to age is occurring.

The landscape of the complex is in good condition having been established for some considerable time and well maintained over the years. Pruning or cropping of large vegetation at the roadside frontage of the site is necessary occasionally; this work is carried out under Contract 1041-day works. The landscape is maintained to a performance-based specification. Exterior minor maintenance such as water blasting or cleaning out gutters is carried out under individual contracts. There are some issues with disposal of stormwater through a basic soak hole system.

## Performance

There is a good understanding of the performance of the asset which can be measured against the satisfaction of the residential tenants who occupy the asset. The most recent satisfaction survey showed 75% of all tenants who responded to the survey were satisfied or very satisfied with the performance of the asset.

There are a number of issues which impact on the performance of the asset:

- Changing demographics of consumers of the service.
- Lack of disabled access in most units.
- Low occupancy rates of bed sitting units.
- Low demand for units (no waiting list for past 4-5 years).
- Ageing assets with some components past economic life span.
- To provide a continuation of current LoS in the foreseeable future.
- To maintain the asset to a presentable and safe standard.
- To provide adequate funding to maintain LoS and standards.
- Council retaining the function of older persons housing.

## Performance Strategies

The following operational and maintenance strategies have been adopted:

<b>Operation</b>	Acceptance for tenancy is subject to an application meeting specific criteria, and if there is no current vacancy the application is held on a waiting list. The older persons housing function is a self-funded activity and there is no subsidy from ratepayers required.
<b>Risk</b>	Council will insure all facilities against loss, damage, or destruction by fire, earthquake, and other such risks as deemed necessary or desirable to protect the Community's investment. Security lighting is provided at each site by pole-mounted lighting and movement-controlled lighting in discreet areas. Smoke alarms are fitted in all units in an effort to provide early warning of fire to tenants.
<b>Condition Monitoring</b>	To ensure older persons units are maintained to the required standard, Council staff will inspect all units annually when occupied and when the units become vacant.
<b>Planned Maintenance</b>	Maintenance and minor renewal needs identified from routine inspections are programmed within approved budgets and in accordance with the following priorities: <ul style="list-style-type: none"> <li>▪ Safety risk</li> </ul> Criticality of assets to the operation of older persons housing <ul style="list-style-type: none"> <li>▪ Financial risk of deferring work (including revenue)</li> <li>▪ Intensity of usage</li> </ul>
<b>Unplanned Maintenance</b>	Tenants are aware of Council staff to contact when unplanned maintenance is required. Council staff are required to maintain effective communications and an appropriate level of preparedness to respond and action customer requests within twelve hours for urgent items, and two working days for vandalism and non-urgent problems.

## Critical Assets

The asset is not considered to be critical. In the event of a failure or loss of the asset, whether in part or in total, it is expected that all tenants could be re-housed in the public sector. The Council has effected total replacement insurance cover on the asset but it is anticipated that the Council would wish to consult with the community on whether to re-build the asset in the event of a total loss or failure of any of the four complexes.

### 5.3.2 Operations and Maintenance Plan

The standards that older persons housing facilities must be operated and maintained in accordance with are:

- Resource Management Act 1991
- Residential Tenancies Act 1986
- Relevant technical standards
- Manufacturer's specifications and operating manuals
- Housing Improvement Regulations 1947
- Fire Regulations 1992
- Electrical Regulations 1993
- Building Act 2004

In all work undertaken, the workmanship and materials used must be in accordance with 'best' industry practice. The maintenance, repair, and replacement of assets is carried out in strict compliance with the manufacturer's recommendations.

The specifications for older persons housing maintenance work are defined in the current contracts relating to older persons housing maintenance, which are covered in various sections of this AMP and include:

- Grass and lawn maintenance
- Maintenance of herbaceous gardens and shrub gardens (excluding those maintained by tenants)
- Weed clearance (excluding those areas maintained by tenants)
- Tree maintenance
- Water blasting and cleaning paths and buildings
- Exterior painting
- Interior redecoration
- Chattel replacement

Generally the standards selected are associated with one or more of the following interrelated characteristics:

- Client safety and comfort
- Aesthetics
- Presentation of the asset
- Preservation of the asset

The standards may be adjusted in response to community preferences and budgetary circumstances. It is the intention to achieve a consistent standard of management for like facilities in similar locations.

### 5.3.3 Renewals Plan

Major maintenance (renewal) needs are identified through investigation of tenant complaints and condition inspections undertaken by Council staff on a scheduled basis and at the termination of a tenancy. Renewal works are identified on the basis of:

**Risk:** Where the risk of failure and associated safety, financial and commercial impact justifies action.

**Asset performance:** Renewal of an asset when it fails to meet the required LoS. The monitoring of asset condition, capacity and efficiency during planned maintenance inspections and operational

activity, identifies non-performing assets. Indicators of non-performing assets include unreliability, untidy appearance, poor functionality, and inefficient energy consumption.

Economics: When it is no longer economic to continue repairing the asset, i.e. the annual cost of repairs exceeds the annualised cost of renewal.

Generally the components of the asset are expected to provide satisfactory service for some time with the exception of the Ohakune older persons housing unit roofs. These are being monitored closely with renewals planned within the next ten years to replace the short run painted galvanised corrugated iron with long run zincalume.

Some bathroom fittings are now at the end of economic life and these are being renewed gradually as planned maintenance budgets allow.

Some fencing is also nearing the end of economic life and may need replacement within the next ten years.

### **5.3.4 Development Plan**

Development works fall into two categories:

- Construction of new structures.
- Upgrading of existing structures with replacement of components or reconfiguration.

Central Government have recognised that many Local Authorities do not have the financial resources to carry out new developments, reconfiguration or upgrading of existing developments. They have provided a housing funding initiative by way of suspensory loans of up to \$30,000 per development for reconfiguration or upgrading, and higher loans on a share cost basis for new development projects.

Reconfiguration of some existing bed-sit units to one or two bedroom units would address a perceived community need for units of this type. There is a high occupancy rate of single bedroom units and a low occupancy rate of existing bed-sit units.

Older persons housing development projects (upgrading or the acquisition of new assets), are currently identified through community requirements and waiting lists. There has been almost no waiting list for older persons housing in the past four to five years. The possible reconfiguration and upgrading of some bed-sitting units, by conversion to one or two bedroom units, is an option for Council. The Housing New Zealand suspensory loan funds available for this purpose will be applied for to fund this development.

An assumption has been made that there will be no consideration given to any additional housing unit development in the life of this plan.

### **5.3.5 Disposal Plan**

For several years there were low occupancy rates in Raetihi. After a period of negotiation and consultation, the Raetihi property has now been leased to the Waimarino Rest Home Trust. The Trust provides housing for the elderly and also short-term care for the sick or elderly residents of the Waimarino. The units have provided the Trust the opportunity of providing a response to the need for care accommodation in the Waimarino.

It is possible that Council may consider lease arrangements for any or all of the remaining asset if a non profit organisation similar to the Waimarino Rest Home Trust were to present a proposal to Council to do so.

None of the asset has been identified to be disposed of in the foreseeable future.

## Summary of future costs

The ten year financial projections for all older persons housing activity are summarised in Section Six.

### 5.4 Taumarunui Aerodrome



**Ngapuke Road, Taumarunui**

#### 5.4.1 Asset Description

The Taumarunui Aerodrome, located at Taringamotu adjacent to the Taumarunui-Ngapuke Road, was constructed during mid 1960s, following the yet to be finalised acquisition of five separate properties by a joint Taumarunui County and Taumarunui Borough Council consortium. A map showing this can be found in File A30-0005.

Appendix H provides an overview of the asset detail and value.

Key issues for the Taumarunui Aerodrome are:

- Resolution of acquisition compensation and offer back to previous owners and possible litigation arising from compensation claim.
- Resolution of subdivision not yet completed.
- Land ownership issues raised through Waitangi Tribunal Hearings 2008.

The Urupa (Maori Cemetery), situated on 2B1A was not included in any land acquisition, and remains in ownership with its Trustees. Research has indicated the subdivision of 2B1B into two allotments was to assist in the implementation of part of the initial agreement with the owners Te Pou, Uru and Mokena for approximately five acres adjoining the Urupa for the erection of a meetinghouse. To date this agreement has not been fulfilled. Council commenced with subdivision of the Aerodrome in 1999/2000. Compensation has never been paid to the descendants of the deceased owner of 2B1B, and in 2002 Council received notification of a claim for compensation by the descendants. Council sought legal advice in respect of this claim, which was considered by Council in November 2005. The Chief Executive has been delegated authority to negotiate with the claimants to settle this claim. It was hoped to finalise all matters by 30 June 2006 but this has not proved possible. The transfer back of 5 acres and compensation are matters that could escalate in priority as grievances about the acquisition have been taken to the Waitangi Tribunal Claim hearings in 2008.

## **Terminal and Clubhouse**

In 1967 a terminal building was constructed near the south eastern corner comprising toilets, ante-room and kitchen area, serviced by a septic tank constructed with the disposal field running adjacent to Taumarunui-Ngapuke Road.

In 1971 the Aero Club was granted approval to erect clubrooms adjoining the northern side of the terminal, effectively creating a single building. The clubrooms had an addition to the north western corner creating an office that had clear vision of the apron area and the runway approach fans.

Council ensures the ongoing maintenance of the terminal that is painted externally and internally as required. The use of the terminal is unknown, as it is not manned, but is predicted as minimal, thus internal decoration is not required as frequently as a building with ongoing use. The Aero Club is responsible for maintaining the clubrooms, but also provides some cleaning to other facilities.

The terminal is provided with a public telephone, first aid kit, and fire extinguisher equipment.

## **Deep Bore Pump House**

Water to the terminal and clubhouse is provided by a bore and pump housed in a concrete tank at the entrance to the terminal car park. There is a supplementary water supply from roof tank water for the kitchen, which is much cleaner water than the bore water that is used for the toilets and hand basins most of the time. The water supply is high in iron and this causes considerable discolouration to the terminal fittings.

## **Fertiliser Bin**

The fertiliser bin situated at the north eastern corner of the airfield was initially constructed for servicing DC3 aerial topdressing operations. Council upgraded the bin in 2002. A large apron area suitable for all weather DC3 operations was developed in the vicinity of the bin. This facility is still utilised by the smaller type aircraft for spreading operations today. Fertiliser operators pay for the right to lift fertiliser off the aerodrome. Fees are based on per tonnage lifted.

## **Agricultural Fuelling Pad and Security Shed (South Eastern Boundary)**

Shell Oil own the 10,000 litre AV gas tank on the site. Under the Hazardous Substances and New Organisms Act 1996 (HSNO), Shell Oil must hold a Location Certificate for this installation. Shell Oil owns the fuel tank, however Super Air Ltd owns the shed on the site.

## **Helicopter Service Area**

Currently commercial helicopters occupy a developed area on the western side of the Aerodrome. The area includes a hard landing point, a lockable storage facility, and a shelter structure. Various helicopter activities are initiated from this location. The occupier maintains all assets.

## **The Hangars**

The Taumarunui Aero Club and two private individuals have erected small aircraft hangars to the immediate north of the terminal building. These buildings are the responsibility of the Club and private owners. Ground leases are issued for these sites.

## **Airfield (Runway, Marker Strips, Windsocks)**

The airfield has been re-configured to provide one runway. This is a grass runway, the size of which will accept landing and take off of a DC3 aircraft. Smaller aircraft are the regular users of the airfield and it is unknown when a large aircraft last used the airfield.

The cost associated with fertilising the runway and surrounding land is split evenly with Council and the Mowing Contractor who maintains the runway strip, and recovers for his own use any hay or silage from the balance of the land. Income is received from the licence to occupy issued to the contractor.

The strip commences at the southern end of the property, terminating at the formed Jurgens Road boundary. Yellow timber markers, 2.7m long, define the outside edges of the runway strip placed at intervals of approximately 100m. Runway marker strips are inspected annually for condition and alignment, and are repainted every few years by the mowing contractor.

Windsocks located at both ends and centre of the runway strip indicate ground wind direction. Generally the socks require replacement every four to five years. Axles are greased annually to ensure that the true direction of any wind is indicated.

Council maintains and replaces the windsocks when required.

## **Telephone**

Installation and maintenance of telecommunications at the terminal is considered essential. Council maintains and provides funding for associated costs at the terminal.

## **Fencing**

Council ensures the ongoing maintenance of all boundary fencing, excluding the internal timber fence surrounding the clubrooms. Council maintains the post and timber fence surrounding the terminal.

All fencing is inspected annually to ensure stock cannot encroach upon the property from neighbouring properties where stock is housed. If the gate to Jurgens Road is left open, stock can get onto the aerodrome and this has been identified as a real issue for Iwi when stock get onto the Urupa. Fencing off the Urupa has now been identified as a high priority maintenance requirement.

## **Performance**

The Taumarunui aerodrome currently meets both recreational and commercial needs of the community. There is an assumption that the aerodrome will always remain in grass and that the development of any new aerodrome in the District will be elsewhere because of the fog experienced in Taumarunui through winter months every year.

Overall the asset is maintained to a standard that complies with industry requirements. The Aerodrome operations comply with the requirements of Civil Aviation Regulations (CAR) Part 139, which provides acceptable design standards necessary for non-certified airfield's servicing aeroplanes at or below 5,700kg Maximum Certified Take Off Weight (MCTOW).

The availability of the asset is considered to have 24 hour public accessibility, however, flying operations can only be carried out between sunrise and sunset, unless an emergency situation develops which enables flying operations outside those times.

## Condition

Based on the information contained within Council records, together with the knowledge of staff and the results of audits by CAA, it is considered the Taumarunui Aerodrome is generally maintained to a reasonable standard. The asset components condition is graded using Table 5.1, and detailed component level reporting is contained in the asset management database file A30-0005.

## Critical assets

The asset has never been developed into a domestic Aerodrome, the only use generally being recreational privately owned aircraft movements, top dressing movements and commercial helicopter movement. It can therefore not be considered critical. Access to the District by aircraft in an emergency situation is possible at an alternative site. There is a very large sealed aerodrome in Waiouru which is owned and maintained by the NZ Army. There are a number of large reserves in the urban areas where helicopters can land. In addition, there are a number of small runways on farms throughout the district where small aircraft could land.

### 5.4.2 Operations and maintenance plan

The operation is maintained to the necessary standards contained in CAR Part 139 and the terminal is provided with a first aid kit, telephone and fire extinguisher for immediate use.

Council operates the asset with grass and general maintenance. The runway, runway strip and apron vegetation is generally maintained at 150mm or under in height by mowing, and the remainder of the fenced aerodrome property is cut for hay or silage during the summer months.

A soil test is carried out intermittently and the recommended dressing applied in spring to promote the survival of the sward in the pumice based topsoil. The fertiliser and application costs are equally shared between Council and the mowing contractor. The recovery of the hay or silage is the responsibility of the licensee in return for the grass mowing maintenance regime. Last test was carried out in 2005.

Windsocks generally require to be replaced at four to five year intervals depending upon the amount of high wind experienced.

An annual inspection is undertaken to ensure the obstacle limitation surfaces criteria do not have impediments, displaced threshold markers are current, and the condition state of the asset.

Generally maintenance consists of:

- Fertiliser and spreading
- General maintenance, minor repairs to fencing, etc.
- Vandal damage repairs.
- Wind sock replacement.
- Vegetation clearance (obstacle limitation surfaces).
- Soil testing.
- Vegetation spraying.
- First Aid Kit upkeep.
- Fire extinguisher certification.
- Minor repairs to buildings.

### 5.4.3 Renewals Plan

As components fail they will be replaced. It is considered that all components of the asset will be maintained over the next ten years. No renewal expenditure, with the possible exception of sections of fencing, is expected during the next ten years.

#### **5.4.4 Development Plan**

Other than the planned new fence to enclose the Urupa, there is no development anticipated in the foreseeable future.

#### **5.4.5 Disposal Plan**

Any future disposal of property, with the exception of those areas originally acquired on a commercial basis, will be subject to the offer back provisions of the Public Works Act.

The Taumarunui Aero Club have expressed interest in leasing the aerodrome and taking over management responsibilities currently undertaken by Council. This management option may be considered in the future.

Iwi grievances have escalated sufficiently for the Crown to become involved in an investigation over the justification for the retention of the land for aerodrome purposes.

#### **5.4.6 Summary of future costs**

The Ten Year Financial Projections for the Taumarunui Aerodrome are summarised in Section Six.

### **5.5 Miscellaneous Property**

#### **5.5.1 Asset Description**

The miscellaneous property component of the Investment Activities function consists of those District wide properties owned in fee simple and endowment land; and includes undeveloped residential and industrial sections, metal pits, areas of closed road, small pine plantations and marginal land. Ohakune Railway Station and associated properties, Pukehou Quarry, and Taumarunui Saleyards are also classed as miscellaneous properties.

Appendix H provides an overview of the asset detail and value.

#### **Ohakune Railway Station, Upper Thames Street, Ohakune**



Generally the properties are owned by Council in fee simple title and are available for disposal.

## Performance

On the whole, there is no requirement on miscellaneous property to meet community standards or expectations. Much of the land is unimproved e.g. Taumarunui Saleyards, or has been developed by the lessee e.g. Taumarunui Fire Station. An exception to this generalisation, is the Pukehou Quarry property which was purchased by Council on an expectation that royalties received from sales of won materials would be a significant positive return on investment. This property has failed to perform to expectation and the Council made a decision to sell after the expiry of a ten year lease in June 2008.

Although some property is leased, there is an abundance of what is termed uneconomic properties throughout the district, generally the result of incomplete road closures, earlier subdivision reserve contributions, and predecessor Council subdivisions, and some L.A.T.E. operational property.

Key issues for miscellaneous property are:

- Cost of rates on land that cannot produce an income or return through lease or sale.
- Cost of vegetation control on urban land that cannot be sold through lack of interest.
- Classification of the Ohakune Railway Station as a Category II heritage building and the possible cost implications of that classification.
- Pine plantations 100% owned by Council nearing maturity and environmental implications of harvest on steep land, some with river boundaries.

General issues associated with the miscellaneous properties component of the Investment Activities are:

- Reduce Council's financial liability.
- Reduce the number of uneconomic properties held.

## Condition

The condition of the built asset components for miscellaneous property is reasonable. Vegetation control of undeveloped land is carried out on urban sections and through grazing leases elsewhere where possible. Council has managed to secure tenants for all of the miscellaneous property buildings with the recent leases of the Ohakune Railway Station being negotiated. There are the usual lessee maintenance conditions in these leases.

### 5.5.2 Operations and maintenance plan

Where possible, individual properties are leased or licensed for a variety of uses, and generally the lessee or licensee becomes liable for the maintenance costs, unless Council has stipulated or approved alternative conditions.

Vegetation control by contract is carried out on high visibility residential sections to ensure the aesthetics of the neighbourhood is maintained, and where problems exist with noxious plants or pests, all necessary work is undertaken to reduce incidence of recurrence.

Council is obligated under the Fencing Act to contribute towards boundary fences and an allowance is made for that eventuality.

### 5.5.3 Renewals Plan

To all intents and purposes there is no requirement for a renewal programme for this activity, except for the discrete forestry blocks, as the majority of properties will ultimately no longer belong to Council. However, it will be many years before most buildings have reached the end of economic life.

It is proposed to harvest discrete forestry blocks on maturity, within the next five years and following that harvest, the blocks replanted. The costs associated with replanting are expected to be fully funded by returns of harvest. To achieve SG 3, investigations into whether the blocks should be retained for afforestation, or replanted into native bush and conserved as bush blocks will be undertaken, and the environment issues fully canvassed prior to harvest, under a Plantation Management Plan. Much of the land is very steep and appears to have been initially planted as a stabilisation measure as much as an investment. Harvesting of the trees on unstable land may create additional de-stabilisation and consideration to this aspect of the activity will need to be undertaken prior to harvest.

A Category II registration is assumed for the Ohakune Railway Station. This building will need to be closely monitored on an annual basis and as renewal requirements are identified, renewal costs will be budgeted for in exceptions annual plans or the long term plan reviews.

#### **5.5.4 Development Plan**

Other than replanting of harvested forestry block land, there is not expected to be development work within the foreseeable future within the activity.

#### **5.5.5 Disposal Plan**

In Ohakune, the old library property on Clyde Street became surplus to Council requirements when the library was re-located to the service centre in Ayr Street. Disposal was an option for this property, but as Ohakune is the main growth centre in the Ruapehu District at the present time, a decision was made to retain the property for a period of ten years when a re-assessment of whether it is likely to be required for Council purposes will be made. The property has been leased to a commercial operator in the meantime.

A number of miscellaneous properties have been acquired for strategic or operational reasons. These will continue to remain in Council ownership for an indefinite period of time and where possible, will be leased.

Council has resolved to sell the Pukehou Quarry property and it is expected that a sale will be concluded during 2009.

Council has been successful in disposing of much of its surplus property in the urban areas of Taumarunui, Ohakune and Raetihi. There is little interest in sections in Ohura, most of which are in the flood zone. The Building Act 2004 covers building in a natural hazard zone. There is a parcel of residential land in Waiouru which is presently land locked. Access issues would have to be resolved before this land could be disposed of unless a purchaser was willing to acquire the land and resolve the access problem without input from Council. The New Zealand Army have indicated they would be willing to provide legal access to the land from Andrews Drive, a road owned by the Army.

There has been ongoing high interest in the parcels of endowment land situated in the Residential zone of Rangataua. In December 2004, the Minister of Local Government approved Council selling ground leases in perpetuity for six sections. The ground leases will be auctioned with a target date for disposal of August – October 2009.

#### **5.5.6 Summary of future costs**

The ten year financial predictions are summarised in Section 6.

### **5.6 Rental and Community Housing**

#### **5.6.1 Asset Description**

Appendix H provides an overview of the asset detail and values.

## Community Housing

### Community Housing Units - Miriama Street, Taumarunui



The units located at 6 Miriama Street, Taumarunui, consists of four, one double bedroom units constructed specifically for those elderly tenants, although not confined to elderly, wishing to be housed in units slightly larger and better appointed than Council's older persons housing stock. The rental for these units is set at market rates. The occupancy at these units continues to be at nearly 100%.

### Community Housing Units - Taumarunui Street



The units located at 4 Taumarunui Street, Taumarunui, named Cherry Grove Court, consists of 8 two bedroom self-contained units constructed for the purpose of providing reasonable facilities to the Community's younger persons and itinerant professionals requiring accommodation whilst employed within the district. These units are consistently close to 100% occupancy. Changes within the

community and closure of several large companies have led to rental housing being in excess of requirement, and older couples seeking two bedroom secure tenancies now often tenant these units.

Disposal of these units could be considered, however, many of the tenants enjoy the security of tenure provided by Council owning the properties. With a reduction in the loan against the activity from the sale of the Owhango community units in 2005, there may be justification for retaining the units as providing a community need as well as a financial return on investment.

### **Raetihi 'Doctor's Surgery' - Residential house 11 Islington Street, Raetihi**



This property, developed and provided by the combined efforts of the Raetihi Borough and Waimarino County Councils in an effort to attract medical staff to the District, consists of a three-bedroom dwelling upstairs and a surgery on the ground floor. Due to the combined purchase by separate Local Authorities ministerial approval was required and Council has endorsed and approved the Waimarino Community Board's recommendation to retain the asset. Although a Doctor used the house for some time, the local Doctor has purchased property in Raetihi and relocated to a surgery in Seddon Street. When the house is not occupied by medical personnel, the top story is rented to local residents, with Council retaining the use of the old surgery on the ground floor for staff who may be on call out to the Waimarino or working for a number of days in the Waimarino. The ground floor accommodation is also suitable for leasing to a Council staff member on a permanent basis if required.

### **Performance**

The community rental housing units have an almost 100% occupancy rate, the majority of tenants being older persons who wish to reside in good quality one, preferably two bedroom units with security of tenure.

The Raetihi Doctor's surgery continues to be capable of use for that purpose if ever required.

### **Condition**

These properties are inspected on an annual basis and there is good knowledge about the condition of the asset. Component condition data is currently held in Excel spreadsheets which are updated after each inspection.

The condition of these assets is good. The rental units have consistently maintained a very high occupancy over the past ten years, many tenants unchanged during that time. All buildings are a combination of split stone exterior, aluminium joinery and colour steel roofs.

All tenancies are subject to the obligations and conditions as contained and described in the Residential Tenancies Act, and Tenancy Agreements are a condition of occupancy. It is considered the obligations contained within the agreement are mandatory and in all cases to date landlord obligations have been met.

### **5.6.2 Operations and Maintenance Plan**

Vegetation and lawn maintenance is carried out under Contract 1041 for gardening and vegetation control. Tenants maintain the vegetation and lawns at Islington Street dwelling house. Plumbing, building and electrical maintenance is performed under Council's maintenance contracts. Internal redecoration is preferred to be carried out when the units become vacant and as that occurrence cannot be foretold, an allowance is made for one unit's redecoration each financial year at Cherry Grove. All Miriama Street units and three of the Cherry Grove units have been redecorated over the last nine years. A minimum of three yearly component level investigations is needed to enable planned maintenance and renewal. An unplanned maintenance allowance is included within the budget for replacement and repair of a minor nature, i.e. plumbing items, Ajax valve repairs, breakages and minor damage. The majority of this work is carried out under plumbing, electrical and building services contracts.

The planned maintenance component consists mainly of:

- Internal decoration
- Exterior painting
- Vegetation control and lawn mowing
- Water blasting/moss removal

The unplanned maintenance component consists primarily of general maintenance items, e.g. leaking taps, stove elements not working.

### **5.6.3 Renewals Plan**

The condition, age of the asset, and materials utilised in construction indicate that generally no building renewals will occur of the asset during the next ten year period. Various chattels contained within the asset will require renewal, these being:

- Net curtains
- Floor coverings
- Electric Ranges
- Hot Water Cylinders

There is no reasonable method available to determine the economic life of each of the chattels, as the state of wear at individual units is subject to varying degrees of use, cleanliness and daily upkeep by the tenant. In some cases, items have remained in service for periods far exceeding similar items situated in an adjacent unit.

### **5.6.4 Development Plan**

There is no development work contemplated for this asset.

### **5.6.5 Disposal Plan**

The Raetihi Doctor's house will be retained indefinitely for the purpose it was built.

Cherry Court units and Miriama Street units currently appear to be meeting a community need for secure tenancies for the majority of tenants who are either elderly or suffer disabilities. These properties are self funding and therefore disposal is not likely to be considered within the next ten years.

#### **5.6.6 Summary of future costs**

The ten year financial predictions are summarised in Section 6.

## 6.0 Sustainability in Ruapehu District

Council manages the community property portfolio in a suitable manner across the four community well-beings.

- **Social.** Council administration buildings are absolutely essential infrastructure for the Council as an organisation to be able to deliver all of the essential services Council provides for the well being of the community. The Raetihi Doctor's house, older persons housing and community housing as well as a number of miscellaneous properties e.g. Taumarunui Fire Station, provided by Council, is meeting a social need that is unlikely to change in the foreseeable future.
- **Economic.** Affordability remains one of the key issues facing Ruapehu District and Council continues to explore and implement cost effective management initiatives for community property including the adoption of sound "best appropriate" asset management practices, balancing in-house, and outsourcing, physical works and specialist advisory services.
- **Environmental.** Council has adopted the community's views on the importance of the environment within the District. All works on community property will be carefully considered for environmental impact, particularly in areas of environmental significance such as pine plantations beside streams or rivers.
- **Cultural.** Council understands the cultural and heritage importance that some community property buildings may have and where possible, the need to maintain and renew these buildings into the foreseeable future.

One of the fundamental goals of asset management is to achieve sustainability across the four community well-beings. This asset management plan describes the levels of service required by the Ruapehu District regarding community property, both now and in the future, considers risks involved and presents strategies to sustainably deliver these levels of service into the future.

Key sustainability issues are summarised below.

### 6.1 Social and Cultural

- The continued access to older persons housing, community housing, and buildings of public interest such as the Ohakune Railway Station is part of Council's role in supporting the social and cultural needs of the community. Council will strive to better understand local Iwi issues or concerns as they might relate to the management of community property.

### 6.2 Economic

- Affordability remains one of the key issues facing Ruapehu District and Council continues to explore and implement cost effective management initiatives for community property. Self funding of all rented or leased property can be better achieved with the adoption of sound "best appropriate" asset management practices to provide suitable levels of service now and into the future, with adequate risk controls in a cost effective manner.
- Maintaining ownership and core management of infrastructure in-house, and, outsourcing physical works and specialist advisory services.
  - Adopting sound "best appropriate" asset management practices to provide suitable levels of service now and into the future, with adequate risk controls in a cost effective manner.
  - Maintaining ownership and core management of the portfolio in-house, and, outsourcing physical works and specialist advisory services.
  - Adopting competitive pricing procedures for service delivery by external labour and specialists with emphasis on value (not just cost) and fostering long-term relationships. Key services are bundled and delivered in a term contract.

- Inviting innovation in technology and service delivery modes, including exploring contract opportunities with neighbouring authorities, and, working with local farmers to implement minor improvement solutions.

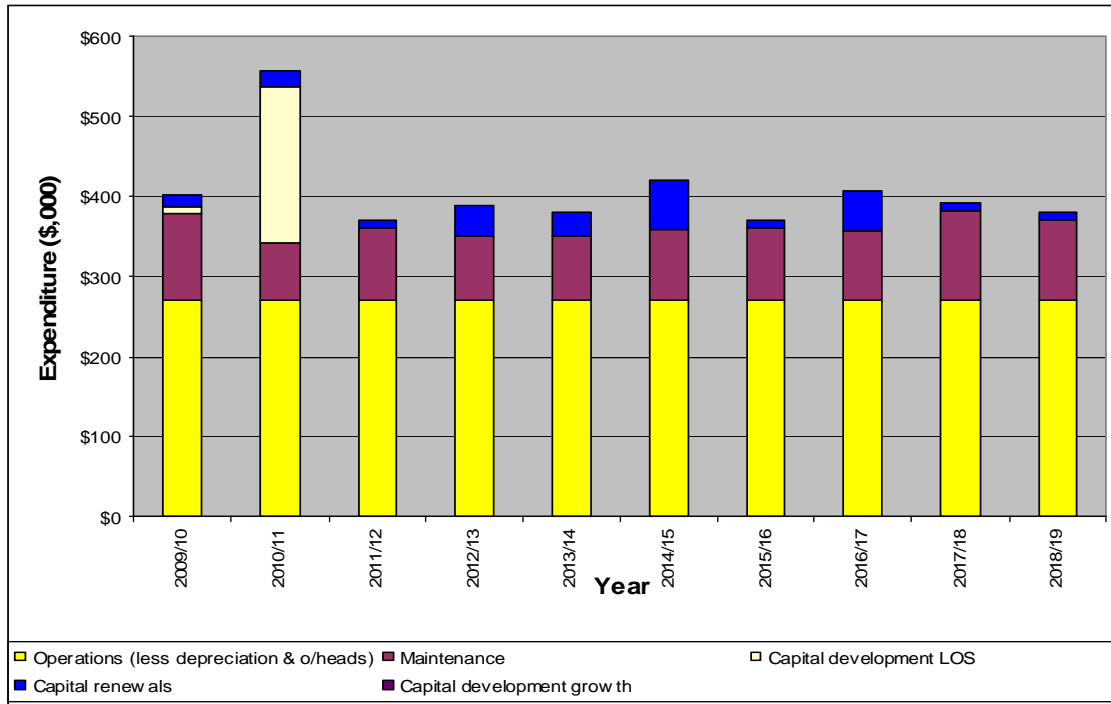
### **6.3 Environmental**

Council has adopted the community's views on the importance of the environment within the District. All works on the assets are considered for environmental impact, particularly in areas of environmental significance, such as the flexible programming of any targeted weed spraying – i.e. no spraying undertaken in wind or rain conditions. Use of environmentally 'friendly' painting systems where possible in maintenance specifications. Reducing energy consumption where possible through the installation of insulation, or better insulation in buildings and introducing double glazed windows whenever renewal or development projects involving windows is carried out.

## 7.0 Financial summary

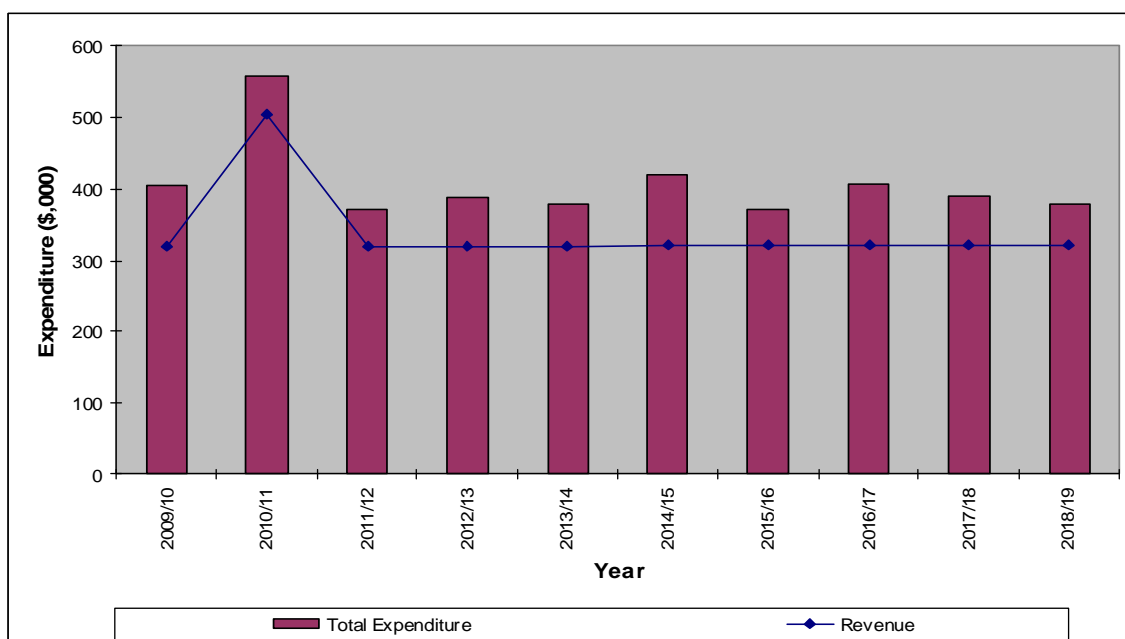
### 7.1 10-year financial forecast summary

The 10 year financial forecast for community property is shown graphically in Figure 15. Inflation factors have been introduced at a summary level in Appendix C to allow direct comparison with financials reported in the LTCCP.



**Figure 15 – Consolidated financial forecast – Council-funded expenditure**

Note that this activity is largely funded by non-rates funding. A comparison with the expenditure and external funding is graphed below.



The key provisions and trends in the 10-year financial forecast are:

Operations and asset maintenance – fluctuations. General maintenance and operation costs for community property are stable over the ten year forecast. The higher cost planned maintenance costs which cause fluctuations, are the exterior painting of buildings which is planned on an 8-10 year cycle.

Renewals and development - \$276,000 is budgeted over the period 2009 to 2019. All development projects are increases in levels of service rather than triggered by growth.

Depreciation costs relating to Administration Buildings are included in corporate overheads. Depreciation costs shown only relate to Older Persons Housing. Council does not fund depreciation on investment properties. It is anticipated that some properties currently classified as investment properties will be re-classified as non-investment properties held for the social or cultural wellbeing of the community in 2009/10. This may impact on the depreciation funding requirements.

## 7.2 Expenditure categories

Expenditure and revenue projections within this plan have been classified as capital (new and renewal) or operating, in accordance with generally accepted accounting practice. The capital expenditure categories are detailed in Table 15. The capital projects are categorised as growth, renewal or levels of service.

Capital category	Capital sub category	Description
<b>Renewals</b>	Planned	Planned replacement of existing assets using a modern equivalent asset. This can be driven by a number of issues including break history, condition surveys and maintenance renewals.
	Unplanned	Unplanned replacement of assets due to unplanned failures.
<b>Levels of service</b>	Customer	Replacement, upgrading or installation of new assets to achieve the customer outcomes defined in the levels of service, such as waster service reliability.
	Statutory ( or compliance)	Replacement, upgrading or installation of new assets to achieve compliance with the statutory obligations defined in the levels of service, such as health and safety.
	Planned ( or capacity)	Upgrades to existing assets to meet increased capacity requirements.
	Network improvements	Information technology projects, data improvements, network studies and other expenditure necessary to support asset operations and provision of water services.
<b>Development</b>	Development pressure	Local upgrades of assets to accommodate incoming population.
	Vested assets	Purchase of vested assets from new developments.

**Table 15 - Capital expenditure categories**

### 7.3 Key assumptions

The basis for the financial forecasts is explained in the lifecycle management plans (Section 5.0). The following general assumptions have been made in preparing the 10-year expenditure forecasts:

All expenditure is stated in dollar values as at June 2008 with no allowance made for inflation over the 10-year planning period

The rate and pattern of urban growth and development continues as assumed and noted within Section 3 of this plan.

Maintenance costs are based largely on historical expenditure and assume there are no significant changes in contract rates (above the rate of inflation).

Maintenance and renewal allocations have been based on preserving current levels of service. No significant optimisation works have been allowed for.

Repairs exceeding \$10,000 are capitalised as a renewals item.

The most significant potential changes to the financial projections shown will result from the factors below:

Changes in the desired level of service, and service standards, from those identified in this asset management plan.

Assumptions have been made as to the average useful lives and average remaining lives of the asset groups based on current local knowledge and experience, historical trends, and predictive modelling outputs. These are routinely reviewed and the accuracy improved based on real time assessments of asset deterioration).

### 7.4 Confidence levels

The confidence in data used as a basis for the financial forecasts has been assessed using the grading system from the NZWWA NZ Guidelines for Infrastructure Asset Grading Standards, as summarised in Table 16.

Confidence grades have been assessed as:

• Demand forecasts	C - Uncertain
• Service gap interpretation	B - Reliable
• Quantities	
- Major asset groups	A - Highly reliable
- Minor asset groups	B - Reliable
• Condition grades	
- Major asset groups	A - Highly reliable
- Minor asset groups	B - Reliable
• Unit rates	B - Reliable
• Base lives	B - Reliable
• Remaining lives	
- Major asset groups	B - Reliable
- Minor asset groups	B - Reliable
• Valuation and depreciation	B - Reliable
• Financial forecasts	
• short-term 1-3 years	B - Reliable
• mid-term 4-10 years	B - Reliable

Forecasts will be improved with more sophisticated analysis and improved knowledge of the assets as discussed in Section 8.0.

Grade	General meaning
<b>A</b>	<b>Highly reliable</b> Data based on sound records, procedures, investigations and analysis which is properly documented and recognised as the best method of assessment
<b>B</b>	<b>Reliable</b> 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
<b>C</b>	<b>Uncertain</b> 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
<b>D</b>	<b>Very uncertain</b> Data is based on unconfirmed verbal reports and/or cursory inspection and analysis

Table 16 – Confidence grade definitions

## 7.5 Development contributions

There are no development contributions for community property.

## 7.6 Valuation summary

Table 17 summarises the valuation of the community property assets as at 30 June 2008. The property valuations for unimproved land and those properties which are not insured for replacement value are capital values taken from the Ruapehu District Council re-valued rating data base.

<b>Asset</b>	<b>Valuation – Rateable June 2008</b>
Administration Buildings	\$4,310,000
Older Persons Housing	\$2,725,000
Community Housing	\$1,020,000
Miscellaneous Property	\$4,566,000

**Table17 – Summary of community property assets valuation**

## 7.7 Revenue and financing policy

### Introduction

The Local Government Act 2002 requires the adoption of policies that outline how operating and capital expenditure for each activity will be funded. This is detailed in the revenue and financing policy, which is included in the Council's LTCCP. The policy identifies:

- The community outcomes to which the activity primarily contributes.
- The distribution of benefits between the community as a whole, any identifiable part of the community, and individuals.
- The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

Community outcomes are discussed in Section 2. The statements which follow summarise who benefits from the services, who pays for the service and how the programmes are funded.

Capital works that are an improvement or addition to the asset are considered intergenerational in nature. Council's use of funding mechanisms to fund capital development is as follows:

The Council will first apply depreciation funding available, then loan and lastly rate funding depending on the circumstances.

## 7.8 Significance Policy

The following community property assets have been identified as significant in the 2009/2019 DRAFT LTCCP:

- District Libraries, in entirety
- Information Centres, in entirety – (Council owns only one visitor information centre building at Ohakune)

The full significance policy is outlined in the 2009/2019 Draft LTCCP

## **7.9 Future improvements**

The improvements summarised throughout this plan will contribute to making the financial forecasts more robust. Specific improvements relating to this forecast include:

- Reviewing the expenditure forecasts with a particular focus on ensuring clear and robust linkages to levels of service, growth and achieving asset management strategies.

## 8.0 Continuous improvement

Council's vision for the quality of AM planning is to match but not lead best practice for comparable local authorities, which are defined as rural authorities with small urban towns (e.g. Waikato DC, Waitomo DC, Rangitikei DC).

### 8.1 Improvements achieved

The Council has progressively reviewed and made improvements to its asset management planning for community property since the first asset management plan was prepared in 1996. In 2006 for the first time, Council administration properties were included in the community property asset management plan. The 2009 version represents a significant departure from the style of previous plans, with the following key improvements being incorporated:

- **Levels of service** – Levels of service statements and performance measures have been revised with a greater emphasis on service, and less on process inputs and community satisfaction.
- **Demand management** – Demand drivers have been separately reviewed and updated. Updates have been made to population estimates, trend analysis and the high, medium and low demand scenarios presented. Demand projections have been developed to better enable impacts to be managed.
- **Risk management** – Risk assessment and evaluation has been redeveloped, including an identification of critical assets and a more thorough assessment of risk events within a formalised framework. Risks requiring action have been identified and mitigation controls have been included within the works programmes.
- **Lifecycle management plans** – Asset information has been updated.
- **Financial summary** – Financial projections and development contributions information has been updated.
- **Improvement planning** – A comprehensive AM status review was undertaken prior to updating the AM plan, which included a gap analysis and the development of a prioritised improvement plan. This improvement plan has been inserted into the document.
- **Strengthened linkages** – Linkages between the three fundamental works drivers (levels of service, change in demand and risk) and works programmes within the lifecycle management section and financial summary have been strengthened with summary tables included in each of these sections.
- **Document reformat** – The plan has been restructured, including the removal of generic asset management theory content, and the development of a summary more closely aligned with information required for the LTCCP.
- **Councillor involvement** – Councillors have been more fully involved in the development of this plan with an initial awareness-raising workshop, followed by a workshop which summarised key issues and proposed Council response within the asset management framework.

### 8.2 Approach

Effective asset management practices are demonstrated by Council's ability to meet the following criteria that are the focus of our detailed review. The sophistication to which Council undertakes each of these activities is dependent on our strategic goals and the benefits that can be obtained from improving our practices.

- Asset knowledge, the appropriateness, reliability and accessibility of data and the processes associated with the use and maintenance of asset data.



- Strategic planning processes, the processes used in the implementation of AM activities including failure planning, risk management, service level reviews and long term financial planning.
- Current AM, the processes used in the implementation of AM activities including capital expenditure programmes and operations and maintenance management.
- Asset management plans that identify the optimum lifecycle management tactics and resources.
- Information systems to support (and often replicate) AM processes and store/manipulate data.
- Organisational tactics including organisational, contractual and people issues.

The current and appropriate practice levels (for a three-year target) in AM were assessed using the rating schedule shown in Table 18. The size of the “gap” between current and appropriate practice provides an indication of the priority that should be placed on improving in that area.

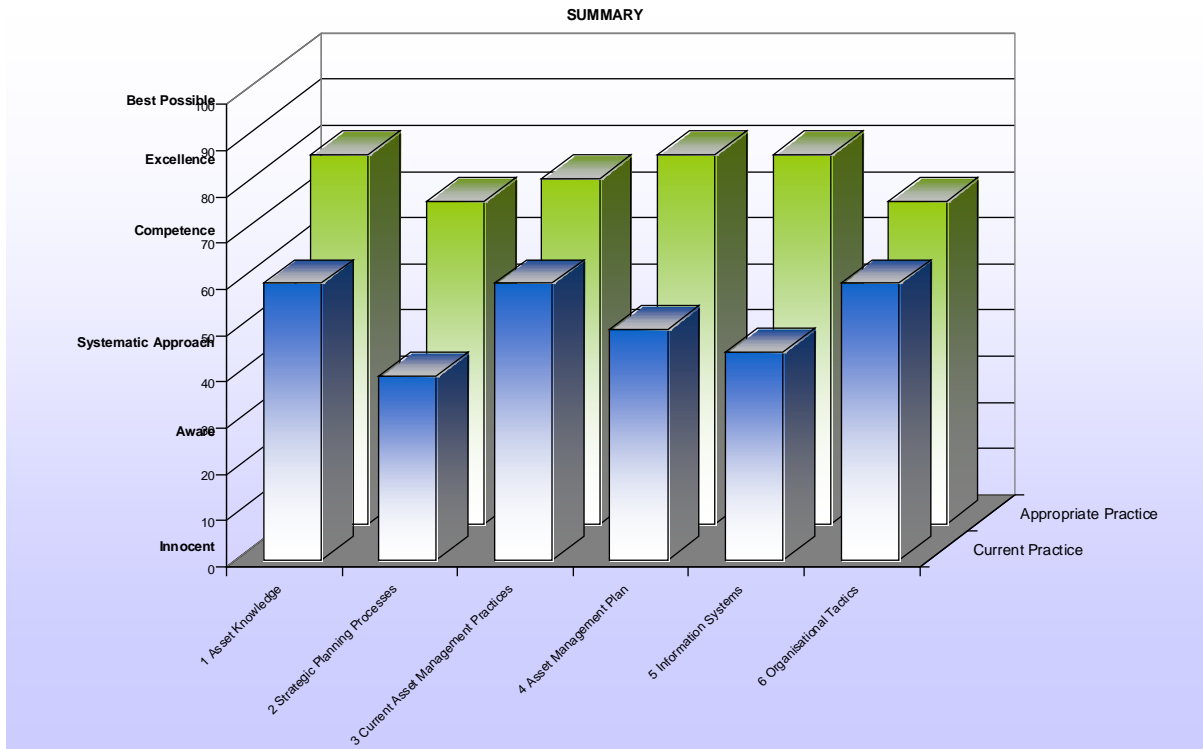
Quality Level	Score
Best Possible	100
Excellence	85
Competence	70
Systematic Approach	45
Awareness	25
Innocence	0

**Table 18– Gap assessment rating system**

“Appropriate” practice was assessed with consideration of the guidelines for “basic” and “advanced” AM plans issued by the Officer of the Auditor General (refer Attachment A) and appropriate practice expectations for a Council our size. The “advanced” requirements for AM plans defined in the guidelines are consistent with the AM plan outputs required for the LTCCP as stated in Schedule 10 of the Local Government Act 2002.

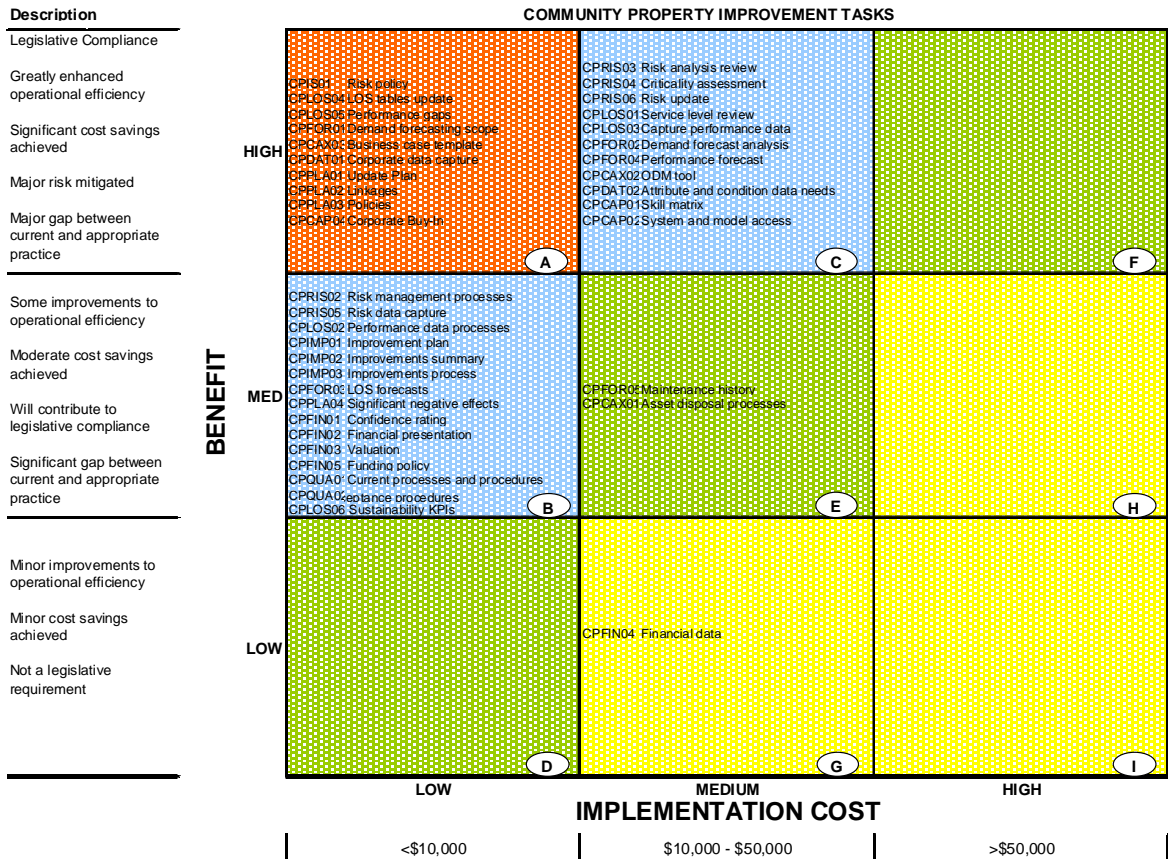
The Audit Office have publicly stated their expectation that organisation’s should soon be able to demonstrate achievements in advanced AM practices. Council’s primary goal is to achieve legislative compliance, if this has not already been achieved.

The results of the gap analysis are illustrated in chart form in Figure 16, and tabulated in more detail in Appendix F.



**Figure 16 – Gap analysis outcomes**

Improvement projects identified through the gap analysis process have been prioritised considering benefits to Council achieved through the improved processes, and effort/cost involved in implementing the improvement projects. This is summarised in Table 19. The improvement projects have been developed for community property and recreation and community facilities since many would be undertaken at the same time.



**Table 19 -Benefit cost assessment of improvement projects**

### 8.3 Short-term improvement programme

Council is committed to an ongoing improvement philosophy and has progressively reviewed and improved its asset management planning since the first asset management plan was prepared. The risk-based review of the Council's asset management planning identified the priority improvement projects shown in Table 19 scheduled to be actioned over the next three years.

Improvement Project	Description	Responsibility	Resources			2008/09	2009/10	2010/11
			Total Days	External (\$)	Internal (Days)			
<b>Risk Management</b> CPRIS01 Risk policy CPRIS02 Risk Procurement processes CPRIS03 Risk analysis review  CPRIS04 Criticality assessment CPRIS05 Risk data capture CPRIS06 Risk update	Develop risk management policy Develop formal procurement processes to document current practices Review risk framework and register, including likelihood/consequence and risk rating definitions for both tangible and intangible risks Undertake criticality analysis to formally assign criticality ratings to assets Develop maintenance plans for critical asset and events Update risk register	GM, Assets Corporate GM, Assets  GM, Assets GM, Assets GM, Assets	2 Completed  23 3 Completed	 Completed 30 Completed	2 Completed 3 3 Completed	Sep-08  Jun-09	Oct-09 Aug-10  Jan-10 Jun-10	
<b>Levels of Service and Performance</b> CPLOS01 Service level review  CPLOS02 Capture performance data  CPLOS03 LOS tables update  CPLOS04 Performance gaps  CPLOS05 Sustainability KPIs CPLOS06 LOS Survey	Review levels of service, including user needs review, consultation needs, SMART principles, rationalise existing tables, LOS describe key aspects of service Capture performance information against KPIs as routine activity and report through the organisation Update LOS tables to reflect updated service level statements, and to report trended performance achieved Link performance description through levels of service tables, formal gap identification and performance discussion in the lifecycle management section Develop KPIs specific to sustainability Undertake a LOS survey for Community Property on current and future LOS	GM, Assets  GM, Assets GM, Assets GM, Assets GM, Assets GM, Assets	Completed  Completed Completed Completed Completed Completed	Completed Ongoing Completed Completed Completed Completed	Completed Completed Completed Completed Completed Completed	Jun-10 Jun-09 Jun-09 Sep-08 Jun-09 Jun-09	Jun-10 Ongoing Ongoing	
<b>Improvement Plan</b> CPIMP01 Improvement plan  CPIMP02 Improvements summary CPIMP03 Improvements process	Develop prioritised improvement plan with responsibilities, timeframes, resource allocations and KPIs defined Summarise achievements made against previous plan Develop processes for routinely monitoring and reporting progress made in improvement activities	GM, Assets  GM, Assets GM, Assets	Completed  Completed Completed	Completed Completed Completed	Completed Completed Completed	Sep-08 Sep-08 Sep-08		
<b>Forecasting</b> CPFOR01 Demand forecasting scope CPFOR02 Demand forecast analysis  CPFOR03 Capacity forecast analysis CPFOR04 O & M analysis CPFOR05 Maintenance history  CPFOR06 Climate Change CPFOR07 Demand management plan	Scope demand forecasting analysis Undertake demand forecasting, including sensitivity or scenario analysis, cost, risk and los implications, and link to lifecycle management section Undertake forecasting to understand capacity including risk and LOS application Develop O & M strategies with better cost information Develop processes to readily track maintenance history to validate asset lives and as an input into forecast renewals in new AM system Consider the impacts of climate change on the future management of Community Property Revise demand forecasting and planning taking into consideration best practice in the industry and adapting this for Ruapehu's needs	GM, Assets GM, Assets  GM, Assets GM, Assets GM, Assets  GM, Assets GM, Assets	Completed Completed  Completed 9 Completed Completed 2	Completed Completed Completed 10,000 Completed Completed Completed	Completed Completed Completed 2 Completed Completed 2	Jun-09 Jun-09  Jun-09  Dec-09	Jun-10	Jun-11

Table 20 – Short-term improvement programme

Improvement Project	Description	Responsibility	Resources			2008/09	2009/10	2010/11
			Total Days	External (\$)	Internal (Days)			
<b>Capex Evaluation</b>								
CPCAX01 Asset disposal processes	Develop processes for reviews of portfolio to identify surplus assets, or assets to be disposed of	GM, Assets	1		1		Dec-09	
CPCAX03 Business case template	Develop standard business case pro-forma including sections for community outcome impacts, and intangibles quantification	GM, Assets	Completed	3,000	Completed		Jun-10	
CPCAX04 Project prioritisation	Develop transparent process for prioritising capital projects	GM, Assets	12	15,000	Completed	Jun-09		
<b>Attribute and Condition Data</b>								
CPDAT01 Corporate data capture	Strengthen processes to ensure corporate capture of data	GM, Assets	2		Completed	Jun-09		
CPDAT02 O & M data	Record planned maintenance schedules and activities in new AM system	GM, Assets	unknown		unknown			unknown
CPDAT03 Location data	Complete validation process of location data in new AM system and GIS	GM, Assets	unknown		unknown			unknown
CPDAT04 Condition data	Complete formal condition and performance assessment every three years in future.	GM, Assets	15	15,000	2			Jun-11
CPDAT05 Performance data	Record all the causes for customer concerns and reduce the number of unknown causes as much as practicable	GM, Assets	Ongoing		Ongoing	Ongoing	Ongoing	Ongoing
<b>AM Plan Update</b>								
CPPLA01 Update Plan	Improve conciseness of plan and develop executive summary as a document which could be considered a standalone document	GM, Assets	Completed	Completed	Completed	Sep-08		
CPPLA02 Linkages	Review and improve linkages throughout the plan, including community outcomes, LOS, demand and risk, key strategic issues, lifecycle strategies, work programmes, financials and improvement projects	GM, Assets	Completed	Completed	Completed	Sep-08		
CPPLA03 Policies	Review and develop AM policy and underlying AM strategies	GM, Assets	Completed	Completed	Completed	Sep-08		
CPPLA04 Significant negative effects	Summarise how Council is addressing the significant negative effects	GM, Assets	Completed	Completed	Completed	Sep-08		
CPPLA04 Asset capacity description	Describe how Council is assessing asset capacity	GM, Assets	Completed	Completed	Completed	Sep-08		
<b>Financials</b>								
CPFIN01 Financial linkages	Develop linkages between AMP and LTCCP financial forecasts	GM, Assets	Completed	Completed	Completed	Sep-08		
CPFIN02 Financial presentation	Standardise financial tables and develop processes to ensure robust links between AM plan, LTCCP and financial system	GM, Assets	Completed	Completed	Completed	Sep-08		
CPFIN03 Valuation	Summarise valuation outcomes	GM, Assets	Completed	Completed	Completed	Sep-08		
CPFIN04 Financial data	Review need for capture of historic financial data linked to asset number	GM, Assets	Completed	Completed	Completed		Jun-10	
CPFIN05 Funding policy	Review and clarify funding policy, particularly regarding development contributions, funding of renewals and depreciation recognition	CFO	Completed	Completed	Completed	Jun-09		
<b>AM Capability Development</b>								
CPCAP01 Skill matrix	Undertake an AM skill needs matrix and review current status. Target retention, recruitment, training and outsourcing. May be part of organisation wide initiative	Corporate	3		Completed	Jun-09		
CPCAP02 System and model access	Review Council access needs to key systems and model outputs	Corporate	3		Ongoing			Jun-11
CPCAP03 System integration	Examine integration opportunities between financial system, asset management system, customer services system and GIS	IT			Ongoing			Jun-11
CPCAP04 Corporate Buy-In	Develop processes to ensure Councillor and staff buy-in to AM planning importance	GM, Assets	Completed	Completed	Completed			
CPCAP05 System for risk rating	Develop system capability to assess risk for each asset or facility	GM, Assets	Completed	Completed	Completed	Jun-09	Jun-10	
<b>Quality</b>								
CPQUA01 Maintenance information processes	Reconcile information in HEAT and migrate to new AM system	GM, Assets	Unknown		Unknown			Target Jun-11
CPQUA02 Asset acceptance procedures	Review procedures in place for accepting new assets	GM, Assets	1		Completed	Jun-09		
CPQUA03 Current processes and procedures	Review procedures in place for accepting new assets, particularly developer-created assets	GM, Assets	1		Completed		Jun-10	

Table 20 – Community Property asset management processes improvement tasks

## 8.4 Asset management plan review and monitoring

### Asset management plan review

To ensure the asset management plan remains useful and relevant, the following ongoing process of plan monitoring and review will be undertaken:

- Formal adoption of the plan principles and outcomes by the Council
- Review and formally adopt levels of service
- Revise asset management plan annually to incorporate and document changes to works programmes, outcome of service level review and new knowledge resulting from the asset management improvement programme
- Quality assurance audits of asset management information to ensure the integrity and cost-effectiveness of data collected
- Peer review – 3 yearly audits will be undertaken to assess the effectiveness with which this plan meets corporate objectives (periodic internal audits will be undertaken to assess the adequacy of asset management processes, systems and data, and external audits will be undertaken to measure performance against desired practice).

This is summarised in Table 21.

Activity	Action	Target Date
<b>Asset management plan review and development</b>	• Adoption of AM plan principles by Council	November 2008
	• Adoption of AM plan outcomes by Council	February 2009
	• Annual review of plan context by AM team	April 2009
	- Check AM plan content for consistency with adopted council programmes and plans	
	- Compliance with agreed AM improvement programmes	
	• Full review of the AM plan and external review of technical content including an assessment of the effectiveness and adequacy of AM processes, systems and data	April 2011
• Adoption of reviewed AM plan by Council	June 2009	
• External review of AM plan information by Audit New Zealand	Unknown	
<b>Levels of service</b>	• Review service performance measures (including public consultation process) and formally adopt levels of service	April 2009, then three-yearly
	• Consolidate performance against actual level of service delivered and report in Annual Report	July 2009
<b>Risk</b>	• Review of risk framework	April 2009, then three-yearly
	• Annual review of risk registers by AM team to ensure they do not occur outside the risk profile.	May 2009

Table 21– Asset management review plan

### Asset management plan monitoring

The indicators in Table 22 will be monitored to measure the effectiveness of this asset management plan.

Indicator	Measure	Source of information
Compliance with legislative requirements	<ul style="list-style-type: none"><li>Unqualified audit opinion relating to asset management plan outputs.</li></ul>	Audit NZ reports
Quality of services delivered	<ul style="list-style-type: none"><li>100%, compliance with LOS targets.</li></ul>	Annual Plan reporting
Quality of risk management	<ul style="list-style-type: none"><li>No event occurring outside of risk profile.</li></ul>	Audit of risk register.

**Table 22– Monitoring asset management plan effectiveness**

# Appendix A Summary of 2009 LTCCP Process

## Appendix A Summary of 2009 LTCCP Process

This Appendix summarises the changes made to the programmes and budgets proposed within this AM plan as part of the LTCCP process, and outlines implications to current and future levels of service and risk exposure.

The first draft of this AMP was discussed with the Council on 24/10/2008.

Hard copies of this document were distributed to all Councillors on 12/12/2008.

This Appendix and Appendix G (outcome of consultation with various community groups as part of the development of the Long Term Plan 2009/19) are the parts of the document to be updated subsequent to the distribution of the draft document

---

### DRAFT LTCCP 2009-2019 – FEBRUARY

In February 2009 a series of workshops were held, which resulted in a budget for 2009/10 being considered on 16/2/2009.

The budget only considered the financial year ending 2010 in any detail. The differences outlined below are for that year. Other years were discussed in general.

The overwhelming consideration was a need to reduce the average rate rise to a figure less than 4%.

However in the case of Community Property, a more urgent need to modify several units with ramp access compliant with current disabled access building code, resulted in \$30,000 allocated for this project being brought forward from 2012/13 to 2009/10. By bringing forward this project, the risk of injury or inability for tenants to safely enter and exit their homes is removed much earlier.

In order to do this, the budget was altered and an analysis of this is provided below. Appendix A should now be referred to for updated budgets.

The capital project differences between the budget in Appendix B and the budget considered on 16/2/09 are

ITEM - RENEWALS	ITEM DEVELOPMENT –	BUDGET APPENDIX Page B-1	IN B	APPROVED BUDGET FEBRUARY 2009
Code compliant disabled ramps 4 flats Taumarunui	No change	\$30,000		Addition – brought forward from 2012/13

Operational expenditure values now include all overheads which were not all allocated when the AMP was developed. The updated total operations and maintenance values are now stated in Appendix A.

The budgeted operational costs excluding overheads and depreciation are detailed in Appendix I. These values have not been changed.

The draft LTCCP 2009-2019 includes a proposal to remove the Taumarunui Aerodrome and Council's forestry interest from the significance policy. The criteria for significance is that the assets are necessary in order to maintain Council's capacity to achieve or promote any outcome that the Council determines to be essential to the current or future well-being of the Ruapehu community.

## **DRAFT LTCCP SUBMISSIONS – MAY 2009**

As an outcome of this process, there has overall been no change to levels of service and the operational or project budgets for community property.

However a review of the actual cost of power consumption for the Huia Street administration building has resulted in an increase of \$45,000 for power in the annual budget for this asset.

**Community Property**

<b>Activity</b>	<b>Budget 2009/10</b>	<b>Budget 2010/11</b>	<b>Budget 2011/12</b>	<b>Budget 2012/13</b>	<b>Budget 2013/14</b>	<b>Budget 2014/15</b>	<b>Budget 2015/16</b>	<b>Budget 2016/17</b>	<b>Budget 2017/18</b>	<b>Budget 2018/19</b>
<b>Operating Cost</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$001</b>	<b>\$002</b>	<b>\$003</b>
Community Housing	101	98	98	101	102	104	119	117	113	117
Pensioner Housing	300	278	293	291	297	315	311	312	354	347
Rental Housing	4	4	13	4	4	5	5	5	5	5
Investment & Commercial Properties	107	98	101	105	107	110	113	113	117	120
Airport	36	37	38	38	39	40	41	40	41	42
Forestry	12	11	11	11	12	12	12	12	12	12
Other	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Costs</b>	<b>560</b>	<b>527</b>	<b>554</b>	<b>551</b>	<b>561</b>	<b>585</b>	<b>600</b>	<b>599</b>	<b>642</b>	<b>643</b>
Operating Revenue	(294)	(313)	(324)	(328)	(336)	(341)	(349)	(353)	(358)	(368)
Separate Rates	0	0	0	0	0	0	0	1	2	3
<b>NET COST OF SERVICE</b>	<b>266</b>	<b>214</b>	<b>230</b>	<b>223</b>	<b>226</b>	<b>244</b>	<b>251</b>	<b>247</b>	<b>286</b>	<b>278</b>
<b>Other Funding Requirements</b>										
Capital Expenditure	41	228	11	11	34	71	12	62	13	13
Loan Repayments	55	60	36	30	30	25	8	8	8	10
Transfer to Special Funds	0	0	0	0	0	0	0	0	0	0
	96	287	47	41	65	95	20	70	20	23
Less Depreciation Not Funded	30	30	30	30	30	30	30	30	30	30
<b>Total Funding Requirement</b>	<b>332</b>	<b>471</b>	<b>247</b>	<b>234</b>	<b>260</b>	<b>309</b>	<b>241</b>	<b>287</b>	<b>276</b>	<b>271</b>
<b>Funded By</b>										
General Rates - UAGC	309	462	257	244	270	319	251	245	284	277
Loans Raised	0	0	0	0	0	0	0	50	0	0
Dividend										
Transfer from Accumulated Cash	31	19	0	0	0	0	0	0	0	0
Transfer from Special Funds	0	0	0	0	0	0	0	0	0	0
Transfer (To)/From Equity	(8)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)
<b>TOTAL FUNDING</b>	<b>332</b>	<b>471</b>	<b>247</b>	<b>234</b>	<b>260</b>	<b>309</b>	<b>241</b>	<b>286</b>	<b>274</b>	<b>268</b>

**FULL FINANCIAL DATA CAN BE OBTAINED VIA S:\LTP\2009-19\Financial Forecast\LTFS Model Final**

# Appendix B Detailed Financial Tables

Appendix B Detailed Financial Tables

10 Year Financial Summary										
Expenditure Category	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
total Operating Expenditure (excludes corporate overheads)	87,000	52,000	70,000	59,000	59,000	67,000	68,000	65,000	89,000	78,000
Total Capital Expenditure	26,000	30,000	10,000	40,000	30,000	60,000	10,000	50,000	10,000	10,000
<b>Operations</b>										
Revenue	320,000	320,000	320,000	320,000	320,000	322,000	322,000	322,000	322,000	322,000
Direct Overheads	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Corporate Overheads										
Operating Expenses (rates, insurance, power etc)	179,000	179,000	179,000	179,000	179,000	179,000	179,000	179,000	179,000	179,000
Depreciation	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
<b>Maintenance</b>	<b>108,000</b>	<b>73,000</b>	<b>91,000</b>	<b>80,000</b>	<b>80,000</b>	<b>90,000</b>	<b>91,000</b>	<b>88,000</b>	<b>112,000</b>	<b>101,000</b>
Older Persons Housing	64,000	39,000	49,000	42,000	42,000	52,000	42,000	42,000	71,000	60,000
Community Housing	22,000	18,000	26,000	20,000	20,000	20,000	31,000	28,000	22,000	22,000
Taumarunui Aerodrome	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Forestry	0	0	0	0	0	0	0	0	0	0
Miscellaneous Properties	14,000	8,000	8,000	10,000	10,000	10,000	10,000	10,000	11,000	11,000
<b>Renewals</b>										
Minor works	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Replace nova roof panels 5,6,7,8 Ohakune		10,000								
Code compliant disabled ramps 4 flats Taumn.				30,000						
Renew porches Ohakune flats 2,3,4					20,000					
Renew roofs Ohakune flats						50,000				
Renew roof administration archive building	6,000									
Re-piling Ohakune Railway Station sub-floor								40,000		
<b>Development (Enhanced LOS)</b>	<b>10,000</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Windows to Laundries Flats 5,6,7,8 Ohakune		10,000								
Underfloor insulation to Ayr Street Administration building	10,000									
Special revenue - suspensory loan Housing NZ		185,000								
Re-configure bed sit units Taumarunui		185,000								

**ADMINISTRATION BUILDINGS**

**These costs are covered as Overheads**

Administration Building 59 - 61 Huia Street [6024-547-00]	GL/RC	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2017/19	Comments
Contract Payments - Principal Contractors	2205	58	58	58	58	58	58	58	58	58	58	
Contract Payments - Other Contractors	2206											
Power	3052	32	32	32	32	32	32	32	32	32	32	
Rates	3055	20	20	20	20	20	20	20	20	20	20	
Planned Maintenance	3058	6	6	6	6	6	6	6	6	6	6	
Unplanned Maintenance	3059	3	3	3	3	3	3	3	3	3	3	
Rent (Warders Bldg)	3057	17	17	17	17	17	17	17	17	17	17	
Insurance	3030	16	16	16	16	16	16	16	16	16	16	
		152	152	152	152	152	152	152	152	152	152	

Administration Building Ayr Street - Ohakune Office [12763-082-00]	GL/RC	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2017/19	Comments
Contract Payments - Principal Contractors	2205	21	21	21	21	21	21	21	21	21	21	
Cost Fluctuations & Unscheduled Works	2207											
Power	3052	10	10	10	10	10	10	10	10	10	10	
Rates	3055	5	5	5	5	5	5	5	5	5	5	
Planned Maintenance	3058	3	3	3	3	3	3	3	15	3	3	Ext paint 16/17
Insurances	3030	5	5	5	5	5	5	5	5	5	5	
Unplanned Maintenance	3059	2	2	2	2	2	2	2	2	2	2	
		46	46	46	46	46	46	46	58	46	46	

Administration Building 101 - 103 Seddon St, Raetihi [12780-075-00]	GL/RC	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2017/19	Comments
Contract Payments - Principal Contractors	2205	9	9	9	9	9	9	9	9	9	9	
Power	3052	4	4	4	4	4	4	4	4	4	4	
Rates	3055	6	6	6	6	6	6	6	6	6	6	
Planned Maintenance	3058	10	3	3	3	3	3	3	3	3	3	Ext paint 09/10
Insurances	3030	3	3	3	3	3	3	3	3	3	3	
Unplanned Maintenance	3059	1	1	1	1	1	1	1	1	1	1	
		33	26	26	26	26	26	26	26	26	26	

Administration Building Clyde St, Info Centre Ohakune [12763-226-00]	GL/RC	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	Comments
Other Purchases/Expenses	3040	1	1	1	1	1	1	1	1	1	1	
Contract Payments - Principal Contractors	2205	10	10	10	10	10	10	10	10	10	10	
Cost Fluctuations & Unscheduled Works	2207											
Power	3052	0	0	0	0	0	0	0	0	0	0	
Rates	3055	3	3	3	3	3	3	3	3	3	3	
Planned Maintenance	3058	2	2	2	2	2	10	2	2	2	2	Ext Paint14/15
Insurances	3030	3	3	3	3	3	3	3	3	3	3	
Unplanned Maintenance	3059	0	0	0	0	0	0	0	0	0	0	
		19	19	19	19	19	27	19	19	19	19	

<b>Administration Building Hakiaha Street, Info Centre Taumarunui</b>	<b>GL/RC</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>Comments</b>
Contract Payments - Principal Contractors	2205	6	6	6	6	6	6	6	6	6	6	
Contract Payments - Other Contractors	2206	0	0	0	0	0	0	0	0	0	0	
Power	3052	4	4	4	4	4	4	4	4	4	4	
Rent	3057	13	13	13	16	16	16	16	19	19	19	
Planned Maintenance	3058											
Insurances	3030	0	0	0	0	0	0	0	0	0	0	
Unplanned Maintenance	3059	0	0	0	0	0	0	0	0	0	0	
		23	23	23	26	26	26	26	29	29	29	

<b>District Libraries Taumarunui</b>	<b>GL/RC</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>Comments</b>
Contract Payments - Principal Contractors	2205	6	6	6	6	6	6	6	6	6	6	
Power	3052	4	4	4	4	4	4	4	4	4	4	
Rates	3055	2	2	2	2	2	2	2	2	2	2	
Planned Maintenance	3058	0	0	20	0	0	0	0	0	0	0	ext. paint 11/12
Insurances	3030	2	2	2	2	2	2	2	2	2	2	
Unplanned Maintenance	3059	1	1	1	1	1	1	1	1	1	1	
		15	15	35	15	15	15	15	15	15	15	

<b>Administration Building</b>		<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	
Total Direct Costs		288	281	301	284	284	292	284	299	287	287	
<b>TOTAL</b>		<b>288</b>	<b>281</b>	<b>301</b>	<b>284</b>	<b>284</b>	<b>292</b>	<b>284</b>	<b>299</b>	<b>287</b>	<b>287</b>	
Revenue (reimbursement from Info Centres)		-26	-26	-26	-26	-26	-26	-26	-26	-26	-26	
		<b>262</b>	<b>255</b>	<b>275</b>	<b>258</b>	<b>258</b>	<b>266</b>	<b>258</b>	<b>273</b>	<b>261</b>	<b>261</b>	

**ADMINISTRATION PROPERTIES CAPITAL**

<b>ADMINISTRATION PROPERTIES TAUMARUNUI</b>		<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2015/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>Comment</b>
<b>Renewal Capital Expenditure</b>												
Replace roof to Huia Street archive storage		6										expected life 30 years
		6	0	0	0	0	0	0	0	0	0	
<b>Development Capital Expenditure</b>												
Land - No Depreciation		0	0	0	0	0	0	0	0	0	0	
<b>LOS Capital Expenditure</b>												
		0	0	0	0	0	0	0	0	0	0	
<b>TOTAL CAPITAL EXPENDITURE</b>		<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**INVESTMENT ACTIVITIES - Residential**

<b>Community Property Cherry Grove Court</b>	<b>GL/RC 451051</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>Comments</b>
Maintenance Lump Sum	2205	4	4	4	5	5	5	5	5	6	6	increases at new contract dates
Power	3052											
Rates	3055	13	13	13	13	13	13	13	13	13	13	
Insurances	3030	3	3	3	3	3	3	3	3	3	3	
Maintenance (unplanned)	3059	2	2	2	2	2	2	2	2	2	2	
Planned Maintenance	3058	4	4	4	4	4	4	15	4	4	4	Ext painting 2015/16
Salaries												
Vehicle												
		26	26	26	27	27	27	38	27	28	28	

<b>Community Housing Miriam Street Flats</b>	<b>GL/RC 451052</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>Comments</b>
Maintenance Lump Sum	2205	3	3	3	4	4	4	4	4	5	5	increase at new contract dates
Rates	3055	8	8	8	8	8	8	8	8	8	8	
Insurances	3030	2	2	2	2	2	2	2	2	2	2	
Maintenance (unplanned)	3059	2	2	2	2	2	2	2	2	2	2	
Planned Maintenance	3058	6	2	2	2	2	2	2	10	2	2	stormwater work 09/10ext. paint 2016/17
Salaries												
Vehicle												
		21	17	17	18	18	18	18	26	19	19	

<b>Aerodrome Taumarunui Aerodrome</b>	<b>GL/RC 455021</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>Comments</b>
Maintenance Lump Sum	2205											
Maintenance Dayworks	2206	4	4	4	4	4	4	4	4	4	4	
Power	3052	1	1	1	1	1	1	1	1	1	1	
Rates	3055											
Insurances	3030	3	3	3	3	3	3	3	3	3	3	
Maintenance (unplanned)	3059	1	1	1	1	1	1	1	1	1	1	
Planned Maintenance	3058	3	3	3	3	3	3	3	3	3	3	
Salaries												
Vehicle												
		12	12	12	12	12	12	12	12	12	12	

<b>Forestry Plantation Properties</b>	<b>GL/RC 456000</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>Comments</b>
Rates	3055	3	3	3	3	3	3	3	3	3	3	
Consultants Fees (surveying & legal)	3071	1										
		4	3	3	3	3	3	3	3	3	3	

Rental Housing	GL/RC	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	Comments
<b>Raetihi Rental Housing</b>	<b>453042</b>											
Rates	3055	2	2	2	2	2	2	2	2	2	2	
Maintenance (unplanned)	3059	1	1	1	1	1	1	1	1	1	1	
Insurances	3030	1	1	1	1	1	1	1	1	1	1	
Planned Maintenance	3058	0	0	8	0	0	0	0	0	0	0	ext. painting
		4	4	12	4	4	4	4	4	4	4	

<b>TOTAL DIRECT COSTS</b>		<b>67</b>	<b>62</b>	<b>70</b>	<b>64</b>	<b>64</b>	<b>64</b>	<b>75</b>	<b>72</b>	<b>66</b>	<b>66</b>	
---------------------------	--	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	--

Community Property	GL/RC	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	Comments
<b>Operating Revenue</b>												
<b>Cherry Grove Court Revenue</b>	<b>451051</b>											
Miscellaneous Revenue		-52	-52	-52	-52	-52	-52	-52	-52	-52	-52	
<b>Miriama Street Flats Revenue</b>	<b>451052</b>											
Miscellaneous Revenue		-25	-25	-25	-25	-25	-25	-25	-25	-25	-25	
<b>Raetihi Rental Dwellings</b>	<b>453042</b>											
Miscellaneous Revenue		-6	-6	-6	-6	-6	-6	-6	-6	-6	-6	
<b>Investment &amp; Commercial Leases</b>	<b>454021/454047</b>											
Miscellaneous Revenue		-26	-26	-26	-26	-26	-28	-28	-28	-28	-28	
<b>Taumarunui Aerodrome</b>	<b>455021</b>											
Miscellaneous Revenue		-10	-10	-10	-10	-10	-10	-10	-10	-10	-10	
<b>Plantation Properties</b>	<b>456000</b>											
Miscellaneous Revenue		0	0	0	0	0	0	0	0	0	0	
<b>TOTAL</b>		<b>-119</b>	<b>-119</b>	<b>-119</b>	<b>-119</b>	<b>-119</b>	<b>-121</b>	<b>-121</b>	<b>-121</b>	<b>-121</b>	<b>-121</b>	

#### COMMUNITY SUPPORT - PENSIONER HOUSING CAPITAL

Pensioner Housing	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	Expected Life
<b>Renewal Capital Expenditure</b>											
Reconfigure Elderly Housing		185									
Mionor Works	10	10	10	10	10	10	10	10	10	10	
Replace nova roof panels with iron Flats 5,6,7 and 8 Ohakune		10									50 years
Code complaint disabled ramps to 4 Flats in Taumarunui				30							50 years
Renew porches Flats 2,3,4 Ohakune					20						50 years
New Roofs - Ohakune						50					50 years
<b>Total Renewal</b>	<b>10</b>	<b>205</b>	<b>10</b>	<b>40</b>	<b>10</b>	<b>60</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	
<b>Development Capital Expenditure</b>											
Windows to Laundries Units 5,6,7 and 8 Ohakune		10									50 years
<b>Total Development</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>LOS Capital</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>40</b>	<b>215</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>60</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	

# Appendix C Summary Financial Tables with Inflation Factors

## Appendix C Summary Financial Tables with Inflation Factors

### Community Property

Activity	Budget 2009/10	Budget 2010/11	Budget 2011/12	Budget 2012/13	Budget 2013/14	Budget 2014/15	Budget 2015/16	Budget 2016/17	Budget 2017/18	Budget 2018/19
<b>Operating Cost</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$001</b>	<b>\$002</b>	<b>\$003</b>
Community Housing	101	98	98	101	102	104	119	117	113	117
Pensioner Housing	300	278	293	291	297	315	311	312	354	347
Rental Housing	4	4	13	4	4	5	5	5	5	5
Investment & Commercial Properties	107	98	101	105	107	110	113	113	117	120
Airport	36	37	38	38	39	40	41	40	41	42
Forestry	12	11	11	11	12	12	12	12	12	12
Other	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Costs</b>	<b>560</b>	<b>527</b>	<b>554</b>	<b>551</b>	<b>561</b>	<b>585</b>	<b>600</b>	<b>599</b>	<b>642</b>	<b>643</b>
Operating Revenue	(294)	(313)	(324)	(328)	(336)	(341)	(349)	(353)	(358)	(368)
Separate Rates	0	0	0	0	0	0	0	1	2	3
<b>NET COST OF SERVICE</b>	<b>266</b>	<b>214</b>	<b>230</b>	<b>223</b>	<b>226</b>	<b>244</b>	<b>251</b>	<b>247</b>	<b>286</b>	<b>278</b>
<b>Other Funding Requirements</b>										
Capital Expenditure	41	228	11	11	34	71	12	62	13	13
Loan Repayments	55	60	36	30	30	25	8	8	8	10
Transfer to Special Funds	0	0	0	0	0	0	0	0	0	0
	96	287	47	41	65	95	20	70	20	23
Less Depreciation Not Funded	30	30	30	30	30	30	30	30	30	30
<b>Total Funding Requirement</b>	<b>332</b>	<b>471</b>	<b>247</b>	<b>234</b>	<b>260</b>	<b>309</b>	<b>241</b>	<b>287</b>	<b>276</b>	<b>271</b>
<b>Funded By</b>										
General Rates - UAGC	309	462	257	244	270	319	251	245	284	277
Loans Raised	0	0	0	0	0	0	0	50	0	0
Dividend										
Transfer from Accumulated Cash	31	19	0	0	0	0	0	0	0	0
Transfer from Special Funds	0	0	0	0	0	0	0	0	0	0
Transfer (To)/From Equity	(8)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)
<b>TOTAL FUNDING</b>	<b>332</b>	<b>471</b>	<b>247</b>	<b>234</b>	<b>260</b>	<b>309</b>	<b>241</b>	<b>286</b>	<b>274</b>	<b>268</b>

# Appendix D Risk Process

## Appendix D Risk Process

The following tables present the consequence and likelihood definitions adopted within the activity risk assessments.

### Risk Categories

The risk categories to be considered when identifying possible risks to the assets covered by this AMP are:

Business Risk	Compliance Risk	Management Risk	Other Risks
Achievement of SGs	Health and Safety	Planning and budgeting	Events
Relationships with key stakeholders	LGA and other legislation	Policies, procedures and delegations	Leases of property or facilities
Loss of continuity of service	Building Code	Performance monitoring	
	Human rights	Volunteers	
	Environmental Bylaws	Contractors and suppliers	

**Table 1 Risk: Categories**

### Risk Profile

The following risk profile has been used, and only scores of five or greater have been considered for detailed risk management action.

Total Score	Ranking	Management
8	Extreme Risk	Imperative to remove risk, or suppress risk to lower level. Immediate response required.
(5), 6, 7	High Risk	Important to quickly suppress risk to lower level. Fast action required.
4, (5)	Medium Risk	Corrective action required in a reasonable time frame
Less than 4	Low Risk	Corrective action (if any) where practicable

**Table 2: Risk Profile**

### Measures of Impacts or Consequences

The following table provides descriptions of the classification description system use to calculate the potential impact of the risk.

Level	Descriptor	Organisational/Public Health/Safety/Social/Cultural	Environmental
7	Catastrophic	Multiple fatalities, widespread community outrage, adverse global or national media coverage, widespread declarations of loss of confidence in politicians and Council organisation. Loss of ability to deliver Council services for a period > 4 weeks.	Catastrophic environmental harm with prosecution and/or imprisonment.
6	Very High Impact	Single fatality or extensive injuries, high profile community concerns with significant decrease in community support, adverse national or local media coverage. Loss of ability to deliver Council services for a period > 2 weeks.	Major environmental harm and long-term recovery, heavy fine.

Level	Descriptor	Organisational/Public Health/Safety/Social/Cultural	Environmental
5	Major	Serious health or safety impact to multiple people; community complaints reflecting moderate level of community concern, adverse local media coverage. Loss of ability to deliver Council services > 1 week.	Measurable environmental harm, some legal constraints imposed.
4	Minor	Serious health impact to a single person requiring first aid or hospitalisation, some community complaints reflecting minor level of community concern.	Slight and quickly reversible damage to a few species/ecosystems, minor technical challenge.
3	Negligible	Transient health impact, issues reflecting insignificant level of community concern.	Short term, minor environmental impact.

**Table 3: Description and Classification**

### Measure of Probability or Risk of Event Occurring

The following table provides the description used to calculate the probability of any particular risk or event of occurring.

Level	Descriptor	Description	Frequency value
1 (E)	Almost Certain	Likely to occur frequently and on a regular basis	>90%
0 (D)	Likely	Likely to occur several times	50-90%
-1 (C)	Moderate	May occur several times	10-50%
-2 (B)	Remote	Unlikely, but distinctly possible	1-10%
-3 (A)	Very Unlikely	Very unlikely. May occur in exceptional circumstances.	<1%

**Table 4: Description and Probability**

The following table presents the risk severity definitions for assessed consequence and likelihood ratings.

		IMPACT					
		0	3	4	5	6	7
		<i>Not Applicable</i>	Insignificant	Minor	Significant	Major	Catastrophic
LIKELIHOOD	-3	L	M	H	E	E	E
	-2	L	M	H	H	E	E
	-1	L	L	M	H	H	E
	0	L	L	L	M	H	H
	1	L	L	L	M	M	H

# Appendix E Risk Register

## Appendix E Risk Register

### Administration Buildings

Risk Description	Impact	Probability	Score	Risk	Response
Major fire, earthquake or volcanic event destroying building(s)	7	-2	5	H	Replacement insurance effected. Reconstruct new facilities. Temporary loss of service. Maintain customer and key stake holder contact with press releases and constant communication with Council staff. Develop, implement and maintain Emergency Response Plan for Service Centres in each town. Fire extinguishers and sprinkler systems in buildings.
Major sabotage of building(s) by dissatisfied stakeholder	4/5/6	-3	1/2/3	L	Maintain hazard identification and reporting culture within organisation.
Minor damage or destruction by vandalism reducing serviceability	3	-2	1	L	Immediate response available through Council maintenance contract response procedures.
Outbreak of Legionnaire disease among staff	5	-3	2	L	Maintain recommended flushing or cleaning of air conditioning units or systems through maintenance contracts with appropriate experts in this technology.
Severe flooding of building(s)	4	-2	2	L	Careful consideration to any new building design to address risk.

**Table 1: Council Administration Building Risk Assessment Matrix**

## Older Persons Housing: Ohakune

Risk Description	Impact	Probability	Score	Risk	Response
Major earthquake or volcanic event destroying all buildings	6	-3	3	L	Replacement insurance effected. Reconstruct new units. Seek temporary accommodation for tenants in motels/hotels if other housing options with family or government agencies unavailable. Maintain customer and key stake holder contact with press releases and correspondence.
Major fire destruction of some units (wood/iron units in multiple block configuration - total destruction highly unlikely)	5	-2	3	L	Replacement insurance effected. Reconstruct damaged or destroyed units. Seek temporary accommodation for tenants in motels/hotels if other housing options with family or government agencies unavailable. Maintain customer and key stake holder contact with press releases and correspondence.
Minor damage or destruction by vandalism reducing serviceability	3	-2	1	L	Immediate response available through Council maintenance contract response procedures.
Tenant inadvertently causes damage or destruction of asset components	4	-1	3	L	Increase frequency of landlord inspections. Seek assistance of social agencies if deemed necessary.
Severe flooding of building(s)	4	-3	1	L	Careful consideration to any new building design to address risk.
Component failures caused through ongoing deferred maintenance programmes	4	0	4	M	Monitor and inspect all components at level 4 condition grading annually, with allocation of budget in LTP and Annual Plan until repair, replacement or upgrading completed. In the event of total failure, repair, replace or upgrade immediately or as soon as practicable.

**Table 2: Older Persons Housing Ohakune Risk Assessment Matrix**

## Older Persons Housing: Taumarunui

Risk Description	Impact	Probability	Score	Risk	Response
Major earthquake or volcanic event destroying all buildings	6	-3	3	L	Replacement insurance effected. Reconstruct new units. Seek temporary accommodation for tenants in motels/hotels if other housing options with family or government agencies unavailable. Maintain customer and key stake holder contact with press releases and correspondence.
Major fire destruction of some units (brick and tile units in multiple block configuration - total destruction highly unlikely)	5	-2	3	L	Replacement insurance effected. Reconstruct damaged or destroyed units. Seek temporary accommodation for tenants in motels/hotels if other housing options with family or government agencies unavailable. Maintain customer and key stake holder contact with press releases and correspondence.
Minor damage or destruction by vandalism reducing serviceability	3	-2	1	L	Immediate response available through Council maintenance contract response procedures.
Tenant inadvertently causes damage or destruction of asset components	4	-1	3	L	Increase frequency of landlord inspections. Seek assistance of social agencies if deemed necessary.
Severe flooding of building(s)	4	-3	1	L	Careful consideration to any new building design to address this risk.
Component failures caused through ongoing deferred maintenance programmes	4	0	4	M	Monitor and inspect all components at level 4 condition grading annually, with allocation of budget in LTP and Annual Plan until repair, replacement or upgrading completed. In the event of total failure, repair, replace or upgrade immediately or as soon as practicable.
Changing demographics and an ageing population may lead to demand exceeding capacity of asset in the future	3	0	3	L	If demand exceeds supply by > 10% develop options for new capacity.
LoS provided fails to meet customer satisfaction demands – credibility of Council as service provider for this need at risk	3/4	0	3/4	M	

**Table 3: Older Persons Housing Taumarunui Risk Assessment Matrix**

## Older Persons Housing: Raetihi

Table 4 contains the risk assessment matrix of older persons housing in Raetihi. The Raetihi older persons housing complex is leased to Waimarino Resthome Trust under a long term registered lease. This risk assessment has therefore been restricted to the risks related to the lease, as the lessee is responsible in terms of the lease for all maintenance, including minor component replacement at point of failure. The lessee is not responsible for major component failure such as roof, cladding or structural components.

Risk Description	Impact	Probability	Score	Risk	Response
Major earthquake or volcanic event destroying all buildings	6	-3	3	L	Replacement insurance effected. Enter into negotiations with lessee regarding options available in circumstances where insurance funding available to rebuild on land owned by Council. Community consultation will be required if service is not to be reinstated.
Major fire destruction of some units (wood/iron/fibrolite units in multiple block configuration - total destruction highly unlikely)	5	-2	3	L	Replacement insurance effected. Options to be considered and negotiated with lessee.
Lessee defaults in performing maintenance obligations under lease	5	-3	2	L	Implementation of annual property inspections by lessor. Maintain communication with lessee.
Lessee defaults in performing obligations under lease other than maintenance requirements	4	-2	2	L	Communication and negotiation with Lessee. Refer to arbitration if required. Refer to Council if required.

**Table 4: Older Persons Housing Raetihi Risk Assessment Matrix**

## Taumarunui Aerodrome

Risk Description	Impact	Probability	Score	Risk	Response
Major earthquake or volcanic event destroying all buildings	4	-3	1	L	Replacement insurance effected. Reconstruct buildings. Maintain customer and key stake holder contact with press releases and correspondence.
Major fire destruction or partial destruction of buildings	4	-2	2	L	Consider construction of firewall between terminal building and Taumarunui Aero Club building now. Replacement insurance effected. Reconstruct damaged or destroyed buildings. Maintain customer and key stake holder contact with press releases and correspondence.
Minor damage or destruction by vandalism reducing serviceability	3	-2	1	L	Has occurred in the past. Immediate response available through Council maintenance contract response procedures.
Plane crashes at Aerodrome	3	-2	1	L	Ensure that aerodrome complies with CAA requirements. Keep information available to pilots up to date in Wings Magazine. Issue NOTAM (Notice To All Airmen) immediately.
Urupa located within aerodrome becomes a political issue with Iwi concerns about the proximity of the runway	4	-2	2	L	Immediately engage in communication with Iwi and engage assistance of expert in Iwi consultation early in process of discussion/negotiation.
Component failures caused through ongoing deferred maintenance programmes	3	0	3	L	Monitor and inspect all components at level 4 condition grading annually, with allocation of budget in LTP and Annual Plan until repair, replacement or upgrading completed. In the event of total failure, repair, replace or upgrade immediately or as soon as practicable.

**Table 5: Taumarunui Aerodrome Risk Assessment Matrix**

## Ohakune Railway Station

Risk Description	Impact	Probability	Score	Risk	Response
Major earthquake or volcanic event destroying all buildings	5	-2	3	L	Replacement insurance effected. Reconstruct buildings. Maintain customer and key stake holder contact with press releases and correspondence.
Major fire destruction or partial destruction of buildings	5	-2	3	L	Replacement insurance effected. Reconstruct buildings. Maintain customer and key stake holder contact with press releases and correspondence.
Damage from vandalism	3	0	3	L	Consider alarm system in building. Immediate response through building maintenance contracts and notification of detail to police.
Increase in rail passenger numbers – pressure to keep part or all of the station building open for passenger use	4	-2	2	L	Communicate and negotiate with key stakeholders, consider all lease options, which may provide service required.

**Table 6: Ohakune Railway Station Risk Assessment Matrix**

## Rental House 11 Islington Street, Raetihi

Risk Description	Impact	Probability	Score	Risk	Response
Major earthquake or volcanic event destroying the building	3	-3	0	L	Replacement insurance effected. Reconstruct new house. Seek temporary accommodation for tenant in motel/hotel if other housing options with family or government agencies unavailable.
Major fire destruction of all or part of building	3	-3	0	L	Replacement insurance effected. Re-construct damaged or destroyed building. Seek temporary accommodation for tenant in motel/hotel if other housing options with family or government agencies unavailable.
Minor damage or destruction by vandalism reducing serviceability	3	-2	1	L	Immediate response available through Council maintenance contract response procedures.
Tenant inadvertently causes damage or destruction of asset components	4	-1	3	L	Increase frequency of landlord inspections. Seek assistance of social agencies if deemed necessary.
Component failures caused through ongoing deferred maintenance programmes	4	0	4	M	Monitor and inspect all components at level 4 condition grading annually, with allocation of budget in LTP and Annual Plan until repair, replacement or upgrading completed. In the event of total failure, repair, replace or upgrade immediately or as soon as practicable.

**Table 7: Rental House 11 Islington Street, Raetihi Risk Assessment Matrix**

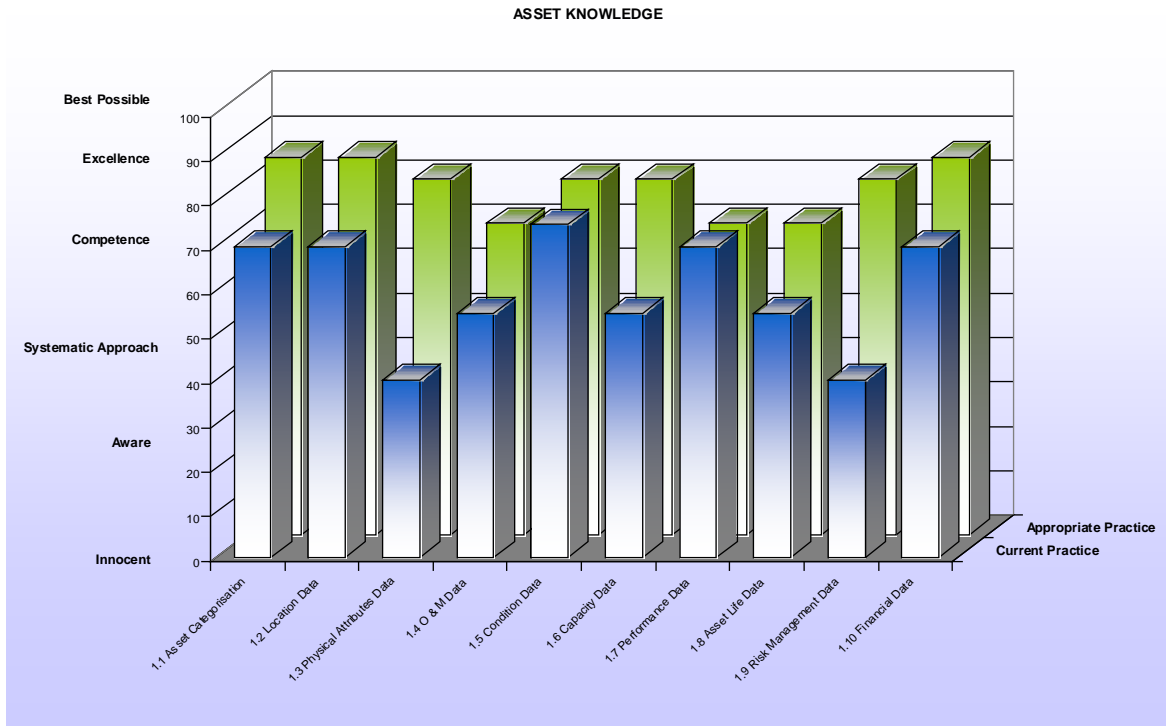
## Forestry Plantations

Risk Description	Impact	Probability	Score	No	Response
Major fire, earthquake or volcanic event destroying trees or creating cavities or slips of the land	4	-2	2	L	Accept risk and replant with indigenous species.
Environmental damage where harvesting takes place beside or above streams or rivers	5	0	5	H	This is a moderately high risk in respect of the Pipiriki plantations where harvesting would take place above a river. Careful evaluation of any logging proposal by an expert in forest practices required.
Introduced disease or pests resulting in diseased stock	4	0	4	L	Accept risk.
Shading affecting adjoining property. Shading affecting roads potentially resulting in injury or death from accident in ice conditions.	4-6	-2	2-4	M	Accept risk. Response dependent on circumstances.

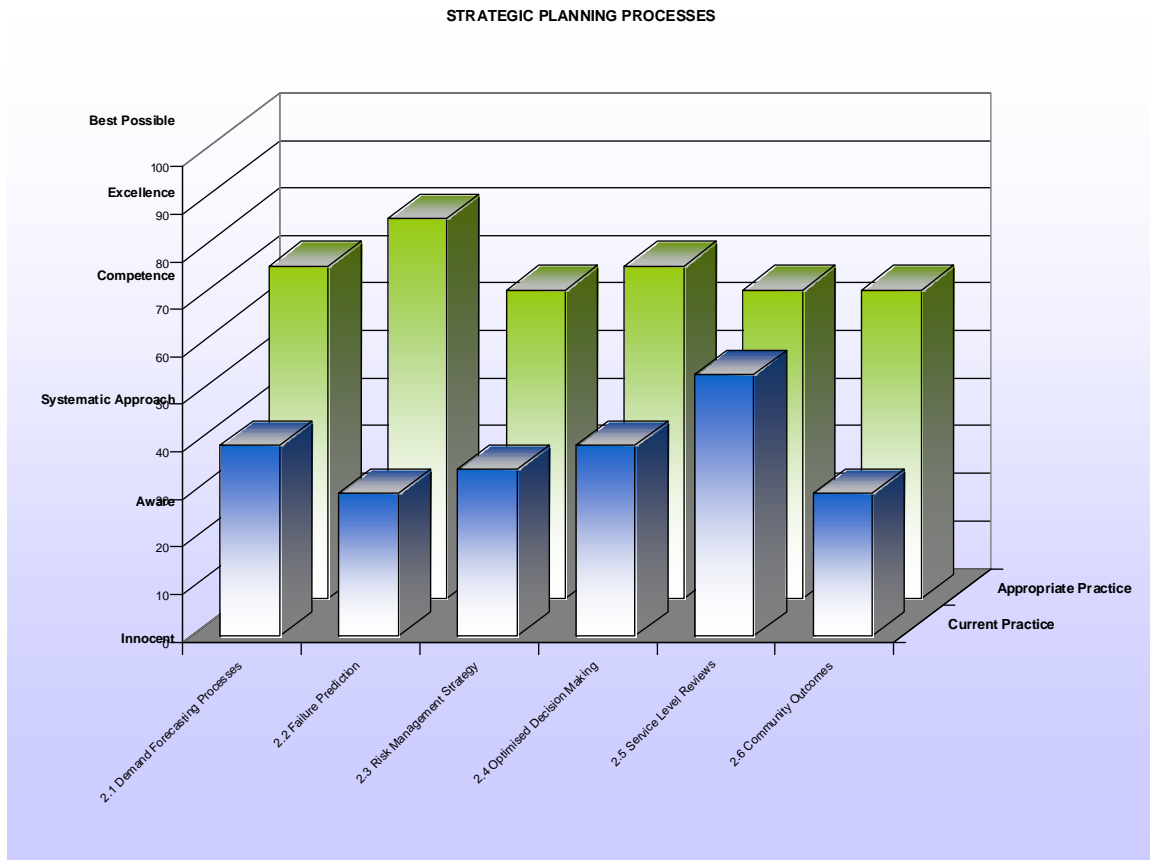
**Table 8: Plantation Risk Assessment Matrix**

# Appendix F AM Practices Gap Analysis

## Appendix F AM Practices Gap Analysis

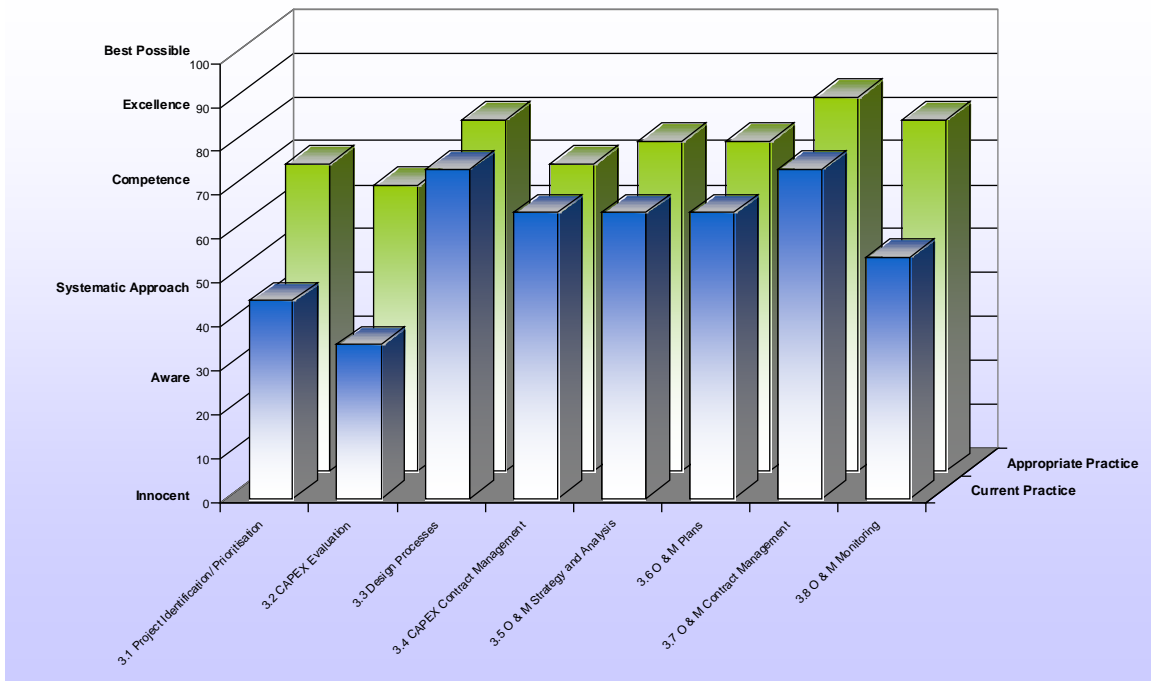


**Assessment of asset knowledge**



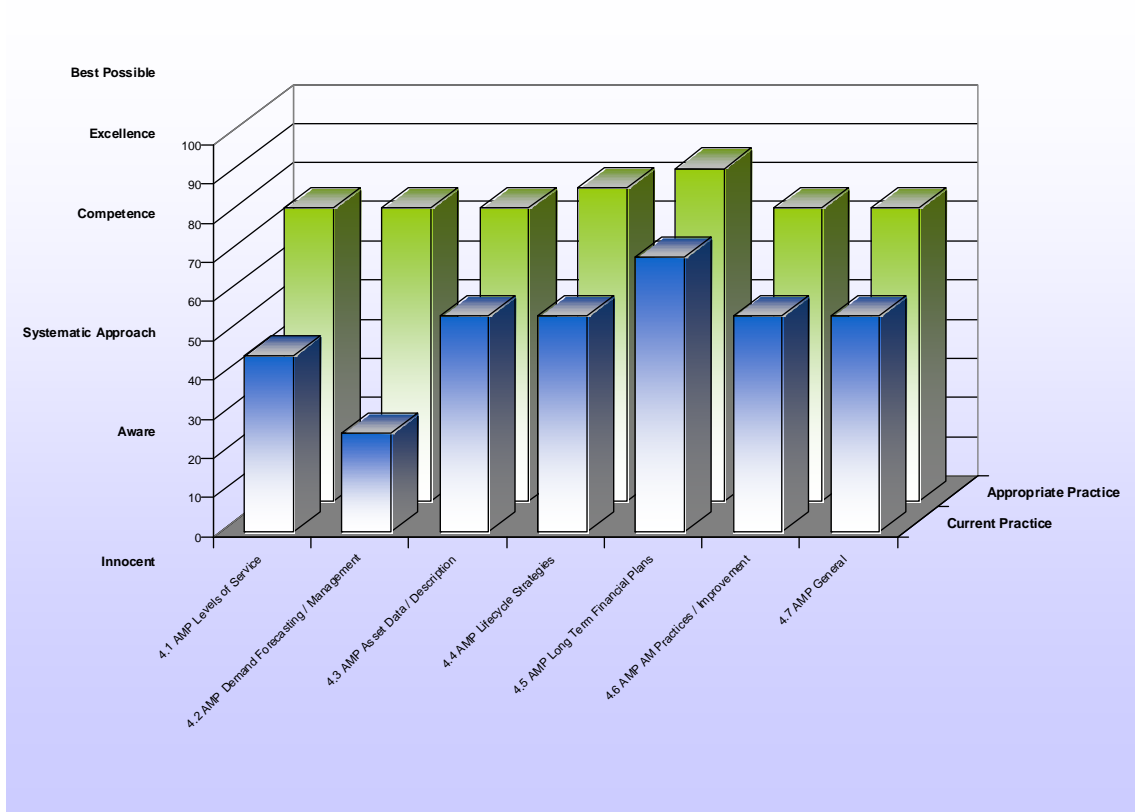
**Assessment of strategic planning processes**

**CURRENT ASSET MANAGEMENT PRACTICES**

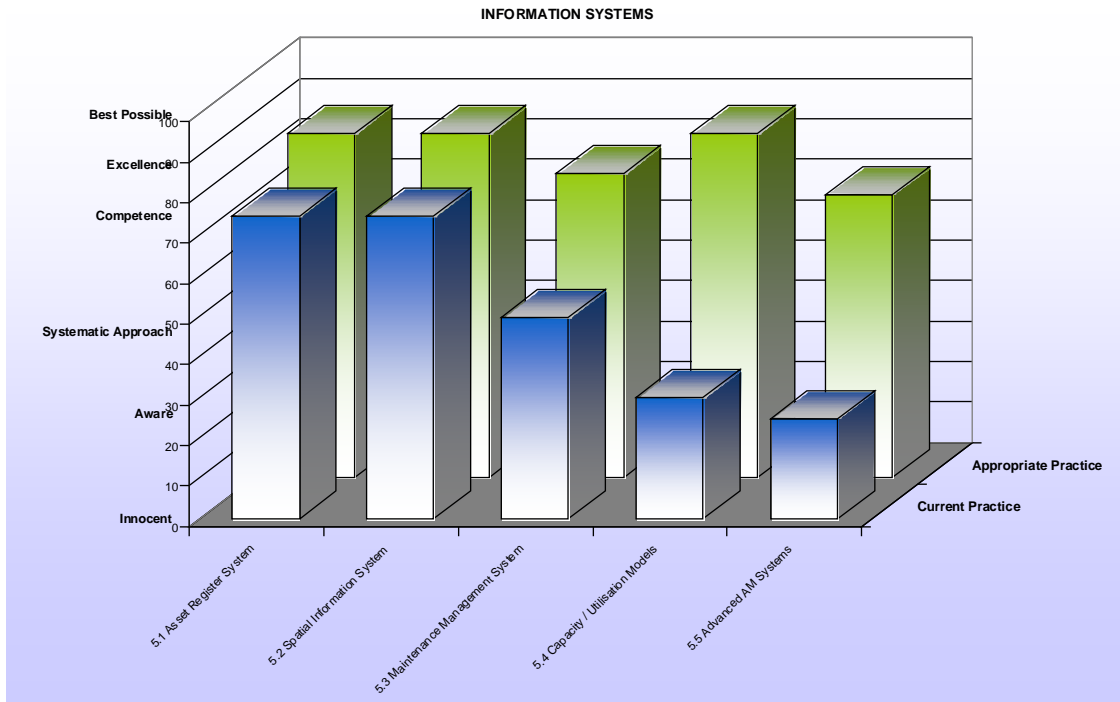


**Assessment of current asset management practices**

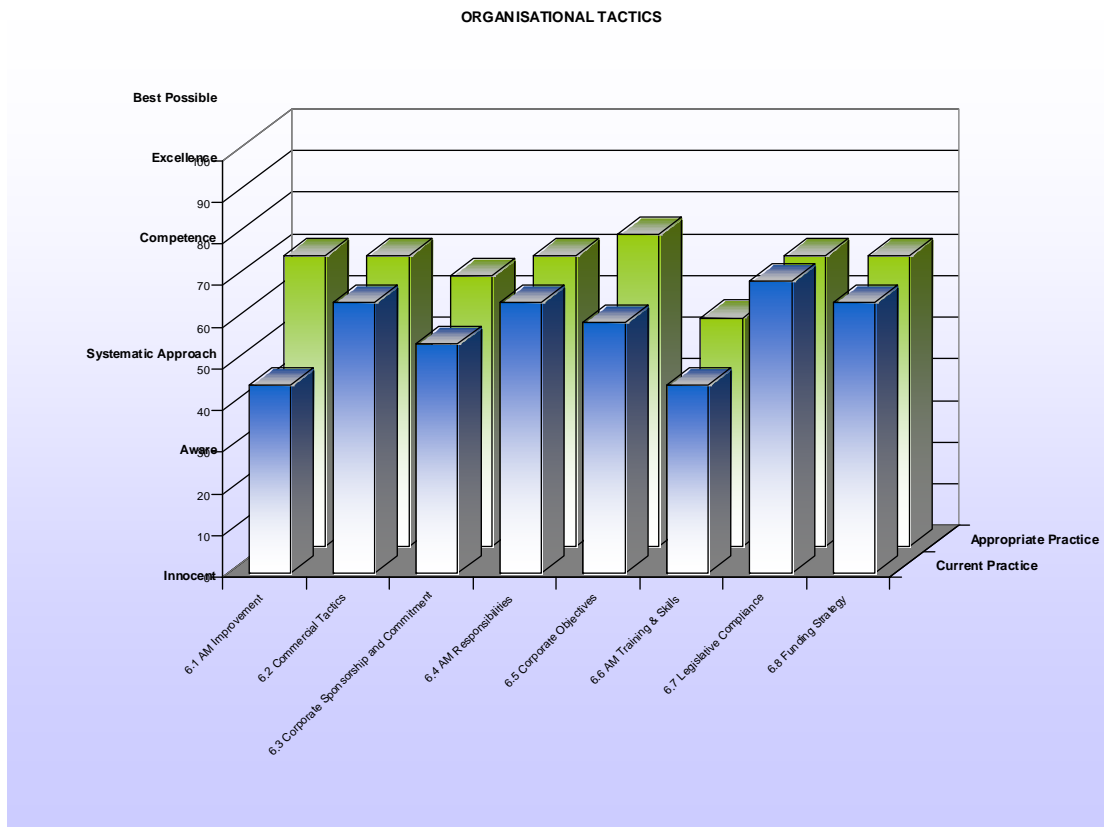
**ASSET MANAGEMENT PLAN**



**Assessment of AM plan**



**Assessment of AM information systems**



**Figure 1- Assessment of organisational tactics**

# Appendix G Community Expectations

## Appendix G Community Expectations

A number of meetings were held with community groups in 2008 to help inform the development of the AMPs 2009-12 and the Long Term Plan 2009-19.

The following Community Groups responded to the invitation to help inform the process:

- Enterprise Taumarunui Incorporation (ETI)
- Federated Farmers
- Horopito Residents and Ratepayers Society
- Kakahi Business Association
- National Park (NPPA, NPCB, NPBA)
- Owhango Residents and Ratepayers Incorporated Society (ORRIS)
- Raetihi Promotion Group
- Raurimu Residents and Ratepayers Association
- Ohakune 2000 (OHA 2000)
- Pipiriki Incorporation
- Waimarino Resthome Trust

Ohakune 2000 has a strong interest in the future of the Ohakune Railway Station. It is foreseeable that the ownership of the property could be transferred to a community trust. This would only be possible after community and stakeholder consultation.

Waimarino Resthome Trust has indicated strong interest in leasing the Ohakune Older Persons Housing Property which it sees as complimenting its existing lease of the Raetihi Older Persons Housing Property.

# Appendix H Asset Information and Values

## Appendix H Asset Information and Values

### Administration Buildings

Asset	Location	Legal Description	Valuation No.	Area (ha)	Rateable Valuation 30/ 06/2008
Administration Building (excludes leased property)	59-61 Huia St, Taumarunui	Lots 3 & 5 Blk VI DP 20591, Lot 3-5 DP 9961 and Allotment 8 block VI Taumarunui Maori Township	06024/547.00	.4994ha	\$2,250,000
Storage Depot	5-7 Huia St, Taumarunui	Part .5818 ha DP 8512 Certificate of Title 211/23	06024/618.00	.5818 ha (part)	\$295,000
Taumarunui Library	Hakiaha St, Taumarunui	Lot 3 DPS 59700	06024/277.00	.0546 ha (part)	\$240, 000 (part val. Includes public toilets)
Administration Building (includes Ohakune library)	Ayr St, Ohakune	Sections 6, 7 Blk XI Ohakune TN	12763/082.00	0.2024 ha	\$800,000
Visitor Information Centre	Clyde St, Ohakune	Lot 1 DP 14288 Section 5, 6 CLSD RD SO 28453 Blk XVI Ohakune TN	12763/226.00	0.3916 ha	\$325,000
Administration Building (includes Raetihi library)	Seddon St, Raetihi	Lot 2 DP 44224 Section 230 231 Blk IX Raetihi TN	12780/075.00	0.3629 ha	\$400,000
<b>Total</b>					<b>\$4,310,000</b>

### Older Persons Housing

Asset	Location	Legal Description	Valuation No.	Area (Ha)	Rateable Valuation As At 7/08	Status	
Ohakune Flats (8)	11 Moore St, Ohakune	Secs 1 2, Blk IV, Ohakune TN	12763/268.00	0.2023	\$500,000	8 Units	8 one Bedroom
Raetihi Flats (16)	108-116 Seddon St, Raetihi	Sec 103, Lot 1, DP 56041, Eastn Pt Sec 102, Blk X, Raetihi	12780/117.00	0.4223	\$875,000	16 Units	4 Bedsits 12 one Bedroom
Rangimarie Flats(20)	140 Taupo Rd, Taumarunui	Lot 11, Blk XIV DP 21131	06026/419.00	0.4047	\$630,000	20 Units	10 Bedsits 10 one Bedroom 4 Garages
Rochfort Flats (25)	45-47 Taumarunui St, Taumarunui	Taumarunui Papakainga, 3B1A 4B 4C	06024/627.00	0.4302	\$720,000	25 Units	21 Bedsits 4 one Bedroom
<b>Total</b>					<b>\$2,725,000</b>		

## Taumarunui Aerodrome

Asset	Location	Legal Description	(Certificate of Title	Area ha	Valuation No.	Rateable Valuation As At 7/08
Taumarunui Aerodrome	Taumarunui Ngapuke Rd, Taumarunui	Lot 1 DPS 34794	31A / 877	2.6116	06130/176.00	<b>\$800,000</b>
		Lot 2 DPS 8695	2D / 1394	17.1307		
		Section 83	7D / 393	0.3452		
		Pt Ohura South A3E2C3B3C2A A3E2C3B3C2C2B1B	31A / 878	10.9668		
		Pt Ohura South A3E2C3B3C2C2B1A	NZ Gazette P119 / 1968	3.3159		
<b>Total</b>						<b>\$800,000</b>

## Miscellaneous Properties

No.	LOCATION	WARD	VALUATION NUMBER	AREA (Ha)	CERT OF TITLE	DESCRIPTION OF USE	GOVT RATEABLE VALUATION As At 7/08
1	Waimiha St, Waimiha	Ohura	6100-02400	18.2109		Metal Pit - Waimiha	\$45,000
2	Mangapapa Rd, Ohura	Ohura	6100-36900	0.4452	E3/137	Metal Stockpiling	\$10,000
3	Ongarue Back Rd, Ongarue	Ohura	6120-09800	0.886		Closed Road	\$5,500
4	Ngakonui-Ongarue Rd, Ongarue	Ohura	6120-22102	1.3116	23A/627	Closed Road	\$2,000
5	River Rd, Ohura	Ohura	6140-12401	0.0653		Closed Road	\$300
6	River Rd, Ohura	Ohura	6140-17301	1.0135	D1/1457 D1/1456	Ex Road Reserve	\$3,500
7	River Rd, Ohura	Ohura	6140-20200	0.2711	139/209	Carmodys Pit	\$500
8	Paparoa Rd, Kirikau	Ohura	6150-01201	0.0781		Ex Closed Road Now Sec 40	\$600
9	Paparoa Rd, Kirikau	Ohura	6150-01800	0.0781		Ex-Closed Road Now Section 10	\$1,000
10	Tawata Rd, Kirikau	Ohura	6150-05501	1.1685		Ex Closed Road Now Sec 37	\$1,500
11	Mangaparo Rd, Ohura	Ohura	6200-21500	0.131		Creek In Middle Of Section	\$400
12	Kuku St, Ohura	Ohura	6200-21800	0.2023		Empty Residential Section	\$400
13	Ohura Rd, Matiere	Ohura	6220-23803	0.3005	G3/469	Cnr Straightening	\$600
14	Titi St, Matiere	Ohura	6220-31700	0.0607	G4/932	Empty Section Matiere	\$500
15	State Highway 43, Tatu, Ohura	Ohura	6230-14900	0.1012		Ex St Pauls	\$900
16	Bell Rd, Taumarunui	Taumarunui	06022-37600	3.1915		Plantation	\$25,000
17	102-114 Bell Rd, Taumarunui	Taumarunui	06026-02500	.0325	9B/1486 9B/1487 9B/1488	Indust Sect	\$30,000
18	11 Wackrow St, Taumarunui	Taumarunui	06026-13900	8.6163	600/286	Saleyards-WNMA Lease	\$610,000
19	22 Wackrow St, Taumarunui	Taumarunui	06026-16800	0.0289	5D/1361	Empty residential section	\$38,000
20	30 Miriama St, Taumarunui	Taumarunui	06024-39700	0.1093	696/363	Leased To NZ Fire Service	\$245,000
21	Cherry Grove Rd, Taumarunui	Taumarunui	06024-65000	0.0969	28A/1242	Grazed Land (some evidence of road constructed over part of the land)	\$24,000
22	Pukehou Rd, Taumarunui	Taumarunui	06130/040.04	48.8000		Pukehou Quarry	\$645,000
23	30 Kururau Rd, Taumarunui	Taumarunui	06024-09000	0.2775	C2/36	Steep Gully	\$24,000
24	Hikumutu Rd, Taumarunui	Taumarunui	6040-06702	0.8747		Small Areas Of Closed Road	\$2000

No.	LOCATION	WARD	VALUATION NUMBER	AREA (Ha)	CERT OF TITLE	DESCRIPTION OF USE	GOVT RATEABLE VALUATION As At 7/08
25	Hikumutu Rd, Taumarunui	Taumarunui	6040-06801	0.0683		Segregation Strips	\$500
26	Hikumutu Rd, Taumarunui	Taumarunui	6040-07502	0.107		Closed Road	\$2300
27	Makokomiko Rd, Taumarunui	Taumarunui	6040-13502	0.3298		Closed Road	\$600
38	State Highway 4, Piriaka	Taumarunui	6040-18100	0.8693	26C/935	Pine Trees	\$2,500
29	Waitea St, Kakahi	Taumarunui	6040-34400	4.6521		Kakahi Water Supply Board – joint ownership	\$82,000
30	Oio Rd, Owango	National Park	6080-19401	1.1998		Area Of Closed Road	\$5,000
31	Upper Retaruke Rd, Owango	National Park	6090-00201	0.2656		Closed Rd & Severance	\$500
32	Upper Retaruke Rd, Owango	National Park	6090-21201	0.176		Road Severance	\$600
33	State Highway 49, Waiouru	Waimarino	12700-10801	0.1176		Holding Paddock	\$16,000
34	Ruanui St, Waiouru	Waimarino	12722-00900	0.0076		Left Over From Subdivision	\$1,000
35	Ruanui St, Waiouru	Waimarino	12722-04100	2.1981		Intended Res. Subdivision	\$72,000
36	Thames St, Ohakune	Waimarino	12761-00900	0.0748		Res Section-Adjacent To Railway	\$10,00
37	Martin Pl, Ohakune	Waimarino	12761-52401	0.0473	479/244	Redundant Access Legs	\$450
38	Ayr St, Ohakune	Waimarino	12763-04600		26D/66	Commercial Warehouse	\$148,000
39	13 Moore St, Ohakune	Waimarino	12763-26700	0.1012	5B/1226	Empty Section	\$141,000
40	Old Station Rd, Ohakune	Waimarino	12763/551.00	10.529117	32A/308-321	Industrial Land	\$165,000
41	Whangaehu Valley Rd, Karioi	Waimarino	12700-02900	17.0249 10.7017	A4/1372 312/267	Ross's Pit	\$74,000
42	Ruatiti Track, Raetihi	Waimarino	12640-02200	3.364		Gravel Reserve	\$3,000
43	Ohura Rd, Raetihi	Waimarino	12660-06200	1.8211	21D/748	Stock Paddock	\$21,000
44	Makakahi Rd, Raetihi	Waimarino	12660-08801	1.9728		Metal Pit	\$30,000
45	Pukekaha Rd, Raetihi	Waimarino	12660-10500	0.1012	393/262	Hoihenga Pit	\$300
46	Hoihenga Rd, Raetihi	Waimarino	12660-12200	0.3169		Metal Pit	\$1,000
47	Middle Rd, Horopito	Waimarino	12660-14100	1.6187	21D/141	Metal Pit	\$11,100
48	Ohura Rd, Raetihi	Waimarino	12660-14600	0.9234	300/229	Metal Pit	\$2,000
49	Middle Rd, Horopito	Waimarino	12660-15401	0.5227		Metal Pit	\$4,500
50	Mangarewa Rd, Raetihi	Waimarino	12660-18700	0.2016	278/136	Metal Pit	\$6,000
51	Ohakune-Raetihi Rd	Waimarino	12780-16101	0.3669	28D/282	Industrial Land	\$46,000
52	Railway Road	Waimarino	12780/161.03	0.1102	28D/283	Industrial Land	\$46,000
53	Railway Road	Waimarino	12780/161.04	0.1049	28D/284	Industrial Land	\$40,000

No.	LOCATION	WARD	VALUATION NUMBER	AREA (Ha)	CERT OF TITLE	DESCRIPTION OF USE	GOVT RATEABLE VALUATION As At 7/08
54	Railway Road	Waimarino	12780/161.05	0.1050	28D/285	Industrial Land	\$40,000
55	Railway Road	Waimarino	12780/161.06	0.1062	28D/286	Industrial Land	\$40,000
56	Railway Road	Waimarino	12780/161.07	0.1054	28D/287	Industrial Land	\$40,000
57	Railway Road	Waimarino	12780/161.08	0.2361	28D/288	Industrial Land	\$46,000
58	Railway Road	Waimarino	12780/161.10	0.0925	28D/290	Industrial Land	\$42,000
59	Railway Road	Waimarino	12780/161.16	0.0384	28D/297	Industrial Land	\$15,000
60	Railway Road	Waimarino	12780/161.17	0.0151	28D/298	Industrial Land	\$5,000
61	18 Ward St, Raetihi	Waimarino	12780-45100	0.0142	518/2	Access way	\$3,000
62	Parapara Rd, Raetihi	Waimarino	12780/485.00	0.7895		Plantation	\$4,000
63	Pipiriki Rd, Pipiriki	Waimarino	12720-12200	2.3775	297/202	Plantation	\$8,000
64	Pipiriki Rd, Pipiriki	Waimarino	12720-14700	1.2798	A2/1350	Plantation	\$6,000
65	Thames St, Ohakune	Waimarino	12761/080.00	0.0864	4X/469	Ohakune Railway Station	\$100,000
66	Thames St, Ohakune	Waimarino	12761/082.00	0.0361	4X/470	Ohakune Signal Box 2	\$94,000
67	Thames St, Ohakune	Waimarino	12761/087.00	0.3930	45A/653	Ohakune M.T.R.O Buildings 2	\$150,000
68	45 Clyde St, Ohakune	Waimarino	12763/060.00	0.250	WN/512/221	Ex – Ohakune Library	\$150,000
69	Rangataua Road, Ohakune	Waimarino	12763/335.00	9.4536	24D/752	Block of investment land zoned Rural	\$4,425,000
	<b>TOTAL</b>			<b>163.44ha</b>			<b>\$3,766,450</b>

## Community Housing Units

Asset	Location	Legal Description	Valuation Number	Area (Ha)	Rateable Valuation 30/06/2008	Comment
Community Housing	6 Miriama St, Taumarunui	Lot 9 Blk III DP 4980	06024/458.00	0.1214	\$280,000	4 x 1 Bedroom Units
Community Housing	4 Taumarunui St, Taumarunui	Taumarunui Papakainga 2D 2E	06024/593.00	0.0759	\$540,000	8 x 2 Bedroom Units
Raetihi Doctor House	11 Islington St, Raetihi	Lot 2 DP 5752	12780/434.00	0.1117	\$200,000	Residential Dwelling and Doctors Surgery
<b>Total</b>					<b>\$1,020,000</b>	

# Appendix I 10 Year Financial Forecast

## Appendix I 10 Year Financial Forecast

Expenditure Category	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
total Operating Expenditure (excludes corporate overheads)	87,000	52,000	70,000	59,000	59,000	67,000	68,000	65,000	89,000	78,000
Total Capital Expenditure	26,000	30,000	10,000	40,000	30,000	60,000	10,000	50,000	10,000	10,000
<b>Operations</b>										
Revenue	-320,000	-320,000	-320,000	-320,000	-320,000	-322,000	-322,000	-322,000	-322,000	-322,000
Direct Overheads	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Corporate Overheads										
Operating Expenses (rates,insurance,power etc)	179,000	179,000	179,000	179,000	179,000	179,000	179,000	179,000	179,000	179,000
Depreciation	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
<b>Maintenance</b>	<b>108,000</b>	<b>73,000</b>	<b>91,000</b>	<b>80,000</b>	<b>80,000</b>	<b>90,000</b>	<b>91,000</b>	<b>88,000</b>	<b>112,000</b>	<b>101,000</b>
Older Persons Housing	64,000	39,000	49,000	42,000	42,000	52,000	42,000	42,000	71,000	60,000
Community Housing	22,000	18,000	26,000	20,000	20,000	20,000	31,000	28,000	22,000	22,000
Taumarunui Aerodrome	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Forestry	0	0	0	0	0	0	0	0	0	0
Miscellaneous Properties	14,000	8,000	8,000	10,000	10,000	10,000	10,000	10,000	11,000	11,000
<b>Renewals</b>	<b>16,000</b>	<b>20,000</b>	<b>10,000</b>	<b>40,000</b>	<b>30,000</b>	<b>60,000</b>	<b>10,000</b>	<b>50,000</b>	<b>10,000</b>	<b>10,000</b>
Minor works	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Replace nova roof panels 5,6,7,8 Ohakune		10,000								
Code compliant disabled ramps 4 flats Taumn.				30,000						
Renew porches Ohakune flats 2,3,4					20,000					
Renew roofs Ohakune flats						50,000				
Renew roof administration archive building	6,000									
Re-piling Ohakune Railway Station sub-floor								40,000		
<b>Development (Enhanced LOS)</b>	<b>10,000</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Windows to Laundries Flats 5,6,7,8 Ohakune		10,000								
Underfloor insulation to Ayr Street Administration building	10,000									
Special revenue - suspensory loan Housing NZ		-185,000								
Re-configure bed sit units Taumarunui		185,000								

Detailed information to be provided in February 2009.