



Asset Management Plan

# Property



J.C. WILLIAMSON'S  
REGENT

REGENT on BROADWAY

THE REGENT

## Asset Management Plan Executive Summary

# Property

The purpose of the Property Asset Management Plan (AMP) is to support the goals of the various activities by ensuring that building assets are operated and maintained so that they provide the required level of service for present and future customers sustainably and cost-effectively.

Manaaki whenua, manaaki tangata, haere whakamua.

Tihei mauri ora!

No reira, e te haukainga Rangitāne, nei rā te mihi nui ki a koutou e pupuri nei i te mauri o te whenua me ngā wai e rere atu e rere mai.

**Tēnā koutou, tēnā koutou, tēnā tātou katoa.**

Our buildings portfolio is constantly evolving due to a growing population, changing building standards, and Palmy being one of the most diverse communities in the country. As a result, the Property Division supports other Council divisions to deliver all sorts of services from our buildings. This includes overseeing tenancy and contract management, building facilities maintenance, and ensuring building compliance. Additionally, the capital projects team works with other Council divisions to make sure we deliver our building capital projects on time and in the right locations.

### Scope of this plan

The AMP outlines how we plan on investing in our facilities over the next 30 years.

The Asset Management Plan highlights:

- how we ensure that our asset management decisions are aligned to strategic goals and plans
- how we want to improve asset knowledge, facilities maintenance and monitor performance
- key upgrade, renewal and maintenance work programmes
- how we can minimise risk

This Plan informs our 10 Year Plan, Financial Strategy and 30 Year Infrastructure Strategy.

### Our buildings are used to deliver services to our communities

The buildings we own, each support services being provided from them to contribute to our vision of 'He iti rā, he iti pounamu' - 'Small city benefits, big city ambition'! We have four strategic goals that support the direction of our vision.

The goals support the well-being of our communities to thrive economically, socially, environmentally, and culturally for now and into the future.

Our investment and strategic buildings at George Street, Main Street, Rangitīkei Street, and Broadway Avenue support more than 20 local businesses to grow, be innovative, and contribute to our local economy – which supports goal 1.

The Central Energy Trust Arena and our cultural facilities - Globe Theatre, The Stomach, Square Edge, Te Manawa, and Regent Theatre provide spaces for our communities to be creative and host exciting shows and events – which supports goal 2.

We enable our communities to be connected and active through providing spaces in our community centres, community agency facilities, and sports field buildings, supporting us to achieve goal 3.

Our warm, dry and safe social housing units are home for families and senior residents that are on a low income and experience barriers to renting in the private market – which supports us to achieve goal 3 for our communities.

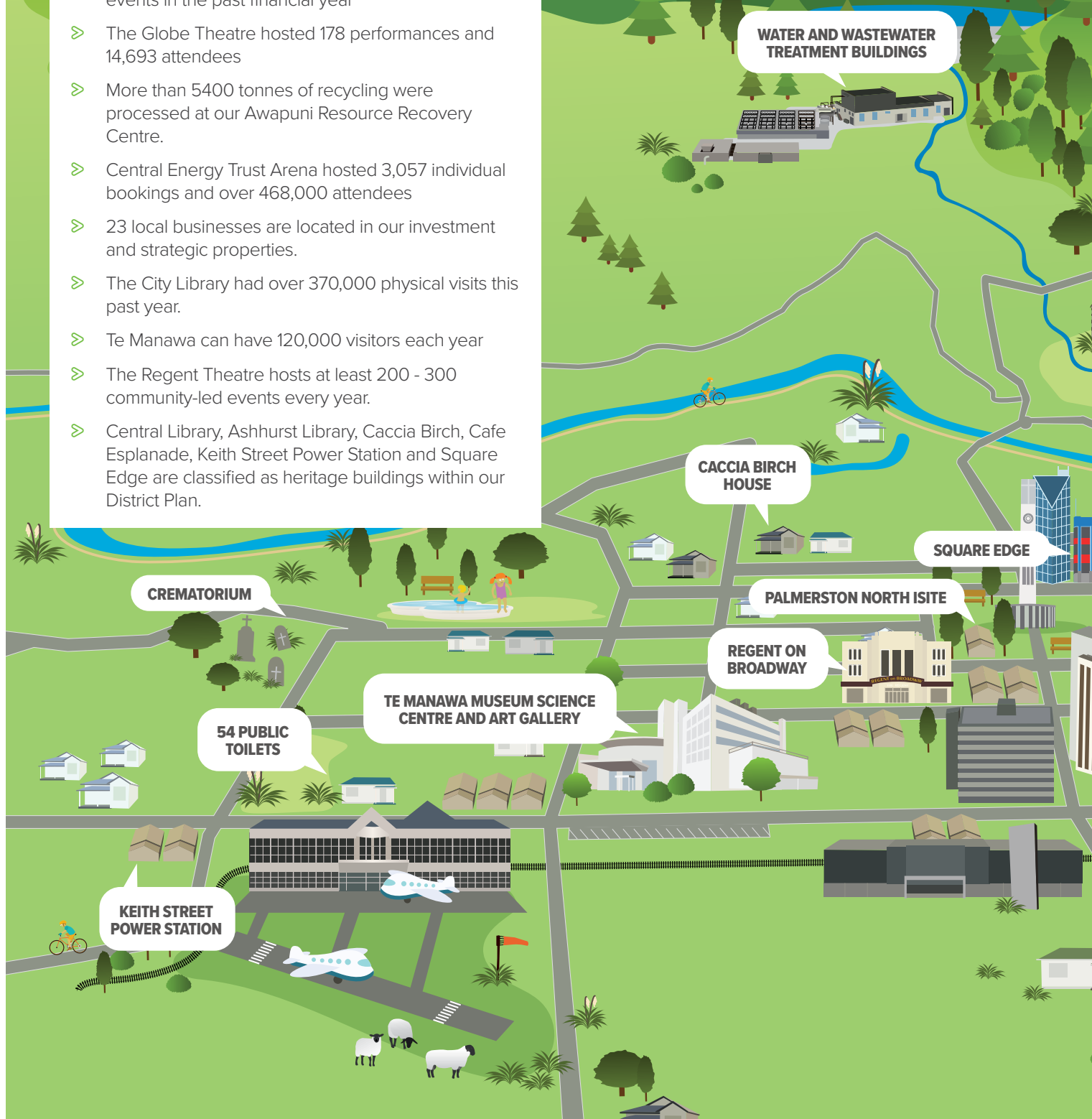
Operational buildings, such as the water treatment plant, enable us to treat and deliver quality water to our residents. Our Awapuni Materials Recovery Centre ensures that we are contributing to recycling and minimising waste within our city, supporting us to achieve goal 4.

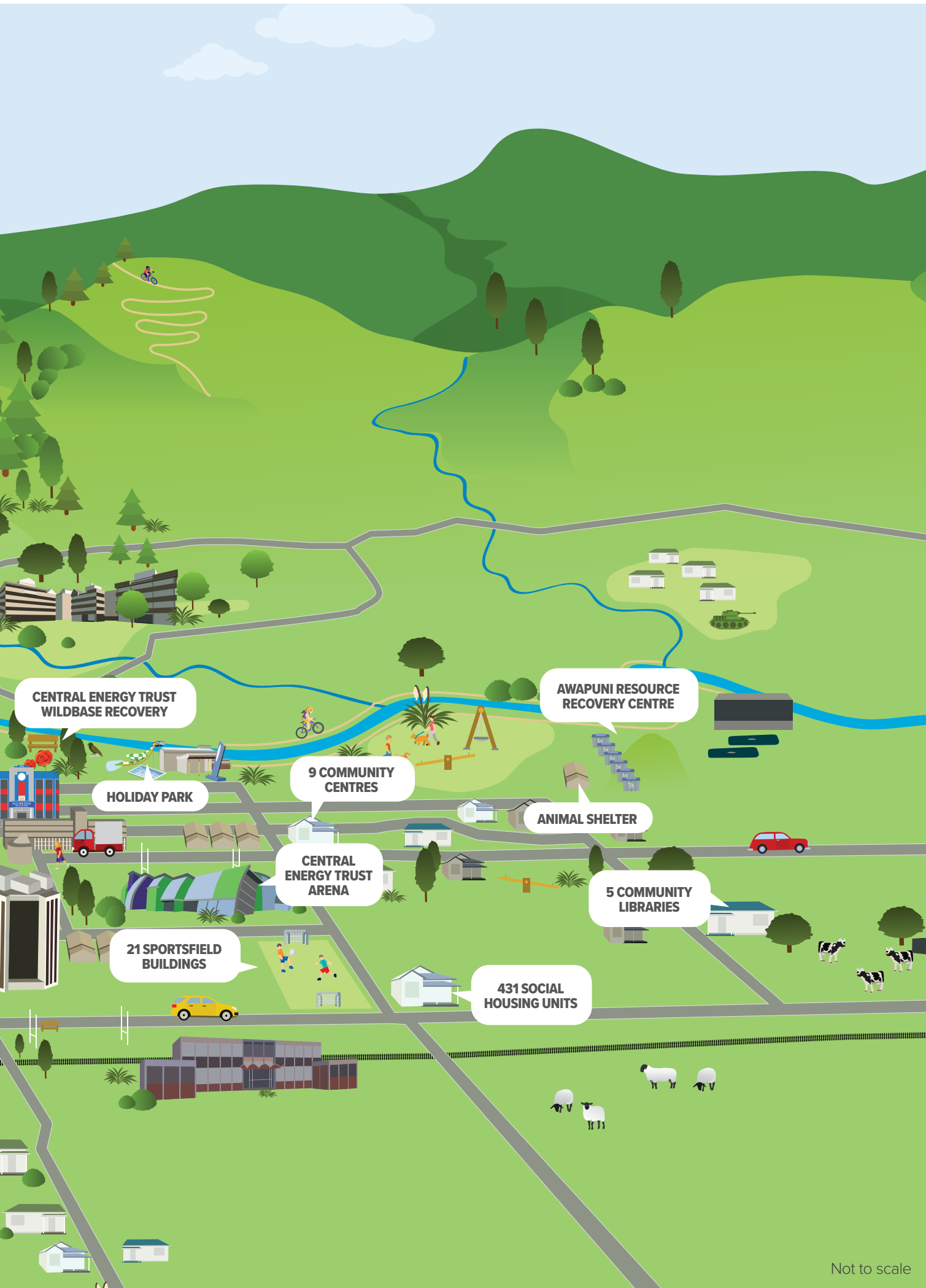
# What we provide



The Property Division supports other Council divisions to deliver various services from our facilities.

- The Conference + Function Centre hosted 321 events in the past financial year
- The Globe Theatre hosted 178 performances and 14,693 attendees
- More than 5400 tonnes of recycling were processed at our Awapuni Resource Recovery Centre.
- Central Energy Trust Arena hosted 3,057 individual bookings and over 468,000 attendees
- 23 local businesses are located in our investment and strategic properties.
- The City Library had over 370,000 physical visits this past year.
- Te Manawa can have 120,000 visitors each year
- The Regent Theatre hosts at least 200 - 300 community-led events every year.
- Central Library, Ashhurst Library, Caccia Birch, Cafe Esplanade, Keith Street Power Station and Square Edge are classified as heritage buildings within our District Plan.





**CENTRAL ENERGY TRUST  
WILDBASE RECOVERY**

**AWAPUNI RESOURCE  
RECOVERY CENTRE**

**HOLIDAY PARK**

**9 COMMUNITY  
CENTRES**

**ANIMAL SHELTER**

**CENTRAL  
ENERGY TRUST  
ARENA**

**5 COMMUNITY  
LIBRARIES**

**21 SPORTSFIELD  
BUILDINGS**

**431 SOCIAL  
HOUSING UNITS**

# Everyone is a customer



Residents



Tourists



Families



Senior Citizens



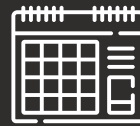
Education



Community Groups



Council Departments



Event/Sport Organisers



Small Business Owners

Our buildings cater to many different types of people, including those who live here, run small businesses, belong to community groups, families, seniors, schools, council departments, event and sports organisers, and tourists passing through.

We collaborate with our partner Rangitāne o Manawatū early on in our projects to plan and develop community facilities.

We work with our partners on the Council Controlled Organisations (CCOs) board committees to ensure our facilities are fit for purpose. We also work with community trusts and organisations, as well as other important groups like Central Energy Trust, Department of Conservation, and Massey University.

## Our levels of service

Our customers expect that all our buildings are well maintained, clean, accessible, safe, warm and dry.

In the past, maintaining a consistent level of service across our diverse property portfolio has been a challenge, and we have mostly responded reactively to building maintenance needs. However, in more recent years we have adopted a more proactive approach to enhance our service levels and better serve our communities.

# We have some challenges and risks

## **Strengthening our earthquake-prone buildings is costly**

Some of our buildings have been assessed as earthquake-prone and by law, need to be remedied by 2037. These buildings are scattered across the city and include the Central Library, Civic Administration Building (CAB), Square Edge, and the Regent Theatre. This work comes at a huge cost, as we try to strengthen our buildings to the required National Building Standards (NBS) while ensuring we spend in a financially sustainable way. Another big challenge is prioritising which buildings are remedied before others.

## **The timing of our Civic and Cultural Precinct Masterplan needs to be considered**

The Civic and Cultural Precinct Masterplan aims to create better connectivity between the four key civic areas in the central business district - the CAB, Central Library, Te Manawa Museum and the Art Gallery. The masterplan work actions are on hold, due to seismic strengthening work programmes to be completed at the Central Library and the Te Manawa Complex. A feasibility study is being undertaken to understand the potential future use of the facilities to ensure that the buildings are fit for purpose to meet the future needs of the wider community. We need to bear in mind that this Masterplan will drive future direction of any future major upgrades for these buildings, including the seismic strengthening work that's required.

## **Deferred maintenance work needs to be addressed**

We are still catching up to deferred maintenance and renewals because we've underfunded this in the past. We now have a dedicated facilities management team and capital projects team that ensure we are on the right track with investing at adequate levels for our renewals and maintenance work programmes. We have an Asset Management Improvement Plan that helps us keep track of our progress. However, it will take many years to achieve the right balance with funding as we are still maturing in our asset management practices.

## **Vandalism is becoming a big problem**

Our public toilets have become hot spots for graffiti and vandalism over the past few years. This means we're having to do a lot of reactive renewals and maintenance which are impacting our initial budgets. We've seen our toilets face arson attacks, damaged cisterns, and toilet paper and soap dispensers removed from walls. Because of this, the majority of our toilets are locked down every night and we've identified that security cameras may have to be installed outside locations that experience high levels of vandalism. But it doesn't stop at public toilets, our sports pavilions and other areas of the city are too being vandalised.

## **Unaffordability of housing for local residents is an issue**

Housing demand is an ever-growing issue due to the undersupply of suitable and affordable housing locally in Palmerston North. Housing unaffordability of rent and home ownership has increased in the last four years. There is an increased demand for one to two-bedroom homes within the city. Private and public agencies provide the majority of social housing to residents. Council's strategic direction is to increase social housing supply to ensure that we can provide homes for people with the greatest needs. Council supplies 407 social housing homes.

## **We are learning more about our underground pipes**

We are learning more about our buildings through the way we have been managing them. Over the next few years, we will be investigating the condition of our underground pipes (water, wastewater and stormwater). At the Holiday Park, we identified that some of the mature trees there were starting to grow into our stormwater pipes and causing flooding issues.

# What's our plan?

## **We are reprioritising the strengthening of our earthquake-prone buildings**

We're working with building owners, tenants and the community to upgrade our earthquake-prone buildings and we've undertaken detailed seismic investigations to help us understand the costs involved.

Council adopted an Earthquake Prone Buildings Policy in 2019 which provides a framework for decision making around the strengthening of our earthquake prone buildings, and in 2023, Council agreed on an order of strengthening to inform the 2024-34 Long Term Plan and ensure all its buildings are addressed within the legislative time frame. Seismic strengthening designs will be developed on a building-by-building basis and as we progressively seismically strengthen our key buildings – it is likely that more work programmes could be triggered, such as roof replacements, fire upgrades, or asbestos remediation. All this work will need to go hand-in-hand with the timing of our Civic and Cultural Precinct Masterplan.

## **We are investing in more asset condition assessments**

We will be developing a Condition and Performance Policy that defines what condition assessments should be conducted, by whom, their frequency, and why. Our facilities maintenance team will be an integral part of this – they have already completed condition assessments for most of our property portfolio at a component level. However, we also plan on being able to understand the structural condition of our assets; for example, our roofs need structural assessments. We have also created programmes to understand the condition of our underground pipes (water, wastewater and stormwater).

## **Using better data to inform decision making**

We are aiming to use accurate data to drive better long-term investment decision making across our property portfolio. We are working on finding ways to integrate our asset data system and our facilities maintenance system. This will make it easier to repeat faults and repairs. It will help us to understand our historical maintenance and ensure that maintenance work is completed on time.

## **We are increasing our maintenance budgets**

We are increasing our maintenance budgets across the portfolio to ensure we can provide better levels of maintenance. Increasing our maintenance budgets will help us to catch-up to deferred maintenance. In the long run, having a planned maintenance approach will mean that we can push out renewing our assets until later in their lifecycle, potentially minimising whole of life costs. In response to building new assets, we recognise that we need to have robust operational maintenance plans and budgets in place.

## **We are trying to mitigate vandalism**

We are spraying our buildings with anti-graffiti spray and where possible, we are installing cameras in key areas to make our city and facilities safer.



# We're doing our part to tackle climate change

We aim to make our buildings warmer, drier and better ventilated to account for the more frequent and extreme weather events we're facing and the changes in rainfall patterns. We're also aiming to lower our water usage, become more energy efficient and to use more sustainable building materials whenever we're undertaking work.

## **Lowering our carbon footprint**

In 2021 our elected members introduced a Low Carbon Fund, which invests \$1 million a year in lowering emissions from our operations. This fund is being utilised across our building portfolio with the aim of reducing carbon.

Central Energy Trust Wildbase Recovery and our new social housing development at Papaioea Place were all designed and built to be energy efficient.

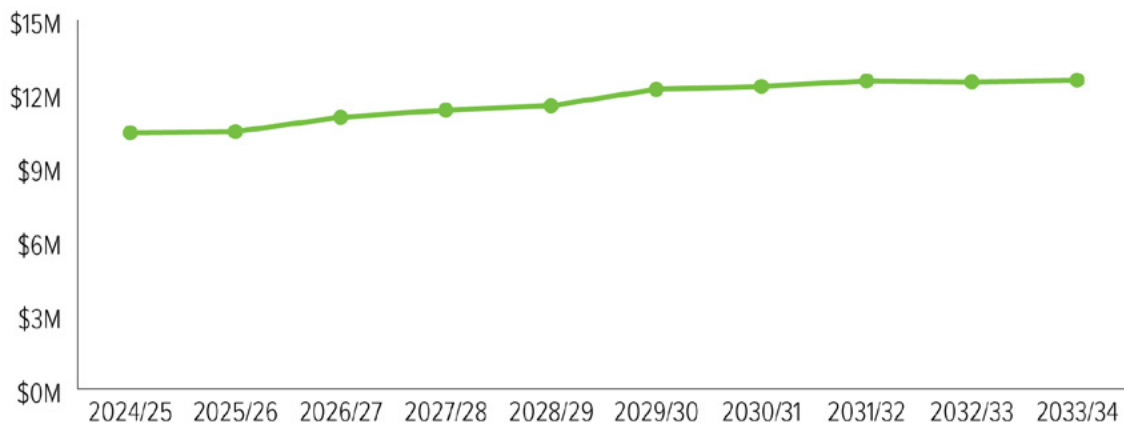
Each time a building needs new lighting, we opt-in for more sustainable LED lighting and while this requires a greater up-front cost, the use of longer-lasting and more efficient fixtures will minimise the whole of life costs and be more energy-efficient. Caccia Birch House and the Regent Theatre have recently had LED lighting upgrades and older heritage buildings are expected to follow suit.

# How much will it cost?

## Maintenance

Our maintenance budgets have increased to ensure that our buildings continue to meet the needs of the community. Rising costs mean maintenance activities are costing more than they did before, as well as many of our facilities getting older and therefore in need of more work. Our Social Housing portfolio continues to be our largest expenditure area for maintenance. On average we propose to be spending \$1.8 million each year on social housing maintenance.

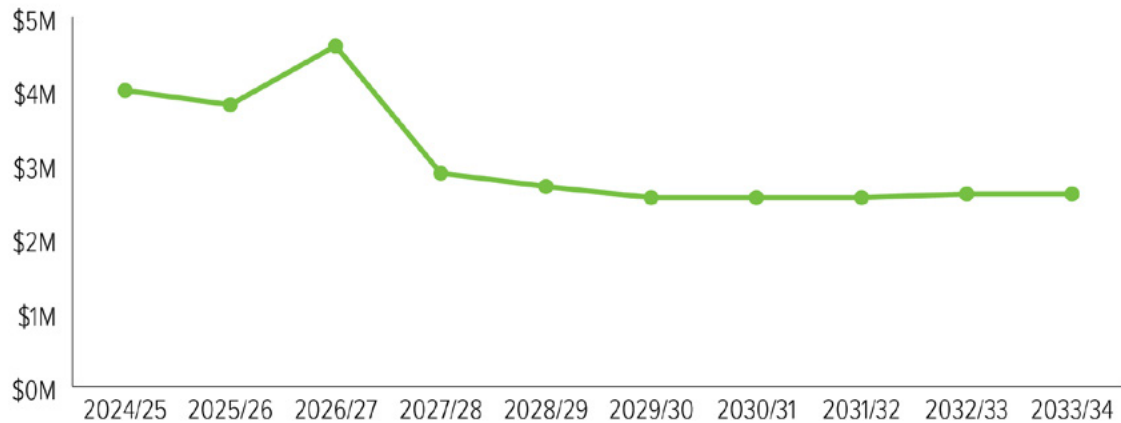
Other larger maintenance spends are in our larger facilities such as Central Energy Trust Arena, Libraries, and Council's central administration Building (CAB), along with in our arts and cultural buildings, and our large number of public toilets located throughout the city. Work at these facilities includes things like preventative maintenance to building services like air-con, building compliance work, and reactive maintenance and repairs to damage. On average each year we are looking to spend \$7.8 million each year on maintenance.



There will be an increase in operating costs associated with building additional and new facilities (Public toilets, Central Energy Trust Arena Masterplan facilities community facilities and social housing units), as once we build them, we need to maintain them accordingly with preventative maintenance.

From year 6 onwards costs will increase to just over \$1 million per year as additional facilities are constructed.

## Renewals

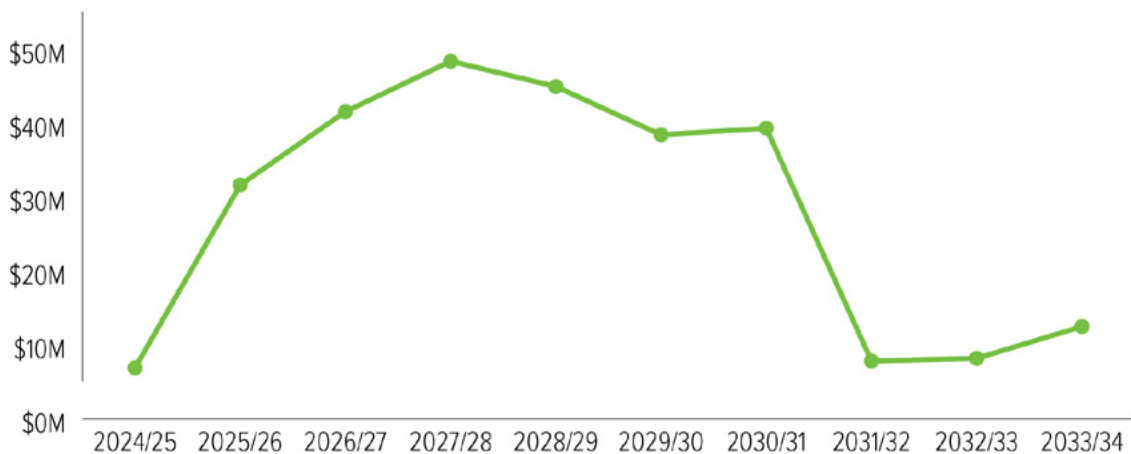


We are proposing to spend \$27 million over the next 10 years and \$70 million in the next 30 years across all our facilities. The Central Energy Trust Arena site is one of our key renewal areas with at least \$500,000 budgeted for each year.

In Year 3, our budget increases due to significant roof replacements for Arena 1 and the replacement of windows in the CAB building. Our renewals from year 4 onwards will be focused on renewing components with our public toilets, social housing, and other community facilities.

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## Capital new



The largest portion of the new capital spend over the next 10 years will be for seismic strengthening across our operational and cultural facilities. New facilities proposed for construction include Central Energy Trust Arena Masterplan items, an archives building, additional social housing units and future community hubs.



This document was prepared by Palmerston North City Council, Infrastructure, Asset and Planning Division.

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# 1 Introduction

## 1.1 He Mihi

Manaaki whenua, manaaki tangata, haere whakamua. Tihei mauri ora!

No reira, e te haukainga o Rangitāne, nei rā te mihi nui ki a koutou e pupuri nei i te mauri o te whenua me ngā wai e rere atu e rere mai.

Tēnā koutou, tēnā koutou, tēnā tātou katoa.

Our vision for Papaioea Palmerston North is **“he iti rā, he iti pounamu | small city benefits, big city ambition,”** where every resident enjoys the benefits of living in a small city yet has the advantages of a big city.

The city is fortunate to have a range of quality assets that are managed in a way that supports this vision and provides our community with essential services, including the Property Activity.

We provide facilities to support the wellbeing of our communities. These facilities support Council, local organisations, and private providers to deliver a variety of community-based resources, services, and activities to meet the needs of our communities.

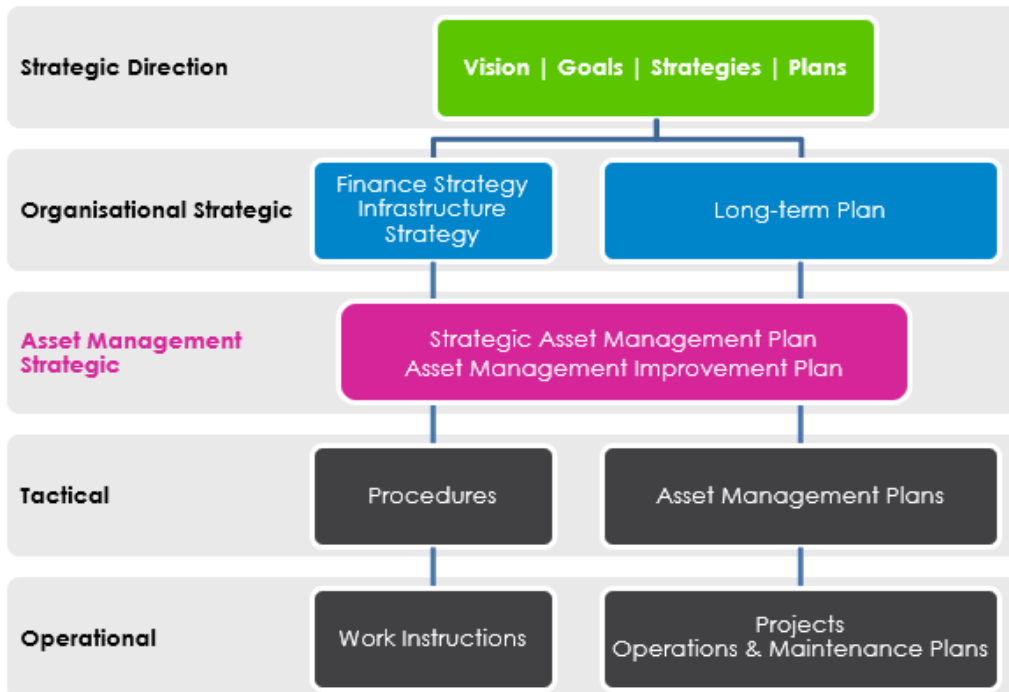
Figure 1 - Papaioea Place Social Housing



## 1.2 Our Asset Management Framework

Council has a range of strategic and technical documents that together form the Asset Management Framework. The foundation of the framework and related documents are formed from Council's vision, goals, and strategic direction. Figure 3 below - highlights how all the key documents interlink to create the AM framework.

Figure 3: How the AM framework links to other strategic documents



## 1.3 Our Partnership with Rangitāne o Manawatū

Rangitāne o Manawatū is a key partner in terms of overall Council governance. In our commitment to fostering and strengthening our partnership with Rangitāne o Manawatū, we aim to ensure:

- our building portfolio to incorporate more sustainable approaches within our building portfolio
- there is visibility and expression of Rangitāne across the landscape of Te Papaioea which includes our buildings

## 1.4 Strategic Challenges

### 1.4.1 Strategic Challenges for the Property Activity

We have various challenges in the lifecycle management of our facilities and buildings that need to be overcome to fully realise the full potential of the council-owned building portfolio.

**Table 1 - Strategic Challenges for the Property Activity**

Key Challenges	Detail - What we are doing to address the issues
<b>Increases in Seismic Strengthening Cost and increase in more earthquake-prone buildings.</b>	Costs have now increased over the next 10-15 years we will be spending. Work Programme 902 – Seismic Strengthening has a budget of \$200 million – the budget is likely to increase. The number of earthquake buildings has doubled since the last AMP/ Long Term Plan (LTP) . We proactively completed detailed seismic assessments to identify what seismic strengthening might be needed. This will impact on our current budget and levels of service regarding the availability of certain buildings during seismic strengthening. Any of our buildings that are earthquake-prone are not covered for reinstatement insurance cover.
<b>Timing of Civic and Cultural Precinct Masterplan (CCPMP)</b>	At present a firm decision has not been made regarding future options for the buildings and not a firm timeline.  There is also a challenge is trying to avoid sunken costs – for example seismic strengthening buildings that might get reconfigured in the future, larger renewals, and larger maintenance jobs. More robust analysis is needed
<b>Climate Change</b>	We aim to use more robust, sustainable, and energy efficient materials in our renewals and new build programmes. Renewals are focused on prioritising buildings that have weathertightness issues or overheating issues. As we intend to ensure our buildings are warm and comfortable for all users. We are proactively installing LED lighting where possible when renewing.
<b>Uncertainty of future temporary relocation (for buildings in CCPMP)</b>	Uncertainty of future temporary relocation for Central Library and tenants in Civic Administration Building. Some facilities will not be able to operate while seismic strengthening is happening. Options are still to be investigated to identify where there is extra capacity within our portfolio to host a temporary Library and options will be available for tenants/ occupants.
<b>Heritage Issues</b>	Challenging to find exact materials and specialist to remediate special components. New work is kept to a minimum and must retain as much of the original fabric as possible and be compatible with long term conservation of heritage place.
<b>Unknown condition of underground assets water, wastewater pipes</b>	An ongoing condition assessment programme to investigate our underground assets has been proposed in the Long Term Plan (LTP) . Programme 1728-Property - Underground Services Investigations has a budget for investigative work to be completed every year or two years. We are rectifying underground pipe issues at Holiday Park, and some of our high use sport fields in collaboration with the Parks and Logistics Division.  With the unknowns that we have it makes it hard for us to have a certainty of when to renew/ maintenance certainty pipes
<b>Staff Resource Planning –</b>	Replace and reappoint staff as they retire. Ensuring we capture the institutional knowledge prior to staff leaving.
<b>Managing community expectations within the defined levels of service</b>	Meeting user expectations of our facilities within the current level of service and budget constraints is an on-going risk that is carefully managed between Officers and users.
<b>Demand planning</b>	Responding to city growth and demand in a proactive and prudent manor in a prompt sense. This is a continued challenge as the city continues to grow.

## 1.5 Our key partners and stakeholders

### 1.5.1 Rangitāne o Manawatū

Rangitāne o Manawatū is a key partner in terms of overall Council governance. Their expectation from past plans is to incorporate more sustainable approaches within our building portfolio. As well as ensuring there is visibility and expression of Rangitāne across the landscape of Te Papaioea which includes our buildings.

### 1.5.2 Central Energy Trust

Central Energy Trust are key partners for our Central Energy Trust Wildbase facility and the Central Energy Trust Arena Complex. They fund and sponsor activities that occur at those two facilities and across other activities within Council.

### 1.5.3 Council Controlled Organisations (CCOs)

There are three Council CCOs that related to the Property Activity. They provide business and community expertise that we may not otherwise have easy access to. These organisations are each managed by a Board of Trustees made up of committed volunteers. These organisations ensure that the community and user groups have a voice in the strategies that shape the property activities and the future development of their respective buildings.

Caccia Birch House was a CCO until December 2021. It is now managed directly by Council and is considered an operational facility.

**Table 2 - Council Controlled CCOs**

Te Manawa Museums Trust	The Regent Theatre Trust	The Globe Theatre Trust
Manages the day-to-day operations of Te Manawa Museum. Te Manawa Art Gallery and the Te Manawa Science Centre. Their objective is to provide the Manawatū with interactive experiences in art, science, and history by acquiring, conserving, and communicating material evidence of people and their environment.	Preserves and promotes the Regent on Broadway, providing a vibrant and unique theatre, performing arts and community venue for the city and region.	Partnership in maintenance of Globe Theatre. Building is utilised as performance theatre promotes the performing arts within Palmerston North by catering for a variety of local and touring artists and cultural events, conferences, and seminars.

### 1.5.4 Community Partners

**Table 3 - Community Partners Responsibilities**

Community Groups	Community Centre Committees	Community Trusts
Community Groups are often key partners when it comes to major changes in community facilities – community centres, sports pavilions, libraries etc. We work with community groups to ensure that we understand the current and future needs of our communities.	Community Centre Committees receive Council funding and support. The committee plays a key role day to day operations of managing our community centres. The committee is made up of volunteers from the local community. We work with community centre management committees to ensure that the community centres are meeting the needs of the users.	Keith Street Power Station, Creative Sounds and Square Edge are all operated by community trusts. They undertake the day-to-day operations of these facilities.

A full list of key stakeholders is included as appendix A and B.

## 1.6 Strategic Asset Management Plan

This plan should be read in conjunction with Part A '[Palmerston North City Council Strategic Asset Management Plan](#) (SAMP).' The SAMP includes the overall strategic approach to managing council assets and overarching issues, practices, and systems.

## 1.7 Property Asset Management Plan

The Property Asset Management Plan (Property AMP) has been created to enable the Property Division to improve the long-term lifecycle asset management of the buildings portfolio that they have been assigned responsibility for. The AMP is the core document for the asset management processes for the overall building portfolio.

This Asset Management Plan is a 'One stop shop' reference document overview of the property activity and assets. It outlines how we will manage these assets, from maintenance, renewals, capital new projects and improvements to how we manage our buildings portfolio.

### The Property AMP aims to:

1. Align with Council's vision and strategic goals
2. Form the baseline document to identify maintenance, renewal, disposal, and capital new requirements to meet the community's needs now and into the future;
3. Highlight the key issues and opportunities facing our buildings portfolio
4. Highlight condition and performance of our buildings and facilities
5. Signals the risks and consequences of current financial and planning constraints
6. Demonstrate how we manage our facilities
7. Have supporting evidence for the Long Term Plan (LTP) which is reviewed every three years and 30-year Infrastructure Strategy

*Property asset planning is all about having the right property, in the right place, maintained in the right state, performing in the right way, at the right time and delivering the right benefits. - NAMS Manual 2006*

### **Definition of a building**

For the purposes of this Plan, a Building is defined as a human-made structure that requires a building consent and has all following features:

- A roof and walls connected to form an enclosed, or partly enclosed, space;  
Fixed foundations or footings;

### 1.7.1 Building Asset Type Category

For ease in facilities management the Property Division categories all the buildings with similar services provided into six main asset type categories. Further exploration of these categories can be found in section 10 – Lifecycle Management. The six categories are summarised below.

**Table 4 - Building Asset Type Category**

<b>Council Service Areas</b>	Operational Facilities Public Toilets Resource Recovery Buildings Cultural Facilities	Community Agency Facility Community Centres Sportsfield Buildings	Investment Properties Strategic Properties Social Housing
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<b>Asset Type Categories</b>	<b>Operational Facilities</b>	<b>Cultural Facilities</b>	<b>Community Facilities</b>	<b>Recreational Facilities</b>	<b>Investment and Strategic Properties</b>	<b>Social Housing</b>
	<i>Event buildings, Arenas, i-Site, libraries, administration buildings, water &amp; wastewater treatment buildings, Resource Recovery buildings, public toilets, animal shelter, Wildbase Recovery Centre</i>	<i>Arts Centres, museums, old power station, heritage buildings, performance theatres, music recording studio,</i>	<i>Community Centres, Community Agency Facilities</i>	<i>Pavilions, Reserve Buildings</i>	<i>Retail buildings, cafes at Regent building, CAB building, strategic buildings, Holiday Park</i>	<i>Social Housing units, staff houses, strategic houses</i>

### 1.7.2 Scope of what the property activity does and does not do

The Property Division acts as an internal service provider of facilities management and asset management of all Council owned buildings. The table below outlines the high-level responsibilities for the Property Division

**Table 5 - High-level responsibilities for the Property Division**

What Property Division Does	What Property Division does not do
Complete and coordinate condition assessments	Identify future areas for new buildings/ facilities development of most facilities. The exception is future public toilets and future social housing units. If a public toilet is needed in Parks / Reserves, we collaborate with the Parks & Reserves Division. For social housing we partner with community and other Council Divisions to identify new sites for social housing units.
Complete facilities maintenance on all buildings	Engage with local artists for commissioning for wall murals to be painted
Complete building renewals on all buildings	Land development for new Council owned buildings
Undertake capital new work on behalf of other activity areas	Booking of community and recreational facilities
Undertake building compliance works (seismic, accessibility, asbestos, fire compliance)	Tenancy management of social housing and community management groups
Lease management of land, investment buildings, and recreational building leases	

What Property Division Does	What Property Division does not do
Future utilisation planning of facilities and CCO buildings (Excludes CAB and some operational facilities)	

**1.7.3 Relationships With Other Asset Management Plans**

The Property Division acts as a specialist facilities management provider of all Council owned buildings. The following relationships between the Property 2023 AMP and other AMPs have been identified.

**Parks and Logistics AMP 2023** – We maintain and renew Sportsfield and reserves buildings for the Parks and Logistics Division. The Parks and Logistics Division maintains all the greenspaces, trees and gardens associated with our operational and social housing properties.

**Transportation AMP 2023** – We maintain and renew the strategic properties that the Transport Division owns for strategic purposes. The Transportation AMP also covers the management of hard surfaces. This will guide how we manage the hard surfaces areas across our facilities.

**Resource Recovery AMP 2023** – We maintain and renew the Resource Recovery buildings for the Resource Recovery Division

**Water AMP 2023** – We maintain and renew water activity buildings on behalf of the Water activity. Supports water supply/safety to all buildings. This AMP covers how water pipe assets are to be maintained, which will guide how we upgrade/maintain water pipe assets associated with our buildings.

**Wastewater AMP 2023** – We maintain and renew wastewater activity buildings on behalf of the Wastewater activity. This AMP covers how wastewater pipe assets are to be maintained, which will guide how we upgrade/maintain wastewater pipe assets associated with our buildings.



### 1.8 Relationship with other plans

This section outlines the relationships between the Property AMP, other Council AMPs, and other strategic plans. These other plans are accessible at: <https://www.pncc.govt.nz/council-city/official-documents/plans/>

AMPs are a key component of the Council planning process, linking with the following plans and documents:

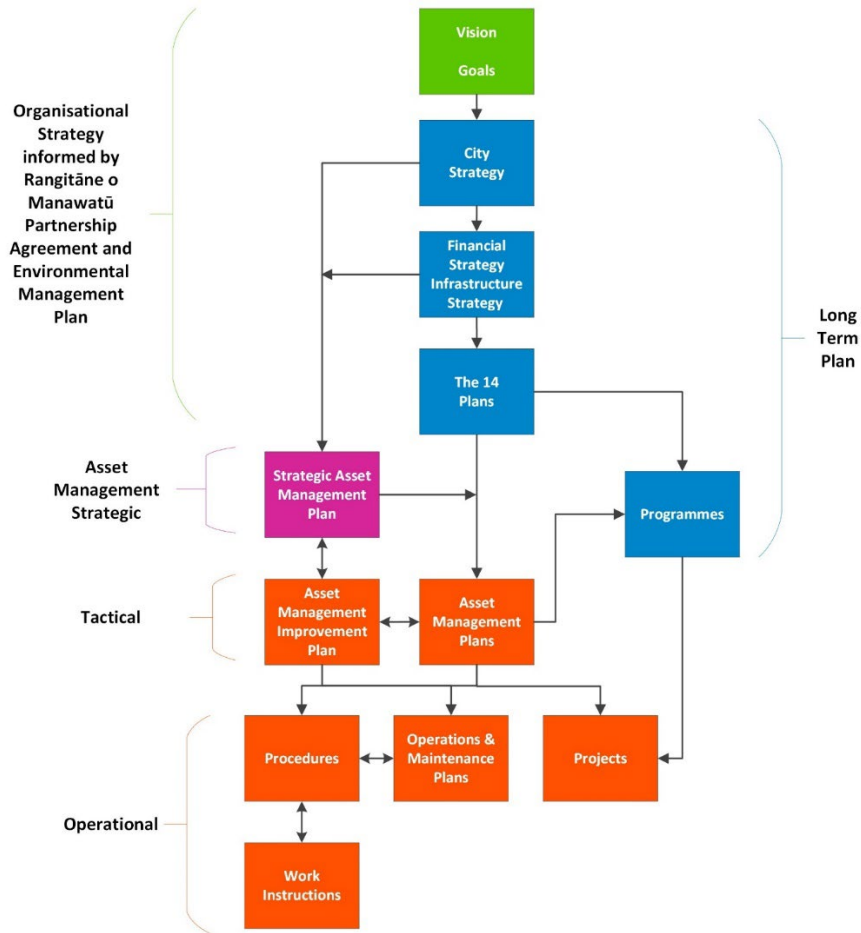


Figure 2 - Relationship of Asset Management Plan (AMP) to Other Plans

## 1.9 Masterplans

Each masterplan has a series of new developments, capital renewal and maintenance work programmes to give effect to the masterplan. Masterplan actions are always ongoing – there are living masterplans with room for flexibility to meet community needs.

**Central Energy Trust Arena Masterplan** - The aim of the Masterplan is to develop a quality, fit-for-purpose regional sporting and entertainment hub

### Civic and Cultural Precinct Masterplan

The Civic and Cultural Precinct Masterplan sets the scene for the future utilisation of the CAB, Central Library, Te Manawa Museum and Science Centre and the Te Manawa Art Gallery. The aim of this masterplan is to create a more cohesive and connected civic and cultural area.

### Victoria Esplanade Masterplan 2018

Sets out and supports the protection, development, and Management of the Victoria Esplanade. The Masterplan outlines future development requirements for upgrading architecture to create better connectivity between activity centres such as Central Energy Trust Wildbase, paddling pool, Victoria Café Esplanade, conservatory entrance any other proposed activity areas.

#### 1.9.1 District Plan

Our district plan sets out various objectives regarding land use, cultural heritage, and natural hazards. Most sections within the district plan relate with the property activity. However, the most relevant to the property activity are:

**Table 6 - District Plan and Property Activity Relationship**

District Plan Section	Relevance to Property Activity
<b>Sections 9,10,11,12 and 12A</b>	Cover land use rules for rural, residential, business, and industrial zones also inform where we can expand our future facilities to.
<b>Section 16 - Caccia Birch</b>	Outlines the heritage conservation of buildings, future residential growth areas, to ensure that buildings and objects of cultural heritage value to Palmerston North are appropriately protected and conserved.
<b>Section 17 Cultural and Natural Heritage</b>	Ensures that buildings and objects of cultural heritage value to Palmerston North are appropriately protected and conserved. It gives guidelines of permitted activities within our cultural and heritage buildings.
<b>Section 22 Natural Hazards</b>	Recognise the existence of natural hazards within Palmerston North City. Controls development on land which is or might be adversely affected by natural hazards.

#### 1.9.2 Asset Management Maturity Assessment

The Asset Management Maturity Assessment (AMMA) is also a key driver in improving key asset management elements. The recommended improvements from these assessments have been embedded in our improvement plans. We review our asset management maturity every 3 years. Our recent AMMA in 2022 showed that we have significantly matured in asset management.

This current AMP recognises that there are asset management gaps. Those gaps will not be filled during this AMP process round. An Improvement Register and plan have been created to address the key issues over the next 3-10 years. See section 11.2.2 of this document for a copy of the improvement register.

### **1.9.3 Housing Capacity Assessment**

The Housing Capacity Assessment describes Palmerston North's housing and identifies some of the prominent issues influencing the standard and level of housing need. It also outlines the need for social housing within the city – in which Council plays a role in providing to those that meet criteria for the most urgent needs.

### **1.9.4 Public Toilet Strategy**

We have a Public Toilet Strategy to address community satisfaction levels with public toilet provision. This has resulted in the progressive upgrading of toilet facilities to bring all facilities to a medium to high standard. Safety of the users has been a key factor in the redesign and upgrades of these assets.

### **1.9.5 Sanitary Services Assessment Public Toilets**

Under the Local Government Act 2002, there is a requirement for local authorities to undertake an assessment of their sanitary services (Sections 125, 127, 128 & 129). The first Sanitary Services assessment was undertaken in February 2005.

## 2 Internal and External Strategic Context

The direction of property service's activities is driven by Councils vision, goals, and overarching strategies. This section outlines what expectations there are in our strategic direction that relate to the property activity.

The Local Government (Community Well-being) Amendment Act 2019 (LGA Wellbeing Act) encourages local Council to achieve for wellbeing outcomes – social, economic, environmental, and cultural wellbeing. Our Council strategies give effect to that direction that is specific for our Palmerston North community's needs.

### 2.1 Internal Strategic Direction

Council has four strategic goals that help to enact the vision of “Small City benefits, big city ambition.” Each goal has key strategic plans that set the direction for the goal to be achieved. The strategic plans are workable, on the ground actions that are completed at an operational level.

All strategic plans contribute to Council's goals to promote economic, cultural, social, and environmental wellbeing. Our goals and outcomes are described in the Oranga Papaioea City Strategy.

The Oranga Papaioea City Strategy describes Council's activities and actions for the first three years of the 2021-2031 10-Year Plan

Four goals have been adopted to fulfil this vision:

- Goal 1 - An innovative and growing city
- Goal 2 - A creative and exciting city
- Goal 3 - Connected and safe communities
- Goal 4 - A sustainable and resilient city

### 2.2 Community Plans and Property Activity

The details of each strategy and plan are outlined on our Council's website: [Strategic direction | Palmerston North City Council \(pncc.govt.nz\)](https://www.pncc.govt.nz/strategic-direction)

Our strategic plans define “what”/ objectives we want to achieve “how”/actions and timelines to deliver actions.

The Property Division ensures that the actions from the plans are completed. The plans also have measures of success, which we use to inform our levels of service and to form programmes of work that can be funded through the Long Term Plan (LTP)

Table 7- Summary of Property Activity related actions in our strategic plans

Strategic Plan	What Property activity will do to give effect to strategic direction	Facilities that give effect to this plan
<b>Housing</b>	a) provide social housing for older people, disabled people, and people on low incomes, and provide incentives to encourage other housing providers; and	Social Housing
	b) facilitate new housing developments in partnership with city housing providers.	
<b>Urban design</b>	a) provide connected, diverse, safe, and interesting public spaces (streets, open spaces, buildings, and infrastructure); b) include the expression of Rangitānenuiarawa (Rangitāne expression of kaitiakitanga) in public art and places	All
<b>Economic development</b>	a) provide services for visitors, including the Palmy Conference + Function Centre, i-site, and holiday park;	Palmy Conference + Function Centre, i-site, and Holiday Park (Operational Facilities and Investment Properties)
<b>Arts and heritage</b>	a) provide and support cultural facilities, including cultural CCOs;	All Cultural Facilities
	b) invest in cultural heritage buildings and places; and	
<b>Recreation and play</b>	provide community sport and sport-event facilities at Arena Manawatū;	Central Energy Trust Arena and all Sportsfield Buildings
<b>Community support</b>	a) provide and support community centres and Hancock Community House;	Community Facilities
	b) provide Central Energy Trust Wildbase Recovery in partnership with Massey University;	CET Wildbase (Operational Facilities)
	c) provide cemetery services; and	Crematorium (Operational Facilities)
	d) provide public toilets throughout the city.	Public Toilets (Operational Facilities)
<b>City Library</b>	a) provide the Central Library, four community libraries, the mobile library, Blueprint, and Youth Space; and	Libraries (Operational Facilities)
<b>Climate change and sustainability</b>	a) reduce Council activities that produce greenhouse gases (e.g. use of diesel, electricity, and natural gas); b) promote activities that support low-carbon city outcomes, including those that compensate for activities that produce greenhouse gases; c) reinforce sustainable best-practice through Council policies and practices;	All buildings where possible
<b>Resource recovery</b>	a) provide waste collection services, include kerbside collection, the Ashhurst transfer station and public space rubbish bins	Awapuni Materials Recovery Facility and Drop off stations and transfer stations

Strategic Plan	What Property activity will do to give effect to strategic direction	Facilities that give effect to this plan
<b>Water</b>	a) provide wastewater, water, stormwater services for the safe collection, treatment, and disposal of the city's wastewater;	All water and wastewater buildings

### 2.2.1 Masterplans

The masterplans noted in section 1.3. set the direction for future upgrades of the Te Manawa Complex, CAB, Central Library, Central Energy Trust Arena and Esplanade Buildings – (Central Energy Trust Wildbase and Victoria Esplanade). The Property Division role is to ensure that upgrades, renewals or maintenance of the facilities are carried out as per the upgrades to the Central Energy Trust Arena.

### 2.2.2 External Strategic Direction

The Property Activity is not a mandated activity under the Local Government Act 2002. Nationwide there is no streamlined approach for the Property Activity Management. Each council's portfolio size, building types, services and activities supported vary from council to council. This allows each Council to be flexible to the needs of their communities.

Most external direction comes in the form of regulatory compliance – i.e., seismic strengthening, asbestos management, healthy homes compliance etc. We are investing in these areas and have created work programmes.

#### 2.2.2.1 Taumata Arowai - 3 Waters Reform

The biggest change in external strategic direction is the [Taumata Arowai - 3 Waters Reform](#). All Our water and wastewater buildings will now be managed by the new Entity in the new Taumata Arowai organisation. Our planning for water and wastewater buildings will only be up to when the entity takes effect.

Please see section 2.4 Three Waters Reform Programme in the Water and Wastewater AMP for an update on the Three Waters Reform after the post the 2023 general election. In conclusion, the Property Activity will continue providing life cycle management (maintenance, renewals of water and wastewater buildings) .

### 2.2.3 Post 2023 General Election

With the change in Government in October 2023 the legislation has been repealed via The Water Services Acts Repeals Act 2024. This passed all stages of parliament and received royal assent on 16 February 2024.

The Repeal Act essentially returned the provision of water services back to the arrangement which existed prior to the Water Services Entities Act 2022. The Government further announced that it would be bringing legislation to the house under its Local Water Done Well proposal in mid-2024. This intends to enable territorial local authorities to set up stand-alone water entities and has removed requirements around mandated iwi involvement within an entity.

### 2.2.4 Regulatory Context

Section 5 of the Local Government Act describes the provision of facilities – is to be provided and constructed by local authority or a council-controlled organisation.

Councils must operate within the boundaries that are set forth by the Local and Central Governments. The statutory requirements provide the Council with a minimum level of service standard. The SAMP lists all legislation relevant to the Council as a whole.

Table 8 outlines the relevant legislation that readily applies to the management and maintenance of the property activity.

**Table 8 - Relevant Government Legislation**

Local Government Legislation	How this relates to property activity
Local Government (Community Well-being) Amendment Act 2019	Provides for Council to play a broad role in promoting the social, economic, environmental, and cultural wellbeing of their communities, taking a sustainable development approach. This will relate to how Council properties are managed.
Building Act 2004	Sets out the rules for the construction, alteration, demolition, and maintenance of new and existing buildings in New Zealand. Its purpose is to ensure that people can use buildings safely and without endangering their health. To ensure all buildings are safe qualifying buildings need to have a Building Warrant of Fitness (BWOFF).  Buildings are designed, constructed and able to be used in ways that promote sustainable development.
Building (Earthquake-prone Buildings) Amendment Act 2016	Amendment of the Building Act (Earthquake Prone Buildings) in 2016 has been a key legislation has also been a key driver regarding the direction of lifecycle use of Councils operational and cultural buildings.
Building Code 1992	It sets the minimum standards that building work must perform to. It covers aspects such as structural stability, fire safety, access, moisture control, durability, services and facilities, and energy efficiency. This is incorporated for our new builds and upgrades.
Healthy Homes Standards 2019	Introduce specific and minimum standards for heating, insulation, ventilation, moisture ingress and drainage, and draught stopping in rental properties. The management of Councils rental properties needs to ensure compliance with this standard.
Residential Tenancy Act 1986	The law relating to residential tenancies, to define the rights and obligations of landlords and tenants of residential properties, to establish a tribunal to determine expeditiously disputes arising between such landlords and tenants, to establish a fund in which bonds payable by such tenants are to be held. Council residential properties (e.g., Social Housing units) are covered by this act.
Occupiers Liability Act 1962	Relates to the liability of occupiers and others for injury or damage resulting to persons or goods lawfully on any land or other property from dangers due to the state of the property or to things done or omitted to be done there. Council properties. Council's properties are covered by this act.
Heritage New Zealand Pouhere Taonga Act 2014	The purpose of this Act is to promote the identification, protection, preservation, and conservation of the historical and cultural heritage of New Zealand. This Act assists us to ensuring we navigate how to maintain our heritage buildings such as Caccia Birch and Keith Street Station in an appropriate way in line with this act.
Crematorium Regulations Act 1973	Council must comply with this act in relation to the management of its crematorium assets. This readily applies to how to maintain and plan for our crematorium at Kelvin Grove cemetery
Resource Management Act 1991	Purpose is to promote the sustainable management of natural and physical resources by avoiding, remedying, or mitigating any adverse effects of activities on the environment. Resource consent requirements for example issued by the Manawatu-Wanganui Regional Council for the Gordon Kear Forest. This is
Natural and Built Environment Act 2023	The Natural and Built Environment Act (NBA) is the main replacement for the Resource Management Act 1991.

Local Government Legislation	How this relates to property activity
Spatial Planning Act 2023	<p>The Spatial Planning Act (SPA) requires each region to develop a regional spatial strategy that sets out the long-term issues, opportunities and challenges for development and the environment in the region.</p> <p>It works alongside the Natural and Built Environment Act, the main replacement for the Resource Management Act 1991.</p>
Climate Adaptation Act	<p>The Climate Adaptation Act (CAA) will assist local government organisations in addressing and mitigating the key complexities associated with managed retreat.</p> <p>It will work alongside the Natural and Built Environment Act, the main replacement for the Resource Management Act 1991 and is due to be enacted later.</p>
Health and Safety at Work Act 2015	<p>Requires the provision of safe workplaces for all activities by local authority staff and contractors, and the maintenance of an audit trail to demonstrate compliance. This act directly applies to our facilities management for both in-house staff and external contractors.</p>
3 <a href="#">Waters Reform</a>	<p><a href="#">Water Reform</a>. Government is progressing reforms so that three waters services will be provided by ten publicly - owned water service entities by July 2026.</p>
Public Bodies Contracts Act 1959	<p>Confers on a local authority similar power to enter contracts as enjoyed by corporate bodies or natural persons.</p>
Climate Change Response (Zero Carbon) Amendment Act	<p>Provides a framework by which New Zealand can develop and implement clear and stable climate change policies that allow New Zealand to prepare for, and adapt to, the effects of climate change.</p>
Reserves Act 1977	<p>Many of the Councils properties are located on or adjacent to public reserves. Council must comply with this act.</p>
Land Drainage Act 1908	<p>Council must comply with this act in relation to the management of its properties and the land they are sited on.</p>



### 2.2.4.1 Heritage New Zealand Pouhere Taonga

Heritage New Zealand Pouhere Taonga is a Crown organisation that advocates for the protection of ancestral sites and heritage buildings in New Zealand. The [“Sustainable Management of Historic Heritage Guidance”](#) guidance document outlines all the heritage principles that need to be considered when, maintaining, repairing, or upgrading heritage buildings.

Heritage NZ notes buildings that are nationally and regionally significant. The District Plan notes buildings that are locally significant to the city/ district. The table below notes buildings the definitions for category 1 and category 2.

**Table 9 - Definitions of Heritage Classifications of Buildings**

District Plan Category Definitions	Heritage NZ – Category <u>Definitions</u>
<b>Category 1</b> Buildings and objects which are of outstanding cultural heritage value to the city	<b>Category 1</b> historic places are of special or outstanding historical or cultural significance or value
<b>Category 2</b> Buildings and objects which are of cultural heritage value to the city.	<b>Category 2</b> historic places are of historical or cultural significance or value

**Table 10 - Our Heritage Buildings**

Heritage Building	Category
Central Library – in the past known as the DIC Building	2 - Heritage NZ
Ashhurst Library	2 - Heritage NZ
Caccia Birch House	1- Heritage NZ
Regent Theatre	1- Heritage NZ
Café Esplanade Building	2 - Heritage NZ
Keith Street Power Station	Category 1 Heritage building as per District Plan
Square Edge	Category 1 Heritage building as per District Plan

## 3 Description of Property Activity

### 3.1 Scope of Activity

Our buildings and facilities support the various activities and services that Council provides. The Property Division of Council manages the facilities maintenance of these buildings. The Property Division ensures that our buildings and facilities are well maintained to support the activities and services provided from these buildings throughout their lifecycle.

#### 3.1.1 Council Activity/ Service Areas

Our buildings and facilities assets support ten different service areas from Council.

**Table 11 - Property Activity Areas**

Activity Provided	Purpose
<b>Operational Properties</b>	Operational buildings support operational and administrative services for Council. Buildings such as the CAB, Albert Street Depot, Parks Operational Depot, Animal Shelter, Central Energy Trust Wildbase, Crematorium, I-site and the Conference and Events Centres.
<b>Resource Recovery Buildings</b>	Resource Recovery buildings help to support the city's goal to reduce waste and to be sustainable through recycling of materials
<b>Cultural Facilities</b>	These facilities provide opportunities for residents and visitors to participate in arts and cultural events, as well as provide access to information and knowledge to inspire and encourage lifelong learning.
<b>Social Housing</b>	Council provides social housing to meet community needs for those that on low income who are super annuitants, have long term disabilities and experience barriers to renting in the private market.
<b>Community Agency Facilities</b>	Community Agency Facilities provide spaces for not-for-profit agencies to offer services to the community.
<b>Community Centres</b>	Community centres act as a focal point for their communities. Community groups, clubs, and people of all ages use these facilities for a wide variety of events and activities.
<b>Public Toilets</b>	Public toilet facilities are located on parks and reserves, in civic shopping centres and libraries, and within community facilities.
<b>Sportsfield Buildings</b>	Sportsfield buildings and sporting activities with basic changing and showering functionality and as well as specific sporting clubroom facilities.
<b>Investment Properties</b>	Investment properties provide income from assets with which to offset costs of other Council activities, and which may also be of strategic importance.
<b>Strategic Properties</b>	Strategic properties are held for strategic reasons for long term development of Councils projects such as CET Arena or transportation projects to expand.

## **3.2 What is out of scope?**

### **3.2.1 Interior Fitouts and Utility services**

Non- building components/ moveable assets and interior operational fitouts are the responsibility of the occupant of the building – i.e., chairs, desks, fridges, technological hardware TVs. Utility service connections to power, internet, and gas and the payment of these are the responsibility of the respective Council activity manager or private tenant.

### **3.2.2 Property and Land Development**

Property development through provision of land for subdivisions is a role that is undertaken by a cross functional group of council officers including the Property Group Manager. The Property Group Manager as part of Council's goals to provide opportunities for future city growth and for extra Council revenue. A recent opportunity for development was the Whakarongo Residential Subdivision also known as Tamakuku Terrace. Although this activity is important it is not an integral part of Council's asset management for the Property activity as new build sites are scoped out by the respective service managers.

### **3.2.3 Aquatic Facilities**

The exception to facilities management is the aquatic facilities - such as the Lido, Freyberg Pool and Splashhurst. Management of these facilities is undertaken by the Parks and Logistics Division.

### **3.2.4 Non-Council Owned Buildings or Facilities**

Our Libraries at Awapuni, Roslyn and our Youth Space on George Street are not Council owned buildings. They are leased spaces. These leased buildings enable Council to provide the activities to the community. Asset management and compliance requirements of these buildings is the responsibility of the owner. Internal fittings are the responsibility of the Community Development team and Libraries team, and general maintenance is completed by contractors on behalf of Facilities Management team.

### 3.3 What the Activity Currently Costs Summary

The Property activity supports a wide range of facilities and buildings. Over time we can see that operations and maintenance (O&M) costs have been higher than renewals. As there has historically been more maintenance across our buildings. Our renewals have been carried out however, due to high maintenance spend, renewals across the portfolio were not as frequent.

**Renewals** - Our renewals have been steadily increasing over the last 5 years. The major renewals areas have historically been the Civic Administration Building Renewals, Operational Depot Structures renewals and Central Energy Trust Arena Renewals.

**Operational and MSL** - Our key spends areas have been in improving asset condition assessments for our property portfolio, upgrading plus social housing units to become compliant with the Healthy Homes Standards, LED Lighting, and underground pipe investigations. Our MSL budget key investment areas are still in Social Housing portfolio and our Operational Facilities (CAB, Palmy Conference + Function Centre, CET Arena etc)

**Capital New** - Our capital new budget increased in the last three years. Our key investment areas the CET Arena redevelopment, and increasing the number of our social housing units at Papaioea Place via the Stage 2 and Stage 3 redevelopment

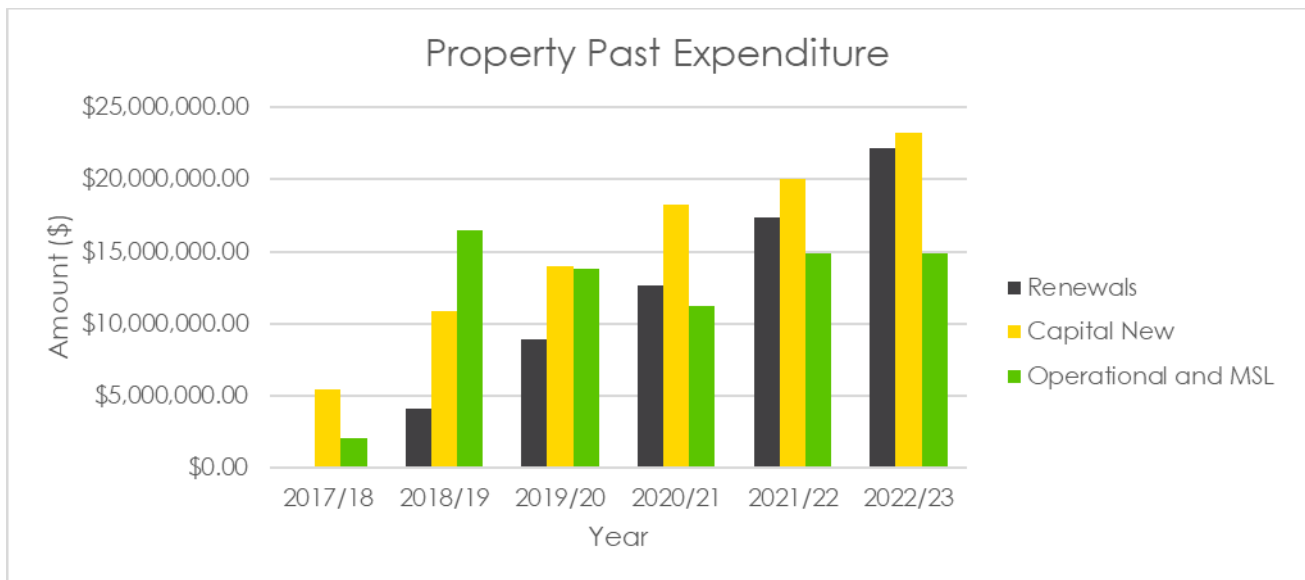


Figure 13 - Property Activity - Past Expenditure

Table 12 - Property Activity - Past Expenditure

	2018/19	2019/20	2020/21	2021/22	2022/23
<b>Renewals</b>	\$4,071,428	\$8,862,831	\$12,619,638	\$17,369,391	\$22,205,840
<b>Capital New</b>	\$10,813,229	\$13,969,228	\$18,240,163	\$20,034,311	\$23,264,177
<b>MSL</b>	\$5,852,699	\$5,372,601	\$4,165,070	\$5,455,002	\$5,403,373
<b>Operational Programmes</b>	\$4,738,282	\$3,072,278	\$2,848,368	\$3,938,960	\$4,070,452

## 4 Description of Property Assets

Our buildings and facilities are large and diverse. They support at least twelve services provided by us as Council, and the services provided from the private tenants and occupants.

### 4.1 Property and Facilities Asset Summary

The Property Division has condensed the ten activity areas into five asset category types.

A full description of the activities that occur in the buildings of each asset category can be found in the appendices.

\*\* Please note the water and wastewater buildings will be on this list until Taumata Arowai Entity commences after 2026.

**Table 13 -Activity area condensed into Asset Type Category**

Asset Type Category	
<b>Operational Facilities – 13 sites</b>	
Civic Administration Building (CAB) i-Site CET Wildbase Kelvin Grove Crematorium Albert Street Operational Depot Fitzherbert Parks Depot <b>Libraries</b> Central Library, Te Patikitiki Library Ashhurst Community Library (Awapuni Community Libraries Roslyn community libraries – Not Council owned – leased) (Youthspace - Not Council owned - leased)	<b>Events and Venues</b> CET Arena (6 arenas and 3 miscellaneous buildings Conference and Events Centre
<b>Public Toilets (list in appendices) 54 sites</b>	
<b>Resource Recovery Buildings - 2 sites (8 buildings)</b>	
Awapuni Materials Recovery Facility Processing Shed Awapuni Materials Recovery Facility Administration Building Waste Management Shed Awapuni - Transfer Station Kiosk Old Landfill Building (Timber Recyclers) 2 Portacom) Ashhurst - Transfer Station Kiosk (Ferguson Street Recycling Centre included within Albert Street Operational Depot)	
<b>**Water Treatment Buildings</b> Turitea Water Treatment Plant 10 Water Supply/Treatment Buildings <b>**Wastewater Treatment Buildings</b> Totara Road Wastewater Treatment Buildings 5 Wastewater Pump Station Buildings	
<b>Cultural Facilities - 8 sites (15 buildings)</b>	
Te Manawa Museum & Science Centre, Te Manawa Art Gallery	

*Te Manawa Science - Awahou South School*

*Te Manawa Science - Totaranui House*

*Globe Theatre*

*Square Edge Arts Centre*

*Square Edge Old Workshop Regent Theatre*

*Caccia Birch*

*Caccia Birch Coach House*

*Creative Sounds*

*Keith Street Power Station*

### **Community Facilities (14 buildings)**

#### **Community Agency Facilities**

Hancock House

Te Hā o Hine-ahu-one - Palmerston North Women's Health Collective –

Highbury Rooms – Highbury Weavers

Red Cross - Ashhurst - Cambridge Road

Tip Road Carvers Shed

#### **Community Centres**

Ashhurst Village Valley Centre

Awapuni Community Centre

Bunnythorpe Community Centre

Highbury Whanau Centre

Kelvin Grove Community Centre

Milson Community Centre

Palmerston North Community Leisure Centre

Rangiora Ave Community Centre

Westbrook Community Centre (Pasifika Centre)

### **Recreational Buildings – 21 sites**

Bill Brown Park

Bunnythorpe Recreation Ground

Cloverlea Park

Celaeno Park

Colquhoun Park

Coronation Park

Fitzherbert Park

Hokowhitu Domain

Lincoln Park

Manawaroa Park

All buildings in City-Wide Reserves including garages and sheds

Monrad Park

Ongley Park

Paneiri Park

Papaioea Park

Rangitane Park

Savage Reserve

Skoglund Park

Vautier Park

Wallace Park

Waterloo Park

### **Investment Properties & Strategic Properties**

#### **Investment Properties**

Regent Theatre Shops

Civic Centre Shops

Central Library Shops

Holiday Park (30 cabins and 10 other buildings)

The Chalet – Hokowhitu Lagoon

Café Esplanade

OJI Fibers – Materials Recovery Facility

Timber Recyclers Building – Awapuni Resource Recovery

#### **Strategic Properties**

7 Oakley Street

9 Oakley Street

11 Oakley Street

266 Rangitikei Street – MTF Finance

248 Featherston Street – Just Zilch

Te Wanaka Road

Winchester/ College Street

Social Housing - 19 Complexes – 2 staff houses (431 social housing complexes )			
Social Housing Complex	Number of units	Social Housing Complex	Number of units
116 Vogel Street	7	Elm Tree Court	24
175 Vogel Street	8	Glenmary Close	14
465 Church Street	6	Kopeka Court	24
51 Totara Road	1	Papaioea Place	85
Achilles Court	41	Persson Place	18
Bodell Place	28	Rakaia Place	40
Cardrona Close	43	Rangiora/Andrew Avenue	13
Castle Court	15	Stanford North Street	11
Waiheke Court	8	Wood Street	17
Wainui Court	43		

Staff Houses	Number of houses
Scott Road	1
Totara Road	1

## 4.2 Summary of All Property Valuations

The table below shows a summary of all the valuations for our facilities. For a building specific valuation please see the valuations data in the Morgan Valuation 2021. Values for 3 waters ad Resource Recover buildings are contained in the 3 Waters AMPs and Resource Recovery. Please refer to these.

Table 14 - Summary of All Property Valuations

Asset Category	Fair Value	Land Value	Improvement Valuation Cost	Replacement Cost
<b>Operational Facilities</b>	\$139,085,200	\$28,810,000	\$91,760,400	\$262,620,000
<b>Cultural Facilities</b>	\$69,004,000	\$18,980,000	\$47,319,000	\$139,598,000
<b>Community Facilities</b>	\$17,284,000	\$5,024,000	\$11,968,000	\$19,089,000
<b>Recreational Facilities</b>	\$128,548,300	\$92,294,000	\$19,408,100	\$44,309,000
<b>Investment Properties</b>	\$5,390,000	\$3,200,000	\$1,720,000	\$14,223,000
<b>Social Housing</b>	\$70,570,000	\$43,540,000	\$25,220,000	\$69,900,000

## 5 How we manage Property Assets

This section outlines how the Property Division manages all Council facilities and buildings. It also outlines how it supports various Council divisions and activities to ensure that the right levels of services are provided from all facilities and buildings.

### 5.1.1 Successes for the Property Activity

There has been growth in asset management and facility management of the property portfolio. The table below summaries some of the high-level successes we have had since the last Property AMP.

**Table 15 - Successes for the Property Activity since the last Property AMP**

Key Successes	What we did/ or a doing
Facilities Management Officers conducting condition assessments	Our Facilities Management Officers have been conducting condition assessments of most of our Council buildings. This has given us more opportunity to build inhouse capability for condition assessments. It has given FM officers opportunity to liaise more with the Asset Information team and create a sense of ownership of asset information data.  For larger and specialist buildings -i.e., CAB, Te Manawa, Arena etc. the condition assessments are completed by contractor - SPM
Better coordination from maintenance to renewals	Coordinated approach between the Facilities Maintenance team and the Property Capital Projects team. This creates efficiencies in budget management. For example, if exterior painting (maintenance related) is taking place in a community centre we ensure that any interior refurbishments (renewals related) can occur at the same time to minimise impact on the unavailability of the building.
Collaboration between Property Divisions and PMO	Seismic strengthening has been a key driver for work programmes for our vulnerable buildings. The collaboration between the Project Management Office (PMO) with the Property Division produced a much-needed prioritisation order for seismic strengthening of the nine earthquake-prone buildings. A work programme for seismic strengthening has been rescoped, and the budget increased to ensure earthquake-prone buildings are strengthened to the required requirements over the next 15 years.
Facilities Criticality Ratings for all buildings	Facilities Criticality Framework was completed in 2022. This identified which all our buildings were given an asset criticality rating at that point in time. This will help us to prioritise works across the portfolio.
Condition data is now better understood to inform maintenance planning	Planned maintenance is now focused on the asset category where possible rather than just focusing heavily on individual buildings
Building performance better understood	We have a better understanding of the user requirements for our facilities and how the built environment is meeting these needs. Better records of the components and asset performance is now captured in SPM.
Better documentation of planned maintenance work	We continue to transition to a planned and preventative model rather than relying on reactive maintenance.



## 5.2 Property Division Structure

The Property Division is responsible for the Council's building portfolio, the team's structure, and the activities they carry out are examined in detail below.

**Group Manager – Property and Resource Recovery –** Responsible for the overall management of the property team and the Council building portfolio and forms part of the wider Council Infrastructure Unit. There are four teams within the Property Division:

**Table 16 - Property Activities and Facilities Management Activities**

Properties Activities	Facilities Management
<ul style="list-style-type: none"> <li>- Renewal Planning</li> <li>- Lease management and property transactions</li> <li>- New capital works</li> <li>- Property compliance</li> </ul>	<ul style="list-style-type: none"> <li>- Maintenance Planning and co-ordination</li> <li>- Condition Assessments</li> <li>- Painting and Cleaning</li> </ul>
<b>Lease Management and Property Transactions</b> – Responsible for the coordination of tenancy and lease management, sales and purchase of all council property and land, and co-ordination of council property development projects.	<b>Maintenance Planning and Co-ordination</b> – Responsible for the planning and coordinating of all maintenance of Council facilities and including social housing.
<b>Capital Projects</b> - Responsible for the delivery of all property capital renewal work programmes plus support and co-ordination with the project management office, and support to the infrastructure division asset management and planning team.	<b>Painting and Cleaning</b> – Minor painting works are undertaken by the in-house painting team. The in-house cleaning team is also a key team in ensuring many of our public-facing building assets are clean, hygienic, and well provisioned.
<b>Property Compliance</b> – Responsible for ensuring all Council owned buildings meet legislative compliance requirements. This includes that all building warrant of fitness are up to date including seismic strengthening works and asbestos surveys are completed where needed.	

## 5.3 Services provided by contractors

External contractors are procured in line with our MT70 Procurement Policy and are managed by in-house Facility Management Team or Capital Projects Team.

We use external contractors where:

- the trade service cannot be completed by in-house staff (for new builds, renewals, and specialised maintenance work.)
- we do not have the equipment to complete certain trade services
- we do not have the qualified and certified staff to complete the job
- where it is more financially sustainable and efficient to use contractor services

External contractors undertake specialised works such as electrical work, plumbing or specialised building assessments and specialised compliance checks. Larger painting jobs such as the exterior of buildings (walls or roofs) of, i.e., the Central Library or the Te Manawa Complex will be undertaken by external contractors as they have the expertise and equipment to carry out larger jobs.

An improvement to our contracting model is needed. A new contract model will reflect a preferred supplier for each trade sector, i.e., lift maintenance, air-conditioning, fencing, BWOF, asbestos removal etc.

### 5.3.1 Contract Management for Facilities Management

The Facilities Management Team (FM) are in the process of formalising many of our contractor relationships through a new contract model. The new contract model will reflect at least 2 preferred suppliers for each trade sector. This will help to ensure there is contractor availability, value for money and consistent service delivery.

New contracts will be drafted to include:

- Visible Key Performance Indicators (KPIs) to meet the levels of service requirements of FM
- Response times to maintenance
- Asset condition data reporting -- ensuring warranties and guaranties are noted
- Customer satisfaction measure
- Agreed financial rates where applicable
- Health and safety and risk analysis and reporting

The benefits of the new contract model will foster a foundation for trust and reliability, as there will be fewer contractors to manage. This model will allow contractors to have certainty for their own planning and resourcing. There is also an opportunity to bundle trade services and work programmes together to reduce long term costs. Over time, working in collaboration with the right contractors will be able to help the FM team to increase their planned maintenance and have a resultant reduction in reactive maintenance.

The tender process also ensures that we can go to the market to get the best contractor for the best value for money.

### 5.4 Services provided by partners

A collaborative facilities maintenance effort exists between all our partner groups and Council to ensure levels of service for the facility are met. CCO board have their own dedicated facilities, maintenance officer.

Planned preventative maintenance is completed by the Facilities Management team. Maintenance responsibilities across our facilities were recently adopted in June 2020. These are explored in section 10, Lifecycle.

The table below summarises service delivery by our partners.

**Table 17 - Service delivery by our partners**

Partner	Services			Management of Bookings for venue
	Day to Day Operations	Planned/ Reactive Maintenance	Planned/ Reactive Re-newals	
<b>Council Controlled Organisations (CCO)</b>	●	● Collaboration with FM team	● Collaboration with Capital Projects Team	●
<b>Community Centres Management Committees</b>	●	● Collaboration with FM team	● Collaboration with Capital Projects Team	●
<b>Community Trusts</b>	●	● Collaboration with FM team	● Collaboration with Capital Projects Team	●

### 5.4.1 Services Provided by Council Divisions

We have Council Divisions that specialise in maintaining other assets that add value to the building fabric. These divisions work with the appropriate contractors on behalf of the Property Division to ensure that work programmes are complete.

**Table 18 - Services Provided by Other Divisions**

<b>Infrastructure Unit</b>	<b>Services provided</b>
<b>Transport Division</b>	resurfacing of hard surfaces areas (pathways, car park area, driveways) and assist in lifecycle planning
<b>Water Division</b>	underground water pipes management and assist in lifecycle planning
<b>Wastewater Division</b>	underground wastewater assets pipes
<b>Stormwater Division</b>	gives guidance on stormwater pipe networks management and assist in lifecycle planning
<b>Parks and Logistics Division</b>	ground maintenance of all our facilities on behalf of the Property Division.
<b>Asset Planning Division</b>	<ul style="list-style-type: none"> <li>• Asset Management advice,</li> <li>• Asset Information services; and</li> <li>• Asset Planning support including lifecycle planning.</li> </ul>
<b>Customer Unit</b>	<b>Services provided</b>
<b>Library Services</b>	library services, includes our book depositories, the community has access to the internet as well as a range of programmes to support inclusiveness and connectedness.
<b>Community Development team</b>	Tenancy management of our social housing and community centres, and community agency facilities.
<b>Venues and Facilities team</b>	Event management at Conference Centre and the Central Energy Trust Arena
<b>Wildbase Recovery Centre</b>	Delivery of the services at Central Energy Trust Wildbase Recovery Centre

For new builds, the in-house architectural design team are approached first for new building design work. However, where this is not possible, building design work is contracted out.

### 5.5 Assets and Planning Division Structure

The Asset Management Division is an integral part in supporting the Property activity. The asset management Division was formed in 2019 as part of the Infrastructure Unit restructure. The focus of the division is to ensure that asset management principles are applied and achieved throughout the lifecycle of core infrastructure assets including the building portfolio.

**Table 19 -Summary of Asset Planning Division’s Services to the Property Division**

Asset Management Team	Asset Planning Team	Asset Information Team
<p><b>Summary</b></p> <ul style="list-style-type: none"> <li>• Ensures the Property Activity and asset management are aligned to Councils strategic goals</li> <li>• Examines the building performance of portfolio</li> <li>• Identification and tracking of asset management improvements, risk, demand, and LOS needs</li> <li>• Ensures that asset management principles are being embedded throughout the work processes of Property Division</li> <li>• Identify asset management improvements</li> <li>• Lead and coordinate property asset management improvement projects</li> </ul>	<p><b>Summary</b></p> <ul style="list-style-type: none"> <li>• Coordinate planning for work programmes</li> <li>• Investigate and create business cases</li> <li>• Central hub for all asset management improvement programmes</li> </ul>	<p><b>Summary</b></p> <ul style="list-style-type: none"> <li>• Ensures that building component information (BCI) is (condition and unit rates) up to date.</li> <li>• Ensures that BCI and can be utilised for renewal and maintenance forecasting reports</li> <li>• Analyses building performance data</li> <li>• Creates reports for renewals and maintenance from SPM and other sources</li> <li>• Lead asset information improvements projects</li> </ul>

## 5.6 Section 17A - Services Review

Under Section 17A of the Local Government Act - local councils must review the cost-effectiveness of their arrangements for meeting the needs of their communities for good quality local infrastructure, public services, and regulatory functions. This includes considering options for the governance, funding and delivery of infrastructure and services.

Understanding if these reviews will take place is important as the addition or removal of services can have an impact on how the Property Division manages or maintains properties. Overall, there will be no changes to delivery of services. The change in the next couple of years will be the management of the 3 Waters buildings and facilities by central government.

**Table 20 - Section 17A Review Summary**

<b>Asset Category</b>	<b>Section 17 A Review needed?</b>
<b>Operational Facilities</b>	
Recycling Facilities	No - As Council we will continue to deliver services
Palmerston North Palmy Conference + Function Centre and Central Energy Trust Arena	No - As Council we will continue to deliver services
Crematorium	No - As Council we will continue to deliver services
Libraries	No - As Council we will continue to deliver services
Central Energy Trust Wildbase	No - As Council we will continue to deliver services
Public Toilets	No - As Council we will continue to deliver services
Water and Wastewater Buildings	Council will continue providing water, wastewater and storm water services until notice is given of when the new Entity E comes into place.
<b>Cultural Facilities</b>	Current service delivery models still apply. Square Edge, Te Manawa Art Gallery and Museum – service delivery will be completed by the existing CCOs. The Creative Sounds service delivery will be completed by the incorporated society group.
<b>Recreational Facilities</b>	No - As Council we will continue to deliver services
<b>Community Facilities</b>	Operation of the community centres will continue to be completed by community centre management committees which are made up for community centre users. A Community Hub feasibility study will be undertaken in 2023/24 to determine the advantages of a hub model and how this could provide services such as community libraries, community centres etc. From a joined location. This will shape how and where future community facilities will be built and designed.
<b>Social Housing</b>	No - As Council we will continue to deliver services
<b>Investment and Strategic Properties</b>	No formal review of strategic or investment properties has been completed. However, the Council will continue using the strategic and invest properties for commercial and revenue purposes.

## 6 Levels of Service

Levels of Service are the services Council agrees to deliver to the community. A key objective of the Property AMP is to ensure that our property portfolio supports the delivery of the agreed levels of service to the community in the most cost-effective way.

This requires a clear understanding of our customer needs and the levels of service required now and in the future. The process for the development and monitoring of levels of service is outlined in the SAMP.

### 6.1 Performance Against Existing Levels of Service

In the past we have not measured most of our key levels of service. For measures that are compliance related we have been able to meet all of these. For example, all our buildings that have specified systems have achieved their target and have a Building Warrant of Fitness (BWOFF). We have measured all performance targets that are building related, as noted in the Annual Report.

We are proposing to change our level of service statements, targets. Please see section Appendix

Table 21 below summarises our results for level of service

Key:





Target met






Target not met



Table 21 -Existing Performance Measures – Levels of Service




Level of Service Attribute	Level of Service Statement	Performance Measures	Target	Result (2022/23)
<b>Quality</b>	We maintain our buildings to a good standard and assets are maintained in good condition and are well presented, appropriate to the type and level of use.	Tenants, user groups and occupiers are satisfied or very satisfied with the appearance and presentation of the Council's public buildings	>95%	As per the annual residents' survey (results are limited) 
<b>Safety</b>	The Council's buildings are safe to use and meet appropriate building standards	Public buildings comply with building warrant of fitness (BWOFF) requirements	100%	
<b>Availability</b>		Buildings are available for the agreed time as per tenancy agreements	Yes – 100%	
	Council Buildings are available at the appropriate times for users and tenants	Planned closures of the Council's buildings that cause disruption to daily activities or living circumstances are communicated to occupants and/or the public in a timely way.	90 clear days for residential properties, four weeks for all other properties	Communication with stakeholders around project timing prior to works commencement. 

Level of Service Attribute	Level of Service Statement	Performance Measures	Target	Result (2022/23)
<b>Sustainability</b>	The Council's cultural, investment and operational properties, rental and social housing, and community facilities are maintained for current and future needs.	A 30-year asset management plan is in place that has been reviewed and updated at 3-yearly intervals and independently peer-reviewed.	An asset management plan is in place.	
	The Council manages its property assets in a financially sustainable way	The Council's levels of service are delivered within net budget.	-100% within budget	Capital new programmes achieved. Renewals to be reviewed. 
<b>Responsiveness</b>	The Council responds to requests for service from tenants and occupants in a timely way.	Response time to requests for service (RFS) were responded to within the allotted times	95% within allotted time	Customer requests responded to. Measurement to be reviewed. 

For results on cemeteries and crematorium levels of service, please see the Parks and Logistics AMP.




### 6.1.1 Public Toilets Levels of Service – Existing Performance

Table 22 - Public toilets Levels of Service – Existing Performance (2022/23)

Level of Service Attribute	Level of Service Statement	Performance Measures	Target	Result (2022/23)
<b>Accessibility</b>	Our public toilets are accessible, appropriately located and gender-neutral	Public toilets that are gender neutral	Increasing Proportion	All toilet renewals and new installations are accessible and gender neutral and located in areas of need. There is an ongoing annual programme in place to refurbish and renovate all existing public toilets to be accessible and gender neutral. This is underway. All new toilet blocks are always being installed with this in mind 
		Public toilets with disabled persons access and meet accessibility standards.	Increasing Proportion	Any new toilet is built is accessible 
<b>Quality</b>	Our public toilets are well designed, clean and safe to use.	% of survey respondents satisfied or very satisfied with public toilets.	80% or more	Target not met 50% - 3% lower than previous year 

### 6.1.2 Social Housing Levels of Service – Existing Performance

**Table 23 -Social Housing Levels of Service – Existing Performance (2022/23)**

Level of Service Attribute	Level of Service Statement	Performance Measures	Target	Result (2022/23)
<b>Quality</b>	We provide warm and safe housing units for people in line with Council’s priorities.	Council housing is tenanted.	At least 95%, excluding units not available due to renovation	2018 -96% 2019-96% 2020 -96% 2021 – 98% 2022 – 98% 
		% of tenants that are satisfied with the standard of housing	90% - measured every 2 years	2020 - 96% 2021 – 98% 2022 - 98%. 
		Our Social Housing Units meet the Otago Medical School He Kainga Oranga Rental Warrant of Fitness Standard.	When all social housing units are compliant by 2024.	Increasing proportion until all units are compliant by 2024 

## 6.2 Delivering Levels of Service

As Property Division we are responsible for the level of service related to the physical building rather than the service delivered from within the building. For example, the Central Library Building maintenance is the responsibility of the Property Division rather than the delivery of the Library Service i.e. book borrowing.

While we (Property Division) do not directly influence how the numerous services are delivered from within buildings there is a need for us to understand the needs of the customers to ensure buildings are fit for purpose.

### Types of level of service measures

We have two types of levels of service measures – customer measures and technical measures

**Table 24 - Types of level of service measures**

Customer performance measures:	Technical performance measures:
<p>Measures how the customer experiences the service or the building.</p> <p>Examples – satisfaction with services, cleanliness, maintenance, responsiveness to requests etc</p>	<p>Focus on what the Property Division does to deliver property services. This guides our day-to-day work on the assets.</p> <p>These support our customer levels of service, and we use these internally to measure performance against operational targets.</p>



## 6.3 Customer Expectations and Feedback

### 6.3.1 Partner Expectations

Rangitāne have expressed their wish for the building portfolio to incorporate sustainable materials and operate sustainably where practicable. They have also requested that Council ensure there is visibility and expression of Rangitāne culture across the landscape and buildings of Papaioea.

### 6.3.2 Customer Expectations

The table below highlights key stakeholders and the outcome that are important to them. A description of the key outcomes is also presented below. These outcome areas are central to define and categorise the Levels of Service.

Table 25 Summary of Customer Expectations

Customer Type	Quality	Safety	Availability	Sustainability	Responsiveness	Accessibility	Collaboration (new-builds)	Facilities Management
Partner								
Internal Customers								
External Customers								
Community Partnerships								
CCO								
Commercial								

Table 26 - Outcomes important to our partners and stakeholders

Outcomes important to our partners and stakeholders	
Quality	Our buildings assets are maintained in good condition
Safety	Our buildings are safe to use and meet appropriate building standards (including compliance needs)
Accessibility	Our buildings are accessible to customers with differing mobility levels
Availability	Our buildings are available at the appropriate times for users and tenants
Sustainability	Our buildings are energy efficient
Financial Management	We manage our facilities in a financially sustainable way
Responsiveness	We respond to requests for service from tenants and occupants in a timely way
Facilities Management	The Property Division takes responsibility for the structural building renewals and upgrades

## 6.4 Customer Feedback

### 6.4.1 Annual Residents' Survey 2022

We carry out an annual survey of residents to get an independent understanding of how residents view the Council and its services. Overall, the building fabric itself did not seem to be a major factor in determining satisfaction levels. However, the results are not enough to warrant major changes in our property service delivery i.e. building maintenance, renewals, or capital new programmes. The usefulness of the responses to the Property Division is limited, as many of the responses focus on the service delivered in the building rather than the building itself.

**Table 27 - Summary of Satisfaction of our Facilities over 5 years**

Satisfaction	2023	2022	2021	2020	2019
Overall satisfaction with public facilities	79%	80%	84%	84%	84%
Overall satisfaction with facilities, infrastructure, and services	66%	66%	76%	77%	77%
Palmy Conference + Function Centre	54%	58%	53%	60%	63%
Central Energy Trust Arena	71%	68%	68%	68%	70%
Regent Theatre	77%	77%	80%	78%	82%
Central Energy Trust Wildbase Recovery	66%	70%	73%	71%	0%
Public libraries	80%	82%	85%	84%	83%
Te Manawa, the Museum and Science Centre and Art Gallery	75%	77%	81%	76%	80%
Public toilets	50%	53%	63%	52%	54%

- Satisfaction levels for our facilities have been consistent for the last few years. Public toilets have had a 3- 10% drop in satisfaction levels. Most Councils around the country are experiencing lower level with satisfaction – around 43% as the average satisfaction level. We have increased our levels of service by having additional cleaning routines at high use public toilets over the last 3 years. Some toilets are being cleaned at least once a day.
- Assumed contributing factors to dissatisfaction could be down to individual utilisation of the toilet and rise in vandalism which then can change the appearance and experience of using our public toilets. Which can have an impact on overall satisfaction levels at a specific point in time.

### 6.4.2 Knowledge Base Results

Knowledge Base (K-Base) is Council's customer Request for Service (RFS) database. Property activities generate, on average, just over 2,323 RFS per year, which equates to an average of over 193 RFS each month.

Customer requests are a compilation from: Social media comments from Facebook, Instagram, Snap, send and solve app, phone calls and in person requests

Customer requests are utilised for general understanding where there may be repeat faults/ performance issues with our asset components. We use these to also help in identifying any further planning of maintenance and renewals programmes.

#### **Future Facilities Maintenance Planning app and K-Base.**

Future developments have been flagged for integration between any future Facilities Maintenance Planning app and K-Base. This integration, once refined, will provide a clear and centralised approach to understanding our responsiveness to customer requests for facilities maintenance.

## 6.5 Improvement Actions

- 1) Annual Residents survey to included building related questions. Current questions are focused on the satisfaction of service delivered from the building
- 2) Use the refined/proposed LOS statement for the next AMP.
- 3) A recent Asset Management Maturity Assessment (AMMA: 2022) recommended that our broad LoS statements need to be refined and tailored to distinct types of spaces.
- 4) Analyse K-Base and WorkTrax trends to better understand performance trends

## 7 Demand and Drivers

### 7.1 Impact of Demand and Drivers

The demand for new buildings/ facilities or for how we maintain our existing facilities is typically driven from the user demand and by the services to be undertaken from the facility. However, there are other drivers that affect how we carry out the property activity over the portfolio.

In addition, the SAMP has outlined the general drivers of demand such trends in population growth, migration, household growth and city growth (residential and industrial).

#### Key for demand changes:

↑ - <i>increase</i>	↓ - <i>decrease</i>	↑↓ - <i>can increase or decrease</i>
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### 7.2 Population Growth and Demographics

Population projections for Palmerston North can be found in Section 2.4.1of the SAMP.

The number of households in Palmerston North and associated population is predicted to grow at a moderate rate over the 30 years 2024-2054.

Table 28 - Demand and Drivers - Population Growth Demographics

Driver	How does this affect demand on our property assets	Our asset Management Response
<b>Population Growth</b> - Moderate growth over 30 years. Please refer to SAMP for full projections. Increase in population is due to international migration - including refugee settlement that takes in about 180 per year. By 2054 we anticipate our population will increase to 134,872 (considering household growth projected as part of the NPS UDC)	↑ Increased demand to use our existing facilities such as community centres and indoor sporting facilities, libraries, and public toilets. We are uncertain as to the quantum of demand.	Anticipate increase in maintenance due to high utilisation of facilities. Anticipate earlier renewals due to more utilisation of our buildings/ facilities. Buffer budget may be needed within each renewal and maintenance budget for reactive renewals.
<b>Increase in aging population</b>	↑ Potential increase in social housing for aging population and for those needed 1-2-bedroom units. ↑ Increase in accessibility needs for ageing population and for those that have mobility needs	Upgrading our facilities to be more accessible. We are currently identifying which facilities need increased mobility to increase LOS.
<b>Societal trends</b> - Increase in population comes with increase in various ethnicities and preferences from our communities	Increased preferences for modern and eco-friendly facilities	Upgrading our facilities to modern standards - public toilets, community centres and sporting pavilions. We have a rolling programme for LED lighting upgrades across our portfolio.
<b>Increase in household growth</b> - New residential developments such as Kaka-tangiata, Kikiwhenua etc will be developing in the short to medium term	↑ Increase in demand for new facilities - community centres and public toilets, libraries, and indoor sporting facilities	↑ Increase in the number of social housing units to meet short to medium term goals in the next 3 -10 years. Programme - 1459 -Social Housing - Additional Social Housing Units provides for the future construction of new council-owned social housing units within the city.

Driver	How does this affect demand on our property assets	Our asset Management Response
	<p>In the short to medium term (3 to 10 years) we need to plan for more social housing</p>	<p>↑ Increase in social housing units is likely to also be met via Kainga Ora as they also need to respond to demand from a government perspective. Kāinga Ora is replacing older state houses with a greater number of new and modern homes as well as purchasing additional land for new sites.</p>
<p><b>Housing unaffordability</b> In the last four years, there has been an increase in both housing unaffordability of rent and of homeownership.</p>	<p>↑ Increasing demand for 1-2-bedroom social housing units. Currently, our waiting can fluctuate to at least over 300 people actively looking for a unit. Waitlist composition: - Two thirds of those are singles or couples without children, seeking 1-bedroom properties - We have 102 families with children seeking housing, with most of those being single parents - The rest is made up of superannuants and those with mobility issues, with a few receiving other benefits like Jobseeker.</p>	<p>↑ We will be building more social housing units via Programme 1459 - Social Housing - Additional Social Housing Units.</p>

## 7.3 Internal Strategic Drivers

There have been several actions identified as part of our Strategies and Plans that will require a new building asset or for our existing ones to be utilised differently. The need for many of these actions and the ensuring investment are supported throughout this document and through our Strategies and Plans.

Please see section 2 which outlines the key actions across all our strategies and plans. Alternatively, our website contains the details of the timing of actions for each plan.

### 7.3.1 Masterplans

Table 29 - Demand and Drivers - Masterplans

Internal Strategic Driver	How does this affect demand on our facilities	Our Asset Management Response
<p><b>Civic Cultural Precinct Masterplan</b></p> <p>Civic Cultural Precinct Masterplan - The aim of the 2019 masterplan was to create better connectivity between the four key civic areas in the CBD, CAB, Central Library, Te Manawa Museum, and the Art Gallery. A series of programmes will be included within the 2024-34 - Long Term Plan (LTP) to explore the feasibility and individual requirements of each of the buildings and components within the civic cultural area. This will allow for decisions to be made for the specific facilities, whilst still giving context and connectivity to the Masterplan. This will allow for the future costing to be determined for each of the elements of the masterplan, along with seismic strengthening considerations being able to be addressed within the required timeframes.</p>	<p>Buildings can still be utilised but halt on new developments.</p> <p>Future planning for new facilities will be on hold until firm direction has been devised on for the future of the Central Library.</p> <p>Major refurbishments and major maintenance work (unless compliance related) will be hold until CAB seismic strengthening has started.</p> <p>Future demand of these facilities within CCPMP is anticipated.</p>	<p>Complete urgent renewals and maintenance that are compliance or health &amp; safety related.</p>
<p><b>Manawatu River Framework</b></p> <p>Expansion of walkways and the development of reserves or the creation of more recreational areas, adds to the demands for public amenities such as public toilets and rest areas. He Ara Kotahi walkway is an example of this occurring where new public toilets where added were installed to accommodate the demand.</p>	<p>↑ Increase in new public toilets in recreational areas and near river pathways</p>	<p>Programme 161 - New Public Toilets</p>
<p><b>Central Energy Trust Arena Masterplan</b></p> <p>In 2021, we completed the first stage of the masterplan, with a new speedway pits area, southern embankment, and entrance plaza, including bridge and digital screens.</p> <p>The Masterplan has been reviewed and will be endorsed by Council in late 2023, allowing for any changes, added programmes of work, and other improvements to be included in the 2024-34 Long Term Plan (LTP)</p>	<p>↑ Increase in indoor spaces - Demand for indoor space has increased over the years. Improvements to our buildings is more based on increasing level of service for quality spaces, better wayfinding, and provision of facilities.</p>	<p>Programme 1194 - CET Arena - Future Masterplan Items</p>

<p>Arena 2 has been utilised well for events and major sports tournaments.</p> <p>These are positive outcomes - however, the same space is also needed for other sports users.</p> <p>More operational booking systems could improve how the space is utilised. There is a need for at least 4 more indoor courts to meet demands for indoor sports use. A new facility would need to be built to meet the long terms demands for sports use. This facility services not only the city - its services the whole Manawatu- Wanganui Region. Balancing the demand for community use through sports use and commercial gain is becoming challenging. An indoor feasibility assessment is being carried out in 2023/2024 and 2024/25</p>	<p>↑There is demand for indoor areas for sports use and for event use space.</p>	<p>Programme 1912 - Indoor courts preliminary feasibility study/needs assessment</p>
<p><b>Demand for better way finding of Arenas from Pascal Street and Waldegrave Street</b></p> <p>There has been a demand for better way-finding/connectivity on Pascal Street. Through user surveys, we have noted that patrons get confused with knowing which way the proper entrance is on Pascal Street. Options for improvements are being explored in the CET Arena Masterplan. Although outdoor environments planning is not a Property Activity function - the outdoor spaces add amenity value to the space increasing LOS.</p>		
<p><b>Manawātū-Whanganui Regional Sport Facility Plan (RSFP)</b></p>	<p><b>How does this affect demand on our facilities</b></p>	<p><b>Our Asset Management Response</b></p>
<p>RSFP provides a high-level strategic framework for sport and recreation facility planning and development across the region. Sport Manawatu coordinate the RSFP regarding provision of sport and recreation facility provision. We use this to guide our sports facility planning for the Council.</p>	<p>↑There is demand for indoor areas for sports use and for event use space.</p>	<p>Programme 1913 - Review of the Manawatu-Whanganui Regional Sport Facility Plan</p>
<p>Palmerston North City Council sections of the RSFP were independently reviewed in 2022 and 2023 under programme 1913. This has provided clearer direction particularly for prioritising sport facility planning and development actions.</p>		<p>Programme 1912 - Indoor courts preliminary feasibility study/needs assessment</p>
<p><b>Victoria Esplanade Masterplan 2018</b></p>	<p><b>How does this affect demand on our facilities</b></p>	<p><b>Our Asset Management Response</b></p>
<p>Sets out and supports the protection, development, and Management of the Victoria Esplanade. The Masterplan outlines future development requirements for upgrading architecture to create better connectivity between activity centres such as Central Energy Trust Wildbase, paddling pool, Victoria</p>		<p>Renewing and upgrading component based on condition and performance of assets</p>

Café Esplanade, conservatory entrance any other proposed activity areas.		
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## 7.4 Regulatory Drivers

Table 30 - Demand and Drivers - Regulatory Drivers

Regulatory Driver	How this affects the Property activity	Our asset management response
<b>Residential Tenancies (Healthy Homes Standards) Regulations 2019</b> - Sets the minimum requirements for heating, insulation, ventilation, moisture ingress, drainage, and draught stopping. The Act notes that all residential tenancies will have to be compliant by 1 July 2024.	Mainly affect our social housing units and strategic (housing) properties. Non-compliant assets will be upgraded.	A work programme 1896 - Social Housing - Healthy Homes Compliance Items Purchase has been created to ensure that we can upgrade asset components where needed.
<b>Building (Earthquake-prone Buildings) Amendment Act 2016</b>	Driving the timeframe in which we need to seismically strengthen our buildings. We will have to seismic strengthen to the required National Building Standards (NBS) of over 34%.	Continue with seismic strengthening work programme 902 – Seismic Strengthening
<b>Asbestos Regulations</b> - Asbestos has been known to pose a serious health risk to humans. Asbestos removal will need to be carried out by a qualified professional. Asbestos is likely to be found in buildings built before the 2000s. pre-2000s buildings will need to be remediated at some point.	Increase in spending for asbestos remediation. Asbestos removal will need to be carried out by a qualified professional.	Create and asbestos management plan – prior to major renewals / major maintenance work for buildings known to have asbestos materials
<b>Building Act 2004</b> Our buildings must meet fire regulations, so we then reactively upgrade or proactively upgrade where we know work needs to be completed.	Applications for major consented building work to be addressed in a timely manner. Increase in consented work - For example, as we have been completing seismic strengthening, there has also been a need for fire upgrades – which then triggers the need for building consent.	Bundle work programmes together where fire upgrades in parallel with other major refurbishments and seismic strengthening
<b>Temporary Housing of Companion Animals</b> - The current Animal Shelter is not compliant with the recent changes in the Code of Welfare for the Temporary Housing of Animals.	At present, a new animal shelter is being built to meet the new code of welfare standards.	Programme 1552 - Animal Shelter - New Building is in place. Complete build in 2023 to 2024.
<b>Three Waters Reform</b> - Council is likely to relinquish control of our three waters assets, including our properties. This change would reduce the number of buildings and properties the Property Division is responsible for.	Property Division will continue carrying out critical works. Though this change would be modest when compared to the buildings and facilities portfolio as a whole and therefore not result in any meaningful change to Council's resources or management practices.	Complete key compliance, health, and safety related maintenance and renewals. Anything more will be out of scope for now till 2027



## 7.5 Climate Change

Climate change will impact how we build and upgrade our buildings and facilities. The Climate Change Projections for New Zealand (MfE 2018) indicate that by 2050 the Manawatū-Whanganui region will see higher temperatures<sup>1</sup> and changes in rainfall patterns<sup>2</sup>. There are no current predictions for the likelihood of storms or extreme weather events although these are likely to be more severe in a higher temperature environment<sup>3</sup>.

In response to climate change PNCC has resolved to take account of the predicted impacts of changes in weather patterns when planning and maintaining infrastructure, reduce its own emissions, help reduce the emissions of the city, and reduce our wider environmental impact wherever possible.

**Table 31 - Demand and Drivers - Climate Change**

Driver	How does this affect demand on our facilities	Property Activity Response
<p><b>Climate Change</b> -The Climate Change Office indicates that New Zealand will:</p> <ul style="list-style-type: none"> <li>- higher temperatures</li> <li>- rising sea levels</li> <li>- more frequent extreme weather events</li> <li>- changes in rainfall patterns</li> </ul>	<p>Storm weather events also have an impact on the services we provide out of our buildings. In severe weather (high wind, rain etc) there is either restricted access to buildings or we close certain facilities.</p> <p>For example, with Cyclone Gabrielle – we closed most of our toilets only 16 out of 53 of our public toilets remained open.</p>	<p>Increase in weathertightness budgets</p> <p>Provision of post-event inspection budgets to look for damage (e.g. water ingress)</p>
<p>Impacts such as sea level rise may affect long term demographic changes depending on the effect on international and local migration.</p>	<p><b>Increase in provision of recreational facilities</b></p> <p>With an ever-changing Palmerston North climate can be extreme with cold wet winters and hot dry summers. As users of sporting facilities become more time poor, the demand increases for indoor facilities that can be used in any weather.</p>	<p>Assessment of demand for changes in facilities</p>

<sup>1</sup> c.+0.9°C increase in summer temperatures and an increase from 18.6 'hot days' to 28.8 by 2050 under RCP6.0

<sup>2</sup> A +6% increase in winter rainfall and a -1% decrease in summer rainfall by 2050 under RCP6.0

<sup>3</sup> Research is ongoing via the EWERAM storm analysis project. Also from academic research e.g. [Stone et al \(2022\)](#)

## 7.6 Decarbonisation

Council's aim to lower its carbon footprint over time. Carbon emissions from materials occur right across the building's life cycle. It is not just manufacturing that might emit greenhouse gases, but construction, maintenance, and disposal/demolition of facilities. We are still yet to understand more about the carbon emissions from our buildings. The data we have is still yet to be analysed for the Property activity and what mitigation that can be taken over the long term.

**Table 32 - Demand and Drivers - Decarbonisation**

Driver	How does this affect demand on our facilities	Property Activity Response
<p><b>Decarbonisation –</b> Our overall aims by 2050 is for our buildings to:</p> <ul style="list-style-type: none"> <li>- be as energy efficient as possible</li> <li>- be de-coupled from fossil fuel use</li> <li>- be warmer, drier, and better ventilated</li> <li>- have lower water usage</li> <li>- produce a portion of their power and/or hot water needs on site</li> <li>- help retain and attenuate rain-water on site</li> <li>- service low carbon technologies (e.g. electric car charging)</li> <li>- be made from reusable and recyclable materials wherever possible</li> <li>- reuse and recycle building materials where possible</li> </ul>	<p>This will not impact demand of our facilities. However, it will change how we construct, and maintain our buildings.</p>	<p>Work programme – 1888 - Low Carbon Fund - is a contestable fund. It was created to enable low carbon capital investment. This a “top up” programme for existing capital new/ renewal programmes.</p> <p>We will use this to fund various works across our portfolio for better ventilation works, insulation, solar panels, energy monitoring, LED upgrades or incorporating more sustainable building materials. We are proposing programme 2345 for installation of solar panels on identified buildings.</p> <p>Where appropriate solar energy systems will be installed when constructing, replacing, or repairing roofs.</p> <p>Continue to install LED lighting across portfolio via progressive upgrade programme - Programme 1451 Property – Led Lighting Upgrade - to convert existing lighting to modern LEDs, including bringing light levels up to standard where appropriate within all Council's facilities.</p> <p>The long-term goal is for our asset management to mature to a stage where carbon emissions funding is embedded into work programmes as BAU rather than as a separate programme.</p>

## 7.7 Environment

Table 33 - Demand and Drivers - Environment

Driver	How does this affect demand on our facilities	Property Activity Response
<p><b>Environment</b> - The Water Treatment Plant, Wastewater Treatment Plant, and the Awapuni Materials Recovery Facility (MRF) are three key Council operational activities that the Property Division need to familiarise themselves with, to identify any asset performances issues and mitigate/ minimise environmental impacts.</p>	<p>Increasing rainfall and increasing population will cause greater strain on wastewater assets.</p> <p>Changes in legislation mandating organic waste collection and disposal may result in changes to the Awapuni Resource Recovery site or necessitate the provision of a new site dedicated to handling organic materials.</p> <p>The Business Continuity Plans for 3 waters and Resource Recovery contain plans to mitigate negative effects on the environment. BAU processes within each activity area also have mitigation options for potential contamination to the environment.</p> <p>The Awapuni Resource Recovery site is built on a closed landfill. We manage leachate and other environmental risks via the Resource Recovery Activity. Please see the section - Lifecycle Closed Landfills in the Resource Recovery AMP</p>	<p>Property activity will collaborate with 2 waters and resource recovery activity in proactively identifying any environmental impacts where possible.</p>

## 7.8 Sustainability

Table 34 - Demand and Drivers - Sustainability

Driver	How does this affect demand on our facilities	Property Activity Response
<p><b>Sustainability</b></p> <p>Sustainability is likely to be an ongoing long-term driver for the building's life cycle due to ongoing innovation in more sustainable building methods, lighting, heating, and component replacements.</p> <p>Sustainability – Facilities should be open and available as widely as possible</p> <p>Facilities should reflect the history and culture of the city</p>	<p>Does not affect demand. Affects lifecycle management of heritage buildings. Taking a sustainable approach to upgrades means older heritage buildings will have to keep up with technological changes. An example of this is the phasing out of old heating systems, electrical systems and lighting and replacing them when it is cost effective to do so rather than at end of life.</p> <p>Does not immediately affect demand but buildings should be designed and operated to be available to as wide a variety of people as possible. This could be reflected in accessibility, legibility, form, and a people centred approach.</p> <p>Lifecycle management of buildings, especially heritage buildings should take a sustainable approach to upgrades. This means older heritage buildings will have to keep up with technological changes. An example of this is the phasing out of old heating systems, electrical systems and lighting and replacing them when it is cost effective to do so rather than at end of life.</p>	<p>Programme 1451 Property – Led Lighting Upgrade will enable us to move towards being more sustainable.</p> <p>Opportunities should be identified to reduce the operational cost of buildings by selecting high performing materials and assets.</p> <p>Renewals should embrace ongoing innovation in more sustainable building methods, such as lighting, heating, and component replacements</p>

### 7.8.1 Industry Guidance and Trends

As with the regulatory and policy drivers, the trends and guidance from the wider industry have an impact on the way we build, undertake our renewals and facilities maintenance.

Our Council Officers are active members of relevant organisations that ensure industry engagement and best practice. We subscribe to:

- Apopo – Infrastructure Asset Management Professionals
- Local Authority Property Association (LAPA),
- Facilities Management Association of New Zealand (FMANZ) – (Manawatu branch)
- SOLGM – Asset Management and Community Facilities Groups

The Property Division engages with other major property owners (for example Kāinga Ora) in the area to share learnings, knowledge, and best practice ideas. This also helps to ensure that they keep up to date with improvement opportunities that can be applied to across the building portfolio. Further to this, within the industry, leading organisations such as Building Research Association New Zealand (BRANZ) and Lifemark Standards are an excellent source of independent information.

### 7.8.2 Anticipating change

We need to be aware of, and ahead of, the Building for Climate Change Program. This will affect the building code, internal energy performance standards and could require us to deliver specific things like energy performance certificates

### 7.8.3 Greenstar

#### Green Buildings

Initiatives such as Greenstar and Living Building Challenge have driven the need to have new builds and social housing units built to high environmental standards. Council should be a leader and advocate in this space, and both develop, support, and celebrate low carbon developments across the city.

## 7.9 Improvement Actions

- 1) Utilise demand data to enable better planning for future buildings.

## 8 Risk

This section identifies the risks to the Property activity and outlines Council intentions to mitigate risk and increase resilience. Understanding risk and the impact of risk provides Council confidence it can deliver services in the event of uncertainty.

Risks are defined as the effect of uncertainty on objectives. Risks are identified and assessed according to the likelihood of them occurring and the impact of their occurrence.

The Strategic Asset Management Plan (SAMP) - describes the council-wide approach to managing risk across the Council's different asset portfolios.

Our Risk Management Framework sets out the basis for managing risk across the Council. The purpose of this Risk Management Framework is to aid us in integrating risk management into all activities and functions.

### 8.1 Property Activity Risks

The risks that impact on the Property Activity are those that impede on the Property Division's ability to provide facilities management, capital projects, and services to customers.

Rather than identify single risk events, we have identified risks that occur within our processes and work streams. Our facilities management processes (renewals, maintenance, capital new, leasing, compliance) have been collated into three work stream categories.

Our three Property Activity workstream categories for risk identification are:

- Leasing & Tenancy Management, Property
- Property Compliance, Property, Infrastructure
- Property Facilities Management, Property

Each workstream category has sub process with risks, potential failures and effectiveness of mitigation options outlined.

**Table 35 - Summary of risk identification, treatment, risk register**

How we identify risk	How we evaluate and treatment of risk	Property Risk Register
<ul style="list-style-type: none"> <li>• Periodic risk review workshop with the Risk Advisor</li> <li>• Day to day operations and maintenance</li> <li>• Routine inspections</li> <li>• Condition assessments</li> <li>• Renewal work or upgrade work</li> <li>• Our risks are identified through our business processes.</li> </ul>	<p>Risk mitigation actions are through:</p> <ul style="list-style-type: none"> <li>• Asset response - integration within day-to-day operations &amp; maintenance work and planning</li> <li>• through direct work programme targeting the risk (renewal programs, operations and maintenance programmes, compliance programmes)</li> <li>• Non – asset responses work process changes</li> <li>• </li> <li>• Root cause analysis</li> </ul>	<p>The Property Risk register is reviewed periodically and as needed by the Property Division to ensure that it is up to date and that actions are being implemented and planned for.</p> <p>The risk treatment plan is completed by the risk owner. Our Risk Management Advisor liaises with the Property Division Manager to ensure that all raw risk has a mitigation measure and plans to turn into a residual risk.</p> <p>Identified risks, consequences, and mitigation actions to reduce the impacts of the identified risk are captured in the Property Risk Register.</p>

Within the risk process we identify the raw risk, residual risk, and target risk. The residual risk is the remaining risk after implementation of risk treatment (through mitigation or controls). The treatment might include avoiding, modifying or sharing the risk.

Any residual risks that have a low to medium consequence level are approved off by the Division Manager. Risk rating Very High and Extreme are to be reviewed by the Chief Infrastructure Officer and Chief Executive.

Our Top Risks can be found in the Risk Register in THE appendix

### 8.1.1 Risk Management – Insurance

Reference should be made to the Strategic Asset Management Plan.

#### Maturity in risk management

Our risk management maturity has increased in the last three years. In the 2022 AMMA our score increased our maturity assessment level to 45%, with our revised target being 75%.

For context, the Asset Management Maturity Assessment (AMMA) in 2019 identified that our risk maturity score was just 25%. We are in a position of where we understand the risks within our property activity processes, and we document and check the risk areas as needed on an annual basis.

#### Critical Assets

Our Part B Facilities Criticality Framework was created in 2022, it aligns with the consequence categories within our recent Risk Management Framework. We use this to derive the criticality ratings for our buildings.

Critical assets or critical buildings are defined as those that have a high consequence when they fail and cease to function. The criticality rating of the building increases when the services being provided from the building and the level of impact on the population should these services not be available in a post event situation.

### 8.1.2 Asset Criticality Criteria

The final asset criticality scores are contained in a live spreadsheet accessible to the whole Property Team. Asset criticality results can be updated accordingly. Our next step is to ensure the criticality rating of each asset is captured in our AM Information Systems - SPM Assets.

To decide the consequence of asset failure – we use four consequence rating criteria in the Risk Management Framework. Summary of the consequence categories are outlined in the table below.

**Table 36 - Consequence Criticality Criteria**

Consequence Criticality Criteria	Description
Financial/Economic	Financial impact of asset failure, including as relevant: loss of operational revenue, repair/clean-up costs, replacement cost
Environmental	Damage to land, water and/or ecosystems.
Health and Safety	Injury, illness, or fatalities –staff or public.
Service Delivery	Impact on type of (e.g. essential service) and level of service provided.

### 8.1.3 Criticality in Decision-Making

Asset criticality is used in establishing priorities for asset management decisions– such as maintenance and renewal programmes or asset inspection / monitoring frequencies and seismic strengthening. We utilise criticality as one category alongside levels of service, building performance and strategic direction for the building/ portfolio. Please refer to our Condition and Performance Policy – Property.

Criticality has been considered within the prioritisation of earthquake-prone buildings. The resilience section covers this in more detail. Criticality is one of the categories we consider alongside, risk, performance, condition, and levels of service. We are still starting out with incorporating criticality into our renewals and maintenance work programmes. Criticality will be key when prioritising work programmes – for example whether to complete renewals in one community centre over another.

### 8.1.4 Top 30 Critical Buildings

Critical buildings include operational properties such as the water treatment plant, wastewater treatment plant and crematorium. These buildings are critical as they play an integral role in the delivery of essential services to residents. It is important to note that critical buildings do not necessarily have a high probability of failure.

Below is a summary of the Criticality Ratings for each building based on Maximum Criticality. For further information on the ratings please refer to the [Part B Facilities Asset Criticality Framework and Guidelines](#) – OASIS number 16829426. Full list of Critical Buildings available [here](#) and in OASIS

**Table 37 - Top 30 Critical Buildings**

Ranking	Building	Maximum Criticality Rating	Ranking	Building	Maximum Criticality Rating
1	Turitea Water Treatment Plant - Main Control Building	5	16	Ashhurst Water Treatment Plant	4.1
2	Wastewater Treatment Plant - Main Control Building	5	17	Ashhurst filter station	4.1
3	Arena 1	5	18	Kelvin Grove Crematorium Building	4
4	Arena 2	5	19	Upper Dam hydro building	4
5	Civic Administration Building	5	20	WWTP - Digester/Boiler Building	4
6	Conference and Events Centre	5	21	WWTP - Dewatering Building (Lagoon Control building?)	4
7	Te Manawa Science Centre, Museum	5	22	Arena Miscellaneous - Toilet Block (Southern Side)	4
8	Regent Theatre	5	23	Coronation South Pavilion	4
9	Arena 4	5	24	Globe Theatre	4
10	Papaoiea Place Complex	4.8	25	Central Energy Trust - Wildbase Recovery Centre	4
11	Awapuni MRF Materials Recovery Facility Processing Building	4.8	26	Awapuni Resource Recovery Flare Station Building	3.8
12	**Awapuni - Sprinkler Pump shed	4.8	27	Bunnythorpe Water Treatment Plant	3.7
13	Animal Shelter	4.5	28	Fitzherbert Park Grandstand	3.6
14	Central Library	4.4	29	Fitzherbert Hockey Pavilion - Hockey pump shed	3.6
15	Aokautere Booster Station	4.2	30	Te Manawa Art Gallery	3.6

### 8.1.5 Asset component hierarchy

In 2020 Council established an asset component hierarchy. The hierarchy aids Council to determine and prioritise an asset programme of works which confirms:

- At what levels assets are to be replaced or renewed
- What assets should be prioritised over others

The hierarchy is based on the impact of the consequence that could occur should there be a failure or should an asset need be replacing. Impacts on the following factors are considered:

**Table 38 - Asset component hierarchy of works**

Factor	Works Examples
Health and Safety	Works that affect water tightness or cause damage if not resolved i.e. roofing, windows, cladding, toilets
Tenancy Standards	Essential works to meet tenancy standards i.e., bathrooms, kitchens, lighting
Compliance related matters	Fire detection and protection, asbestos, electrical and wiring
Cosmetic and other works	Painting, decorating, carpet

## 8.2 Resilience

Resilience is the ability of infrastructure assets and networks to anticipate, absorb, adapt to and/or rapidly recover from a potentially disruptive event. This section highlights the need to make our buildings more resilient to the impacts of seismic, flooding, volcanic events, and climate change.

More information about resilience can be found in our Strategic Asset Management Plan (SAMP)

**Table 39 - Natural hazards affecting the resilience of our building assets**

Resilience Area	Description	What are we doing to mitigate?
<b>Earthquake/ Seismic Strengthening</b>	Palmerston North is a High Seismic Risk Area. After receiving an Earthquake Prone Building Notice. We have 15 years to seismic strengthen. Priority Buildings under the legislation are to be seismic strengthen 7.5 years, from the date of notice issue.	Seismic Strengthening all 21 buildings under programme 902 – Seismic Strengthening All new builds to be built to the current buildings' standards above the NBS.
	We have 21 earthquake prone buildings that are to be seismic strengthened by 2037.	
	As we seismic strengthen - it is likely other building work will be needed.	Complete other major renewals in parallel with seismic strengthening.
	<b>Asbestos remediation</b> - Asbestos is likely to be present in buildings constructed prior to 2000. There are unforeseen costs for remediation as there is a no one size fits all for remediation. When building work needs to be completed there will be an asbestos survey that will be completed first before any building work is started.	
	<b>Fire Upgrades</b> - We have identified that some buildings will require fire upgrades to meet current fire regulations. In older buildings this will trigger the need for a building consent.	We are proactively upgrading where we know work needs to be completed.



Resilience Area	Description	What are we doing to mitigate?
<b>Climate Change - Flooding, Over heating</b>	Our buildings have been resilient to weather events experienced to date. The general effects of climate change are usually on the exterior of the building and stormwater capacity – rain gutters etc and roofs leaking at times.	Using more robust, sustainable, and energy efficient materials in our renewals and new build programmes. Renewals are focused on prioritising buildings that have weathertightness issues or overheating issues. As we intend to ensure our buildings are warm and comfortable for all users. We are proactively installing LED lighting where possible when renewing.
		Programme for LED Lighting upgrades. Considering solar power panel install in new roofs.
		Look at double glazing or IR filters for N facing windows (on renewal)
<b>Volcanic Hazard</b>	While possible, it is unlikely that any of the Council buildings would be subject to severe damage from flooding or volcanic ash. The risk is low due to the location of the buildings and proximity to flood plains and volcanoes.	

### 8.3 Business Continuity Planning

A Business Continuity Plan has been prepared for the Property Activity. The Plan details strategies including co-ordination of people and resources to ensure that we can reduce the impact of any disruption on our core services. Our priorities in any disruption are to:

- Ensure the health, safety and well-being of staff, contractors, and community;
- Reduce the impact (and costs) of any event; and
- Resume core functions effectively and efficiently

The BCP (Business Continuity Plan) outlines the maximum tolerable downtime, key inputs, and contingency plans for the following critical services/functions:

#### Repairs and Maintenance

- a) Urgent repairs
- b) Non-urgent repairs
- c) Scheduled maintenance
- d) Cleaning both our team and external contractors

#### Renewals, renovations, and new builds

- a) Managing renewals
- b) Managing new builds – renovations
- c) Building compliance
- d) Urgent (emergency) PNCC-occupied building
- e) Routine

#### Property Management

- a) Managing sales, tenancy management and easements

## 8.4 Improvement Actions

- 1) Highlight potential financial risks in sunk costs for buildings that need to have major renewals in the next 1-3 years but where seismic strengthening is needed 10-12 years later – for example, the Chalet.
- 2) Timing of the CCPMP may mean that there might be sunken costs with any large renewals or large maintenance or even seismic strengthening that needs to be done.
- 3) CCPMP will have flow on effects:
  - unavailability of buildings,
  - loss in revenue for Investment Property buildings for Council as landlord and for tenants' businesses,
  - loss of place identity for citizens,
  - loss of revenue for Council and for the Palmy Conference + Function Centre should it be used as a temporary Library space during seismic and major upgrades for the Central Library
  - displacement of tenants during CCPMP work and seismic strengthening work.
  - potential impacts on the loss of core identity place- making fabric for our communities for example Square Edge Community Arts Centre

### 8.4.1 Improvements to criticality

- Include the criticality ratings into SPM and to refine the criticality for asset components (where applicable)
- Further work will need to be undertaken in the next 2-3 years to develop a more comprehensive approach, in which the Match the level of criticality against the desired level of resilience and create options for achieving this.

## 9 Operational Planning

### 9.1 Reactive and Planned Maintenance

The Facilities Management team of the Property Division are responsible for all maintenance functions of all our facilities and buildings.

Table 40 - Reactive vs Planned Maintenance

Reactive Maintenance	Planned Maintenance
Reactive maintenance is when an asset is found to need repairing because it has broken down or replacing from a run to fail approach. For example – an oven is fixed until it fails and is then replaced only when it can no longer be fixed	Planned maintenance is split into either condition/performance-based and then also periodic maintenance. This is usually in response to age, SPM data, regular inspections, and compliance requirements.
<p><b>Our aim</b></p> <p>Our aim is to restore the serviceability of the asset by responding to failures.</p>	<p><b>Our aim</b></p> <p>Aim of planned maintenance is to slow down asset deterioration. Within this there is also routine maintenance such as building warrant of fitness, clearing out gutters, external wash downs, servicing lifts, annual gas appliance maintenance and replacing filters for HVAC.</p>
<p><b>Types of reactive maintenance requests (not limited to)</b></p> <ul style="list-style-type: none"> <li>- customer requests for service such as leaking taps</li> <li>- weathertightness issues -i.e. leaking roofs</li> <li>- power failures</li> <li>- complete failure of building component</li> <li>- burst hot water cylinders</li> <li>- worn building components that pose a risk to health and safety of the occupant</li> </ul>	<p><b>Types planned maintenance requests (not limited to)</b></p> <ul style="list-style-type: none"> <li>- Scheduled gutter cleaning</li> <li>- External/ interior painting</li> <li>- Roof painting</li> </ul>
<p><b>Source of requests</b></p> <ul style="list-style-type: none"> <li>- generated through customer requests (K-Base)</li> <li>- asset component failure</li> <li>- for social housing property inspections or when condition assessments are undertaken</li> </ul>	<p><b>Source of planned maintenance</b></p> <ul style="list-style-type: none"> <li>- Condition information</li> <li>- Building performance</li> <li>- combination of Property Divisions' historical knowledge</li> <li>- past maintenance trends</li> </ul>

Reactive maintenance has often taken precedence due to the urgency of some maintenance work that needed to be completed. Recent condition assessments across the facilities have provided us with better information to build planned maintenance programmes.

It is intended that a planned maintenance approach will be adopted to create an 80% planned maintenance and 20% reactive maintenance. To achieve this target, it will take consistent effort and time. A planned approach will support us to budget adequately and ensure that enough staff resources are available to carry out the maintenance work.

### 9.1.1 Maintenance Responsibilities

In the past for some properties, there has been no agreed clear responsibility line for maintenance works to be completed. There are benefits to clear maintenance responsibilities agreements between the Property Division as the client and the group that manages the Activity as the customer:

A list of general maintenance, works, and responsibility areas can be found in Appendix - ***H General Maintenance Responsibilities***.

## 9.2 Renewal Planning

We coordinate planned renewals with capital work, e.g. seismic strengthening, and fire upgrades. Renewals are focused on asset component level rather than the structure of the building.

Our general renewal strategy is to rehabilitate or replace assets when justified as noted in the table below

**Table 41 - Factor in renewals**

Factor in renewals	What we identify
<b>Asset Performance</b>	asset fails to meet the required level of service. repeated asset failure
<b>Economics</b>	no longer economical to continue repairing the asset - <i>i.e.</i> - <i>annual cost of repairs exceeds the annualised cost of renewal.</i>
<b>Efficiency</b>	Modern technology and management practices relating to increased efficiencies and savings will be actively researched, evaluated and, where applicable, implemented.
<b>Risks</b>	The risk of failure and associated financial and social impact justifies action (e.g. probable extent of property damage, health risk).

### 9.2.1 Renewals - Portfolio Wide Renewals

Hard surfaces are present across a wide range of facilities and are comprised of carparks, pathways, driveway entrances, and accessibility ramps.

**Table 42 - Portfolio Wide Renewals**

	Hard surfaces	Underground Assets
<b>Identification of works</b>	Property Division and Transport Team	Property Division and Transport Team
<b>Planning of works</b>	Transport Team with direction from Property Division	3 Waters Team with direction from Property Division
<b>To note:</b>	<p>The following are excluded – the services areas plan their own resurfacing works.</p> <p>Sportsfield buildings facilities – the Parks and Logistics Division are responsible</p> <p>Water treatment buildings – Water Division</p> <p>Wastewater treatment buildings – Wastewater Division</p> <p>Resource Recovery Buildings – Resource Recovery Division</p>	<p>Reactive approach is undertaken towards maintenance and renewals of underground services.</p> <p>Over the years, there have been refurbishments on various buildings and the addition and removal of water, wastewater, and stormwater services. We do not have an accurate picture of the condition of our underground pipes.</p>
<b>Programme of work</b>	Programme 2022 - Property - Hard Surfaces Renewals	<p><i>No renewal programme exists for future renewals.</i></p> <p>An investigative programme exists.</p> <p>Investigation and condition assessments of our underground pipes are covered under Operational Programme - 1728 - Property - Underground Services Investigations</p>

After Taumata Arowai (3 Waters Reform) is in effect – inhouse expertise for the timing of renewals for underground pipes will have to be sourced out. Costs are likely to increase, and an adequate budget needs to be created.

## 9.3 Asset Improvement and New Assets

### 9.3.1 Asset Improvement

Asset improvement will be required when there is a gap between a level of service and what is currently being delivered. Other ways in which the need for new assets is identified is when a facility:

- Is no longer fit for purpose and not meeting demand or design performance;
- Cost to maintain the asset outweighs the benefit of the asset;
- Can no longer meet regulatory compliance requirements;

Has an aggregated group of larger asset components that require replacement at the same time and thus triggering the replacement of the whole building;

Proactive identification for the need of new facilities is a collaboration between the Property Division and other Divisions service managers.

- New asset components

It is often more cost-effective to deliver new asset components rather than develop new buildings. The need for new asset components is identified by the Property Division through:

- Feedback from activities that use our buildings
- Routine inspections
- Poor asset condition assessments
- Repeated asset component failure
- Asset not meeting required level of service

## 9.4 Disposal Policy

The Asset Disposal Policy – Property outlines our process in disposing of asset components. We dispose of when they are assessed as surplus, obsolete or redundant. The Asset Disposal Policy – Property notes all the several reasons of why we would dispose of an asset.

**When considering the disposal of real property please refer to:**

- **Palmerston North City Council Asset Disposal Policy**
- **Palmerston North City Council Significance and Engagement Policy**

As an improvement item we are still yet to decide on the strategic disposal priority order for our asset components. The process for disposal is noted in the Asset Disposal Flowchart – which can be found in the appendices.

Disposal planning will be added to the Improvement Register.

## 10 Lifecycle Management Planning

For ease in facilities management the Property Division categories all the buildings with similar services provided into six main asset type categories.

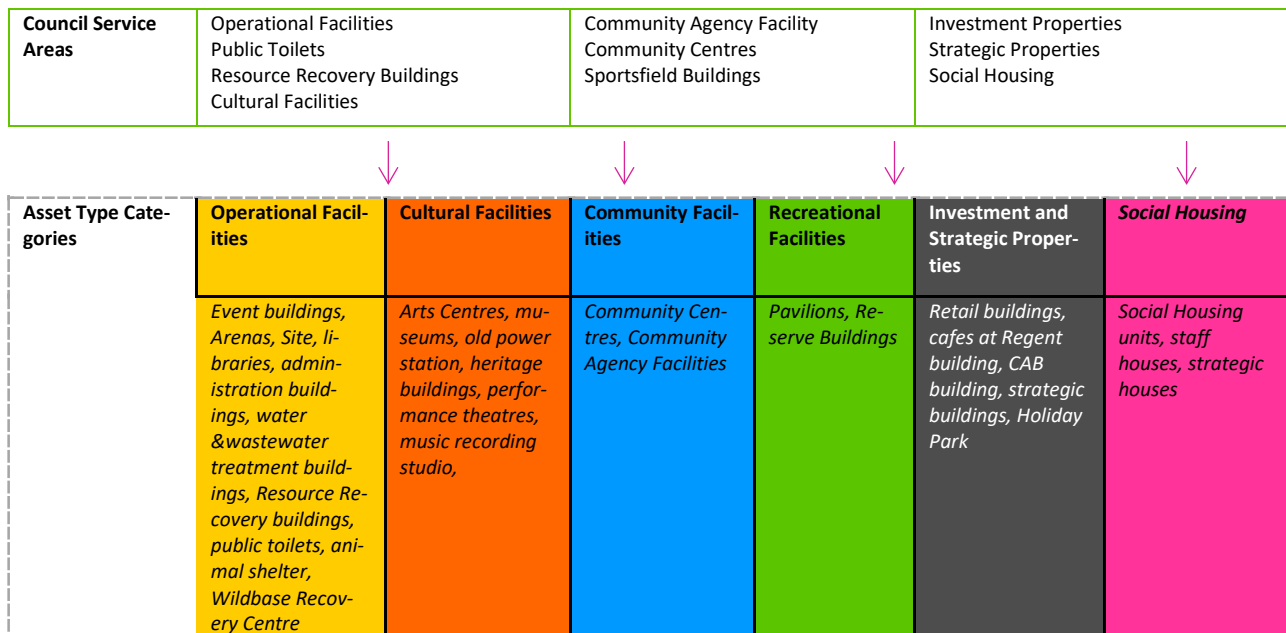


Figure 3 - Building Asset Type Category

Please see Section Property and Facilities Asset Summary, for an overview of all buildings within each of the six asset categories noted above.

Understanding where our building and components are at their lifecycle enables us to identify the actions that need to be taken to maximise the value obtained from our facilities. This enables the delivery of agreed levels of service for the least long-term cost. This is usually planned with a medium-term view of 10 years and then a long-term view of 30 Years.

### 10.1 Lifecycle Planning – Operational Facilities

#### 10.1.1 Assets Overview

The purpose of Operational Facilities is to meet the accommodation needs activities and services we provide as a Council. This facilities in this portfolio are varied. We have administration buildings, event centres, information service centres, libraries, animal recovery centres, water, and wastewater treatment facilities.

Please note that Public Toilets, Libraries and Central Energy Trust Arena have a separate lifecycle section as the management of this facilities is more specialised than the rest of the Operational Facilities asset category.

#### Types of Operational Facilities

Our operational facilities are any building that council occupies and operates from. Many of these are in the outskirts of the city due to the type of activity that occurs – i.e., Crematorium, Water Treatment Plant, Wastewater Treatment Plant and Awapuni Materials Recovery Facility, however we also have some notable facilities in the city centre.

Our public-facing facilities are located within the city centre area, i-Site, Operational Depot, CAB, Libraries, CET Arena, CET Wildbase.

56 public toilet locations. These are available to the public and are located within parks, reserves and some public buildings and sports pavilions.

Please see the appendices for breakdown of buildings on site and a full description of the activities that occur in the buildings.

### 10.1.2 Service Delivery

Most operational properties have specialised plant and equipment that is operated by the dedicated staff. Specialised staff operate and maintain the plant and equipment within the water, wastewater, Resource Recovery facilities and Venues and Facilities Buildings. The Property Division handling maintenance and renewal of the building structure.

### 10.1.3 Key issues and opportunities

**Table 43 Key Issues and Opportunities - Operational Facilities**

Key Issues	Key Opportunities
<b>Seismic Strengthening</b> - CAB, Central Library, Crematorium and WWTP are earthquake prone buildings (EPBs). A seismic strengthening work programme has been included with a rescope and increased budget to ensure that all EPBs are strengthened to the required level. A priority order for seismic strengthening has been adopted.	<b>Central Energy Arena Master Plan</b> giving us direction for future expansion of this facility to deliver better levels of service for the city and region.
<b>Civic and Cultural Precinct Masterplan (CCPMP) Timing and Options</b> - We need to maintain and renew our buildings as per our original plan. However, we need to keep in mind that the Civic and Cultural Precinct Masterplan will drive future direction of any future major upgrades for CAB, Central Library. Sunk costs can occur however we must have to seismic strengthen to meet legal compliance requirements.	<b>Combined archives centre</b> - An opportunity to build an archive that houses Library/ City archives and Te Manawa archives has been identified. A feasibility investigation is needed to identify if a combined facility would be fit for purpose for both groups.
<b>Sunk costs possible as we await CCPMP timelines.</b> Continual deferring of large renewals and maintenance is a risk as components may continue to fail.	3 Waters Reform means that we will have potential vacant desk areas in CAB third floor building. Might be an opportunity for expansion of investment properties or utilising space for staff use – investigations to be made.
<b>Relocation Uncertainty</b> - Uncertainty of Future temporary relocation for Central Library and tenants in CAB and Central Library– uncertainty. Some facilities will not be able to operate while seismic strengthening is happening. Options are still to be investigated to identify where there is extra capacity within our portfolio to host a temporary Library and options will be available for tenants/ occupants	<b>Leasing Options</b> - Youthspace is located near the Central Library. Our current lease is five years in 2028. Opportunity to look for alternative options at end of lease if appropriate. Youthspace is near the Central Library which is a part of the CCPMP. Options have been investigated – however a best long-term solution/space is still yet to be identified.
<b>Vandalism</b> - Increase in vandalism attacks – toilets such as Memorial Park Changing Room toilets and the Square Toilets have had consistent attacks. Reactive renewals for toilets are on have increased due to vandalism and arson attacks and graffiti	There will also be potential change in use for Albert Street Operational Depot due to 3 Waters Reform. Future use of spare capacity needs to be investigated.
Accessibility review has identified key priority areas to increase accessibility to the NZAS Standards for Public Toilets	Expansion of Awapuni Materials Recovery Facility Administration Building in the next financial year
<b>Disposal Uncertainty</b> - Options not yet investigated for disposal of old animal shelter	Desire to add more solar panels to existing and new roof where structurally possible over time effectiveness on energy efficiency



Key Issues	Key Opportunities
Challenging to complete large investments in Operational Depot when future of use is still to be investigated. makes it difficult to invest in the facility other than to only meet short term requirements.	
No options for future use of current animal shelter after the new one is built. Options for decommissioning, disposal of the building to be explored	

### 10.1.4 Condition and Performance

The overall average condition for our Operational properties is 80% in very good condition. The overarching issue across our facilities is the unknown condition of the roofs as well as seismic strengthening that needs to be completed across the Crematorium (WWTP), Civic Administration Building, Central Library and Water Treatment Plant. The approach taken to condition assessment and performance monitoring is aligned to the criticality of the asset. The higher the criticality rating the more frequent the assessment and monitoring. Please see the “*Condition Assessment and Performance Monitoring Policy Statement – Property*” for more details.

Programmes to address any condition and performance issues are outlined in the operation and maintenance section and renewals sections.

#### 10.1.4.1 Condition and Performance – Operational Facilities

Table 44 - Summary Current Condition and Performance - Operational Facilities

Summary Current Condition and Performance - Operational Facilities	Desired Levels of service	Activity Challenge	Type of Investment Required and work programme
<b>Civic Administration Building (CAB)</b>			
CAB is earthquake prone building. Seismic strengthening was delayed at the start of 2023 as part of the Annual Budget prioritisation	Safety - ensure building is seismic strengthened to appropriate standards	Resilience - Seismic Strengthening	Capital New - Programme 902 - Seismic Strengthening of Council Properties
Increase in bird excrement around perimeter of the building near front entrance. Maintenance programmes will include an option to minimise bird perching and bird poo excrement dropping at the front CAB building. Potentially installing mesh in external stairs so the birds do not get in.	Quality - maintain our buildings to a good standard and for assets to be in good condition		
Programme to replace needed. Copper pipes are 40 years old and have developed small holes. Programme to upgrade copper pipes with PVC over the next few years. Toilets cisterns and sinks will be upgraded. The CAB lifts are also due for upgrades soon. With only 2 out of 4 lifts operational for the last 2 years.	Quality - maintain our buildings to a good standard and for assets to be in good condition	Aging infrastructure	New programme - CAB PVC pipes renewals OR Programme 281-CAB - Renewals
Weathertightness issues with the windows seals.	Quality - maintain our buildings to a good standard and for assets to be in good condition	Climate Change	Programme 281-CAB - Renewals

Solar panels on roof are being utilised but not optimally. We are investigating future options for these along with neighbouring Palmy Conference + Function Centre.	Sustainability - more energy efficient buildings	Climate Change	Programme 281-CAB - Renewals
<b><i>i-Site Building</i></b>			
The i-Site building is in good condition. There have been performance issues with leaking roofs in heavy storm weather conditions. This building has been flagged as a candidate for future solar panel funding.	Quality - maintain our buildings to a good standard and for assets to be in good condition	Climate Change	Programme 1730-iSite - Building Renewals
<b><i>CET Wildbase</i></b>			
Most asset components are in good condition following condition assessments. There are drainage issues, the pumps are failing due to bird excrement, the poles are needing to be painted/re-stained as they have cracks.	Quality - maintain our buildings to a good standard and for assets to be in good condition	Aging infrastructure	Programme 1136-CET Wildbase Recovery Centre - Renewals
<b><i>Operational Depot (includes all buildings on site)</i></b>			
Some weathertightness issues with roof in the Storage Store and the Nursery Building. Office Buildings had heating and cooling issues. New heat pumps were installed under the Low Carbon Fund.	Quality - maintain our buildings to a good standard and for assets to be in good condition	Climate Change	Programme 85-Depot - Buildings and Structures Renewals
<b><i>Animal Shelter</i></b>			
The animal shelter is in overall good condition. However, it is not compliant. The most appropriate option is for us to build a new animal shelter rather than attempting to upgrade the existing one to meet compliance standards. Future disposal/ decommission of current facility needs to be addressed.	Safety - Our buildings are safe to use and meet appropriate building standards	Compliance	Programme 1552-Animal Shelter - New Building
<b><i>Kelvin Grove Crematorium Buildings</i></b>			
The crematorium is an earthquake-prone building with seismic strengthening work due to finish in May 2024. The Chapel is also undergoing various upgrades and is closed until March 2024. Interior fitout of the Kelvin Grove Chapel is needed to increase quality LOS - AV equipment, paint, drapes, heat pumps etc, to ensure that the Chapel continues to meet the needs of families and funeral directors.	<p>Safety - Our buildings are safe to use and meet appropriate building standards</p> <p>Quality - maintain our buildings to a good standard and for assets to be in good condition</p>	<p>Resilience - Seismic Strengthening</p> <p>Quality</p>	<p>Programme 902 - Seismic Strengthening of Council Properties</p> <p>Programme 567-Cemeteries - Crematorium Chapel Interior Renewals</p>

### 10.1.4.2 Condition and Performance - Resource Recovery

As a collective the buildings at the Awapuni Resource Recovery Park are in good condition. 80% of assets are in very good to good condition. Capacity issues have been identified at the Materials Recovery Facility (MRF).

**Table 45 - Summary Current Condition and Performance - Resource Recovery**

Summary Current Condition and Performance	Desired Levels of service	Activity Challenge	Type of Investment Re-quired and programme
<b>Awapuni Materials Recovery Facility (MRF)</b>			
The MRF is in good condition and poor condition in some parts. Capacity issues are to do with the recyclables loads to be sorted. An increase in staff scheduling approach could resolve this in the short term. The staff kitchen and toilets do not have enough capacity to provide support to all staff that work at the MRF. A work programme has been proposed to extend the administration building to ensure the building has enough capacity for extra staff.	Quality – increase in building space for occupants	Building capacity Issues	Capital New Programme 1783 - Resource Recovery Buildings - New Facilities
General renewals are to be carried out for the rest of the Resource Recovery portfolio based on condition and performance.	Quality - maintain our buildings to a good standard and for assets to be in good condition	Quality	Mixture of Maintenance MSL Budget and Renewals 1784 -Resource and Recycling Buildings - Renewals
<b>Awapuni Resource Recovery – Compost Building</b>			
This building was an older portacom and has now been reutilised as a staff office. Building is in good condition.	Sustainability – reutilisation of buildings/ materials where possible	Sustainability	Mixture of Maintenance MSL Budget and Renewals 1784 -Resource and Recycling Buildings - Renewals
<b>Old Recycling Building (Timber Recyclers)</b>			
Building is in good condition. However, it is aging and performance issues with the metal clad doors and metal roller doors which are in average condition and may need to be maintained well. Built on old landfill there have been slippage issues. An investigative programme for subsidised will be proposed in the Resource and Recovery AMP – Lifecycle section.	Quality - maintain our buildings to a good standard and for assets to be in good condition	Quality	Mixture of Maintenance MSL Budget and Renewals Programme 1784 -Resource and Recycling Buildings - Renewals
<b>Awapuni Waste Management Shed</b>			
This shed is in good condition for storage. Shed is in good condition Minimal maintenance approach is likely to occur.			
<b>Flare Building - Awapuni Resource Recovery Site</b>			
Condition assessments of this building are still yet to be conducted.			
<b>Compost Storage Shed</b>			
The wooden shed is aging and in poor condition. A replacement shed/ storage area will be need in the immediate future.			
<b>Resource Recovery Transfer Stations</b>			
Both the Awapuni and Ashhurst Transfer station is in very good condition with 91% graded at condition 1.			
<b>Water and Wastewater Pump Station</b>			
Pump stations have had minimum planned renewals undertaken within it. As a result, the current condition of some of the facilities is poor.			

### 10.1.4.3 Condition and Performance - Water and Wastewater Buildings

Table 46 - Summary Current Condition and Performance - Water and Wastewater Buildings

Summary Current Condition and Performance	Desired Levels of service	Activity Challenge	Type of Investment Required and programme
Wastewater Treatment Plant - Admin Block and Digesters are earthquake prone. The buildings are currently ranked as priority number 3/21 for seismic strengthening	Safety - ensure building is seismic strengthened to appropriate standards	Resilience - Seismic Strengthening	Programme 1074 - Totara Road Wastewater Treatment Plant - Earthquake Strengthening of Civil Structures covers this is described in detail Wastewater Asset Management Plan
<b>Wastewater Pump Station Buildings</b>			
Most buildings are in good condition. However, some are experiencing blockages in gutters.	Quality - maintain our buildings to a good standard and for assets to be in good condition	Weathertightness	Programme 1799- Wastewater Treatment Plant - Buildings Renewals
<b>Water Treatment Buildings</b>			
The Water Treatment Plant Admin block needs seismic strengthening to make the building more resilient in the event of an earthquake. The buildings are currently ranked as priority number 2/21 for seismic strengthening.	Safety - Our buildings are safe to use and meet appropriate building standards	Resilience - Seismic Strengthening	Programme 651 - City-wide - Water Supply Resilience - Seismic Strengthening. The Water Division will coordinate the strengthening work.
Building is in good condition. General renewals are to be carried out based on condition and performance.	Quality - maintain our buildings to a good standard and for assets to be in good condition		Programme 1797-Water Treatment Plant - Building Renewals
<b>Water Pump Stations Buildings</b>			
Eye water stations where rusting has occurred have been progressively replaced via maintenance budgets. Exterior gutter cleaning is needed.	Quality - maintain our buildings to a good standard and for assets to be in good condition Safety - Our buildings are safe to use	Compliance	Programme 1822- Water Pump Stations - Building Renewals

#### 10.1.4.4 Condition and Performance - Libraries

Table 47 - Summary Condition and Performance - Operational Facilities - Libraries

Summary Current Condition and Performance	Desired Levels of service	Activity Challenge	Type of Investment Required and programme
<b>Central Library</b>			
<p><b>Weathertightness</b> - The current room is not meeting LOS for provision. The Archives Room at the back of the Central Library has had issues with room temperature control being faulty. There have also been weathertightness issues. Library roof has been leaking as a combination of age and heavy storm weather events. <b>End of useful life</b> - for escalators is approaching. Potential big spends needed on the escalators. <b>Mezzanine doors</b> - Potential upgrade on sliding door fixtures</p>	<p>Quality - maintain our buildings to a good standard and for assets to be in good condition</p> <p>Safety - Our buildings are safe to use and meet appropriate building standards</p>	<p>Lack of extra capacity within property portfolio</p> <p>Aging asset components</p> <p>Weathertightness</p> <p>Resilience - Seismic Strengthening</p>	<p>Mixture of Central Library MSL Maintenance Programmes</p> <p>Programme 1775 - Central Library - Renewals and potential for a Capital new programme 2351 to build an archives centre in the short to medium term future</p> <p>Programme 902 - Seismic Strengthening of Council Properties</p>
<p><b>Community Libraries - Te Patikitiki, Ashhurst Community Library</b> is in good condition. Our condition due to a recent refurbishment in the last 2 years. Condition data shows that general renewals are needed for carpet, interior painting and upgrading space heaters to air conditioners in the next 3-7 years. With exterior painting needing to be completed in 7 years' time.</p>			<p>Programme 1120 - Community Libraries - Renewals</p>
<p><b>Te Patikitiki Library</b> is in good condition, with at least 60% of assets being in good condition. Capacity issues with the toilets on site. One toilet is available for public use has heavy use in weekends from non-library users – i.e., sportsfield user due to nearby public toilet (Monrad Pavilion) being in poor condition and being faraway. Our condition data shows major refurbishments are needed for library (roof painting, exterior and interior carpets etc) and kitchenette area is small for staff use and toilets need an upgrade.</p>	<p>Quality - maintain our buildings to a good standard and for assets to be in good condition</p>	<p>Building capacity</p>	<p>Mixture of Community Libraries MSL Maintenance Programme 1120 - Community Libraries - Renewals continual maintenance</p>
<p><b>Poor condition of hard surfaces</b> - The back of the library exterior near Moxies Café will need repainting. The carpark at the back of the Central Library is in poor condition – carpark spaces are very faded and need repainting. Carpark area also needs resurfacing.</p>	<p>Quality - maintain our buildings to a good standard and for assets to be in good condition</p>	<p>Aging asset components</p>	<p>Programme 2022 - Property - Hard Surfaces Renewals</p>

### 10.1.4.5 Condition and Performance - Public Toilets

Graffiti and vandalism are a major problem with our public toilets. Due to this, most of our toilets are locked down every night, but this is still not stopping the elevated level of tagging & vandalism.

**Table 48- Summary Condition and Performance - Operational Facilities - Public Toilets**

Summary Current Condition and Performance	Desired Levels of service	Activity Challenge	Type of Investment Required and programme
Our public toilets, in general, are in good condition at 77% condition grade. There have been some performance issues with underground servicing due to blockages.	Our public toilets are accessible, appropriately located and gender-neutral	Underground assets condition unknowns	Programme 186 - Public Toilets - Renewals and Underground Services Investigations
Majority of floors are in good condition. However, overtime set stains in the flooring type need to be updated to floors that are easy to clean. We have identified that there is a need to install security cameras outside of public toilet locations that have continual vandalism.	Quality - maintain our buildings to a good standard and for assets to be in good condition	Accessibility Poor Condition Vandalism	Mixture of Public Toilets Maintenance MSL and Renewals Programme 186 - Public Toilets Renewals
Some toilets still have old light fittings and will need to be updated to LED lights	Quality - maintain our buildings to a good standard and for assets to be in good condition		Capital New programme 1451-Property - LED Lighting Upgrades
Monrad Pavillion Outdoor toilets are in poor condition and aging components are not accessible. <b>Paneiri Park Public Toilet is experiencing capacity issues</b>	Quality - maintain our buildings to a good standard and for assets to be in good condition	Capacity and Aging Infrastructure and Poor Condition	Programme 186 - Public Toilets Renewals OR Programme 161- Public Toilets - New City-wide Toilets
Hokowhitu Lagoon Toilet are situated underneath The Chalet building. The Chalet is earthquake prone and seismic strengthening. Major refurbishments needed to Chalet.	Safety - Our buildings are safe to use and meet appropriate building standards	Resilience - Seismic Strengthening	Programme 902 - Seismic Strengthening of Council Properties and Programme 186 - Public Toilets Renewals

### 10.1.4.6 Condition and Performance - CET Arena and Conference Centre

Table 49 -Summary Current Condition and Performance

Summary Current Condition and Performance	Desired Levels of service	Activity Challenge	Type of Investment Required and programme
<b>CET Arena Complex</b>			
<b>Arena 1</b> - Ground floor is getting worn out. A new floor will be needed soon in the 1-2 years. Water tightness issues with Arena 1. Some window seals have cracks and need to be sealed to increase Arena 1 - needs yearly building washes due to the nature of outdoor events etc.	Quality - maintain our buildings to a good standard and for assets to be in good condition	Aging asset components Water tightness	Programme 1759 - CET Arena - Grounds Renewals
<b>Arena 1</b> - Main foyer has cracked tiles that need replacing and need to consider replacing as they get slippery when wet.			Programme 1051-CET Arena - Arena Renewals
<b>Arena 1</b> -The ventilation system is aging and will need to be upgraded to modern standards. The old ventilation's part cannot be replaced as it has stopped being manufactured.			
<b>Arena 1</b> - Office space on the second floor needs to be refurbished to meet tenants fit out requirements - -cost will be on tenant			
<b>Arena 1</b> Speed way -Wanting to upgrade the lights in workshop to LED to help with sight. Arena 1, 3 and 4 need LED lighting upgrades		Climate Change	Programme 1451-Property - LED Lighting Upgrades
<b>Arena 3</b> roof is aging and needs replacement.		Aging asset components	Programme CET Arena MSL Maintenance Programme
<b>Arena 5</b> is earthquake prone. priority list number 13/21 to seismic strengthen. Replacement as part of CET Arena Masterplan.	Safety - Our buildings are safe to use and meet appropriate building standards	Resilience - Seismic Strengthening	Programme 902 - Seismic Strengthening of Council Properties
Officers have noted that various air conditioner upgrades are needed for the site as current heating and cooling systems are aging.			CET Arena MSL Maintenance Programme and Programme 1051-CET Arena - Arena Renewals
<b>Arena – Pedestrian Bridge</b>			
Rails need to be extended or install taller rails to help mitigate younger users from climbing over rail.	Safety - Our buildings are safe to use and meet appropriate building standards		
<b>Hard surfaces</b> - Asphalt renewal from car park throughout to speedway gravel bit area			2022-Property - Hard Surfaces Renewals

Palmy Conference + Function Centre	Desired Levels of service	Activity Challenge	Investment Required to meet LOS
<b>Palmy Conference + Function Centre - Hard surfaces</b> - The cobblestone hard surfaces at the entrance of the building in average condition. The driveway has potholes which often appear after a heavy rain event. The driveway is heavily used by even users of the building. A full resurface of the entrance way will be needed in the future as it might not be sustainable to continue with reactive patching.	Quality - maintain our buildings to a good standard and for assets to be in good condition	Aging asset components	Programme 2022-Property - Hard Surfaces Renewals
The service lift needs a replacement. A mezzanine floor above seminar room in second level will be needed in later years	Quality - maintain our buildings to a good standard and for assets to be in good condition		Programme 664 - Palmy Conference + Function Centre - Renewals

### 10.1.5 Operation and Maintenance Plan

All operational properties are maintained by the Facilities Maintenance (FM) team and external contractors that undertake specialised work on behalf of the FM team.

Operation of the buildings is undertaken by the respective Council activity groups as the expertise to operate their buildings i.e., the Water and Wastewater Services buildings and Resource Recovery buildings

Maintenance work has been planned for most facilities in this asset group. The table below show the general Operations and Maintenance Plan for all our Operational Facilities.

**Table 50 - Operations & Maintenance Plan - Operational Facilities**

Description	Activity	Purpose -Operational Facilities	Frequency
<b>Operational</b>	Building Warrant of Fitness (BWoF) Inspections	Legislation and compliance. Safety. BWoF confirms that the specified systems of the building have been maintained and checked for the previous 12 months per the compliance schedule. Compliance matters, including BWoFs, are the private building owner's responsibility for Awapuni and Roslyn Libraries and Youthspace.	Annually and or on an as-needed basis as per the Building Warrant of Fitness (BWoF) Compliance Schedule.
	Grounds Maintenance	Safety creates a good first impression, boosts buildings image and appeal.	As Required - Grounds maintenance of hedges, gardens and lawns is the responsibility of the CCOs or incorporated societies – refer to maintenance responsibility guideline As Required - Grounds maintenance of hedges, gardens and lawns is the responsibility of the Parks and Logistics Division in collaboration with Property Division



Description	Activity	Purpose -Operational Facilities	Frequency
	Condition Assessments	Completed by Facilities Management Officers and larger buildings (CAB etc) – completed by SPM Contractor	Every 3 years
	Cleaning	Interior Cleaning is completed by an inhouse team. However, the CAB, libraries and MRF have external cleaners.	As Required
		All paper towels, soap, toilet blocks, paper and are replenished, when necessary, by Facilities Management Team	
<b>Planned Maintenance</b>	Interior Painting	Prevent deterioration Identify deterioration/defects.	7 yearly - Criticality based dependant on Levels of Service requirement.
	Exterior Painting	Paint with consistent "Palmy" brand colours where possible. Prevent deterioration Identify deterioration/defects.	Exterior wall repainting completed every 7-12 years or based on age and condition of the paint work
	Building Wash downs	Clean exterior to provide longevity to exterior cladding and paint systems. To provide an important level of visual appearance	At least every 2 years or more frequently dependant on building performance
	Window Cleaning	Extend windows life, appearance.	At least every 2 years or more frequently dependant on building performance
	Roof/Gutter Clean	Prevents water damage, facilitates pest control, extends roof and gutter lifespan, increased curb appeal	Annually or more frequently dependant on environmental considerations.
	Lift Maintenance	Safety, keeps lift operating, fix small problems before they get any bigger.	Monthly
	Fire System Maintenance	Safety, checking systems, undertaking small maintenance issues to keep the fire system working effectively.	As required (or monthly)
	HVAC Maintenance	Health and safety. Cleaning, checking, inspecting, filter replacement, reduce equipment replacement costs, keep building comfortable for occupants.	As required (or monthly)
<b>Reactive Maintenance</b>	<p><b>Reactive work:</b> includes maintaining the building structure and all permanent fixtures and fittings, including response to :</p> <ul style="list-style-type: none"> <li>- broken windows,</li> <li>- doors, locks,</li> <li>- Removal of graffiti</li> <li>- leakage to building</li> <li>- plumbing/drainage issues, leaking pipes, dripping taps, blocked toilets, drains, gully traps and sinks. Faults are repaired, blockages cleared, and drains relayed on an as-required basis.</li> </ul>		

### 10.1.5.1 Maintenance Responsibilities

Maintenance responsibilities vary within this portfolio. General responsibilities can be found in Appendix H Maintenance Responsibilities.

Cleaning maintenance across the portfolio is coordinated by the Facilities Maintenance team. Some cleaning is completed by the inhouse cleaning team and other part of the portfolio the cleaning is completed by contractors.

**Table 51 - Building Interior Cleaning Responsibility**

Building	Interior Cleaning Responsibility
CET Arena Complex	Internal Team – Venues Team
Palmy Conference + Function Centre	Internal Team – Venues Team
Civic Administration Building (CAB)	Contractor
i-Site Building	Facilities Maintenance
Library Buildings (Central, Te Patikitiki, Ashhurst, Roslyn and Awapuni) *	Contractor
Animal Shelter	Facilities Maintenance
Kelvin Grove Crematorium Buildings	Facilities Maintenance
Resource Recovery Buildings**	Contractor & Facilities Maintenance (Depot)
Wastewater Treatment Buildings **	Facilities Maintenance
Water Treatment Buildings**	Facilities Maintenance
Public Toilets	Facilities Maintenance
Central Energy Trust Wildbase Recovery Centre	Contractor
Albert Street Operational Depot (includes all buildings on site)	Facilities Maintenance
Water and Wastewater Pump Station Buildings	Coordinated by the Water or Wastewater Activity Managers

\* The Youth Space and the community libraries at Awapuni and Roslyn branches are leased buildings. Council is a tenant – cleaning is outsourced to a contractor.

\*\* Interior cleaning for water and wastewater pump stations buildings is coordinated by the Water or Wastewater Service Managers. All other building maintenance is undertaken by the Facilities Maintenance team.

### 10.1.5.2 Operation and Maintenance Expenditure Trends

Maintenance has been increasing over the last five years. On average, operational and maintenance expenditure has been between \$2 million to \$3 million.

Public toilets maintenance is for the buildings; however, in recent years, some toilets are starting to experience servicing issues due to toilet blockages cause by incorrect materials being flushed. Vandalism and graffiti tagging has increased in public toilets, which means our reactive maintenance spend has also had to increase.

### 10.1.5.3 Operations and Maintenance Forecast

Operations and maintenance expenditure for operational properties is based on historical spend trends, asset officer knowledge, and asset condition data.

All Our water and wastewater buildings will now be managed by the new Entity in the new Taumata Arowai organisation. Our planning for water and wastewater buildings will only be up to when the entity takes effect after 2026.

The table below shows the maintenance MSL budgets over the next 10 years. A 30-year view can be found in the appendices.

**Table 52 - Operational Facilities - Maintain Service Level (MSL)**

MSL CODE	MSL Asset Activity	2024/25 Year1	2025/26 Year2	2026/27 Year3	2027/28 Year4	2028/29 Year5
54705	Activities Management Overhead	\$63,906	\$63,906	\$63,906	\$63,906	\$63,906
54710	Cemeteries Buildings	\$41,039	\$41,039	\$36,539	\$36,539	\$36,539
54715	Central Energy Trust Wildbase	\$131,737	\$131,737	\$128,737	\$128,737	\$128,737
54720	Community Centres	\$211,961	\$211,961	\$211,961	\$211,961	\$211,961
54725	Libraries	\$686,300	\$686,300	\$678,800	\$678,800	\$678,800
54730	Public toilets	\$516,128	\$516,128	\$516,128	\$516,128	\$516,128
54735	Social Housing	\$1,896,141	\$1,896,141	\$1,896,141	\$1,896,141	\$1,896,141
54740	Animal Control	\$66,580	\$66,580	\$66,580	\$66,580	\$66,580
54745	Central Energy Trust Arena	\$848,567	\$859,567	\$848,567	\$848,567	\$859,567
54750	City Reserves	\$229,306	\$229,306	\$229,306	\$229,306	\$229,306
54755	Local Reserves (Facilities Management Overhead)	\$504,616	\$504,616	\$504,616	\$504,616	\$504,616
54760	Sportsfields	\$297,986	\$297,986	\$297,986	\$297,986	\$297,986
54765	Other Cultural Facilities	\$699,746	\$699,746	\$685,746	\$685,746	\$699,746
54770	Te Manawa	\$449,925	\$449,925	\$437,925	\$437,925	\$449,925
54775	Civic Administration Building	\$1,212,732	\$1,212,732	\$1,198,732	1,198,732	\$1,212,732
54780	Investment Property	\$128,518	\$128,518	\$128,518	\$128,518	\$128,518
54785	Landfill Management	\$103,690	\$103,690	\$98,690	\$98,690	\$103,690
54790	City Marketing	\$32,805	\$32,805	\$32,805	\$32,805	\$32,805
54795	Conference & Function Centre	\$188,000	\$188,000	\$183,000	\$183,000	\$188,000
54800	Economic Development	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000
54805	Wastewater Collection	\$39,996	\$39,996	\$39,996	\$-	\$-
54810	Wastewater Treatment and Disposal	\$71,500	\$71,500	\$71,500	\$-	\$-
54815	Water Collection	\$53,400	\$53,400	\$53,400	\$-	\$-
54820	Water Treatment	\$35,000	\$35,000	\$35,000	\$-	\$-
Labour	Labour	\$2,532,295	\$2,546,416	\$2,561,871	\$2,566,244	\$2,578,329
	<b>Total</b>	<b>\$11,121,874</b>	<b>\$11,146,995</b>	<b>\$11,086,450</b>	<b>\$10,890,927</b>	<b>\$10,979,012</b>

MSL CODE	MSL Asset Activity	Year6 (2029/30)	Year7 (2030/31)	Year8 (2031/32)	Year9 (2032/33)	Year10 (2033/34)
54705	Activities Management Overhead	\$63,906	\$63,906	\$63,906	\$63,906	\$63,906
54710	Cemeteries Buildings	\$36,539	\$36,539	\$36,539	\$36,539	\$36,539
54715	Central Energy Trust Wildbase	\$128,737	\$128,737	\$128,737	\$128,737	\$128,737
54720	Community Centres	\$211,961	\$211,961	\$211,961	\$211,961	\$211,961
54725	Libraries	\$678,800	\$678,800	\$678,800	\$678,800	\$678,800
54730	Public toilets	\$516,128	\$516,128	\$516,128	\$516,128	\$516,128
54735	Social Housing	\$1,896,141	\$1,896,141	\$1,896,141	\$1,896,141	\$1,896,141
54740	Animal Control	\$66,580	\$66,580	\$66,580	\$66,580	\$66,580
54745	Central Energy Trust Arena	\$848,567	\$848,567	\$848,567	\$848,567	\$848,567
54750	City Reserves	\$229,306	\$229,306	\$229,306	\$229,306	\$229,306
54755	Local Reserves (Facilities Management Overhead)	\$504,616	\$504,616	\$504,616	\$504,616	\$504,616
54760	Sportsfields	\$297,986	\$297,986	\$297,986	\$297,986	\$297,986
54765	Other Cultural Facilities	\$685,746	\$685,746	\$685,746	\$685,746	\$685,746
54770	Te Manawa	\$440,925	\$440,925	\$440,925	\$440,925	\$440,925
54775	Civic Administration Building	\$1,198,732	\$1,198,732	\$1,198,732	\$1,198,732	\$1,198,732
54780	Investment Property	\$128,518	\$128,518	\$128,518	\$128,518	\$128,518
54785	Landfill Management	\$ 98,690	\$ 98,690	\$ 98,690	\$ 98,690	\$ 98,690
54790	City Marketing	\$32,805	\$32,805	\$32,805	\$32,805	\$32,805
54795	Conference & Function Centre	\$183,000	\$183,000	\$188,000	\$188,000	\$188,000
54800	Economic Development	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000
54805	Wastewater Collection	\$-	\$-	\$-	\$-	\$-
54810	Wastewater Treatment and Disposal	\$-	\$-	\$-	\$-	\$-
54815	Water Collection	\$-	\$-	\$-	\$-	\$-
54820	Water Treatment	\$-	\$-	\$-	\$-	\$-
La-bour	Labour	\$2,582,643	\$ 2,593,263	\$2,594,492	\$2,605,409	\$2,608,054
	<b>Total</b>	<b>\$10,910,326</b>	<b>\$10,920,946</b>	<b>\$10,995,175</b>	<b>\$10,933,092</b>	<b>\$10,935,737</b>

## 10.1.6 Renewal Plan

### 10.1.6.1 Renewal Expenditure

Over the last five years our renewals have been increasing across the portfolio. Our initial budget was not meeting the requirements needed. There four areas where our initial renewals budget had to be doubled or tripled in some instances.

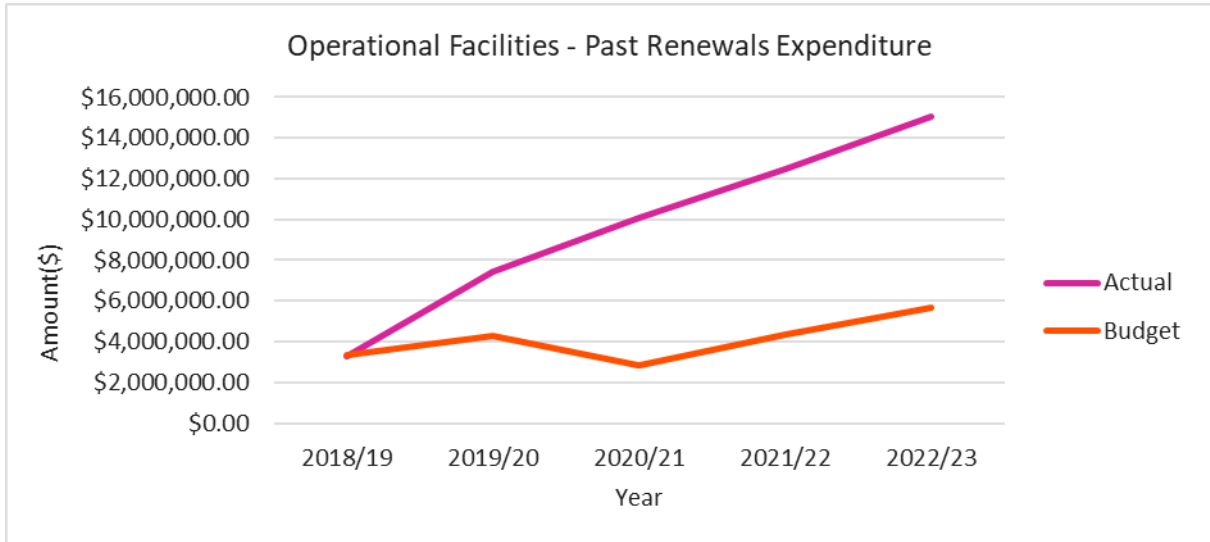


Figure 4 - Operational Facilities - Past Operations and Maintenance Expenditure

Our key investment/spend areas

- Operational Depot - Our initial budget was reduced in the last 2020 AMP. Our focus was on dealing with any critical projects relating to health and safety. Weathertightness of old buildings were priority. Roof repairs were completed within the nursery and through to the carpentry workshops.
- CAB – The majority of our renewals pertained to fire safety upgrades in the basement. We also spent more in rectifying any weather tightness issues – moisture ingress. There will be ongoing projects to address weathertightness issues.
- CAB – We invested more in robust and fit for purpose furniture and staff. Majority was furniture for 4<sup>th</sup> floor North and 3<sup>rd</sup> floor South.
- Central Library – Seismic bracing of seismic bracing of fixtures and fittings within the library.
- CET Arena – Majority of our renewal work pertained to addressing weathertightness issues at Arena 3 roof leaks in changing rooms.



## 10.2 New Assets and Development Plan

Proactive identification for the need of new facilities is a collaboration between the Property Division and other Council activity managers.

Operational Facilities		Ongoing - Capital New Development
Animal Shelter	The current facility is non-compliant and animal welfare continues to be a concern. The animal shelter build work has now started in 2023. The new animal facility will be built next to the existing animal shelter. Disposal of the current animal shelter is still yet to be decided. The build of the specialised facility is expected to take about 14 months. The current animal shelter remains open and accessible	
Awapuni Materials Recovery Centre - Admin Block	There will be an expansion of the administrative building to provide more space for staff. The current facility does not have enough capacity for all operational staff to utilise the building during the day. Additional bathrooms and staff room kitchen and sitting areas are needed. Programme 1783 - Resource Recovery Buildings - New Facilities have been proposed in the Long Term Plan (LTP) . An amount of \$300,000 has been set aside for the new facilities.	
Wastewater Treatment Plant	An upgrade of the wastewater treatment plan is proposed. It is uncertain when the project will come online, but it will be between 2026-2028. The existing treatment plant needs to remain fully operational until then. Future Taumata Arowai Entity E will need to consider the existing work that is planned for this site from 1 July 2026 onwards. Capital new programming for the Wastewater Treatment Plant can be found in the Wastewater AMP	
Seismic Strengthening	The intent of the programme is to upgrade Council buildings that currently have been assessed as not meeting the Earthquake Prone Buildings Policy to have a strength no less than 34% of the NBS.	
Public Toilets	We will be building a new toilet each year where possible to meet the demands of our growing city.	
Community Hubs and Libraries	<p>As there are new residential growth areas in the city. Each new community is likely to need a community centre/ hub which may incorporate a library. It is yet to be decided on what will be included in the community hubs. Please see Lifecycle Section – Community Facilities.</p> <p>The City Library Plan has the following actions:</p> <p style="padding-left: 40px;">Earthquakes strengthen and upgrade the City Library (year 2). This is covered under programme 902 – Seismic Strengthening. Table 54 – Libraries – Capital New Assets Programmes</p>	

### Ongoing programmes

**Animal Shelter** (ongoing from last 10-year plan) - The current facility is non-compliant and animal welfare continues to be a concern. The animal shelter build work has now started in 2023. The new animal facility will be built next to the existing animal shelter. Disposal of the current animal shelter is still yet to be decided. The build of the specialised facility is expected to take about 14 months. The current animal shelter remains open and accessible.


**Wastewater Treatment Plant** - An upgrade of the wastewater treatment plan is proposed. It is uncertain when the project will come online, but it will be between 2026-2028. The existing treatment plant needs to remain fully operational until then. Future Taumata Arowai Entity E will need to consider the existing work that is planned for this site from 1 July 2026 onwards. Capital new programming for the Wastewater Treatment Plant can be found in the Wastewater AMP

### 10.2.1 Capital New Programmes – Operational Facilities

Programme 902 -Property - Seismic Strengthening of Council Properties – covers a wide range of properties within our portfolio. The order for seismic strengthening within this programme is:

**Table 55 - Timeline for Seismic Strengthening over 10 years**

2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Regent design. Library investigation \$2M	Regent Theatre construction. Library design \$6.5M	Regent Theatre construction \$6.5M	Library construction \$30M	Library construction. Te Manawatu design \$30M	Te Manawa Construction \$30M	Te Manawa construction. \$30M	CAB Construction \$7.5M	CAB construction. Caccia Birch design \$7.5M	Caccia Birch construction. \$5M



As part of moving towards becoming more sustainable and having energy efficient buildings - Programme 1451 - Property - LED Lighting Upgrades will see our old lighting upgraded to LED lights.

Programme 1196 has provision for an opportunity to reconfigure existing office space within the Crematorium building, in conjunction with seismic strengthening work, rather than building a new building.

Programme 1783 – aims to upgrade the Materials Recovery Facility (MRF) Admin block. The facility is aging, too small and not fit for purpose. There has not been a robust renewals programme or a programme for enhanced facilities in some time.

Programme 1826 – aims to enhance the CAB building and to create and enable flexible and agile work environments which meet the current and future needs of Council employees. This links in with Programme 2047 - Furniture Replacement. Needed to design spaces in a strategic way to ensure staff can physically fit within office spaces due to old furniture sizes and restrictions, but also to achieve more collaboration and efficiency between teams and units.

Programme 2345 for installation of solar panels on identified buildings. Where appropriate solar energy systems will be installed when constructing, replacing, or repairing roofs. Moving us towards more energy efficient buildings.

Programme 2351 – Our current archives room has had ongoing weathertightness issues. It might be unsustainable to continue “fixing.” We are proposing to provide a fit-for-purpose archives building is needed to house the city's historical records.

Table 57 outlines all the capital new budget for programmes for all Operational Buildings assets over the next 10 years.

### 10.2.2 Libraries – Capital New Assets Programmes

Civic Administration Building, Central Library, (and cultural facilities Te Manawa Museum, Te Manawa Art Gallery, The Globe Theatre) are part of the Civic and Cultural Precinct Masterplan (CCPMP). We are anticipating that there might be substantial change in building configuration. However, a decision is still yet to be made via the Civic and Cultural Precinct Masterplan Steering Committee as part of the 2024 - Long Term Plan (LTP) process. Table 57 outlines all the capital new budget for programmes for all Libraries assets over the next 10 years. Further internal investigations will be completed to identify relocation needs within all buildings that are part of the Civic and Cultural Precinct Masterplan.

Internal investigations on relocation of City Library during major seismic strengthening work may need to be investigated.



### 10.2.3 Public Toilets - Capital New Assets Programme

Our aim is to build one new public toilet every year via Programme 161-Public Toilets - New City-wide Toilets. However, in a budget constraint environment, we build 1 public toilet per year. The new toilets are either at completely new site or a major upgrade which goes above our capital renewal budgets.

The table below outlines the new toilets that will be built over the next 10 years. Years 5 onwards will be targeted at building new toilets in growth areas in Kakatangiata, Aokautere as well as adding additional toilets to the Manawatu River trail. Table 57 outlines all the capital new budget for Public Toilets over the next 10 years

Table 57 outlines all the capital new budget for programmes for all public toilets' assets over the next 10 years.

**Table 56 - Proposed Order of New Toilets**

Proposed Order of New Toilets			
<b>Year 1</b>	Cloverlea Park and Mariner/Monrad	<b>Year 7</b>	Aokautere 1 - Commercial centre
<b>Year 2</b>	Paneiri Park	<b>Year 8</b>	Suburb Reserve - Kelvin Grove Park
<b>Year 3</b>	Manawatu River Park - Ahimate Reserve - Dog Park	<b>Year 9</b>	Manawatu River Park - Ruakawa Rd
<b>Year 4</b>	Terrace End toilets	<b>Year 10</b>	Manawatu River Park - Te Matai Rd
<b>Year 5</b>	Kakatangiata 1 – Kahikatea Forest Remnant	<b>Year 11</b>	Aokautere 2 - Suburb Reserve
<b>Year 6</b>	Kakatangiata 5 - Kikiwhenua	<b>Year 12</b>	Manawatu River Park - Ruahine Bend

#### Public Toilets in new growth areas

Public toilets in new growth areas will be built on Council owned land. No land purchases are necessary. However, we also must consider any proposals for new community centres. As public toilets can either be built as part of community centre building (with toilets accessible after hours) or be built near the community centre.

### 10.2.4 CET Arena – Capital New Assets Programmes

The Central Energy Trust Arena Masterplan has some proposed new infrastructure. This will be funded under an existing Programme 1194 - CET Arena - Future Masterplan Items. Section 7 Demand summaries some of the demand pressures facing our CET Arena Facility and the needs for new assets to provide a satisfactory level of service to our community. Table 57 outlines all the capital new budget for CET Arena Assets over the next 10 years.

### 10.2.5 Operational Facilities - Capital New All Programmes Forecast

The table below summaries all capital new programmes for our Operational Facilities for the next 10 years

**Table 57 - Operational Facilities - Capital New Programmes**

Operational Facilities - Capital New Programmes	2024/25	2025/26	2026/27	2027/28	2028/29
161 -Public Toilets - New City-wide Toilets	\$ 300,000	\$ 200,000	\$200,000	\$200,000	\$200,000
902- Property - Seismic Strengthening of Council Properties	\$2,000,000	\$6,500,000	\$6,500,000	\$30,000,000	\$30,000,000
1194 - CET Arena - Future Masterplan Items	\$	\$2,341,245	\$3,111,500	\$	\$14,340,840
1451 -Property - LED Lighting Upgrades	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
1763 - CET Arena - Property Purchase	\$	\$	\$2,100,000	\$	\$
2345 - Property - Solar Panel Installations	\$60,000	\$100,000	\$160,000	\$100,000	\$330,000
2351 - Cultural Facilities - New Archive Building	\$500,000	\$4,000,000	\$5,000,000	\$	\$
2361 - CET Arena - Replacement of Grandstand Roof	\$	\$	\$1,000,000	\$1,000,000	\$
2363 - Conference and Function Centre - New upgrades	\$	\$	\$	\$100,000	\$100,000
2426 - CET Arena - Upgrade of lighting to LED	\$	\$	\$2,000,000	\$2,000,000	\$
	<b>2029/30</b>	<b>2030/31</b>	<b>2031/32</b>	<b>2032/33</b>	<b>2033/34</b>
161 -Public Toilets - New City-wide Toilets	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
902- Property - Seismic Strengthening of Council Properties	\$30,000,000	\$30,000,000	\$7,500,000	\$7,500,000	\$5,000,000
1194 - CET Arena - Future Masterplan Items	\$613,664	\$1,514,221	\$	\$ 276,860	\$5,085,737
1451 -Property - LED Lighting Upgrades	\$ 50,000	\$50,000	\$50,000	\$50,000	\$50,000
1763 - CET Arena - Property Purchase	\$	\$	\$	\$	\$
2345 - Property - Solar Panel Installations	\$120,000	\$115,000	\$100,000	\$ 180,000	\$ 180,000

### Operational Facilities - Consequential Opex

There will be an increase in operating costs associated with additional new facilities (Public toilets, CET Arena Masterplan facilities, archives building). The first 3 years we are proposing to spend around \$21,000 per year on each new public toilet that is built. In years 4-5 this will increase to around \$480,000 with additional facilities from the CET Arena Masterplan. With costs continuing to increase in outer years. The table below summaries the first 10 years of operating costs. A 30-year view of operating costs is available in the Appendix - 30 Year Financial Forecast.

**Table 58 - Operational Facilities - Consequential Opex Programmes**

Operational - Consequential Opex Programmes	Year1 (2024/25)	Year2 (2025/26)	Year3 (2026/27)	Year4 (2027/28)	Year 5 (2028/29)
161 - Public Toilets - New City-wide Toilets	\$	\$21,000	\$21,000	\$63,000	\$84,000
1194 - CET Arena - Masterplan Redevelopment	\$	\$	\$	\$272,637	\$272,637
2351 - Cultural Facilities - New Archive Building	\$	\$	\$	\$150,000	\$150,000
Operational - Consequential Opex Programmes	Year 6 (2029/30)	Year 7 (2030/31)	Year 8 (2031/32)	Year 9 (2032/33)	Year 10 (2033/34)
161 - Public Toilets - New City-wide Toilets	\$105,000	\$126,000	\$147,000	\$168,000	\$189,000
1194 - CET Arena - Masterplan Redevelopment	\$989,679	\$1,020,362	\$1,096,074	\$1,096,074	\$1,109,917
2351 - Cultural Facilities - New Archive Building	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000

### 10.3 Disposal Plan

The disposal of an Operational Facility would occur through the need to develop the land upon which the asset sits, when it is not possible or economic to retain the building in question, or when the asset is no longer suitable for providing the service, it is intended for. The locations below adhere to these criteria.

**Table 59 - Proposed Building Disposals - Operational Facilities**

Proposed Disposals	Commentary
<b>Animal Shelter</b>	May need to either be disposed of via demolition or repurposed as a storage facility, education centre. Direction for the future of this facility is still to be determined.
<b>Albert Street Depot</b>	In the last Long Term Plan (LTP) and the last Property AMP was proposed for future disposal Identify and undertake feasibility investigations and preliminary designs for relocation options for the Albert Street Depot operation and recycling drop-off The also been flagged as a potential area for residential subdivision The catalyst for this investigation has been the 3Waters Reform in which the Central government agency will handle delivering the Three Waters (water, wastewater, and stormwater) services.

### 10.4 Lifecycle Planning - Murals and Sculptures

The Property Division undertakes the care and maintenance of all external murals on Council owned buildings and some sculptures around the city on behalf of the Community Development Team and Parks and Logistics Division. The Public Art and Heritage Object AMP has more detail on care and maintenance improvement, scope of asset lists and asset descriptions.

## 10.5 Lifecycle Planning – Cultural Facilities

### 10.5.1 Asset Overview

This asset group includes the City’s art galleries, museums, theatres, and other community venues. These facilities provide opportunities for residents and visitors to participate in arts and cultural events. There are seven cultural facilities in the CBD.

Four of our cultural facilities are Heritage buildings as per Heritage NZ’s classification as well the Palmerston North District Plan heritage classification

Please see the appendices for breakdown of buildings on site and a full description of the activities that occur in the buildings.

### 10.5.2 Service Delivery

The service delivery of the activities that occur in Cultural facilities is through Council Controlled Organisations (CCOs) and community trusts.

**Table 60 - Service Delivery - Cultural Facilities Management**

Facilities Managed by CCOs	Facilities managed by Community Trust
Regent Theatre	Creative Sounds
Te Manawa Museum of Art, Science and History	Square Edge and Workshop
Globe Theatre	Keith Street PowerStation
Caccia Birch	Was managed by Caccia Birch Trust prior to July 2022. Council now manages Caccia Birch sole. Council has more influence over the service, including quickly adjusting the balance between commercial and community outcomes and addressing performance issues

### 10.5.3 Key Issues and Opportunities

**Table 61 - Key Issues and Opportunities - Cultural Facilities**

Key Issues	Key Opportunities
<b>Heritage challenges</b> - Caccia Birch, Regent Theatre and Keith Street Power Station are all Heritage buildings. Maintenance work, renewals, and upgrades can be challenging to adhere to Heritage New Zealand’s “Sustainable Management of Historic Heritage Guidance.”	Opportunity to collaborate to create one temperature-controlled archives room / facility for both city archives (noted in Libraries section) and Te Manawa archives.
<b>Seismic strengthening</b> - Te Manawa Complex priority, Square Edge, Caccia Birch, Regent Theatre, and Keith Street Power Station are earthquake-prone buildings.	
<b>CCMPM Timing</b> - Te Manawa site, Globe Theatre buildings are part of the CCPMP. Timing of seismic strengthening needs to consider timing of CCPMP - to minimise sunk cost for large renewals and large maintenance projects.	
Tenants will not be likely to be occupying the building during seismic strengthening work. Responsibility of temporary relocation retail space for tenants needs to be investigated.	

### 10.5.4 Condition and Performance

Our Cultural Facilities are on average 80.9% in good to very good condition. Most of our buildings are at least 40 years old or older. The age of the components within each building varies. For older buildings, the age of component age had not been historically captured. Over the years, there have been significant refurbishments and renewals to either preserve or upgrade building asset components. Future asset component renewal and warranties will be captured going forward.

**Table 62 - Summary Current Condition and Performance - Cultural Facilities**

Summary Current Condition and Performance	Desired Levels of service	Activity Challenge	Type of Investment Required and programme
Seismic Strengthening is needed for: Regent Theatre - priority 3/21, Te Manawa priority 4/21, Caccia Birch 6/21 - Fire upgrades, 1st floor strengthening is needed, Square Edge (old workshop) priority 15/21, Creative Sounds priority 16/21.	Safety - ensure building is seismic strengthened to appropriate standards	Resilience - Seismic Strengthening	Programme 902 - Seismic Strengthening of Council Properties
<b>Regent Theatre</b>			
Rather than patch fixing - a full roof replacement is scheduled in 2023 with quotes pending. Exterior building also needs a painting. A specialist painter is needed. A full building wash is needed – however a building wash is challenging. The wall in the atrium/theatre part of building the paint is failing due to roof leaks and bubbling up. Specialist painters are needed to paint the textured interior walls in atrium areas. Bespoke foyer carpet replacement. Repaint is needed.	Quality - maintain our buildings to a good standard and for assets to be in good condition	Aging asset components	Mixture of Cultural Facilities MSL - Maintenance and Programme 213 - Cultural Facilities - Renewals
<b>Te Manawa Museum Complex</b>			
<b>Roofs</b> - The aesthetic condition of the roofs is in good order, however, there are performance issues with re-emerging roof leaks. Our roofs at this facility are aging. We will need to replace a small part of the roof due to age and condition.	Quality - maintain our buildings to a good standard and for assets to be in good condition	Aging asset components	Mixture of Cultural Facilities MSL - Maintenance and Programme 213 - Cultural Facilities - Renewals
<b>Totaranui House</b> - Roof elevations need replacing.			
<b>Aging murals</b> - The murals in courtyard area will be painted over as a paint of the original mural is bubbling up. Plain paint to match the rest of the exterior will be used.			
<b>Carpets/ Flooring/Lighting</b> - Te Manawa is well utilised facility – the vinyl and carpet replacements needed within the offices, and hallway area. Wilkins Theatre needs a replacement of 8 light fittings with dimmable LED		Climate Change and Sustainability	

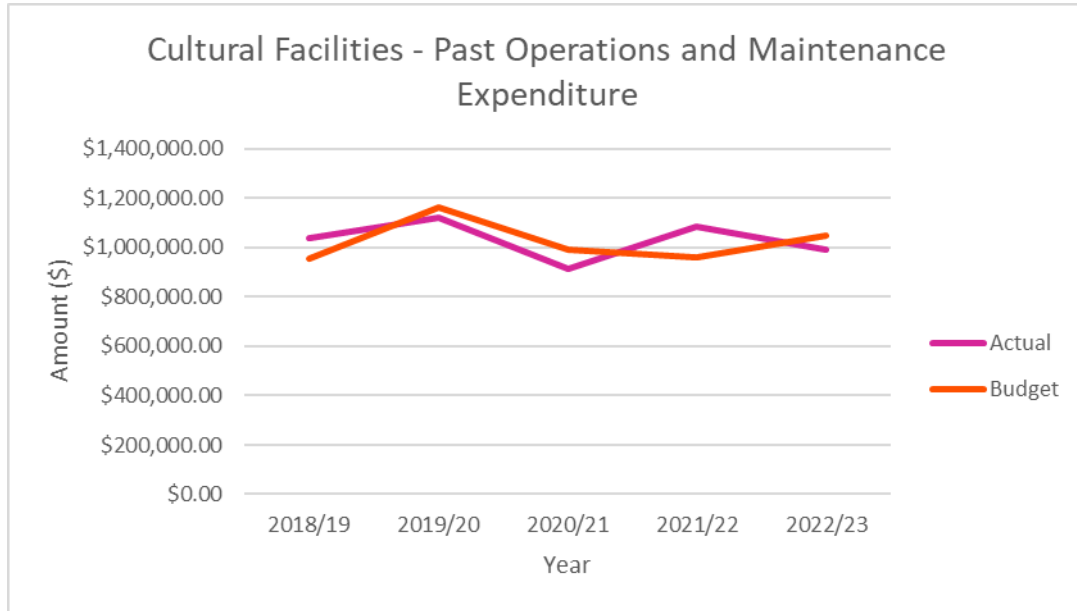
fittings. The downstairs toilets need a refurbishment.			
<b>Te Manawa Art Gallery</b>			
The Art Gallery is in good condition with 43% of its assets at condition grade 2. Adjacent to this is a historical schoolhouse used for touring purposes. Maintenance also needs to be considered for this building. This building is also earthquake prone.	Safety - ensure building is seismic strengthened to appropriate standards	Resilience - Seismic Strengthening	Programme 902 - Seismic Strengthening of Council Properties
	Quality - maintain our buildings to a good standard and for assets to be in good condition	Aging asset components	Mixture of Cultural Facilities MSL - Maintenance and Programme 213 - Cultural Facilities - Renewals
<b>Globe Theatre</b>			
The building is in good condition. The Emergency lighting is currently type 3 and needs to be upgraded to type 4 emergency lighting and floor rating to 30 minutes rating as per Fire and Emergency New Zealand (FENZ) report. Refurbishment of the Globe Theatre to increase physical accessibility. Backstage toilets and showers are no longer fit for purpose and require upgrade. Additional storage space for theatre props is needed.	Quality - maintain our buildings to a good standard and for assets to be in good condition	Aging asset components	Mixture of Cultural Facilities MSL - Maintenance and Programme 213 - Cultural Facilities - Renewals
<b>Caccia Birch</b>			
Most components are in good condition. However, some old hardboards underneath the carpet will need to be replaced as there are holes and uneven surfaces. Carpet will need to be rolled back and work completed under. Doors on ground floor and first floor may need to be converted to auto doors- wiring will need to be redone. However, this might be addressed at same time as seismic strengthening	Quality - maintain our buildings to a good standard and for assets to be in good condition		Mixture of Cultural Facilities MSL - Maintenance and Programme 213 - Cultural Facilities – Renewals Programme 902 - Seismic Strengthening of Council Properties
Compliance – Fire doors will several smoke doors on the ground floor and three doors on the first floor that require auto door closer and holdback. The wiring needs to be done underneath floor/carpet.			
<b>Creative Sounds</b>			

This facility is in very good condition – with 90% of the facility at condition grade 1.	Quality - maintain our buildings to a good standard and for assets to be in good condition	Aging asset components	Mixture of Cultural Facilities MSL - Maintenance and Programme 213 - Cultural Facilities - Renewals
<b>Square Edge</b>			
The dance studio toilets are in poor condition and will need replacing. No heating or cooling in the office spaces means they experience extremes of temperatures during summer and winter. Reoccurring issue has been water leakage from window seals onto interior walls during rain/storm events. This has increased in frequency in the last year.	Quality - maintain our buildings to a good standard and for assets to be in good condition	Aging asset components	Mixture of Cultural Facilities MSL - Maintenance and Programme 213 - Cultural Facilities - Renewals
<b>Keith Street Power Station</b>			
This building is in poor condition and seismic strengthening is needed. Due to the unknown future of this building and it not being operational – maintenance of the building is minimal – with a do minimum life cycle maintenance approach. There is less urgency to strengthen the building as is not occupied and operational. Transferring the ownership of Keith Street Power Station is currently being investigated.	Safety - ensure building is seismic strengthened to appropriate standards	Resilience - Seismic Strengthening	Programme 902 - Seismic Strengthening of Council Properties
	Quality - maintain our buildings to a good standard and for assets to be in good condition	Aging asset components	Mixture of Cultural Facilities MSL - Maintenance

**10.5.5 Operation and Maintenance Plan**

**10.5.5.1 Operations and Maintenance Expenditure Trends**

In the past our budget has been sufficient to meet the operations and maintenance needs of our Cultural Facilities.



**Figure 5 - Cultural Facilities - Past Operations and Maintenance Expenditure**

Maintenance of cultural facilities is completed by the Property Division and the associated CCOs/ incorporated societies. Our Operation and Maintenance contribute to us upholding good levels of service. Service delivery of operations and maintenance is completed by both the Facilities Management Team and the CCOs. Please see appendices for Maintenance Responsibilities between Property Division and CCOs.

**Table 63 - Cultural Facilities - Operations and Maintenance**

Description	Activity	Purpose	Frequency
<b>Operational</b>	Building Warrant of Fitness (BWoF) Inspections	Legislation and compliance. Safety. BWoF confirms that the specified systems of the building have been maintained and checked for the previous 12 months in accordance with the compliance schedule.	Annually and or on an as-needed basis as per the Building Warrant of Fitness (BWoF) Compliance Schedule.
	Grounds Maintenance	Safety creates a good first impression, boosts buildings image and appeal.	As Required - Grounds maintenance of hedges, gardens and lawns is the responsibility of the CCOs or incorporated societies – refer to appendix <i>Maintenance Responsibility Guideline</i>
	Condition Assessments	Helps us to find the condition of our assets and if they will need to be renewed/ if there needs to be more maintenance	Every 3 years
	Cleaning	Interior cleaning of windows, walls, floors, kitchen, and toilets are the responsibility of the cultural facilities CCOs and incorporated societies	As Required -



Description	Activity	Purpose	Frequency
<b>Planned Maintenance</b>	Interior Painting	Prevent deterioration Identify deterioration/defects	7 yearly - Criticality based dependant on Levels of Service requirement.
	Exterior Painting	Prevent deterioration Identify deterioration/defects	Exterior wall repainting completed every 7-12 years or based on age and condition of the paint work
	Building Wash downs	Clean exterior to provide longevity to exterior cladding and paint systems. To provide an important level of visual appearance	At least every 2 years or more frequently dependant on building performance
	Window Cleaning	Extend windows life, appearance.	At least every 2 years or more frequently dependant on building performance
	Roof/Gutter Clean	Prevents water damage, facilitates pest control, extends roof and gutter lifespan, increased curb appeal	Annually or more frequently dependant on environmental considerations.
	Lift Maintenance	Safety, keeps lift operating, fix small problems before they get any bigger.	Monthly
	Fire System Maintenance	Safety, checking systems, undertaking small maintenance issues to keep the fire system working effectively.	As required (at least monthly)
	HVAC Maintenance	Health and safety. Cleaning, checking, inspecting, filter replacement, reduce equipment replacement costs, keep building comfortable for occupants.	As required (at least monthly)
<b>Reactive Maintenance</b>	Reactive work is limited to structural maintenance work or compliance work. All other reactive maintenance is the sole responsibility of the CCO or in-cooperated society.		
	Interior reactive maintenance is completed by the tenant at the tenant's expense.		

### 10.5.5.2 Operations and Maintenance Forecast

Due to the split in maintenance responsibility, most of the planned maintenance across our portfolio is quite similar and limited to structural maintenance – i.e., roof maintenance, exterior washdowns, exterior painting. For cultural facilities, separate budgets have been created for each facility to ensure there is adequate funding to operate and maintain each facility. The operations and maintenance budgets are shown as below:

The table below shows the maintenance MSL budgets over the next 10 years. A 30-year view can be found in the appendices.

**Table 64 - Operations and Maintenance MSL Budget - Cultural Facilities**

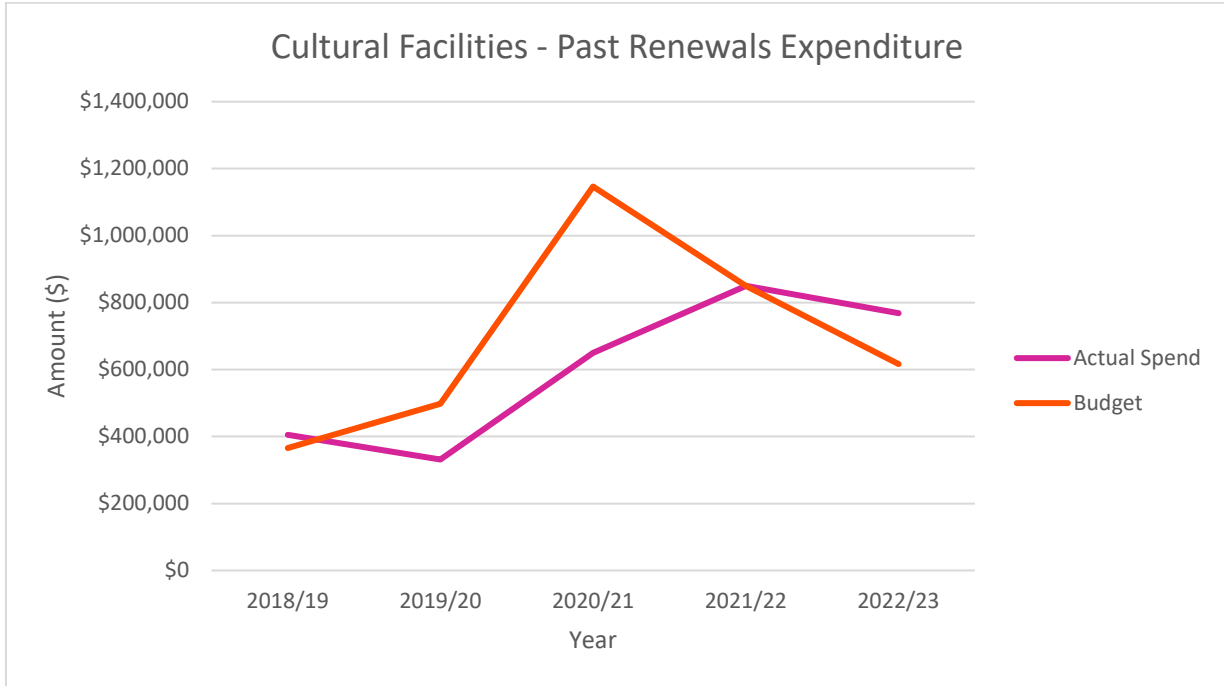
Operations and Maintenance MSL Budget - Cultural Facilities		2023/24	2024/25	2025/26	2026/27	2027/28
<b>Master</b>						
54765	Other Cultural Facilities	\$699,746	\$699,746	\$685,746	\$685,746	\$699,746
54770	Te Manawa	\$449,925	\$449,925	\$437,925	\$437,925	\$449,925
		<b>2028/29</b>	<b>2029/30</b>	<b>2030/31</b>	<b>2031/32</b>	<b>2032/33</b>
54765	Other Cultural Facilities	\$685,746	\$685,746	\$699,746	\$685,746	\$685,746
54770	Te Manawa	\$440,925	\$440,925	\$449,925	\$440,925	\$440,925

**10.5.6 Renewal Plan**

Our past renewals have been reliant on asset condition, staff knowledge and customer requests from the building occupier.

**10.5.6.1.1 Renewals Expenditure**

Historically our cultural facilities renewal budgets have been sufficient to meet the needs of the facilities. However, in the last 2 years we have seen an increase in costs (labour, materials) – our initial budgets have not been able to meet our needs for operations and maintenance.



**Figure 6 - Cultural Facilities - Past Renewals Expenditure**

**10.5.6.1.2 Renewals Forecast**

The table below summaries the overall amounts we intend to invest in the renewal of our Cultural Facilities over the next 10 years. A 30 Year view can be found in our Financial Section. All our renewals are covered under a general renewals Programme 213 - Cultural Facilities – Renewals.

**Table 65 - Cultural Facilities - Renewal Expenditure**

Programme 213 - Cultural Facilities - Renewals	2023/24	2024/25	2025/26	2026/27	2027/28
213 - Cultural Facilities - Renewals	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
	2028/29	2029/30	2030/31	2031/32	2032/33
213 - Cultural Facilities - Renewals	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000

### 10.5.7 New Assets and Development Plan

Te Manawa Museum, Te Manawa Art Gallery, The Globe Theatre are part of the Civic and Cultural Precinct Masterplan (CCPMP). We are anticipating that there might be substantial change in building configuration. However, a decision is still yet to be made via the Civic and Cultural Precinct Masterplan Steering Committee as art of the 2024 Long Term Plan (LTP) .

The Community Support Plan has given direction for a new Multicultural hub. Year 1 and 2 of the Long Term Plan (LTP) (2024/25) will be focused on the planning and design. The actual build is likely to be in year 5. Please see Lifecycle section – Community Facilities.

**Table 66 - Cultural Facilities - New Assets Programmes**

Cultural Facilities – New Assets Programmes	2023/24	2024/25	2025/26	2026/27	2027/28
2350 - Cultural Facilities - New Multicultural Facility	\$	\$4,000,000	\$	\$	\$
	2028/29	2029/30	2030/31	2031/32	2032/33
	\$	\$	\$	\$	\$

### Cultural Facilities - Consequential Opex

There will be an increase in operating costs associated with New Multicultural Facility we are proposing around \$400,000.

**Table 67 - Cultural Facilities - Consequential Opex Programme**

Cultural Facilities - Consequential Opex Programmes	Year1 (2024/25)	Year2 (2025/26)	Year3 (2026/27)	Year4 (2027/28)	Year 5 (2028/29)
2350 - Cultural Facilities - New Multicultural Facility	\$	\$	\$	\$400,000	\$400,000
Cultural Facilities - Consequential Opex Programmes	Year 6 (2029/30)	Year 7 (2030/31)	Year 8 (2031/32)	Year 9 (2032/33)	Year 10 (2033/34)
2350 - Cultural Facilities - New Multicultural Facility	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000

### 10.5.8 Disposal Plan

No cultural facilities have been flagged for future disposal.

## 10.6 Lifecycle Planning – Community Facilities

### 10.6.1 Assets Overview

Our community centres and community agency facilities are in key suburban areas. This category has buildings dedicated to communities utilising the spaces for short term hire via hiring community centres and long-term tenanted spaces such as community agency facilities for community service groups.



Figure 24 - Bunnythorpe Community Centre

Table 68 - Community Centre and Community Agency Facilities Services

Community Centres	Community Agency Facilities
These buildings support the community in hosting events, community groups, social events, community development groups, hobby groups/clubs, dance groups, social support, Māori development etc. All our community centres are equipped with a hall area and a kitchen.	The Community Agency buildings are leased out. These buildings support local not for profit organisations to have an office space to offer community services out of. Community Agency Housing includes the new purpose-built King Street Community House, Waldegrave House, and Red Cross Shop in Ashhurst. Typically, the agencies enter into a lease agreement with the Council, and the buildings are modified to meet the community’s needs.

### 10.6.2 Service Delivery

All facilities management is completed by the Facilities Management unit. The services within are provided by the Community Centre Management Committees and Community development team. Facilities management responsibilities are outlined in the operations and maintenance plan.

Table 69 - Service Delivery - Community Facilities

Community Development Team	Community Centre Management Committees
Provides contract management and liaison with the Management Committees. They are the lead unit and provide direction on community needs and future development.	Deal with the venue bookings, conditions of use, and charges for the use of the facility in line with requirements set down in the Community Centre Management agreements. The contract between the Council and each Community Centre Management

#### Management of Community Centres. There are four models of management of the Community Centres

- Management by the committee of user groups, usually clubs’ representatives: this model is used by the Palmerston North Community Leisure Centre, Rangiora, Awapuni and Milson Community Centres.
- Management by a locally oriented organisation: Highbury Whanau Group and Kelvin Grove Community Association. In contrast to Highbury Whanau, Kelvin Grove Association does not use the centre, except for their monthly meetings and AGMs.
- Management by an organisation with a specific interest: Papaioea Pasifika Trust manages the Centre that used to be Westbrook community centre, now also known as the Pasifika Centre.

- Managed by Council staff- Ashhurst Village Valley Centre, managed by the Ashhurst library staff.

### 10.6.3 Key Issues and Opportunities

Table 70 - Key Issues and Opportunities - Community Facilities

Issues	Opportunities
<b>Vandalism</b> - There has been an increase in vandalism and destructive behaviour	Most community centres are utilised for social functions- however there is also opportunity to create multi use facility to meet recreational community needs in the future – i.e. indoor basketball.
<b>Climate Change and poor roof performance</b> - Storm weather events have had an impact on the performance of some of our roofs.	Any future exterior painting of our community centres will now have a consistent exterior and interior paint colours. Cost savings can be ensured as we can buy the same paint colours in larger quantities.
<b>Uncertainty of future uses of new community centres</b> - Whether community centres need to be turned into community hubs that have multiple services offered such as a Community Hall, Library, Youth Centre, and a recreational area.	We need to consider future land acquisition for community centres in liaison with other Council Divisions – Strategy and Planning.
Blockages - Most community centres have been experiencing an increase in blockages for gutter maintenance.	Where possible we have been replacing light fixtures with LED light as we move to installing more energy efficient facilities. Funding comes from the Low Carbon Fund - 1451-Property - LED Lighting Upgrades
<b>Demand outstrips availability of facilities.</b> Awapuni Community Centre cannot accommodate everyone that needs the space. Some bookings are needed weekly. Need for more meeting spaces at Awapuni Community Centre A lot of agencies that we support get requests for more spaces. i.e., Sport Manawatu	Need to acquire land for future community spaces in Kākatangiata and other urban growth areas i.e. Whakarongo.
<b>Increase in demand for venue space</b> - Lots of casual bookings on Friday nights and Saturday nights. Increasing need for spaces to host baby showers, hens' parties, birthday parties etc.	Appropriately scheduled renewals allow cost savings by combining access and repair work. e.g., roof repairs + gutter cleaning + installing solar + inspection work can all be completed concurrently.
Community facilities are ageing, and customers have flagged that Westbrook (Pasifika Centre) is too small to utilise regularly. Programme is proposed to address this.	

### 10.6.4 Condition and Performance

#### Community Centres

Most community centres components are at about 77 % at C1- very good. Forward renewal work programmes will be on components that are at condition grade 3,4 and 5. Some of the key asset issues that we have experienced over the last few years have been:

- Blocked downpipes due to rubbish, nature debris. This has caused overflowing issues in the interim.

During roof leaks in storm weather events. Patch work is completed on areas that are leaking. Roof assessment is then completed to outline what the cost would be to fix the whole roof.

#### Community Agency Facilities

Most community agency facilities components are at about 77 % at C1- very good. Forward renewal work programmes will be on components that are at condition grade 3,4 and 5. Detailed condition grade information is available in the SPM database.

Average Component Condition

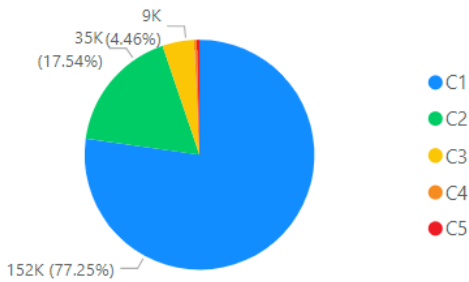


Figure 3 - Community Facilities Component Condition Average

Average Component Condition

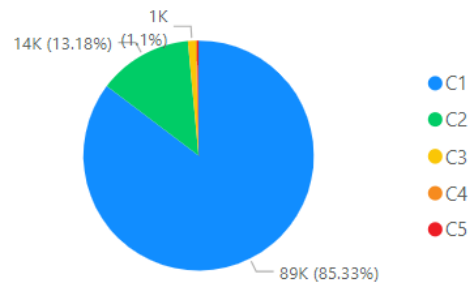


Figure 4 - Community Agency Facilities Component Condition Average

### 10.6.4.1.1 Community Centres

Table 71 - Summary Condition and Performance - Community Facilities

Summary Current Condition and Performance	Desired Levels of service	Activity Challenge	Type of Investment Required and programme
Ashhurst Village Valley Centre - Since end of 2020. The building has had extensive internal refurbishments. The roof repairs were completed.			Mixture of Community Centre MSL - Maintenance and Programme 265 - Community Centres - Renewals
Awapuni Community Centre - The community centre is in good condition however some components are ageing and are dated. A refurbishment will be needed within the next 1- 2 years. Stove in kitchen area is not in good condition a replacement is needed. A roof assessment was completed by a qualified builder. Parts of the roof need replacing, and other parts need minor repairs.	Quality - maintain our buildings to a good standard and for assets to be in good condition		
Bunnythorpe Community Centre - This is still a new community centre. Opened in 2022. So far, no major condition and performance issues.			
Highbury Whanau Centre - Had some issues with leaking roof which has now been repaired. All light fixtures were replaced with LED ones.	Quality - maintain our buildings to a good standard and for assets to be in good condition	Climate Change	
Kelvin Grove Community Centre - The back-meeting room needs a full refurbishment as it is in poor condition. Heating systems is on old gas boilers. As we move to be more energy efficient, we have opted to install 2 new heat pumps instead of repairing old boilers. A new carparking areas was created at Kelvin Grove carpark for users.		Aging Components	
Milson Community Centre - Milson Community Centre needs reroofing (due to weathertightness issues and age) and the veranda needs to be shortened to stop trucks hitting it. There have been issues with the internal gutter.	Quality - maintain our buildings to a good standard and for assets to be in good condition	Aging Components	
Palmerston North Community Leisure Centre - This facility is in in good condition. Toilet upgrade, and roof replacement are to be completed in 2024 and 2025. Interior painting and new air conditioner units to be installed.			

Summary Current Condition and Performance	Desired Levels of service	Activity Challenge	Type of Investment Required and programme
Rangiora Avenue Community Centre - This community hall is one of our oldest halls – however, most of the components are in good condition. The kitchen is in good condition and most other components. However, interior painting is needed for most areas over the next 10 years. Recent condition assessments highlight that in the next 10 years the timber frame windows will need replacement and major exterior painting is due in 2030. However due to some deferred maintenance and renewals this work is likely to be completed earlier.			
Westbrook Community Centre (Pasifika Centre)/ Bill Brown - This community hall is in good condition. Most asset components are in very good condition. Kitchen benches are in average condition. The paint finish in main hall and maintaining room is in average condition and will need to be repainted and interior painting will be needed for main hall.			

#### 10.6.4.1.2 Community Agency Facilities

Summary Current Condition and Performance	Desired Levels of service	Activity Challenge	Type of Investment Required and programme
<b>Community Agency Facilities</b>			
Most of our Community Agency Facilities are in good condition and have aging components	Quality - maintain our buildings to a good standard and for assets to be in good condition	Aging Components	Mixture of Programme 1769- Community Agency Facilities – Renewals - Community Agency Facilities - Hard Surfaces Renewals - Community Agency Facilities - Maintenance



### 10.6.5 Operation and Maintenance Plan

Customer requests for service (Community management, customer/ staff) are replied to within one working day. Work is investigated within five working days and then actioned as appropriate.

Anything urgent will be dealt with as soon as possible. Urgent requests are classified as those that are detrimental to the health and safety of occupants if the building remains operational. Or works that hinder the operability of the building. The asset hierarchy is used to prioritise maintenance work to be completed.

**Table 72 - Community Facilities - Operations and Maintenance Activities**

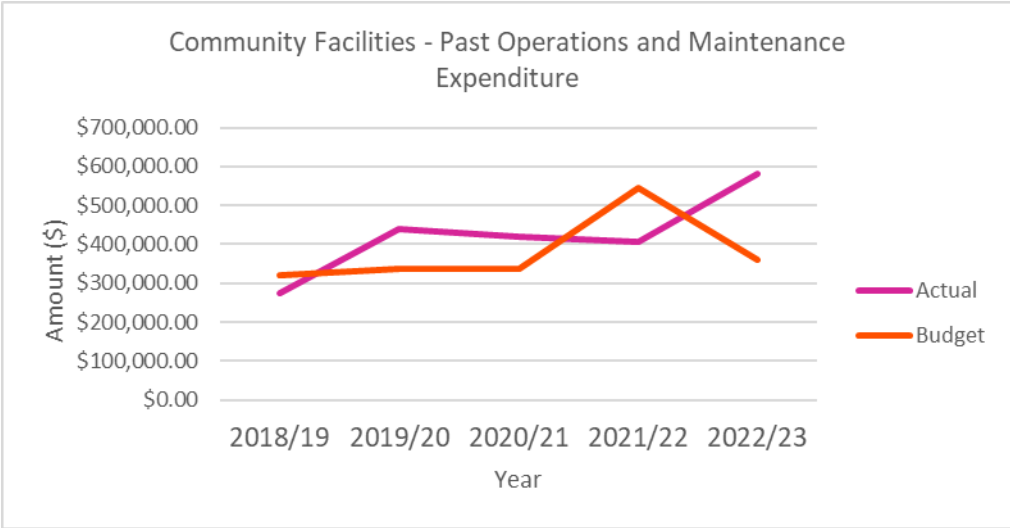
Description	Activity	Purpose - Community Facilities	Frequency
<b>Operational</b>	Building Warrant of Fitness (BWOFF) Inspections	Legislation and compliance. Safety. BWOFF confirms that the specified systems of the building have been maintained and checked for the previous 12 months in accordance with the compliance schedule.	Annually and or on an as-needed basis as per the Building Warrant of Fitness (BWOFF) Compliance Schedule.
	Grounds Maintenance	Safety creates a good first impression, boosts buildings image and appeal.	As Required - Grounds maintenance of hedges, gardens and lawns is the responsibility of the CCOs or incorporated societies – refer to maintenance responsibility guideline
	Condition Assessments	Helps us to identify the condition of our assets and if they will need to be renewed/ if there needs to be more maintenance	Every 3 years
	Cleaning	Interior cleaning - Community Centres includes windows, walls, floors, kitchen, and toilets. Exception for cleaning for the Palmerston North Community Leisure Centre and the Pasifika Centre that undertake all interior cleaning. For Hancock House, the internal cleaning team – clean shared spaces only	As Required -
		All paper towels, soap, toilet blocks, paper and are replenished, when necessary, by Facilities Management Team	
<b>Planned Maintenance</b>	Interior Painting	Prevent deterioration Identify deterioration/defects	7 yearly - Criticality based dependant on Levels of Service requirement.
	Exterior Painting	Prevent deterioration Identify deterioration/defects	Exterior wall repainting completed every 7-12 years or based on age and condition of the paint work
	Building Wash downs	Clean exterior to provide longevity to exterior cladding and paint systems. To provide an important level of visual appearance	At least every 2 years or more frequently dependant on building performance
	Window Cleaning	Extend windows life, appearance.	At least every 2 years or more frequently dependant on building performance
	Roof/Gutter Clean	Prevents water damage, facilitates pest control, extends roof and gutter lifespan, increased curb appeal	Annually or more frequently dependant on environmental considerations.

Description	Activity	Purpose - Community Facilities	Frequency
	Lift Maintenance	Safety, keeps lift operating, fix small problems before they get any bigger.	Monthly
	Fire System Maintenance	Safety, checking systems, undertaking small maintenance issues to keep the fire system working effectively.	As required (monthly)
	HVAC Maintenance	Health and safety. Cleaning, checking, inspecting, filter replacement, reduce equipment replacement costs, keep building comfortable for occupants.	As required (monthly)
<b>Reactive Maintenance</b>	<b>Reactive work:</b> includes maintaining the building structure and all permanent fixtures and fittings, including response to : - broken windows, - doors, locks, - Removal of graffiti - leakage to building - plumbing/drainage issues, leaking pipes, dripping taps, blocked toilets, drains, gulley traps and sinks. Faults are repaired, blockages cleared, and drains relayed on an as-required basis.		

**10.6.5.1 Operation and Maintenance Expenditure Trends**

Community Agency Facilities cost much less to maintain than community centres. Some community agency facilities self-fund that results in minimal interior maintenance work. Overall, our budgets have been insufficient and continue increasing year on year.

**Figure 81: Community Facilities - Operations and Maintenance Expenditure**



### 10.6.5.2 Operations and Maintenance Forecast

#### Community Facilities

Overall, the total spend for community facilities appears is linear. Operations and maintenance budgets have drastically been reduced – compared to the previous O&M expenditure.

However, this has been supplemented by an increase in planned renewals over the next 10 years (see section 9.14 Renewals Plan). Maintenance work will continue but will be minimal as most community centres components are in good condition.

**Table 73 - Community Facilities - Operations and Maintenance (MSL) Budgets**

Community Facilities - Operations and Maintenance MSL Budget		2023/24	2024/25	2025/26	2026/27	2027/28
54720	Community Centres	\$211,961	\$211,961	\$211,961	\$211,961	\$211,961
		2028/29	2029/30	2030/31	2031/32	2032/33
54720	Community Centres	\$211,961	\$211,961	\$211,961	\$211,961	\$211,961

#### 10.6.5.3 Community Facilities Revenue

The Community facilities revenue received from bookings is minimal. It is divested by the Community groups into the plant/equipment for the building. The Community centres pay an annual minimal rent fee to the Council. The total rent revenue for Community Centres is \$10,080.23. It is set to continue at the same rate until a review is needed.

The rent revenue received from Community Centre groups is not enough to supplement any costs for maintenance and is likely to stay this way in the future. This is due to the nature of the activity in which community centres are not leased out with intention for profit. The costs for any groups that lease the community centre are meant to go to cover minimal maintenance and cleaning costs and at times upgrading technology in the centre i.e. TV's projectors etc.

Community centres are often more affordable than private facilities. However, customer expectations of higher age facilities are also changing. Keeping up with the changing preferences will be an ongoing challenge.

## 10.6.6 Renewal Plan

Renewals for the community facilities are a combination of using asset condition data, staff knowledge and customer requests from building occupier.

### 10.6.6.1 Renewal Expenditure

Our Community Facilities renewals budget is not sufficient to meet our renewals needs. There has been an increase in reactive renewals in the last year.

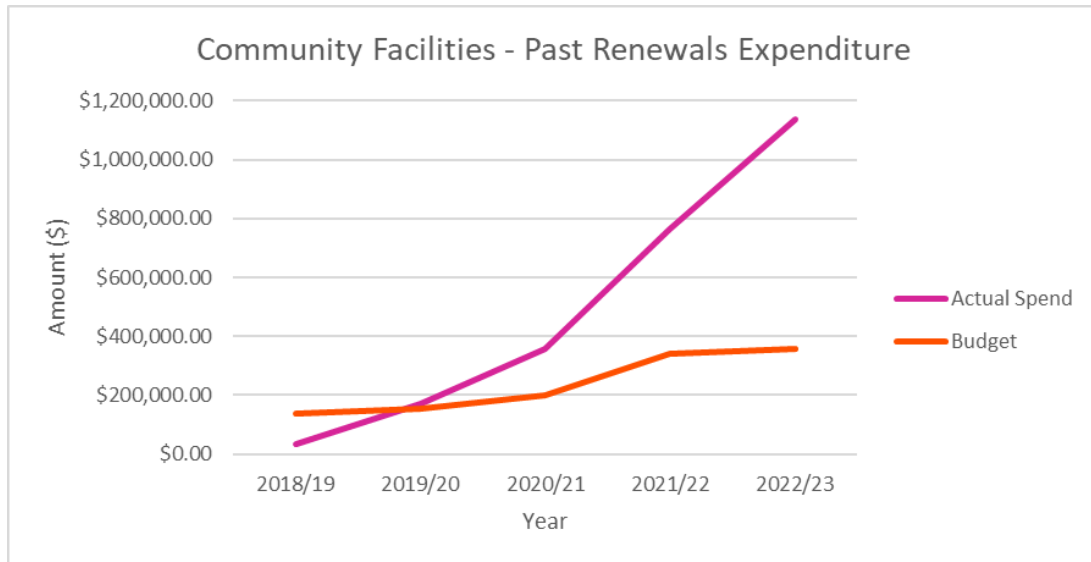


Figure 7 - Community Facilities - Past Renewals Expenditure

### 10.6.6.2 Renewal Forecast

Community facilities are set to continue increasing in renewals over the next 5-10 years. General renewals for items such as heat pumps will occur across the portfolio.

#### Community Centres Renewals

Community Centre renewals are forecast to increase over the next ten years as we look to upgrade all our facilities to modern equivalents.

The key planned renewals are:

- Ashhurst Valley Village Centre will have a roof replacement 2021/22 - this has been moved forward as it was initially flagged to be completed in 2024/25 as per the last 2017 AMP. Over the last 3 years, roof maintenance patchwork has been completed to deferred renewals. However, the need for a new roof is now more apparent due to continuous leakage during storm weather events.
- Palmerston North Leisure Centre - toilet upgrade, roof replacement will be completed in 2024/25.

Reactive renewals are likely to occur as assets age or fail – allowance has been made within the existing renewals budget for this.

## Community Agency Facilities Renewals

We are investing more in our community agency facilities. We have accounted for this within a new programme 1769 – Community Agency Facilities Renewals. This will target structural renewals – i.e., roofs, exterior painting etc.

**Table 74 - Community Facilities - Renewal Programmes**

Community Facilities – Renewals Programmes	2023/24	2024/25	2025/26	2026/27	2027/28
265-Community Centres - Renewals	\$300,000	\$120,000	\$120,000	\$120,000	\$120,000
1769-Community Agency Facilities - Renewals	\$50,000	\$50,000	\$30,000	\$30,000	\$30,000
	2028/29	2029/30	2030/31	2031/32	2032/33
265-Community Centres - Renewals	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000
1769-Community Agency Facilities - Renewals	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000

### 10.6.7 New Assets and Development Plan

The Community Support Plan and the Library Plan has identified the need for the new facilities noted in the table below:

The City Library Plan has the following actions:

- Plan and develop community hub in Awapuni (years 1 and 2)
- Plan and develop Te Pātikitiki Highbury Library (year 2)
- Earthquakes strengthen and upgrade the City Library (year 2)

**Table 75 - Community Centres – New Assets Programmes**

Community Centres – New Assets Programmes	2023/24	2024/25	2025/26	2026/27	2027/28
1130 - Urban Growth - Kakatangiata - New Community Centre	\$	\$	\$	\$	\$
2236 - Urban Growth - Huia Street Reserve - Community Housing - Better off funding	\$	\$	\$	\$	\$
2343 - Urban Growth - New Community Hubs	\$	\$4,000,000	\$15,000,000	\$15,000,000	\$
2440 - Community Centres - Pasifika Centre Expansion	\$	\$4,000,000	\$	\$	\$
	2028/29	2029/30	2030/31	2031/32	2032/33
1130 - Urban Growth - Kakatangiata - New Community Centre	\$	\$	\$	\$	\$2,000,000
2236 - Urban Growth - Huia Street Reserve - Community Housing - Better off funding	\$7,500,000	\$7,500,000	\$	\$	\$

Programme 1130 - Urban Growth - City West - New Community Centre (Kakatangiata) – has been noted in the previous AMPs. This programme allows for the construction of a new community centre in the Kakatangiata Urban Growth area (between Pioneer Highway and No 1 Line) to provide community facilities alongside other community

facilities such as playground, open space, toilets, and shopping centre. The programme allows for the design, consenting, through to construction.

Programme 2343 - City Growth - New Community Hubs. This programme is for transforming and combining existing community facilities into Hub models. This will be a programme for new community hubs Awapuni and in Te Pātikitiki Highbury Library within year 2-3 of the current Long Term Plan (LTP).

### Community Facilities - Consequential Opex

There will be an increase in operating costs associated with building additional community hubs and expansions. The table below summaries the first 10 years of operating costs. A 30-year view of operating costs is available in the Appendix - 30 Year Financial Forecast.

**Table 76 - Community Facilities - Consequential Opex Programmes**

Community Facilities - Consequential Opex Programmes	Year1 (2024/25)	Year2 (2025/26)	Year3 (2026/27)	Year4 (2027/28)	Year 5 (2028/29)
1130 - Urban Growth - Kakatangiata - New Community Centre	\$	\$	\$	\$	\$
2236 - Urban Growth - Huia Street Reserve - Community Housing - Better off funding	\$	\$	\$	\$	\$
2343 - Urban Growth - New Community Hubs	\$	\$	\$	\$66,000	\$132,000
2440 - Community Centres - Pasifika Centre Expansion	\$	\$	\$	\$8,000	\$8,000
Community Facilities - Consequential Opex Programmes	Year 6 (2029/30)	Year 7 (2030/31)	Year 8 (2031/32)	Year 9 (2032/33)	Year 10 (2033/34)
1130 - Urban Growth - Kakatangiata - New Community Centre	\$	\$	\$	\$	\$33,000
2236 - Urban Growth - Huia Street Reserve - Community Housing - Better off funding	\$	\$55,000	\$110,000	\$110,000	\$110,000
2343 - Urban Growth - New Community Hubs	\$132,000	\$132,000	\$132,000	\$132,000	\$132,000
2440 - Community Centres - Pasifika Centre Expansion	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000

### 10.6.8 Disposal Plan

A community agency facility - Red Cross – Ashhurst Cambridge Avenue is planned to be demolished when it is no longer fit for use. Tenants that use the building are aware that the potential disposal of this building is imminent. There are no other plans for the disposal of any community centres or community agency facilities.

The Red Cross building is in “The Pit Area” noted in Plan Change for Ashhurst. It is likely that if the plan changes where to go ahead there would be an option to demolish this building. At present detailed investigations and District Plan drafting is taking place. There will be

## 10.7 Lifecycle Planning – Recreational Buildings

### 10.7.1 Assets Overview

All recreational buildings exist to support the recreational activities that occur in our parks and reserves. We have 21 sportsfield buildings and pavilions associated with parks and reserves activity.

There are also several city-wide reserve buildings (sheds and garages) that supports recreational activities. These are located at the Esplanade, Ashhurst Domain and Memorial Park.

### 10.7.2 Service Delivery

Sports clubs manage some of the sportsfield buildings during sports events. Ownership of some sportsfield buildings lies between Council and the associated sports club.

Concurrent with the renewal or development of sportsfield buildings there have been changes in sports user requirements and multi-purpose functionality for more sustainable facilities into the future. Council funds the development of changing and toilet facilities, and key users fund the development of club facilities.

### 10.7.3 Key Issues and Opportunities

Table 77 - Key Issues and Opportunities - Recreational Buildings

Key Issues	Opportunities
Ensure that all recreational buildings have mobility access – i.e. changing rooms, toilets, and showers as well as pavilions themselves need to have accessible changing areas	<b>Reutilise pavilions as bookable event spaces</b> - There is an opportunity to identify underutilised pavilions halls as bookable event spaces for our communities. Most of our sports field buildings are utilised during sports field matches. Many of them are empty outside of these times.
Capacity and performance issues at older facilities and the volume of car parking available at Bill Brown and Paneiri Parks requires improvement.	<b>Cost savings in paint</b> - Any future exterior painting of our recreational buildings will now have a consistent exterior and interior paint colours. This can increase our cost savings as we can buy the same paint colours in larger quantities
<b>Lack of unisex changing facilities</b> - availability for women and men’s tournaments, design of facilities currently caters for men	<b>Need for indoor and covered outdoor courts</b> - Use the Regional Sports Facilities Plan to guide decision-making on investment into sport and recreation facilities. The Recreation and Play Plan gives direction for us to ‘Identify the need for indoor and covered outdoor courts (years 1 and 2)’
<b>Poor condition</b> - pavilions - due to age, deferred planned maintenance and planned renewals due to lower utilisation of the building. They are not meeting LOS key examples are Monrad Pavillion and Paneiri Pavillion need major refurbishments.	
<b>Vandalism</b> - of the exterior of some of our pavilions has been an ongoing issue. Anti-graffiti spray has been applied to each building.	
<b>Due to increase in vandalism</b> - we tend to close some toilets that are within or attached to pavilions. We only open them during sporting events to minimise potential vandalism to the building.	

**Recreational Building turned into an Investment Property**

The Hokowhitu Lagoon also known as the “The Chalet” is a recreational building. However, it is utilised for commercial purposes as an event and function hire facility by the occupants. Therefore, it is treated as an investment property. For more information - please see Section 10.8 - Lifecycle Section – Investment and Strategic Properties.

**10.7.4 Condition and Performance**

72% of our recreational buildings are in very good to good condition.

- The key issues they face have been to do with gutter blockages due to natural debris getting stuck in the gutters and vandalism to the exterior walls.
- Led Upgrades are needed as well as gas replacements.
- Some accessibility issues need to be addressed. The table below covers key

**Table 78 – Summary Recreational Buildings - Condition and Performance**

Current Condition and Performance	Desired Levels of service	Activity Challenge	Type of Investment Required and programme
Hokowhitu Domain - Full refurbishment needed. Not accessibility friendly. Replace toilet cubicle walls/doors. Cover open ceilings. Replace clear corrugate 'windows'. Not wheelchair accessible.	Quality - maintain our buildings to a good standard and for assets to be in good condition	Accessibility, Aging Components	Mixture of Recreational MSL - Maintenance
<b>Hockey Manawatu Pavilion</b> - Paint concrete floors. Changing Rooms/ toilet and showering facilities are aging. LED Lighting upgrades are needed. More efficient heaters are needed - current gas heaters are old and not functioning well. Replacement is needed.			Programme 1786 - Recreational Buildings - Sports Pavilion and Changing Room Renewals
<b>Monrad Park</b> - Building in poor condition a full refurbishment is needed including attached outer toilets - accessibility needs to be included. See Lifecycle - Public Toilets.			
<b>Mariner Pavillion</b> - Are not accessible and are in poor condition and too far away from the grounds for them to be adequately used. A long-term sustainable solution needs to be scoped out to address this ingoing issue.			
<b>Paneiri Park</b> - Paneiri Park Pavillion is in poor condition and future renewals needed. The Paneiri Park Pavillion toilets are used as an overflow area during sports events. There is a need for more toilets at Paneiri Park as it is adjacent to the highly utilised Ahimate Reserve. Parts of Paneiri Park and Ahimate Reserve are in a flood prone area, there would be challenges in building consent approval for new buildings. However other temporary options could be considered in the future to meet demand and levels of service.			



<b>Citywide Reserve Buildings – Condition and Performance</b>			
<b>Current Condition and Performance</b>	<b>Desired Levels of service</b>	<b>Activity Challenge</b>	<b>Type of Investment Required and programme</b>
<p><b>Memorial Park Buildings</b> - New roof required! As rusted through and has large holes.</p> <p>There are smaller sheds and garages at our Parks Depot that will require exterior building washes and painting.</p>			Mixture of Recreational MSL – Maintenance. Programme 1791 - Parks Depot - Building Renewals.

### 10.7.5 Operation and Maintenance Plan

Some sports field buildings are co-owned by sports clubs. For example, Vautier Park owns the top half of the building and Council owns the bottom part of the building. Funding for maintenance and renewals is in a grey area – we are working to understand how demarcation lines for maintenance will occur in the future. However, Council continues to maintain the building where needed.

**Table 79 - Recreational Facilities - Operations and Maintenance Activities**

<b>Description</b>	<b>Activity</b>	<b>Purpose</b>	<b>Frequency</b>
<b>Operational</b>	Building Warrant of Fitness (BWOFF) Inspections	Legislation and compliance. Safety. BWOFF confirms that the specified systems of the building have been maintained and checked for the previous 12 months in accordance with the compliance schedule.	Annually and or on an as-needed basis as per the Building Warrant of Fitness (BWOFF) Compliance Schedule.
	Grounds Maintenance	Safety creates a good first impression, boosts buildings image and appeal. Grounds maintenance of hedges, gardens and lawns is planned for and undertaken by the Parks and Logistics Division on behalf of the Property Division	As Required - Grounds maintenance of hedges, gardens and lawns is the responsibility of the CCOs or incorporated societies – refer to maintenance responsibility guideline
	Condition Assessments	Helps us to identify the condition of our assets and if they will need to be renewed/ if there needs to be more maintenance	Every 3 years
	Cleaning	Interior cleaning - Community Centres includes windows, walls, floors, kitchen, and toilets. Exception for cleaning for the Palmerston North Community Leisure Centre and the Pasifika Centre that undertake all interior cleaning.	As Required
		All paper towels, soap, toilet blocks, paper and are replenished, when necessary, by Property Division.	
<b>Planned Maintenance</b>	Interior Painting	Prevent deterioration Identify deterioration/defects. Interior painting is completed by the sports club if tenanted. All other recreational Buildings are painted every 7 years or when the paint condition is poor or when renewal work is undertaken that requires walls to be repainted.	7 yearly

Description	Activity	Purpose	Frequency
	Exterior Painting	Prevent deterioration Identify deterioration/defects	Exterior wall repainting completed every 7-12 years or based on age and condition of the paint work
	Building Wash downs	Clean exterior to provide longevity to exterior cladding and paint systems. To provide an important level of visual appearance	At least every 2 years or more frequently dependant on building performance
	Window Cleaning	Extend windows life, appearance.	At least every 2 years or more frequently dependant on building performance
	Roof/Gutter Clean	Prevents water damage, facilitates pest control, extends roof and gutter lifespan, increased curb appeal	Annually or more frequently dependant on environmental considerations.
	Lift Maintenance	Safety, keeps lift operating, fix small problems before they get any bigger.	Monthly
	Fire System Maintenance	Safety, checking systems, undertaking small maintenance issues to keep the fire system working effectively.	As required (monthly)
	HVAC Maintenance	Health and safety. Cleaning, checking, inspecting, filter replacement, reduce equipment replacement costs, keep building comfortable for occupants.	As required (monthly)
<b>Reactive Maintenance</b>	Interior reactive maintenance is completed by the sports club if tenanted.		
	Includes maintaining the building structure and all permanent fixtures and fittings, including response to : - broken windows, - doors, locks, - Removal of graffiti - leakage to building - plumbing/drainage issues, leaking pipes, dripping taps, blocked toilets, drains, gully traps and sinks. Faults are repaired, blockages cleared, and drains relayed on an as-required basis.		

#### 10.7.5.1 Operation and Maintenance Expenditure Trends

In the past, maintenance of recreational buildings was operated under service level agreements between City Networks and City Enterprise. Sportsfield buildings, pavilions and city-wide reserve buildings were included in this asset category. Maintenance of buildings was undertaken, although a reactive approach still took precedent.

**10.7.5.2 Operations and Maintenance Forecast**

We will be investing significantly into better maintaining our City Reserves buildings and our sportsfield pavilions buildings over the next few years. We will be completing general maintenance which includes building washes, updating air conditioners as well as completing repainting with consistent exterior and interior paint colours as well as addressing issues noted in the condition and performance section.

**Table 80 - Recreational Facilities – Maintenance MSL Programmes**

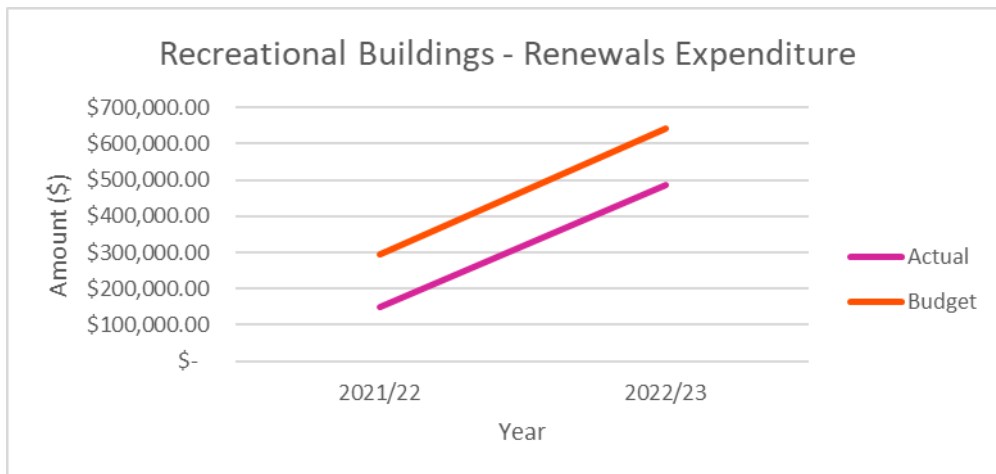
Recreational Facilities- Operations and Maintenance MSL						
Master ID		2023/24	2024/25	2025/26	2026/27	2027/28
54750	City Reserves Buildings	\$229,306	\$229,306	\$229,306	\$229,306	\$229,306
54760	Sportsfield Buildings	\$297,986	\$297,986	\$297,986	\$297,986	\$297,986
		2028/29	2029/30	2030/31	2031/32	2032/33
54750	City Reserves	\$229,306	\$229,306	\$229,306	\$229,306	\$229,306
54760	Sportsfield Buildings	\$297,986	\$297,986	\$297,986	\$297,986	\$297,986

**10.7.6 Renewal Plan**

We base our renewals on condition of the asset, customer requests and renewals are based on historical spend, asset condition and officer knowledge.

**10.7.6.1 Renewal Expenditure**

Please note the dedicated Recreational Facilities renewals budget started being administered by the Property Division from 2021 year. The graph below does indicate that our renewals have been under spent according to our initial budget.



**Figure 8 - Recreational Buildings - Renewals Expenditure**

### 10.7.6.2 Renewal Forecast

Accessibility improvement noted in the Accessibility Audit by Barrier Free 2023 report will be incorporated in future renewals for our sportsfield and city reserves buildings. LED Upgrades will be completed simultaneously with other renewals projects.

**Table 81 - Recreational Facilities - Renewal Programmes**

Recreational Buildings - Renewal Programmes	2023/24	2024/25	2025/26	2026/27	2027/28
1786 -Recreational Buildings - Sports Pavilion and Changing Room Renewals	\$100,000	\$250,000	\$100,000	\$100,000	\$100,000
1791 -Parks Depot - Building Renewals	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
	2028/29	2029/30	2030/31	2031/32	2032/33
1786 -Recreational Buildings - Sports Pavilion and Changing Room Renewals	\$100,000	\$250,000	\$100,000	\$100,000	\$100,000
1791 -Parks Depot - Building Renewals	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000

### 10.7.7 New Assets and Development Plan

Memorial Park has had recent refurbishment to the playground area. A new public toilet will be installed adjacent to the Memorial Park pavilion.

The Recreation and Play Plan gives direction for us to identify the need for indoor and covered outdoor courts (years 1 and 2). There is provision for outdoor/artificial court which is covered in the Parks and Logistics AMP.

### 10.7.8 Disposal Plan

No recreational buildings have been flagged for disposal.

## 10.8 Lifecycle Planning – Investment and Strategic Properties

### 10.8.1 Asset Overview

Investment and Strategic buildings are leased out by local businesses in the city. They are an additional revenue stream for Council.



Figure 9 - Average Tenure of Investment and Strategic Properties

Table 82 - Investment Asset Overview

Investment and Strategic Properties	Description of Asset and activities in building
<b>Investment Properties</b>	
Regent Theatre Shops	Investment properties are spaces within our existing facilities that are surplus to Council needs and become investment spaces instead. The exception is the Café Esplanade and Holiday Park at Victoria Esplanade which are standalone facilities. All investment properties are located within operational and cultural buildings such as the Civic Administration Building, Central Library, and the Regent Theatre.  The exceptions are Café Esplanade, The Chalet and Holiday Park at Victoria Esplanade which are standalone facilities.
Library Shops	
Civic Centre Shops	
Holiday Park	
Café Esplanade	
The Chalet – Hokowhitu Lagoon	
<b>Strategic Properties</b>	
7 Oakley Street	Strategic properties are standalone buildings that have been purchased to enable further development of Council projects in the future. Properties on Rangitikei Street and Featherston Street are kept for future transport road expansion projects. Properties on Oakley Street are owned for the purposes of expanding the sportsfield as part of the Central Energy Trust Arena.
11 Oakley Street	
9 Oakley Street	
MTF Finance	
Just Zilch	

### 10.8.2 Service Delivery

The day-to-day operations of the investment properties are undertaken by the building occupiers. The Facilities Maintenance team carries out routine inspections to monitor asset condition and identify the need for maintenance and renewal work to the building structure. Individual properties are inspected at least once annually and/or when properties are vacated.

### 10.8.3 Key Issues and Opportunities

Table 83 - Key Issues and Opportunities - Investment Buildings

Key Issues
<b>Seismic Strengthening impact on shop tenants</b> - The CAB Shops, Regent Theatre Shops and The Chalet will need to be seismic strengthened. Availability of shops buildings during seismic strengthening needs to be considered on a case-by-case basis.
<b>Civic and Cultural Precinct Masterplan timing impact</b> - The CAB Shops will also be included in the Civic and Cultural Precinct Masterplan – the future use of the shops spaces is still yet to be decided. Tenants are aware of the CCPMP work that will go ahead in the future.
<b>Challenging to undertake detailed condition assessments</b> of the interior of the investment properties that operate as hospitality or retail shops. As we try to minimise disruption to customers. True condition of our assets is often known after the tenant has vacated the property.
<b>Data gap in condition assessment</b> - Tenants coordinate their reactive maintenance work. This has created asset data gap for the FM team is unaware of the fault/ repair needed and where condition information at time of repair/restoration has not been captured.
<b>Issues with the consistency of maintenance work</b> - as each tenant uses their own preferred contractors. An improvement could be in adopting an approved contractors list to ensure that work completed in the interior is of consistent quality and standard.
<b>Maintenance responsibilities</b> may take a while to be implemented as tenants abide by original agreements in the lease. Our current response - Tenants continue with original lease agreements. Upon lease expiring - review maintenance responsibilities.

### 10.8.4 Condition and Performance

Most of our investment properties are contained within larger operational or cultural facilities.

On average most of our investment and strategic properties are a combined at least 71% between very good to good condition.

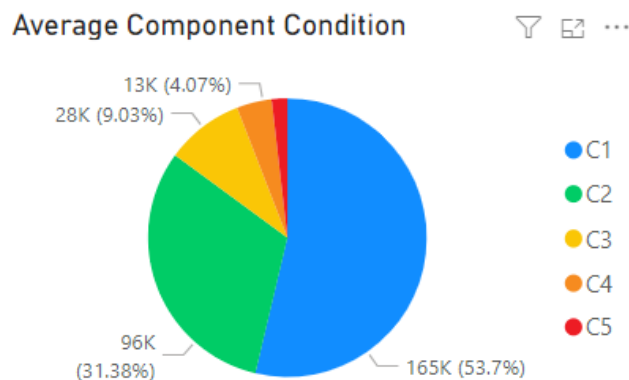


Figure 30 - Investment and Strategic Properties Component Condition Average

Condition assessment surveys are to be completed for Regent Theatre Shops, Civic Centre Shops and Central Library Shops. Condition assessments are carried out when a tenant moves out. The information is dated thus challenging to know the true condition of the properties. Regarding compliance performance – most building assets are performing well. There can be limitations with collecting condition data – as we try to minimise disruption during business hours to the customer using the building.

Table 84 - Condition and Performance - Investment Properties

Current Condition and Performance	Desired Levels of service	Activity Challenge	Type of Investment Required and programme
<b>Seismic Strengthening</b> - Regent shop, CAB Shops and Library Shops and The Chalet are all in buildings that are earthquake-prone. All shops are in good condition. Exterior is well maintained. Please see lifecycle section – Operational Facilities and Cultural Facilities for priority orders.	Safety - Our buildings are safe to use and meet appropriate building standards	Seismic Strengthening	Programme 902 - Seismic Strengthening of Council Properties
<b>The Chalet</b> – In poor condition and has weathertightness issues and seismic strengthening needs to be completed. The attached public toilet on the ground floor needs to be refurbished to meet accessibility standards. Please refer to Lifecycle section – Public toilets.	Quality - maintain our buildings to a good standard and for assets to be in good condition		Programme 1753-Investment Properties - Building Renewals and Programme 902 - Seismic Strengthening of Council Properties will be utilised for future works – timing challenging due to building needing seismic strengthening. Currently the Chalet is priority 14 for strengthening.
<b>CAB Shops, Central Library Shops and Regent Theatre Shops</b> - Shops are in good condition. General maintenance and renewals -			CAB Shops, Central Library Shops and Regent Theatre Shops - will be included in future seismic strengthening via - Programme 902 - Seismic Strengthening of Council Properties. With any renewals covered under - Programme 1753-Investment Properties - Building Renewals and Programme 902 and maintenance work covered under current MSL budgets for investment properties.
<b>Verdict – General</b> condition is good. Two hot water cylinders were aging and in poor condition with rust at the top. The hot water cylinders were replaced.	Quality - maintain our buildings to a good standard and for assets to be in good condition		
<b>Arranged Marriage</b> – vinyl floors need to be redone for the restaurant – but around the toilet area. Challenges in this work being completed due to shop hours.			
<b>Holiday Park</b> - The Holiday Park is in fair condition. The Holiday Park has had extensive upgrades to all the cabins. Some had exterior cladding replaced and rotten wood battens removed. The work programme to upgrade all the cabins was finally completed at the start of 2023.			
A kitchen refurbishment is needed in the manager house/main office on site.			
<b>Holiday Park Site</b> - Holiday Park is surrounded by mature Elm and Ash trees. Each tree had a safety and condition report undertaken. Trees risk assessment report was completed in August 2022 with timeframes noted for arborist to address when trees need to be cut down. Trees to be assessed for	Quality - maintain our buildings to a good standard and for assets to be in good condition		

Current Condition and Performance	Desired Levels of service	Activity Challenge	Type of Investment Required and programme
safety and condition by a consultant arborist holding a Level 6 Arb qualification every three years.  Grounds Lighting Replacement - - 2026 Communal Kitchen upgrade - in 2027 Reception Building Upgrade - 2031			
<b>Underground pipes blockages</b> - We have had issues in 2021 and 2022 with trees' roots growing into out underground pipes – stormwater pipes. The pipes must be fully replaced.			
<b>Hard surface areas</b> - Were failing and due to be carried out in 2024. Prior to this we need to investigate the 3 Waters pipes – we need to understand the condition of underground first before any resurfacing is completed			
<b>Café Esplanade</b> - The roof of the Café Esplanade needs replacement as it is not performing well.			

**10.8.5 Operation and Maintenance Plan**

The tenancy agreement only outlines the responsibility of maintenance and repair of the tenant in general terms. At present interior maintenance is completed by the tenant. However, where Council owned assets such as hot water cylinders fail, we are responsible for repair/ replacement of that component.

All tenancy agreements outline that BWOFF compliance is the responsibility of the tenant. However, to streamline this process – we as Council take this responsibility and hire an independent qualified person (IQP) to complete the compliance schedule inspections. BWOFF certificate costs are on-charged to the tenant where possible. The Property Division carries out any maintenance work that needs to be completed to meet compliance requirements.

We undertake all compliance work; this means that maintenance work packages can be bundled together where possible to ensure that buildings are compliant.

We may look to change responsibility for interior maintenance for investment properties in the future. Lease agreements outline the responsibilities for maintenance and repairs in general terms. The Property Division will look to change the maintenance responsibilities of some leases as they expire. Alternatively, we can always approach the tenant for a lease variation, if necessary, with a tenant’s consent.

Maintenance team works in the future. The benefits of this change would be:

- Increased knowledge of the asset condition
- Increased knowledge of interior maintenance work needed
- Better planning of renewal works



However, in the past, there have been informal agreements regarding the maintenance of some asset components. For example, there have been instances where tenants had replaced/repaired asset components such as hot water cylinders and the cost has been on charged to Council.

**Table 85 - Investment and Strategic Properties Maintenance & Operations**

Description	Activity	Purpose - Investment Property	Frequency
<b>Operational</b>	Building Warrant of Fitness (BWOFF) Inspections	Legislation and compliance. Safety. BWOFF confirms that the specified systems of the building have been maintained and checked for the previous 12 months in accordance with the compliance schedule.	Annually and or on an as-needed basis as per the Building Warrant of Fitness (BWOFF) Compliance Schedule.
	Grounds Maintenance	Quality - Grounds maintenance of hedges, gardens and lawns is the responsibility of the tenant	As Required
	Condition Assessments	Detailed condition inspections for interior are undertaken when a tenant vacates for investment properties.	Every 3 years and when tenant vacates
		Strategic properties (Oakley Street) in the form of housing are condition assessed as part of the social housing portfolio.	
	Cleaning	Interior cleaning keeps components intact. Interior cleaning is the responsibility of the tenant	As Required
		All paper towels, soap, toilet blocks, paper and are replenished, when necessary, by Facilities Management Team	
<b>Planned Maintenance</b>	Interior maintenance	Interior maintenance is completed by the tenant at the tenant's expense	
	Interior Painting	Prevent deterioration Identify deterioration/defects	7 yearly - Criticality based dependant on Levels of Service requirement.
	Exterior Painting	Prevent deterioration Identify deterioration/defects	Exterior wall repainting completed every 7-12 years or based on age and condition of the paint work
	Building Wash downs	Clean exterior to provide longevity to exterior cladding and paint systems. To provide an important level of visual appearance	At least every 2 years or more frequently dependant on building performance
	Window Cleaning	Extend windows life, appearance.	At least every 2 years or more frequently dependant on building performance
	Roof/Gutter Clean	Prevents water damage, facilitates pest control, extends roof and gutter lifespan, increased curb appeal	Annually? or more frequently dependant on environmental considerations.
	Lift Maintenance	Safety, keeps lift operating, fix small problems before they get any bigger.	Monthly

Description	Activity	Purpose - Investment Property	Frequency
	Fire System Maintenance	Safety, checking systems, undertaking small maintenance issues to keep the fire system working effectively.	As required (monthly)
	HVAC Maintenance	Health and safety. Cleaning, checking, inspecting, filter replacement, reduce equipment replacement costs, keep building comfortable for occupants.	As required (monthly)
<b>Reactive Maintenance</b>	<b>Reactive work:</b> includes maintaining the building structure and all permanent fixtures and fittings, including response to : - broken windows, - doors, locks, - Removal of graffiti - leakage to building - plumbing/drainage issues, leaking pipes, dripping taps, blocked toilets, drains, gulley traps and sinks. Faults are repaired, blockages cleared, and drains relayed on an as-required basis.		OR.... Reactive work is limited to structural maintenance work or compliance work. All other reactive maintenance is the sole responsibility of the tenant.

**10.8.5.1 Operation and Maintenance Expenditure Trends**

**Strategic Properties**

The strategic properties are managed under the social housing and investment activities until such time as they are required for their strategic purpose. Cost per year is in the order of \$9,000.

**Investment Properties**

Investment properties have been maintained at around \$160,000 to \$180,000 over the last 5 years. Most maintenance is to do with compliance matters, and interior maintenance is completed by the tenant.

**10.8.5.2 Operations and Maintenance Forecast**

**Table 86 - Investment and Strategic Properties - Operations and Maintenance MSL Budget**

Investment and Strategic Properties Operations and Maintenance MSL						
Master ID		2023/24	2024/25	2025/26	2026/27	2027/28
54780	Investment and Strategic Property	\$128,518	\$128,518	\$128,518	\$128,518	\$128,518
		2028/29	2029/30	2030/31	2031/32	2032/33
54780	Investment and Strategic Property	\$128,518	\$128,518	\$128,518	\$128,518	\$128,518

**10.8.5.3 Revenue**

Revenue from investment properties is enough to cover maintenance and some renewals for the properties. The total revenue from rent on investment properties is \$2.2 million. However, the revenue from our strategic properties in the form of shops is not enough to cover maintenance and renewal needs.

### 10.8.6 Renewal Plan

There is no renewals programme for Strategic Properties as the properties are flagged for disposal soon as part of the maintenance is undertaken to defer any need for renewals.

Renewals for the investment properties are a combination of using asset condition data, staff knowledge and working with the tenant to identify any potential renewals.

The renewals within our investment and strategic assets are a mixture of both planned renewals for asset components and for full replacement for structure - i.e. Holiday Park Cabins. Reactive renewals contingency is targeted towards general renewals which will be identified by the tenant, or through inspection for compliance matters.

Investment properties have their own dedicated renewals programme. The Holiday Park being our largest investment property has its own renewals programme.

Renewals are at the Holiday Park, with some minor shop renewals. Major structural elements and roofing of the various shops are contained within wider building envelopes for the Central Library and Regent Theatre. The fitout of the various shops is the responsibility of the tenant.

#### 10.8.6.1 Renewal Expenditure

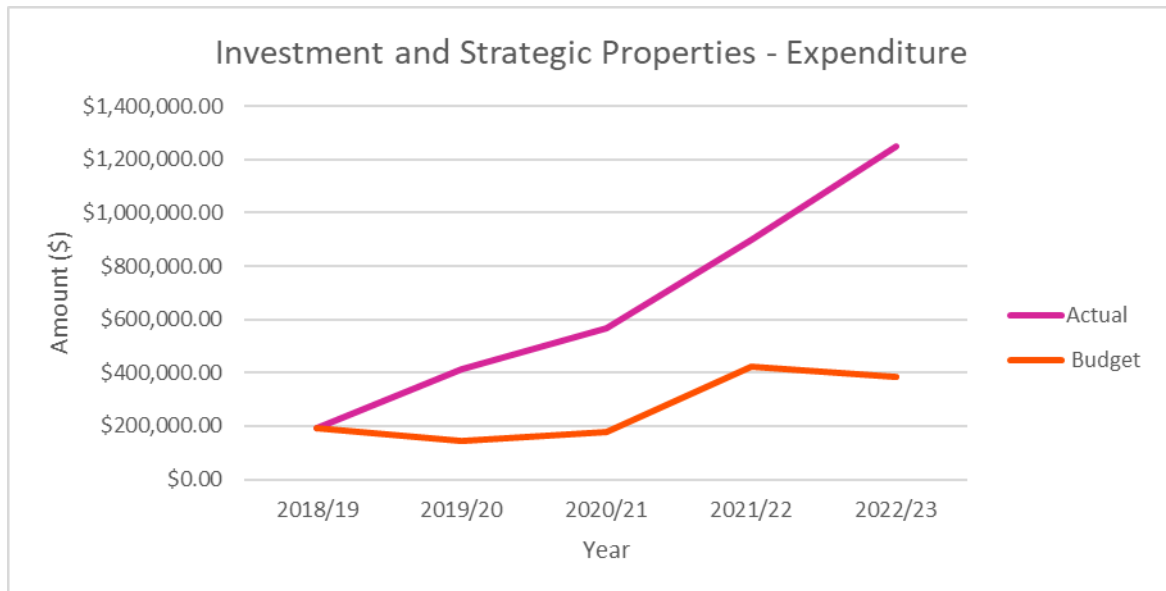


Figure 10 - Investment and Strategic Properties - Expenditure

#### 10.8.6.2 Renewal Forecast

Renewals will be focused across the whole portfolio. Tenanted properties will have a renewals budget of around \$20-25,000 per year. Specific renewal requirements across the portfolio will be informed by asset condition and age of building and components.

Major renewals are needed at The Chalet – however we are working on minimising sunken costs so that we can seismically strengthen and renew large components at the same time- this is likely to occur after year 10 of this AMP/ Long Term Plan (LTP) 2024.

Victoria Esplanade roof is also scheduled to be reroofed in 2023/24 year.

The Holiday Park is one of our largest investment properties. The Holiday Park renewals will be focused on continual refurbishments of the rest of the cabins. The programme provides for the renewal of Holiday Park facility

and the asset components within it to ensure it meets the needs and expectations of the tenant and visitors to the city who use the facility.

**Table 87 - Investment and Strategic Properties – Renewals**

<b>Investment and Strategic Properties - Renewals</b>					
	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>
270 - Holiday Park - Renewals	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
1753 - Investment Properties - Building Renewals	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
	<b>2028/29</b>	<b>2029/30</b>	<b>2030/31</b>	<b>2031/32</b>	<b>2032/33</b>
270 - Holiday Park - Renewals	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
1753 - Investment Properties - Building Renewals	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000

The Holiday Park is one of our largest investment properties. Due to the size of the Holiday Park, it has a dedicated renewals programme. In the past the programme has had targeted renewals to cabin refurbishments.

The programme provides for the renewal of Holiday Park facility and the asset components within it to ensure it meets the needs and expectations of the tenant and visitors to the city who use the facility.

### 10.8.7 New Assets and Development Plan

No new assets have been planned for within the strategic and investment properties category. However, the CAB shops, The Regent Theatre Shops and the Central Library shops are all part of the Civic and Cultural Precinct Masterplan. We are anticipating that there might be substantial change in building configuration. However, a decision is still yet to be made via the Civic and Cultural Precinct Masterplan Steering Committee as part of the 2024 Long Term Plan (LTP) .

CAB Shops, Central Library Shops and Regent Theatre Shops - will be included in future seismic strengthening via Programme 902 - Seismic Strengthening of Council Properties.

### 10.8.8 Lifecycle management alternatives

Strategic properties have a do minimum approach due to uncertainty of eventual disposal. Renewal is not planned for as most strategic properties are targeted for disposal.

### 10.8.9 Disposal Plan

All strategic properties are flagged for disposal in the future. Future timing is to be decided by the Transport Division. The strategic properties are needed for road realignment purposes.

The Oakley Street houses (at 7,9,11 Oakley Street) are flagged for demolition as a part of the future field expansion for Central Energy Trust Arena Masterplan. A new entry is proposed at Oakley Street to connect to from a new connection to the new north-south pedestrian path.

The properties at Rangitikei Street and Featherston Street are flagged for disposal as part of strategic road expansion by the Transport Division. Dates for disposal have not been finalised as Council explore options for acquisition of all properties adjacent to the intersection.

- 266 Rangitikei Street – MTF Finance
- 248 Featherston Street – Just Zilch

## 10.9 Lifecycle Planning – Social Housing

### 10.9.1 Asset Overview

Social Housing is in each corner to the city, with more complexes located on the northern part of the city. Our social housing units are for superannuants, people with long term disabilities, and people that experience barriers to renting in the private market.

#### Other Council housing

Council also owns a few other houses that are not part of the social housing activity. However, due to the asset type being the same, they are included in this portfolio as the activity provided is similar.

#### Strategic Properties

9 Oakley Street and 11 Oakley Street. These houses will be demolished at some point in the future. The land they were situated on will be used for the expansion of sportsfield at the neighbouring CET Arena Complex as per the CET Masterplan.

#### Forestry House

The house at Scotts Road was provided for as part of the Gordon Kear Forestry management. The house is tenanted.

#### Operational Housing

51 Totara Road was built next to the Wastewater Treatment Plant (WWTP). This house in the past was tenanted by a WWTP operator. The operator was required to be on call and onsite at night-time. A house is now tenanted by a private resident.

### 10.9.2 Service Delivery

Table 88 - Service Delivery – Social Housing

Asset Management	Tenancy Management
The Property Division manages maintenance and renewals of the complexes and units.	Social Housing tenant liaison and management is delivered by the Housing Tenancy team – a branch of the Environmental Health Protection Services Division of Council.

### 10.9.3 Key Issues and Opportunities

Table 89 - Key Issues and Opportunities - Social Housing

Issues	Opportunities
Housing unaffordability has been a key driver in increasing demand for social housing units. High demand for 1–2-bedroom units. Units cannot meet demand needs. On average we have 400 people on our waiting lists.	Opportunity to increase social housing. Programme 1459 caters for the provision of more social housing.
Long term maintenance: The units' maintenance needs will increase as they age (currently between 20–50 years old). Issues such as weatherproofing, window joinery, kitchen and bathroom renewals will increasingly be required.	Future housing development at Summerhays St site and Huia Street site – will increase housing portfolio
Full renewals can only happen when a tenant vacates a unit. This means that some of our renewals are not happening in time.	

### 10.9.4 Condition and Performance

As a collective, all our 88% of our social housing units are in good to very good condition.

Average Component Condition

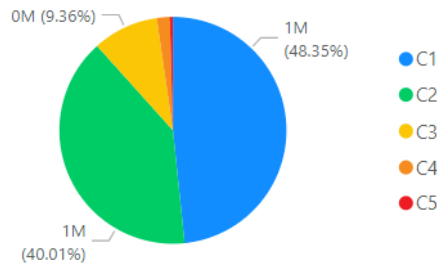


Table 90 - Summary - Current Condition and Performance - Social Housing

Summary - Current Condition and Performance	Desired Levels of service	Activity Challenge	Type of Investment Required and programme
<p>Our units are in good condition – however true condition will be known after tenants move out. We will target our renewals as tenants are in the house where possible and the rest of renewals being completed after a tenant moves out.</p> <p>We have been updating soft furnishings like curtains, updating carpets and floor vinyls where possible.</p>	<p>Quality - maintain our buildings to a good standard and for assets to be in good condition</p> <p>Quality - We provide warm and safe housing units for people in line with Council’s priorities.</p>		<p>Mixture of MSL Social Housing Maintenance Programme 180 - Social Housing - Renewals</p>
<p>Roofs are a key part of the building fabric – as our complexes are quite aged and some roofs used old nails which will need to be replaced. Roof condition assessments still need to be completed at all complexes. A cost-effective approach to using a drone is being considered to minimise the labour costs of engaging with a contractor to assess the roof.</p>			
<p>Ground maintenance has been challenging across all our social housing complexes. We have completed concrete work and gardening works where possible.</p>	<p>Quality - maintain our buildings to a good standard and for assets to be in good condition</p>		<p>Programme 1742 - Social Housing - Grounds Renewals</p>

### 10.9.5 Operation and Maintenance Plan

Maintenance on social housing units and Council housing is completed by the Facilities Maintenance team. The Housing Maintenance Officer coordinates maintenance planning with the internal and external contractors to complete maintenance work. Currently we have a 60 reactive /40 planned approach to maintenance.

With changing buildings standards through the Residential Tenancies (Healthy Homes Standards) Regulations 2019 – we must increase our compliance budget to ensure all our units meet the standards by 1 July 2024.

Due to vacancies having reduced, we have implemented a programme of work being undertaken in the properties i.e., painting when the tenant is still in-situ.

We lease 34 properties to MASH (provide housing to those needing disability support services) who is responsible for HHS. We are looking at having a lease and then a management agreement – but still in negotiations.

**Table 91 - Operations and Maintenance Plan - Social Housing**

Description	Activity	Purpose	Frequency
<b>Operational</b>	Building Warrant of Fitness (BWoF) Inspections	Legislation and compliance. Safety. BWoF confirms that the specified systems of the building have been maintained and checked for the previous 12 months in accordance with the compliance schedule.	Annually and or on an as-needed basis as per the Building Warrant of Fitness (BWoF) Compliance Schedule.
	Grounds Maintenance	Safety creates a good first impression, boosts buildings image and appeal.	As Required - Grounds maintenance of hedges, gardens and lawns is the responsibility of the CCOs or incorporated societies – refer to maintenance responsibility guideline
	Condition Assessments	They are carried out simultaneously at the same time as the housing inspections by the housing tenancy officers. Vacated units are inspected, and major maintenance work can be undertaken	Every 3 years and when tenant vacates
	Cleaning	Interior cleaning - responsibility of the tenant	As Required -
<b>Planned Maintenance</b>	Interior Painting	Undertaken when tenant leaves or if condition of paint is heavily damaged/ deteriorated	7 yearly - Criticality based dependant on Levels of Service requirement.
	Exterior Painting	Prevent deterioration Identify deterioration/defects	Exterior wall repainting completed every 7-12 years or based on age and condition of the paint work
	Building Wash downs	Clean exterior to provide longevity to exterior cladding and paint systems. To provide an important level of visual appearance	At least every 2 years or more frequently dependant on building performance
	Window Cleaning	Extend windows life, appearance.	At least every 2 years or more frequently dependant on building performance
	Roof/Gutter Clean	Prevents water damage, facilitates pest control, extends roof and	Annually or more frequently dependant on environmental considerations.

Description	Activity	Purpose	Frequency
		gutter lifespan, increased curb appeal	
	Lift Maintenance	Safety, keeps lift operating, fix small problems before they get any bigger.	Monthly
	Fire System Maintenance	Safety, checking systems, undertaking small maintenance issues to keep the fire system working effectively.	As required (monthly)
	HVAC Maintenance	Health and safety. Cleaning, checking, inspecting, filter replacement, reduce equipment replacement costs, keep building comfortable for occupants.	As required (monthly)
<b>Reactive Maintenance</b>	<b>Reactive work:</b> includes maintaining the building structure and all permanent fixtures and fittings, including response to: <ul style="list-style-type: none"> <li>- broken windows,</li> <li>- doors, locks,</li> <li>- Removal of graffiti</li> <li>- leakage to building</li> <li>- plumbing/drainage issues, leaking pipes, dripping taps, blocked toilets, drains, gulley traps and sinks. Faults are repaired, blockages cleared, and drains relayed on an as-required basis.</li> </ul>		

#### 10.9.5.1 Social Housing Inspection Approach

The table below shows a high-level outline of inspections for the Social Housing portfolio.

**Table 92 - Social Housing Inspection Responsibilities**

Terminology	Definition & Purpose	Timing	Whose Responsibility	System Used
Condition Assessment	Programme of Work	Every 2 to 3 years	Housing Maintenance Officer & Contractors	SPM
Works Inspection	Inspection of Contractors finished work	When work finished	Housing Maintenance Officer	FM System to SPM
Entry Inspection	Quality control on tenancy entry	Prior to moving in	Tenancy Officer	Palace
Routine Inspection	To check how the tenant is looking after the property. Identification of works & urgency. Tenant welfare.	3 x per year	Tenancy Officer	Palace & any maintenance to FM System
Pre-Vacation Inspection	Exit management & identification of any works	3 weeks prior to exit	Tenancy Officer & Housing Maintenance Officer	FM System to SPM
Exit Inspection	Quality control on tenancy exit	Prior to moving out	Tenancy Officer	Palace



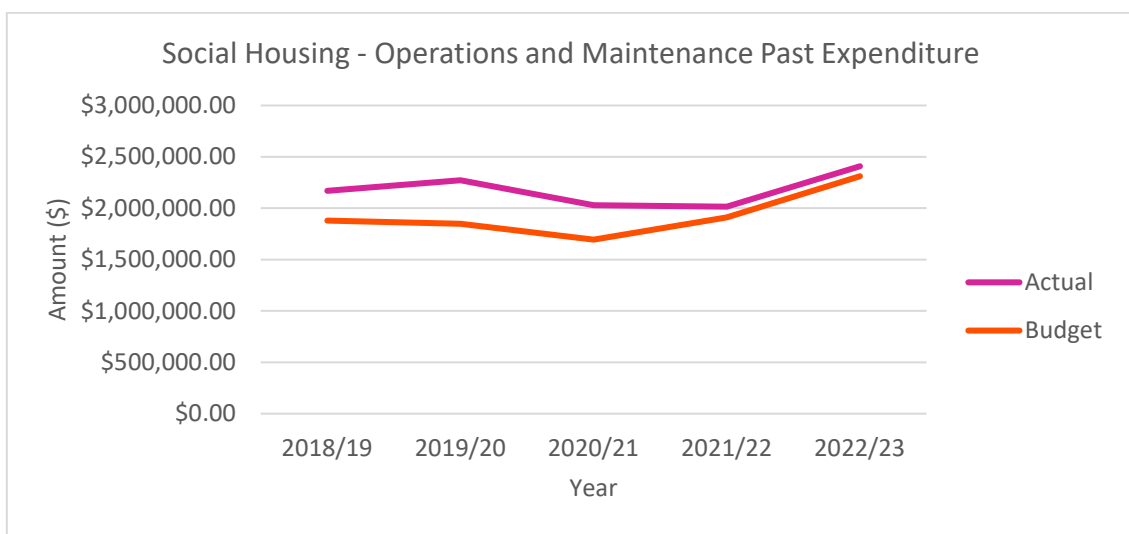
**10.9.5.2 Operation and Maintenance Expenditure Trends**

Operations and maintenance have been increasing over the last 5 years. As our units are between 41-69 years old. Our older units needed more maintenance.

However due to social housing units being tenanted – it presents various challenges regarding damage to property, intentional and unintentional. Maintenance needs have been regarding either kitchen or bathroom maintenance, some weatherproofing issues. Where it is uneconomical to keep maintenance – renewals take place instead.

Therefore, although planned maintenance exists - most of the maintenance within social housing is very reactive. This also tends to be one of the key areas we receive most customer requests. As we have over 400 tenants to serve.

Maintenance has been consistently over \$1million over the last 5 years. The exception is: the year 2018/19 to 2020/21 where recorded costs have been significantly lower.



**Figure 11 - Social Housing - Historical Operations and Maintenance Expenditure**

**10.9.5.3 Operations and Maintenance Forecast**

Operations and maintenance for social housing budget is noted in the table below.

**Table 93 - Social Housing Operations and Maintenance**

Social Housing Operations and Maintenance		2023/24	2024/25	2025/26	2026/27	2027/28
54735	Social Housing	\$1,896,141	\$1,896,141	\$1,896,141	\$1,896,141	\$1,896,141
		2028/29	2029/30	2030/31	2031/32	2032/33
54735	Social Housing	\$1,896,141	\$1,896,141	\$1,896,141	\$1,896,141	\$1,896,141

**Compliance**

Compliance work will also drive our need for new asset components and other renewal work. All social housing units must comply by the Healthy Homes Standards by 2024. Each unit must be assessed for compliance. A contractor is due to complete all Healthy Home assessments by June 2021. The estimated cost for each unit to fully comply by the standards is between \$900 – \$2000.

A compliance programme 1896 has been proposed to ensure that all social housing meets Healthy Homes requirements by 2024. The main assets components that will need upgrading will be heaters and extractor fans. The work is planned to be completed in 2022 and 2023.

**Revenue**

We received revenue for social housing. Revenue figures are to be reviewed.

**10.9.6 Renewal Plan**

Social housing renewals do not occur as frequently. Renewals/refurbishments are mostly undertaken when a tenant moves out of the unit to minimise disruption to the tenant. Renewals usually include replacing carpets, updating kitchens, bathrooms, and any other interior renewal work.

**10.9.6.1 Renewal Expenditure**

Our renewals were spent on various roof replacement, healthy homes compliance, social housing refurbishments. Our focus in the last couple of years was on renewing carpets, floor vinyl and new curtains where possible. Across the whole social housing portfolio our budget for renewals in not meeting the needs. Reactive renewals, the cost of labour and materials has increased. It is likely we will need to further increase our budgets. Dependent on the Accessibility review there is likely to be further renewals needed

We have also been incrementally resurfacing our hard surfaces and carparks where possible. Resurfacing of driveways was completed for the following complexes: Church Street, Cardona Close, Wood Street and Wainui Court. We also resurfaced car parks at Wood Street and Wainui Court. We have also completed some concrete work at Elm Tree, Wainui Court, Wood Street, Cardrona Clos. Installed a new footpath at Elm Tree Court.

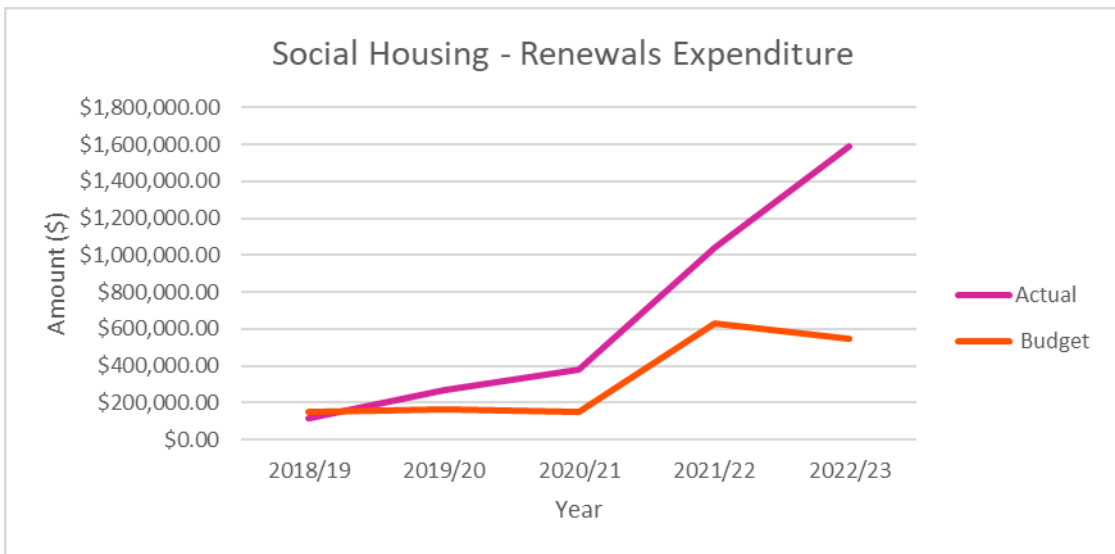


Figure 12 - Social Housing - Renewals Expenditure

### 10.9.6.2 Renewal Forecast

We will continue with our rolling renewals for renewing carpets, floor vinyl and curtains across our units. We anticipate that there will also be an update Wood Street Community lounge completed within the 2024 year. Ground renewals will be completed in increments for updating fencing lines, concrete work, and other vegetation work to be completed in our complexes.

Table 94 - Social Housing - Renewal Programmes

Social Housing - Renewal Programmes	2024/25	2025/26	2026/27	2027/28	2028/29
180-Social Housing - Renewals	\$875,000	\$875,000	\$400,000	\$400,000	\$400,000
Social Housing – Renewal Programmes	2029/30	2030/31	2031/32	2032/33	2033/34
180-Social Housing - Renewals	\$400,000	\$ 400,000	\$400,000	\$400,000	\$400,000

Most of the renewals are focused on:

- General refurbishments budgeted at \$400,000 per year
- Roof replacements – \$30,000 per year – condition and performance will be the deciding factor for these
- LED Lighting upgrades will continue to occur progressively at \$10,000 per year.

Hard surface renewals are aimed at ensuring the car park area; paths are resurfaced when needed. We must ensure that our hard surfaces (especially pathways) are maintained well to create ease for those that use mobility scooters and wheelchairs to access their units.

### 10.9.7 New Assets and Development Plan

As social housing units are in demand – Council will be contributing to alleviating the shortage of housing by building new social housing units. Papaioea place stage 3 will see the additional social housing units built. Council has a goal to provide more social housing in the future via programme 1459 – however the location of housing is not yet known. Land purchases will need to be included as part of that. growth

#### Programme -1459 -Social Housing - Additional Social Housing Units

The programme provides for the future construction of new council-owned social housing units within the city. This will either be on a greenfield site or redeveloping and increasing the density of one of the Council's existing social housing complexes. Housing will be accessible and meet the Healthy Homes Standards and achieve a 4-star Lifemark Accreditation.

#### Programme - 2236 - Urban Growth - Huia Street Reserve - Community Housing - Better off funding.

Huia Street reserve has been identified as suitable for some level of residential development. This programme provides for the planning and construction of residential accommodation of a type and density to be confirmed.

Table 95 -Social Housing Capital New Programmes

Social Housing Capital New Programmes	2023/24	2024/25	2025/26	2026/27	2027/28
1459 - Social Housing - Additional Social Housing Units	\$4,000,000	\$6,500,000	\$6,500,000	\$	\$
2236 - Urban Growth - Huia Street Reserve - Community Housing - Better off funding	\$	\$	\$	\$	\$
	2028/29	2029/30	2030/31	2031/32	2032/33
1459 - Social Housing - Additional Social Housing Units	\$	\$	\$	\$	\$
2236 - Urban Growth - Huia Street Reserve - Community Housing - Better off funding	\$7,500,000	\$7,500,000	\$	\$	\$

#### Land development for social housing

Council endorsed a housing development at [Summerhays](#). This year there was endorsement for a housing development layout that has design options will include:

- Terraced and duplex Housing with a central shared green space.
- Medium density housing outcomes and design options being developed for one-, two- and three-bedroom dwellings
- Inclusion of best-practice urban design, sustainable building practices in the development of future options

However, a future development partner is needed regarding funding for the Summerhays development. A decision is still yet to be made. At present we have budgeted \$17 million (city via programme 1459) in this AMP (and for the 2024 – Long Term Plan (LTP) ) for delivering additional social housing in the. These funds could be used to make up the balance of the development cost.

#### Social Housing- Consequential Opex

There will be an increase in operating costs associated with building additional social housing units. The table below summaries the first 10 years of operating costs. A 30-year view of operating costs is available in the Appendix - 30 Year Financial Forecast.

Table 96 - Social Housing- Consequential Opex Programme

Social Housing- Consequential Opex Programmes	Year1 (2024/25)	Year2 (2025/26)	Year3 (2026/27)	Year4 (2027/28)	Year 5 (2028/29)
1459 - Social Housing - Additional Social Housing Units	\$	\$	\$	\$191,600	\$191,600
Social Housing- Consequential Opex Programmes	Year 6 (2029/30)	Year 7 (2030/31)	Year 8 (2031/32)	Year 9 (2032/33)	Year 10 (2033/34)
1459 - Social Housing - Additional Social Housing Units	\$191,600	\$191,600	\$191,600	\$191,600	\$191,600

### 10.9.8 Disposal Plan

No social housing units have been flagged for disposal. However, existing social housing units may be refurbished to meet requirements.

The disposal of a Social Housing complex and/or individual units would occur through the need to develop the land upon which the asset sits, when it is not possible or economic to retain the asset in question, or when the asset is no longer suitable for providing the service, it is intended for. If a complex had a poor tenancy rate, undesirable fundamental layouts, and/or ongoing elevated levels of upgrading/development works, disposal is considered

## 11 Data and Information Systems

We use SPM as our asset information system. It captures the building components condition and not the structural condition of the building.

WorksTrax system is used for the creation, management and reporting of facilities management work orders. From a reporting perspective, this is the only system that allows for a breakdown and grouping of Council owned associated maintenance activities undertaken for ongoing planning purposes.

### 11.1 Asset data collection responsibilities

Ownership of asset condition data lies with the Property Division. Coordination of capturing the various asset data types is a coordinated approach between the Property Division, contractors, and other Council Divisions. A draft Condition and Performance Policy is in place. It outlines the expected frequency of condition assessment for each asset category according to its criticality. The table below outlines Asset Data Collection Responsibilities.

**Table 97 - Asset Data Collection Responsibilities**

Asset Data Type	Team Responsibility	Asset Database
Asset condition information: - Building asset components (interior and exterior components)	Facilities Maintenance team Service Contractors	SPM
Asset Performance data - Faults data - The building structure is not currently in the SPM asset management system. However, for structural upgrades via seismic strengthening, this information is usually held elsewhere within spreadsheets accessible to the staff that need to be informed about the seismic strengthening project.	Facilities Maintenance team Capital Projects Team (Property)	Live Spreadsheet - Property Team Renewals and Maintenance tracker
Asset information As-built	Property Team forward as built to Asset Information Team	SPM/ Vault
Asset maintenance data	Facilities Maintenance team Service Contractors	WorksTrax SPM
Asset condition information: - Underground services water, wastewater, and stormwater pipes	Water/Wastewater Division on behalf of Property Division	IPS
Asset condition information: - Hard surfaces (carparks, walkways, paved areas)	Transport Division on behalf of Property Division	RAMM (Road Assessment and Maintenance Management)
Streetlights		
Grounds – lawns and sports turfs	Parks and Logistics behalf of Property Division	SPM

### 11.1.1 Asset Condition Data and Service Contracts

The Facilities Management team are proposing to include condition assessment data collection as a requirement within future service contracts.

For example, when a contractor is conducting service work in our facilities. Contractors will be required to capture the condition of the asset component at time of repair, maintenance, or inspection. This approach ensures the right information is captured on the job.

### 11.1.2 Data Quality - Asset Management Maturity Assessment

The Asset Management Maturity Assessment (AMMA) noted that our asset data maturity score was at 65%, the reasoning being:

- we have good data, but it was not well maintained.
- some asset data is not held in formal systems.
- services information (underground assets) is not well documented.

Three attributes that support data confidence are accuracy of data, completeness, and reliability of the data. There have been improvements in our asset condition data's completeness across the last twelve months.

The Facilities Management Team and the Asset Information team have driven the asset condition data collection. The aim is to use this information for data-driven decision making for future work programmes.

## 11.2 Improvement actions

1. New facilities management data system with reporting function. And that integrates with asset information database SPM and customer request database K-Base.
2. Centralised data storage area for Building asset performance needed
3. Customer Request database - K-Base to have fault categories that match FM workstreams i.e., plumbing, vandalism, electrical faults.
4. **Include Structural Components in SPM** - The 2020 AMP noted that SPM was to incorporate and reconcile structural renewals in the SPM asset management system prior to the 2023 AMP. This is still yet to take place.
5. **Asset age data** - The true asset age of our some of our existing building components is not well known, as data was not captured at the installation stage. Installation and warranty information to be captured for new asset components in SPM
6. **Remaining useful life** - The average estimated remaining useful life has been estimated within our valuations. This information is currently stored in valuation spreadsheets

## 12 Financial Planning Summary

This section outlines the long-term financial requirements for the operations and maintenance, capital renewal and capital new investments to meet the agreed levels of service for the Property Activity. These financial requirements have been identified and assessed individually throughout this AMP and are summarised in this section. This section includes a discussion on the strategies used to develop the financial budgets, as well as the assumptions and risks inherent in the budget forecasts.

Councils general approach to financial planning is outlined in Section 3.14 of the SAMP.

We review our budget every three years as a part of the Long Term Plan (LTP) process. This process allows for the Property Division to identify and prioritise future programmes of work as well as respond to significant issues identified within the building portfolio.

Financial forecasts for each asset category are contained within the lifecycle section 9, with the supporting detail in the appendices. Councils general approach to financial planning is outlined in Section 3.14 of the SAMP.

### 12.1 Asset Valuation

The valuation of the of buildings and facilities portfolio is undertaken every three years, with the last assessment completed on the 30<sup>th</sup> of June 2023. However, operational buildings such as our Water Treatment buildings, wastewater treatment buildings and Resource Recovery Buildings needs to be revalued using a similar methodology applied to the rest of the building portfolio. Summaries of our asset values can be found in the appendices.

### 12.2 Asset Depreciation

The building portfolio is depreciated using a Straight-Line Model. This is a common method of depreciation where the value of a fixed asset is reduced gradually over its useful life (i.e. spreading the costs of assets over their useful life). Therefore, at each full accounting year the asset will be depreciated at the same percentage amount of asset's cost. At the end of life, asset residual value is zero.

Our approach is thought to be a unique approach amongst New Zealand local Councils with respect to depreciation. We do not operate depreciation reserves to fund future renewals. There is a risk that from time to time the Council we may face unexpected renewal costs that have been provided for in later years or where there has been no adequate provision. This must be accommodated by rearranging priorities. Our approach relies on the budgets containing renewal cost projections that are based on quality condition assessments and firm business cases.



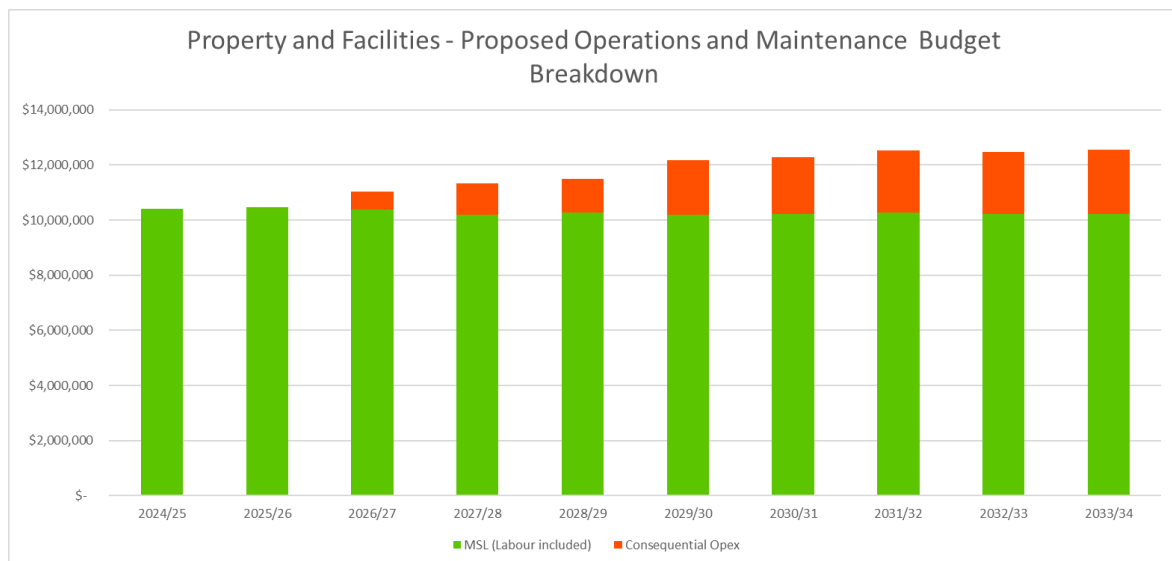
## 12.3 Financial Forecast

### 12.3.1 Proposed Operations and Maintenance Budget

Existing operations and maintenance budgets were reviewed against historic expenditure and levels of service requirements. This was used to forecast future budget needs for existing assets, and to estimate the budget required for new assets programmed to be created.

Figure 13 shows the breakdown of the proposed operations and maintenance budgets for the next ten years. The distinct colours in the columns show budget for different expenditure categories:

- Maintain Service Level or MSL: budget for the operation and maintenance of the existing assets (existing budgets);
- Consequential Opex: budget allowance for operation and maintenance due to asset improvement and the creation of new buildings and facilities each year.



**Figure 13 - Property and Facilities Proposed Operations and Maintenance Budgets**

Our operations and maintenance (O&M) budgets have increased to ensure that our asset components can be maintained to ensure that the buildings are fit for purpose. Our Social housing portfolio continues to be our largest expenditure area for maintenance. On average we propose to be spending \$1.8 million each year on social housing. Other larger spend areas averaging above \$500,000 are CET Arena, Libraries, CAB Building, and public toilets. On average each year we are looking to spend at least \$7.8 million each year.

#### 12.3.1.1 Consequential Opex

There will be an increase in operating costs associated with additional new facilities (Public toilets, CET Arena Masterplan facilities, archives building and social housing units). From year 6 onwards costs will increase to just over \$1 million with additional facilities from the CET Arena Masterplan, social housing developments and new community hubs. With costs continuing to increase in outer years.

### 12.3.2 Operational and maintenance forecast reliability

Forecasts of operational and maintenance expenditure are reliable based on a known quanta and scope of work. However, as the operational and maintenance procedures are collected and documented, there will be more certainty and reliability in forecasting the operations and maintenance budgets.

### 12.3.3 Proposed Renewal Expenditure

Proposed budgets for properties and facilities asset renewal and developed in several ways. Actual renewal budgets are based on asset condition from SPM, historical renewal trends assessing changes in a service capacity, user requirements and, where necessary, smoothing spend patterns. The Property Division also works with CCOs, community groups, including CET Arena, to ensure that key renewal requirements are met.

We are proposing to spend \$26,684,000 over the next 10 years and \$70,584,000 in the next 30 years across all our facilities. The CET Arena site is one of our key renewal areas with at least \$500,000 budgeted for each year, with CAB and public toilets as our other larger renewal spend areas.

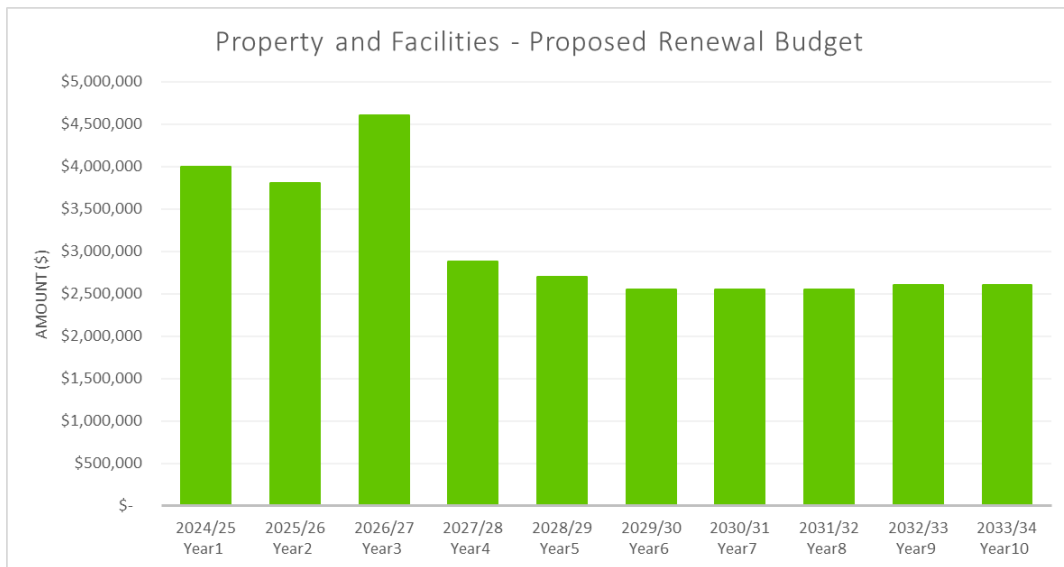


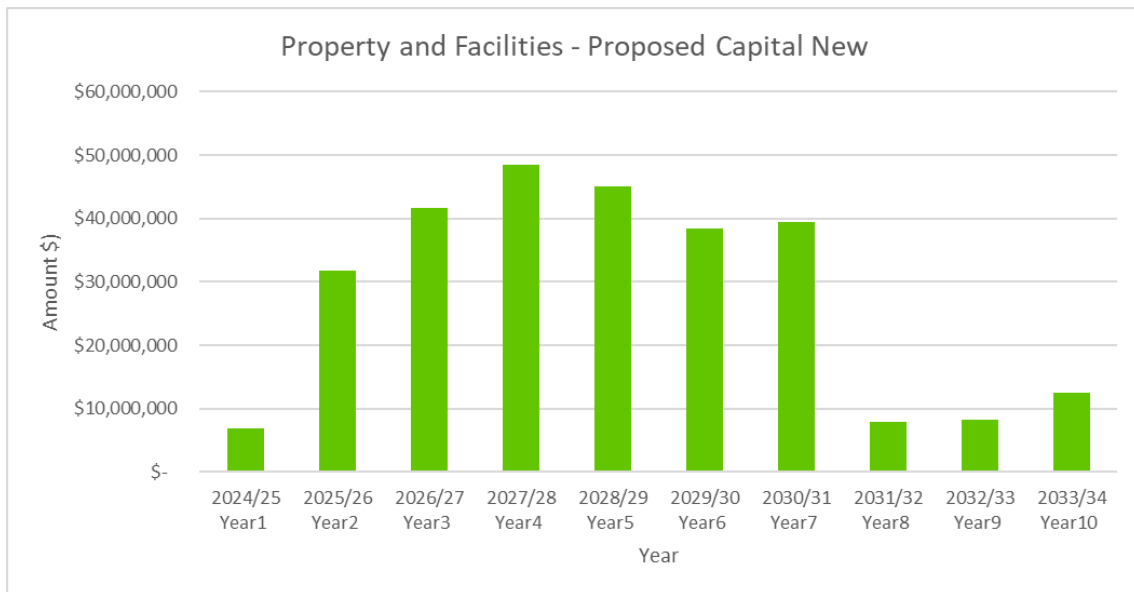
Figure 14 - Property and Facilities Proposed Renewal Budgets

### 12.3.4 Capital renewal forecast reliability

Another factor that may affect the certainty of the long-term renewals forecast is the rate of increase in the unit rates. If unit rates increase at the same rate as inflation, then the forecast renewals budget with an inflation adjustment will be adequate. If unit rates increase at a rate greater than inflation, then the forecast renewals budgets will be insufficient and will need to be increased.

### 12.3.5 Proposed New Capital Expenditure

As stated previously proposed budgets for capital new programmes are based on the information available for that programme. This could be a design, or a feasibility study with various costed options, or simply a programme concept. The largest portion of the capital new over the next 10 years will be for seismic strengthening across our operational and cultural facilities, CET Arena Masterplan, archives building, additional social housing, and future community hubs.



**Figure 15 - Property and Facilities Proposed Capital New Budgets**

### 12.3.6 Capital new forecasts reliability

The budget forecast for each capital new programme is based on the assumptions and information available for that programme, and thus reliability varies between programmes. The data associated with each programme indicates the reliability of the budget for that programme.

The Council's financial team summarises asset cost information at a very high level, with costs captured in the Long Term Plan (LTP) at an activity level only and not at an individual asset level, i.e. assets like buildings are managed as a collective group within an asset category (e.g. Operational Properties, Cultural Facilities, Community and Recreational Facilities, Social Housing and Investment Properties) rather than at a specific building or asset level. Therefore, at a building level or asset specific level there is little financial knowledge recorded, making it difficult to budget, monitor and benchmark all associated asset costs.

### 12.3.7 Deliverability

The deliverability of some property programmes is challenging. As there has been a shortage in contractors, shortage of some imported materials as well as delay in delivery of materials/ components. This may impact on the start date of some programmes. We are still investigating on what impact this could have in the future. It is likely that the price of some asset components will change relative to others. Budgets are reassessed each year during the Annual Budget process to mitigate this risk, that are imported are taking much longer to be delivered than anticipated. This will have an impact on the timing of some programmes.

### 12.3.8 Revenue Forecast

The Property Division receives rent revenue from leasing investment properties, spaces within operational facilities (CAB, MRF, Central Library) as well as cultural facilities (Regent Theatre), Central Library and social housing. The revenue is covered in each revenue section of the latest [Annual Report](#).

## 13 Plan Monitoring and Improvements

### 13.1 Property Improvement Plan

#### 13.1.1 Achievements

Over the past three years the property Team have made a huge leap forwards in their Asset Management practice. Some of their key wins have been:

- The use of asset condition assessments to inform maintenance/ renewal planning
- Increased resourcing has added to the capacity of the Facilities Management team and Capital Projects team to complete maintenance and renewal projects and programmes
- Improved understanding of building performance via rolling condition assessment and officer capturing performance issues

Pan-Infrastructure work has also been carried out to develop Asset Condition and Performance policies for all activity groups.

Further work has been completed to develop a Criticality Framework for all activity groups and asset classes, however the framework has yet to be applied to all assets.

#### 13.1.2 Next steps

In order to align with pan-Infrastructure Asset Management improvement items, the Property Activity team have identified four Improvement Items to focus on over the next three years. Many of these programmes and associated improvement activities have already been identified in the Infrastructure Asset Management Improvement Plan. As follows;

**Table 98 - Proposed Improvement Actions**

	Proposed Improvement Action	Status	Comment
1.	Improve asset data quality	In progress	Create a single place to store building asset performance data (is this not SPM?) Capture installation and warranty information for new asset components into SPM? Complete building specific valuations for water, wastewater, and resource recovery buildings
2.	Cost to serve	Not started	Development of “zero base” budgets. Determine inputs required to deliver promised Levels of Service. This will be an Infrastructure wide programme of work and will enable Property to easily explore and accurately cost various Level of Service scenarios.
3.	Promapp of processes	Not started	Documentation of AM and operating and maintenance processes. This will occur in parallel with Item 3 and will help to inform both Items 2 and 3.

#### 13.1.3 Maturity Assessment

Recent external reviews of Council’s asset management practice were undertaken in July 2019 and May 2022. Both reviews were carried out by Infrastructure Associates Ltd using the New Zealand Treasury framework. The broader discussion of the results of these are outlined in the SAMP. One of the outputs of the reviews was a list of activity specific improvement items. Many of the more generic improvement items have and are continuing to be addressed by the Asset Planning Division, alongside the development of the Asset Management Policy and Strategic Asset Management Plan.

The 2022 maturity assessment improvement items are listed in Table 31. For each item there is comment on the status and progress that has been made, as well as where it is addressed; either in the SAMP or this AMP.

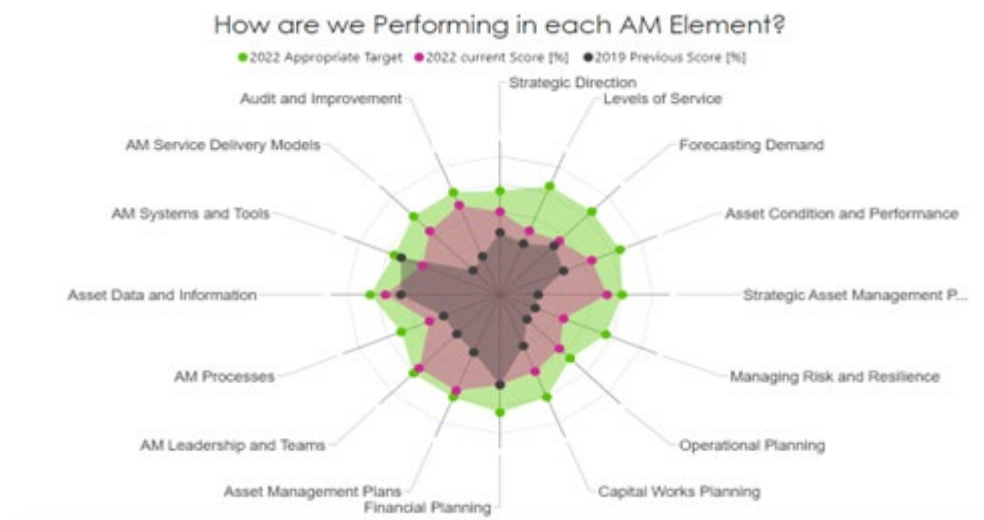
**Table 99 - Asset Management Maturity Assessment Improvements**

AM Function	Recommended Improvements	AMMA Priority	Progress	AMP/SAMP
Strategic Direction (AM Policy and Objectives)	Develop specific Property policy including guidelines for condition assessment and interventions.	High	Completed	AMP
Levels of Service Framework	Review property levels of service performance measures and develop options for the next Long Term Plan (LTP) round.	High	In progress	AMP
Asset Condition and Performance	Undertake further condition assessment training to enable staff to rate condition	High	Complete	AMP
Managing Risk and Resilience	Need to fully develop and embed risk capture and escalation process across the Infrastructure Unit.	Medium	In progress Risk Framework in place	AMP
Asset Data and Information	Complete the Property asset ownership document to enable wider understanding.	Medium	Complete	AMP
Asset Management Information Systems	Review asset system needs and implement any changes required.	Medium	In progress	AMP
AM Process Management	Complete mapping of processes in ProMapp	Medium	In progress	AMP
Outsourcing and Procurement	Review procurement processes for more formal management of contractors.	Medium	In progress	AMP

**13.1.3.1 Asset Management Maturity Score**

Our current scores are a huge improvement from our 2019 maturity score of 27.

**Current Score: 62 | Target Score: 79**



**Figure 16 - Asset Management Maturity Score**

### 13.1.4 Improvements identified in this AMP

We have identified various improvements to our asset management practices throughout this AMP. Please see the table below.

**Table 100 - Improvement Actions in this AMP**

AM Function	Recommended Improvements	AMP Section
<b>Level of service</b>	1) Annual Residents survey to included building related questions. Current questions are focused on the satisfaction of service delivered from the building 2) Use the refined/proposed LOS statement for the next AMP. 3) A recent Asset Management Maturity Assessment (AMMA: 2022) recommended that our broad LoS statements need to be refined and tailored to several types of spaces. 4) Analyse K-Base and WorkTrax trends to better understand performance trends	<b>Section 6.6</b>
<b>Demand</b>	Utilise demand data to enable better planning for future buildings.	<b>Section 7.9</b>
<b>Risk</b>	1) Highlight potential financial risks in sunk costs for buildings that need to have major renewals in the next 1-3 years but where seismic strengthening is needed 10-12 years later – for example, the Chalet. 2) Timing of the CCPMP may mean that there might be sunken costs with any large renewals or large maintenance or even seismic strengthening that needs to be done. 3) CCPMP will have flow on effects: <ul style="list-style-type: none"> <li>o unavailability of buildings,</li> <li>o loss in revenue for Investment Property buildings for Council as landlord and for tenants' businesses,</li> <li>o loss of place identity for citizens,</li> <li>o loss of revenue for Council for Palmy Conference + Function Centre should it be used as a temporary Library space during seismic and major upgrades for the Central Library</li> <li>o displacement of tenants during CCPMP work and seismic strengthening work.</li> <li>o potential impacts on the loss of core identity place- making fabric for our communities for example Square Edge Community Arts Centre</li> </ul>	<b>Section 8.5</b>
<b>Criticality</b>	Include the criticality ratings into SPM and to refine the criticality for asset components (where applicable) Further work will need to be undertaken in the next 2-3 years to develop a more comprehensive approach, in which the Match the level of criticality against the desired level of resilience and create options for achieving this.	<b>Section 8.5.1</b>

AM Function	Recommended Improvements	AMP Section
<b>Data and Information Systems</b>	<ol style="list-style-type: none"> <li>1. New facilities management data system with reporting function. And that integrates with asset information database SPM and customer request database K-Base.</li> <li>2. Centralised data storage area for Building asset performance needed</li> <li>3. Customer Request database - K-Base to have fault categories that match FM workstreams i.e., plumbing, vandalism, electrical faults.</li> <li>4. Include Structural Components in SPM - The 2020 AMP noted that SPM was to incorporate and reconcile structural renewals in the SPM asset management system prior to the 2023 AMP. This is still yet to take place.</li> <li>5. Asset age data - The true asset age of our some of our existing building components is not well known, as data was not captured at the installation stage. Installation and warranty information to be captured for new asset components in SPM</li> <li>6. Remaining useful life - The average estimated remaining useful life has been estimated within our valuations. This information is currently stored in valuation spreadsheets</li> </ol>	<b>Section 11.2</b>

### 13.1.5 Improvement Plan

Section 7.2 of the SAMP describes how the Asset Management Improvement Plan (AMIP) has been developed and is being implemented. This plan captures, contains and tracks progress of all identified improvement items for each Activity Area, including Property, as well as for Council and Infrastructure wide improvements.

## Appendices

### Glossary

The following terms and acronyms (in brackets) are used in this Asset Management Plan.

Term or Acronym	Description
Activity	An activity is the work undertaken on an asset or group of assets to achieve a desired outcome.
Advanced Asset Management (AAM)	Asset management practice that has evolved to a state that matches business needs. AAM employs predictive modelling, risk management and optimised renewal decision making techniques to establish asset lifecycle treatment options and related long term cashflow predictions. (See Core asset management).
Annual Budget	The Annual Budget provides a statement of the direction of Council and ensures consistency and co-ordination in both making policies and decisions concerning the use of Council resources. It is a reference document for monitoring and measuring performance for the community as well as the Council itself.
Asset	A physical component of a facility that has value, enables services to be provided and has an economic life of greater than 12 months.
Asset Management (AM)	The combination of management, financial, economic, engineering, and other practices applied to physical assets with the objective of providing the required level of service in the most cost-effective manner.
Asset Management System (AMS)	A system (usually computerised) for collecting analysing and reporting data on the utilisation, performance, lifecycle management and funding of existing assets.
Asset Management Plan	A plan developed for the management of one or more infrastructure assets that combines multi-disciplinary management techniques (including technical and financial) over the lifecycle of the asset in the most cost-effective manner to provide a specified level of service. A significant component of the plan is a long term cashflow projection for the activities.
Asset Management Strategy	A strategy for asset management covering, the development and implementation of plans and programmes for asset creation, operation, maintenance, renewal, disposal, and performance monitoring to ensure that the desired levels of service and other operational objectives are achieved at optimum cost.
Asset Management Team	The team appointed by an organisation to review and monitor the corporate asset management improvement programme and ensure the development of integrated asset management systems and plans consistent with organisational goals and objectives.
Asset Register	A record of asset information considered worthy of separate identification including inventory, historical, financial, condition, construction, technical and financial information about each.
Benefit Cost Ratio (B/C)	The sum of the present values of all benefits (including residual value, if any) over a specified period, or the life cycle of the asset or facility, divided by the sum of the present value of all costs.
Business Plan	A plan produced by an organisation (or business units within it) which translate the objectives contained in an Annual Budget into detailed work plans for a, or range of, business activities. Activities may include marketing, development, operations, management, personnel, technology, and financial planning
Capital Expenditure (CAPEX)	Expenditure used to create new assets or to increase the capacity of existing assets beyond their original design capacity or service potential. CAPEX increases the value of an asset.
Cash Flow	The stream of costs and/or benefits over time resulting from a project investment or ownership of an asset.
Components	Specific parts of an asset having independent physical or functional identity and having specific attributes such as different life expectancy, maintenance regimes, risk, or criticality.
Condition Monitoring	Continuous or periodic inspection, assessment, measurement, and interpretation of resulting data, to indicate the condition of a specific component to determine the need for some preventive or remedial action
Core Asset Management	Asset management which relies primarily on the use of an asset register, maintenance history, condition assessment, defined levels of service, and simple risk and benefit/ cost assessments to establish work priorities and long term cashflow predictions.
Critical Assets	Assets for which the financial, business or service level consequences of failure are highest. Critical assets have a lower threshold for action than non-critical assets.



Term or Acronym	Description
Current Replacement Cost	The cost of replacing the service potential of an existing asset, by reference to some measure of capacity, with an appropriate modern equivalent asset.
Deferred Maintenance	The shortfall in rehabilitation work required to maintain the service potential of an asset.
Demand Management	The active intervention in the market to influence demand for services and assets with forecast consequences, usually to avoid or defer CAPEX expenditure. Demand management is based on the notion that as needs are satisfied expectations rise automatically and every action taken to satisfy demand will stimulate further demand.
Depreciated Replacement Cost (DRC)	The replacement cost of an existing asset after deducting an allowance for wear or consumption to reflect the remaining economic life of the existing asset.
Depreciation	The wearing out, consumption or other loss of value of an asset whether arising from use, passing of time or obsolescence through technological and market changes. It is accounted for by the allocation of the historical cost (or revalued amount) of the asset less its residual value over its useful life.
Disposal	Activities necessary to dispose of decommissioned assets.
Economic Life	The period from the acquisition of the asset to the time when the asset, while physically able to provide a service, ceases to be the lowest cost alternative to satisfy a particular level of service. The economic life is at the maximum when equal to the physical life however obsolescence will often ensure that the economic life is less than the physical life.
Facility	A complex comprising many assets (e.g. a hospital, water treatment plant, recreation complex, etc.) which represents a single management unit for financial, operational, maintenance or other purposes.
Geographic Information System (GIS)	Software which provides a means of spatially viewing, searching, manipulating, and analysing an electronic database.
Infrastructure Assets	Stationary systems forming a network and serving whole communities, where the system is intended to be maintained indefinitely at a particular level of service potential by the continuing replacement and refurbishment of its components. The network may include normally recognised 'ordinary' assets as components.
Infrastructure Strategy	A strategy for identifying the principal options for managing significant infrastructure issues expected to occur over a 30-year period
Level of Service	The defined service quality for the Resource Recovery Activity or service area against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability, and cost.
Life	A measure of the anticipated life of an asset or component; such as time, number of cycles, distance intervals etc.
Life Cycle	Life cycle has two meanings: The cycle of activities that an asset (or facility) goes through while it retains an identity as a particular asset i.e. from planning and design to decommissioning or disposal. The period between a selected date and the last year over which the criteria (e.g. costs) relating to a decision or alternative under study will be assessed.
Life Cycle Cost	The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation, and disposal costs.
Maintenance	All actions necessary for retaining an asset as near as practicable to its original condition but excluding rehabilitation or renewal.
Maintenance Plan	Collated information, policies, and procedures for the optimum maintenance of an asset, or group of assets.
Maintenance Standards	The standards set for the maintenance service, usually contained in preventive maintenance schedules, operation and maintenance manuals, codes of practice, estimating criteria, statutory regulations, and mandatory requirements, by maintenance quality objectives.
Net Present Value (NPV)	The value of an asset to the organisation, derived from the continued use and subsequent disposal in present monetary values. It is the net amount of discounted total cash inflows arising from the continued use and subsequent disposal of the asset after deducting the value of the discounted total cash outflows.

Term or Acronym	Description
Objective	An objective is a general statement of intention relating to a specific output or activity. They are longer term aims and are not necessarily outcomes that managers can control.
Operation	The active process of utilising an asset which will consume resources such as workforce, energy, chemicals, and materials. Operation costs are part of an asset's life cycle costs.
Optimised Renewal Decision Making (ORDM)	An optimisation process for considering and prioritising all options to rectify performance failures of assets. The process encompasses NPV analysis and risk assessment.
Performance Indicator (PI)	A qualitative or quantitative measure of a service or activity used to compare actual performance against a standard or other target. Performance indicators commonly relate to statutory limits, safety, responsiveness, cost, comfort, asset performance, reliability, efficiency, environmental protection, and customer satisfaction.
Performance Monitoring	Continuous or periodic quantitative and qualitative assessments of the actual performance compared with specific objectives, targets, or standards.
Pipeline Asset Management System	Council uses an asset management system to store, collate and analyse asset data. The current Council system is IPS, a product which is supplied by Infor Global Solutions. The Council has used IPS (previously Hansen) since 1995. The current version deployed is IPS 8.3.0.
Planned Maintenance	Planned maintenance activities fall into 3 categories: Periodic - necessary to ensure the reliability or sustain the design life of an asset. Predictive - condition monitoring activities used to predict failure. Preventive - maintenance that can be initiated without routine or continuous checking (e.g. using information contained in maintenance manuals or manufacturers' recommendations) and is not condition-based.
Rehabilitation	Works to rebuild or replace parts or components of an asset, to restore it to a required functional condition and extend its life, which may incorporate some modification. Generally, involves repairing the asset using available techniques and standards to deliver its original level of service (i.e. heavy patching of roads, slip-lining of sewer mains, etc.) without resorting to significant upgrading or replacement.
Renewal	Works to upgrade, refurbish, rehabilitate, or replace existing facilities with facilities of equivalent capacity or performance capability.
Renewal Accounting	A method of infrastructure asset accounting which recognises that infrastructure assets are maintained at an agreed service level through regular planned maintenance, rehabilitation and renewal programmes contained in an asset management plan. The system is maintained in perpetuity and therefore does not need to be depreciated. The relevant rehabilitation and renewal costs are treated as operational rather than capital expenditure and any loss in service potential is recognised as deferred maintenance.
Repair	Action to restore an item to its previous condition after failure or damage.
Replacement	The complete replacement of an asset that has reached the end of its life, to provide a similar, or agreed alternative, level of service.
Remaining Economic Life	The time remaining until an asset cease to provide service level or economic usefulness.
Resilient Infrastructure	Infrastructure that can deal with significant disruption and changing circumstances.
Risk	The product of the likelihood of an event occurring and the estimated impact (consequence) of the event.
Risk Cost	The assessed annual cost or benefit relating to the consequence of an event. Risk cost equals the costs relating to the event multiplied by the probability of the event occurring.
Risk Management	The application of a formal process to the range of values relating to key factors associated with a risk to determine the resultant ranges of outcomes and their probability of occurrence.
Routine Maintenance	Day to day operational activities to keep the asset operating (replacement of light bulbs, cleaning of drains, repairing leaks, etc.) and which form part of the annual operating budget, including preventative maintenance.
Service Potential	The total future service capacity of an asset. It is normally determined by reference to the operating capacity and economic life of an asset.

Term or Acronym	Description
Strategic Plan	Strategic planning involves making decisions about the long-term goals and strategies of an organisation. Strategic plans have a strong external focus, cover major portions of the organisation, and identify major targets, actions and resource allocations relating to the long-term survival, value, and growth of the organisation.
Unplanned Maintenance	Corrective work required in the short term to restore an asset to working condition so it can continue to deliver the required service or to maintain its level of security and integrity.
Upgrading	The replacement of an asset or addition/ replacement of an asset component which materially improves the original service potential of the asset.
Valuation	Estimated asset value which may depend on the purpose for which the valuation is required, i.e. replacement value for determining maintenance levels or market value for life cycle costing.

## A. Key Assumptions

The following assumptions have been adopted for this AMP.

### **Inflation**

Financial projections are based on July 2023 estimated costs. No inflation factors have been applied.

BERL inflation factors will be applied to the programmes and budgets in the Long Term Plan (LTP) . Budgets for successive years of the Annual Budget are based on the corresponding year of the LTP.

### **Depreciation**

Average asset lives at a project level for new works have been used to calculate depreciation.

New works are a small percentage of total depreciation. Differences from actual due to averaging of lives are minor.

### **Vested Assets**

On average the same level of assets is gifted to the Council because of subdivision as has occurred over the last 5 years.

Note that the rate of change of development will be taken account of in future revisions of the AMP and subsequent O&M and depreciation considered.

### **Service Potential**

Service potential of the asset is maintained by the renewal and maintenance programme.

There is minimal risk that the service potential of the asset will not be maintained by implementation of the renewal programme since this is based on reliable asset and condition information from the asset management system.

### **Asset lives**

Asset lives are accurately stated.

The risk that lives are inaccurate is low. Lives are based on accepted industry values modified by local knowledge. The asset database gives a good knowledge of asset condition, and an extensive field assessment has recently been undertaken.

### **Natural Disasters**

That there are no major natural disasters during the planning period requiring additional funds.

There is medium risk of a natural disaster occurring during this period requiring additional funds to repair or reinstate assets. Some further provision for increasing the resilience of the assets has been built into this plan but there is still further work to be undertaken to determine the desired level of resilience and the further asset improvements to achieve this.

### **Council Policy**

No meaningful change to Council policy that impacts on assets and services.

Any meaningful change will require a full review of the AMP and implications identified at the time.

### **Interest Rate**

Interest on term debt is calculated using an interest rate of 5% for the first three years of the LTP and 5.2% thereafter. To allow for anticipated timing of capital expenditure, interest is provided for on only 50% of forecast new loan amounts in the year of the capital expenditure, but on the full amount in each year thereafter.

**Insurance**

The Council will continue to be able to obtain adequate insurance cover for its infrastructure and property assets as well as for public liability and professional indemnity at terms and cost that are affordable. Material damage re-instatement cover will not be obtainable for the Council's properties that are classified as earthquake prone.

**Earthquake-prone buildings**

The Council will need to incur significant expenditure to address any shortcomings in the standard of its buildings in relation to earthquakes. The Council will upgrade each of its buildings to a minimum of 34% of the New Build Standard (NBS) and that this will be done progressively over a 15-year period. Currently nine of the Council's buildings and facilities have been assessed as earthquake prone including the Civic Administration Building, Te Manawa, The Regent, the library, Square Edge,

## B. External stakeholders

Due to how varied the building portfolio is there is also a wide range of stakeholders across the building portfolio. The table below outlines our key stakeholders and the nature of the relationship we have with them.

**External Partners and Stakeholders**

Stakeholder	Description
Residents	People who live within the City Council boundaries.
Ratepayers	People who own properties within the City Council boundaries but may/not reside in the district.
Local users of services	Users of the services provided by this activity on an occasional or regular basis
Commercial Tenants	Tenants that operate their business out of Council owned, investment and strategic properties
Council Controlled Organisations	CCOs are mostly set up to manage Council facilities independently and can provide business and community expertise that we may not otherwise have easy access to. They can also attract funding from sources other than rates.  The Property Division works with the facilities maintenance teams of CCOs to ensure that the buildings are sound, fit for purpose for CCOs needs.
Community Groups	The Property Division often enter joint ventures with community groups for the development of community facilities.
Government agencies	For example, Housing New Zealand, Ministry of Health, Ministry for the Environment. Roles include: <ul style="list-style-type: none"> <li>• regulation and monitoring,</li> <li>• policy direction,</li> <li>• infrastructural funding assistance,</li> <li>• managing assets that directly affect Council's infrastructure,</li> <li>• handling complaints about Council.</li> </ul>
Horizons Regional Council	The environmental, regulatory, and monitoring bodies under the Resource Management Act for the natural resources in the Manawatū-Wanganui region.
Third parties operating on Council land/out of Council facilities	Community groups, management trusts, and businesses running their operations out of Council owned facilities or on Council land. Includes Council controlled and Council affiliated Organisations.
Contractors	We employ contractors and tradespeople to support us with maintenance, upgrades, or renewal work programmes.
Neighboring local authorities	Manawatū, Horowhenua and Taranaki districts adjoin Palmerston North City, and we are within the boundary of Horizons Regional Council. We have a shared services arrangement with Manawatū District Council for building consents. We maintain relationships with other Councils for the exchange of information and management practices.

## C. Internal stakeholders

The key AM stakeholders in our organisation are listed in the table below.

### Internal stakeholders

Group	Description
Councillors	Elected members who contribute to the development of policies and strategies, including budget approval and scrutineering of officers' recommendations. This is to ensure the services provided meet the needs of local communities and make the best use of resources.
Executive Leadership Team	The senior managers of Council, including the Chief Executive and the General Managers of the units.
Infrastructure	The unit of Council that provides asset-based services, around which the AMPs are written.
Finance	The unit of Council that provides financial and corporate services including development of funding policies and financial forecasts.
Strategy & Planning	The unit of Council who provide strategic planning services including development of growth forecasts, sustainable development strategies and administration of by-laws.
Community	The unit of Council responsible for the delivery of community services such as libraries, social housing, community centres, performance theatres (Regent and the Globe).
Marketing & Communications	The unit of Council responsible for external communication and Council 's external image. They are responsible for Venues and events management of CET Arena and Conference and Functions centre
Activity Groups	The collections of Council staff involved with managing, planning (including creating AMPs), and delivering a related group of services – for example, roading and footpaths, or parks and reserves.
Information Management	The division of Council who provides information services to Council, including IT and records management.
Asset and Planning Division	The division of Council responsible for asset management practice coordination across the organisation.
Activity Operations staff	Staff within Council responsible for the day-to-day operation and delivery of the services and activities. A subset of an Activity Group (see above).

## D. Rationale for providing facilities and buildings

Local government authorities like us - exist to promote the social, economic, environmental, and cultural well-being of communities in the present and future. The facilities that we own provide activities that contribute to this.

The Local Government (Community Well-being) Amendment Act 2019 gives guidance on how the Council can contribute to its communities' wellbeing.

The objectives for our facilities are to:

1. Provide accommodation needs of Council activities so that key services can be delivered;
2. Provide, maintain, and promote spaces and facilities for people to pursue arts and cultural activities
3. Promote the City by providing venues for arts, culture, entertainment, and business facilities which attract visitors to the city
4. Provide places to meet and foster identity for our communities, including housing options for low- and limited-income residents;
5. Provide a revenue stream to offset the cost of other Council activities
6. Ensure the maintenance of strategic options available to Council

## E. Asset Categories and Condition

### Condition Grading Summary

Element	Condition Grade				
	1	2	3	4	5
	Very Good	Good	Moderate	Poor	Very Poor
<b>Structure</b>	Sound structure.	Functionally sound structure.	Adequate structure, some evidence of foundation movement, minor cracking.	Structure functioning but with problems due foundation movement. Some significant cracking.	Structure has serious problems and concern is held for the integrity of the structure.
<b>External</b>	Fabric constructed with sound materials, true to line and level. No evidence of deterioration or discolouration.	Showing minor wear and tear and minor deterioration of surfaces.	Appearance affected by minor cracking, staining, or minor leakage. Indications of breaches of weatherproofing. Minor damage to coatings.	Fabric damaged, weakened or displaced. Appearance affected by cracking, staining, overflows or breakages. Breaches of waterproofing evident. Coatings in need of heavy maintenance or renewal.	Fabric is badly damaged, or weakened. Appearance affected by cracking, staining, overflows leakage, or damage. Breaches of waterproofing. Coatings badly damaged or non-existent.
<b>Internal</b>	Fabric constructed with sound materials, true to line and level. No evidence of deterioration or discolouration.	Showing minor wear and tear and minor deterioration of surfaces.	Appearance affected by minor cracking, staining, or minor leakage, some dampness or mildew. Minor damage to wall/ceiling finishes.	Fabric damaged, weakened or displaced. Appearance affected by cracking, staining, dampness, leakage, or breakages. Breaches of waterproofing evident. Finishes of poor quality and in need of replacement.	Fabric is badly damaged, or weakened. Appearance affected by cracking, staining, leakage, or wilful damage. Breaches of waterproofing. Finishes badly damaged, marked and in need of replacement. Services
<b>Internal</b>	All components operate and well maintained	All components operable.	Occasional outages, breakdowns or blockages. Increased maintenance required.	Failures of plumbing electrical and mechanical components	Plumbing electrical and mechanical components are unsafe or inoperable. Fittings
<b>Internal</b>	Well secured and operational, sound of function and appearance.	Operational and functional, minor wear and tear.	Generally operational. Minor breakage.	Fittings of poor quality and appearance, often inoperable and damaged.	Most are inoperable or damaged. Maintenance
<b>Internal</b>	Well maintained and clean.	Increased maintenance inspection required.	Regular and programmed maintenance inspections essential.	Frequent maintenance inspections essential. Short term element replacement/ rehabilitation.	Minimum life expectancy, requiring urgent rehabilitation or replacement



## F. Asset Lists

### Public Toilets Assets List

Toilets	Standalone/ Attached	Address
Arapuke Forest Park Public Toilet - Kahuterawa Road End	Public Toilets - Standalone	Kahuterawa Road
Arapuke Forest Park Public Toilet - Scotts Road End	Public Toilets - Standalone	Scotts Road
Ashhurst - Guilford Street Public Toilet	Public Toilets - Standalone	21 Guildford Street, Ashhurst
Ashhurst Domain - Camping Ground (2x showers & toilets) & Public toilets men & women	Public Toilets - Standalone	
Ashhurst Domain Pavilion Public Toilets	Public Toilets - Attached	1461 Napier Road, Ashhurst
Bill Brown Park Public Toilets	Public Toilets - Attached	
Bunnythorpe Public Toilets Campbell St	Public Toilets - Standalone	26 Campbell Street, Bunnythorpe
Celaeno Pavilion Public Toilets (2 toilets only 1 opened)	Public Toilets - attached	
Centennial Lagoon - Chalet	Public Toilets - attached	
Colquhoun Park Public Toilets	Public Toilets - Standalone	123 John F Kennedy Drive
Colquhoun Pavilion	Public Toilets - Attached	
Coronation North Pavilion Public Toilets	Public Toilets - Attached	
Coronation South Pavilion Public Toilets	Public Toilets - Attached	
Fitzherbert Park - Unisex Toilets x 6	Public Toilets - Standalone	272 Fitzherbert Avenue
Fitzherbert Park Grandstand	Public Toilets - Standalone	
Fitzherbert Park Hockey Carpark Public Toilets	Public Toilets - Standalone	
He Ara Kotahi (Dittmer)	Public Toilets - Standalone	Dittmer Drive
Tui Reserve Public Toilets (Highbury Shopping Centre)	Public Toilets - Standalone	121 Highbury Avenue
Highbury Whanau Centre Public Toilets	Public Toilets - Attached	
Hokowhitu Pavilion Public Toilets	Public Toilets - Attached	
Hokowhitu Shops Public Toilets	Public Toilets - Standalone	184 Te Awe Awe Street
Kahuterawa Road End Carpark Toilets	Public Toilets - Standalone	Kahuterawa Road
Lincoln Park Changing Rooms	Public Toilets - Attached	
Linklater Reserve Public Toilet	Public Toilets - Standalone	555 Roberts Line
Longburn Public Toilet	Public Toilets - Standalone	Works Road
Mahanga Kakariki Reserve	Public Toilets - Standalone	76 McGregor Street
Manawaroa Pavilion	Public Toilets - Attached	
Manawatu Gorge Carpark Toilets	Public Toilets - Standalone	Napier Road, SH3
Memorial Park - Public Toilet (Playground)	Public Toilets - Standalone	814 Main Street
Memorial Park - Sportsfield Toilet Block	Public Toilets - Standalone	814 Main Street
Milson Community Centre Public Toilets	Public Toilets - Attached	
Milverton Park Public Toilets	Public Toilets - Standalone	468 Ferguson Street

Toilets	Standalone/ Attached	Address
Monrad Park Pavilion Public Toilets	Public Toilets - Attached	
Motarimu (Gordon Kerr) Toilets	Public Toilets - Standalone	Gordon Kerr Forrest
Ongley Park Public Toilets	Public Toilets - Attached	
Paneiri Park Public Toilets	Public Toilets - Standalone	Maxwells Line
Papaioea Park Public Toilets	Public Toilets - Standalone	470 Featherston Street
Railway Land Public Toilets - Skatepark	Public Toilets - Standalone	Cnr Church & Cook
Rangitane Park Public Toilets	Public Toilets - Standalone	Racecourse Road
Ruamahanga Wilderness Reserve Public Toilets	Public Toilets - Standalone	79 Ruamahanga Crescent
Skoglund Pavilion	Public Toilets - Attached	
Summerhill Shops Public Toilets (Not PNCC owned?)	Public Toilets - Attached	
Takaro Park Toilets	Public Toilets - Standalone	159 Botanical Road
Terrace End Public Toilets	Public Toilets - Standalone	338 Broadway Avenue
The Square All Gender	Public Toilets - Attached	The Square, iSite
The Square Public Toilets (after hours)	Public Toilets - Attached	The Square, iSite
Vautier Park Pavilion Public Toilets	Public Toilets - Attached	
Victoria Esplanade - Arboretum Toilets	Public Toilets - Standalone	272 Fitzherbert Avenue
Victoria Esplanade - Miniature Railway	Public Toilets - Standalone	272 Fitzherbert Avenue
Victoria Esplanade - Playground Toilets	Public Toilets - Standalone	272 Fitzherbert Avenue
Victoria Esplanade - Restroom and Toilet	Public Toilets - Standalone	272 Fitzherbert Avenue
Wallace Park Pavilion Public Toilets	Public Toilets - Attached	
Waterloo Park Public Toilet	Public Toilets - Attached	

\*S =Standalone and \*A=Attached

**Table 31 - Public Toilets List - Asset Overview**

#	Building Type	*S/A	#	Building Type	*S/A	#	Building Type	*S/A	#	Building Type	*S/A
1	Arapuke Forest Park Public Toilet - Kahuterawa Road End	S	14	Fitzherbert Park - Unisex Toilets x 6	S	27	Manawaroa Pavilion	A	40	Ruamahanga Wilderness Reserve Public Toilets	S
2	Arapuke Forest Park Public Toilet - Scotts Road End	S	15	Fitzherbert Park Grandstand	S	28	Manawatu Gorge Carpark Toilets	S	41	Skoglund Pavilion	A
3	Ashhurst - Guilford Street Public Toilet	S	16	Fitzherbert Park Hockey Carpark Public Toilets	S	29	Memorial Park - Public Toilet (Playground)	S	42	Summerhill Shops Public Toilets (Not PNCC owned?)	A
4	Ashhurst Domain - Camping Ground	S	17	He Ara Kotahi (Dittmer)	S	30	Memorial Park - Sportsfield Toilet Block	S	43	Takaro Park Toilets	S
5	Ashhurst Domain Pavilion Public Toilets	A	18	Tui Reserve Public Toilets (Highbury Shopping Centre)	S	31	Milson Community Centre Public Toilets	A	44	Terrace End Public Toilets	S
6	Bill Brown Park Public Toilets	A	19	Highbury Whanau Centre Public Toilets	A	32	Milverton Park Public Toilets	S	45	The Square All Gender	A
7	Bunnythorpe Public Toilets Campbell St	S	20	Hokowhitu Pavilion Public Toilets	A	33	Monrad Park Pavilion Public Toilets	A	46	The Square Public Toilets (after hours)	A
8	Celaeno Pavilion Public Toilets (2 toilets only 1 opened)	A	21	Hokowhitu Shops Public Toilets	S	34	Motarimu (Gordon Kerr) Toilets	S	47	Vautier Park Pavilion Public Toilets	A



## Public Toilet Accessibility Recommendations - Priority A

Further recommendations are contained in the 2023 Public Toilets Accessibility Audit by Barrier Free in 2023.

Recommendations of changes - Priority A Group	Toilets that will need changes	Abbreviations
Main entry doors to toilet cubicles lack kick plates for wheelchair access.	Victoria Esplanade Public Toilet Hokowhitu Lagoon Public Toilet Wallace Park Public Toilet Waterloo Park Public Toilet Celaeno Park Public Toilet Rangitane Park Public Toilet Manawatu Gorge Carpark Public Toilet Arapuke Forest Public Toilet Kahuterawa Reserve Public Toilet Railway Land (Skate Park) Public Toilet Ruamahanga Reserve Public Toilet Hokowhitu Shops Public Toilet Paneiri Park Public Toilet	VEPT 3.1, WPPT 3.1, WLPT 3.1, CPPT 3.1, HPT 3.1, RPPT 3.1, MGPT 3.1, AFPT 3.1, KRPT 3.1, RLPT 3.1, RRPT 3.1, HSPT 3.1, PPPT 3.1]
Accessible bathroom fixtures and fittings do not meet height requirements	Waterloo Park Public Toilet Bunnythorpe Public Toilet Guildford Street Public Toilet Celaeno Park Public Toilet Terrace End Public Toilet Highbury Public Toilet Rangitane Park Public Toilet Manawatu Gorge Carpark Public Toilet	[BPT 3.4, GSPT 5.2 - 5.3, CPPT 4.2 - 4.4, TEPT 4.1 - 4.2, HPT 5.1, RPPT 4.2, WLPT 4.2, MGPT 4.2]
Colour contrast insufficient on door entry edges of toilet block.	Milverton Park Public Toilet Guildford Street Public Toilet Highbury Public Toilet Arapuke Forest Public Toilet Ruamahanga Reserve Public Toilet Takaro Park Public Toilet	[MPPT 3.1, GSPT 3.1, HPT 3.1, AFPT 3.2, RRPT 3.2, TPPT 3.2]
Colour contrast insufficient on some of the bathroom fixtures and fittings.	Victoria Esplanade Public Toilet Waterloo Park Public Toilet Bunnythorpe Public Toilet Rangitane Park Public Toilet Manawatu Gorge Carpark Public Toilet Arapuke Forest Public Toilet Kahuterawa Reserve Public Toilet Railway Land (Skate Park) Public Toilet Ruamahanga Reserve Public Toilet	[GAL 4.4, BW 4.2, VEPT 4.1, WLPT 4.1, BPT 3.1, RPPT 4.1, MGPT 4.1, AFPT 4.1, KRPT 4.1, RLPT 4.1, RRPT 4.1, TPPT 4.1, PPPT 4.1]
Accessible toilet lacks adequate backrest.	Victoria Esplanade Public Toilet Hokowhitu Lagoon Public Toilet Milverton Park Public Toilet Guildford Street Public Toilet Terrace End Public Toilet Arapuke Forest Public Toilet Kahuterawa Reserve Public Toilet	VEPT 4.3, HLPT 4.2, MPPT 5.2, GSPT 5.1, TEPT 4.4, AFPT 4.2, KRPT 4.2, RLPT 4.2, RRPT 4.2, TPPT 4.2]
Lack of visible accessible bathroom signage from accessible parking	Hokowhitu Lagoon Public Toilet Wallace Park Public Toilet Terrace End Public Toilet Longburn Public Toilet Manawatu Gorge Carpark Public Toilet Ruamahanga Reserve Public Toilet Hokowhitu Shops Public Toilet	[HLPT 5.1, WPPT 5.1, TEPT 5.2, LPT 5.1, MGPT 5.1, RRPT 5.2, HSPT 5.2]

Recommendations of changes - Priority A Group	Toilets that will need changes	Abbreviations
Large pictogram and text on signage without braille or embossed surface.	Victoria Esplanade Public Toilet Bunnythorpe Public Toilet Celaeno Park Public Toilet Highbury Public Toilet Arapuke Forest Public Toilet Kahuterawa Reserve Public Toilet Railway Land (Skate Park) Public Toilet Ruamahanga Reserve Public Toilet Paneiri Park Public Toilet Dittmer Bridge Public Toilet	VEPT 5.1, BPT 5.1, CPPT 5.1, HPT 5.1, DBPT 5.1, AFPT 5.1, KRPT 5.1, RLPT 5.1, RRPT 5.1, RLPT 5.1, PPPT 5.1]
Door locks insufficient design for use by all dexterity levels.	Terrace End Public Toilet Manawatu Gorge Carpark Public Toilet	TEPT 4.5, MGPT 3.2]

## Public Toilets Site Selection Summary

### Proposed New Public Toilets

In 2016 Council created programme to identify toilet locations to be built over 5-10 years. The majority of these have been built.

Provision for new toilets has been provided every second year for gender-neutral and accessible toilets – as per Council’s direction.

The Public Toilet Strategy guides the provision of public toilet services - the provision of new toilet facilities, subject to Council approval, should only occur under the following circumstances:

- When replacement of an existing toilet block with a new facility is more economically viable than refurbishment.
- Where the development of public toilets is a necessary component of another development, e.g. sports-field.
- Where real need has been identified through works programming and all other opportunities to meet the need, e.g. commercial partnerships, have been exhausted.

The Public Toilets Strategy criteria was then further refined in 2022.

## Central Energy Trust Arena Assets List

Building	Description
<p><b>Arena 1</b></p>	<p><b>Oval.</b> Incorporating:  a speedway track;  sand based sportsfield;  4 sportsfield lighting towers;  a big screen TV;  embankment seating for 8,000 spectators (5,000 permanent seats &amp; 3,000 temporary seats);  and  two spectator toilet blocks.</p> <p><b>Grandstand</b></p> <p>The grandstand was upgraded in 2005 and has corporate, office and administration space, media, and TV facilities and 3,478 seating capacity.  Additional meeting/corporate space was added to the 2<sup>nd</sup> floor in 2010.</p>
<p><b>Arena 2</b></p>	<p><b>Multipurpose indoor stadium:</b></p> <p>Redeveloped in 2004, Arena 2 is a multipurpose indoor sporting facility, capable of holding exhibitions, conventions, and entertainment events.</p> <p>Includes:  specialised wooden sprung flooring;  toilet facilities;  changing rooms;  entrance/foyer space;  corporate lounge; and  media facilities.</p> <p>This stadium has a single span roof that accommodates indoor sports, trade shows, dinners, concerts, and conventions. There are 5 multipurpose courts.</p>
<p><b>Arena 3</b></p>	<p><b>Indoor stadium:</b></p> <p>Arena 3 has a floor area of 2100 sq. m and is an indoor sports centre. It has a capacity of 2000 persons.</p> <p>Includes:  tongue and groove timber floor used by basketball and roller-skating;  public toilets;  changing rooms; and</p> <p><b>2 full sized basketball courts.</b></p>
<p><b>Arena 4</b></p>	<p><b>Multipurpose indoor stadium</b></p> <p>Arena 4 is a multipurpose indoor sporting facility, capable of holding exhibitions, conventions, and entertainment events.</p> <p>Includes:  specialised wooden sprung flooring;  public toilets;  changing rooms;  mezzanine corporate facilities; and  7 multipurpose courts.</p>

Building	Description
<b>Arena 5</b>	<p><b>Bell Hall.</b> Small indoor hall that is primarily used for roller-skating, indoor shows, small animal shows, book sales etc.</p> <p><b>Barber Hall.</b> Function hall with a wooden floor. Used primarily for indoor sports such as bowls, archery, table tennis etc, small animal shows, book. Includes:</p> <p>public toilets; and catering facilities.</p> <p>Waldegrave Lounge. Large hall used by table tennis and the Manawatū Rugby Supporters Club.</p> <p>Speedway Office.</p> <p>Gymnastics gymnasium.</p>
<b>Arena 6</b>	<p>3 playing fields and 1 training area used for active space recreation by sports groups such as rugby in the winter and business house soccer in the summer. Training lighting is also provided on these fields.</p> <p>Includes Changing rooms, with showers and toilets</p>
<b>Horse Pavilion</b>	70% of these have been demolished. Mainly used now for storage.
<b>Storage sheds</b>	Located throughout the facility for plant and machinery storage.

### Libraries Asset List

Libraries	
Central Library (includes Blueprint Makers Space) – (excludes the investment property shops)	<p>The Central Library is Heritage 2 building. The Central Library is a two-storey building with a heritage staircase. It has a book depository, public toilets, and public showers. It contains computers for public use.</p> <p>A surplus office at the back of the library was refurbished. It is now called “Blueprint Makerspace” – is now utilised for free community craft projects and creative technologies projects.</p> <p>There are four larger rooms that are leased out as cafes and shops to local businesses – these are operated as part of the Investment Property Portfolio</p>
Te Patikitiki Community Library – located in Highbury Ashhurst Community Library (Awapuni Community Library Roslyn Community Library - leased Youthspace - leased)	<p>Community Libraries are utilised as traditional book depositories or their local communities.</p> <p>Ashhurst Community Library</p> <p>We lease the Awapuni and Roslyn Libraries. We are responsible for some renewals of carpets and HVAC units, interior and exterior paint. All other renewals and maintenance s carried out by the landlord/ building owner.</p>

### Cultural Facilities Asset List

Asset	Description of Asset and activities in building
Te Manawa Science Centre, Museum and Art Gallery	<p>The Te Manawa complex contains 9 different buildings which were combined to create the Te Manawa Museum and the Science Centre.</p> <p>The Te Manawa Art Gallery is also situated at the front. A historic schoolhouse and a historic first Palmerston North house is also on site. This major public space houses extensive collections of artwork and exhibits offering a wide range of learning experiences which includes the New Zealand Rugby Museum.</p>
Regent Theatre	<b>Heritage Status 1 building.</b> Has a ground floor, first floor and second floor. This 1,393-seat theatre is an excellent performing arts facility and is the main civic auditorium. The facility is a heritage building.

Asset	Description of Asset and activities in building
Keith Street Power Station	Built in 1923 to provide electricity to the city. This building is no longer in operation and has also been flagged as earthquake prone. This building has been assessed as category 1 for cultural and heritage value under the PNCC District Plan, although it is still not listed as heritage building on Heritage New Zealand's website. Occasional tours of the building are coordinated by the Palmerston North Electric Power Station Trust.
Globe Theatre	Contains a ground and mezzanine floor. Built in 1982, this facility accommodates community drama groups and performance schools, as well as hosting a multitude of national and international theatrical and musical groups and individuals. A major refurbishment and upgrade were completed in 2013/14.
Caccia Birch Heritage House and Coach House	Buildings on site are heritage buildings. The house and the site are utilised as conference, wedding, function, and event venue.
Square Edge, including the Old Workshop	Built in 1893 as a bank, and then used as Council offices from 1900 to 1991, from when the Square Edge Community Arts Centre took occupancy. The centre incorporates galleries, display shops, studios, and general office space.
Creative Sounds (aka The Stomach)	The facility is a music recording, rehearsal, and performance centre.

### Community Centres - Asset List

Community Centres	Description of Asset and activities in building
Ashhurst Village Valley Centre	Has a stadium, conference rooms, kitchen, tables, chairs, and toilets.
Awapuni Community Centre	Our Awapuni Community Centre has a big hall and a small meeting room.
Bunnythorpe Community Centre	This multi-purpose facility opened its doors in October 2021. The centre has a 168sqm meeting room, kitchen, and bathrooms, and has been designed in a way that it could be expanded in the future.
Highbury Whānau Centre	Highbury Whānau Centre houses a specialist community youth service team with a youth worker, psychologist, mentor, and counsellors, who provide after school and holiday programmes, junior/youth sports and so much more.
Kelvin Grove Community Centre	This community centre is next to Kaimanawa Park playground. It has 2 meeting rooms as well as a large hall.
Milson Community Centre	Has a lounge, small meeting room and a kitchen.
Palmerston North Community Leisure Centre	This is a popular centre near the central city has large exhibition halls and 3 meeting rooms.
Rangiora Avenue Community Centre	Has a social room, kitchen, and toilets.
Pasifika Community Centre (Westbrook)	Has a social room, changing rooms, and a meeting space.

### Community Centre Agency Facilities – Asset List

Community Agency Facilities	Description of Asset and activities in building
Ashhurst Red Cross Centre	Secondhand shop leased out to Red Cross Centre
Highbury Rooms	Used by Highbury Weavers club and other local community groups
Community House King Street (Hancock House)	A 2-storey building –. Several office areas are leased out to local community groups
Te Hā o Hine-ahu-one - Palmerston North Women's Health Collective – Waldegrave Street	Building has had long term tenancy and is utilised a holistic women's health centre by a local community group.
Tip Road Carvers Shed	This is an old shed that is used for carving purposes



## G. Property Division Services

The Property Division undertakes a range of facilities maintenance, tenancy agreements and renewals work types within the portfolio.

The table below summarises the activities, possibilities, and current delivery model.

**Figure 108: Property Division Activities**

Property Division – Service Group	Property Team Services	Description of work	Responsibility across the five Asset Types	Asset Components	Current Delivery Model
Property Manager	Oversight of all activities	Sets operational and strategic management of the building portfolio	All	Building portfolio	Internal resources
Tenancy and Contract Management Team	Commercial Lease work	Manages investment and strategic tenancy leases	Investment and Strategic Properties	Buildings	Internal resources
Capital Projects Team	Major Capital Projects	Creation of new property assets	All	Buildings	Mostly External resources via competitive tenders or contract agreements
		Planned renewals projects Minor works Major repairs and upgrades		Building Fabric	Internal & external resources
Property Compliance Team	Building warrant of fitness and compliance	Coordination of building warrant of fitness and building requirements	All	Buildings	Contracted External Service Providers (IQP's etc.)
Facilities Management Team	Planned Preventive Maintenance	General maintenance and renewals	All	Building Fabric	Internal & external resources
				Building Services	External resources
				Building Compliance	External resources as per compliance schedule
				User Provided Services (Arena)	Internal resources & ad-hoc external service providers (long term relationships)
		Contracted External Service Providers (IQP's, HVAC, Lifts, Fire Systems etc.)		Contracted External Service Providers (IQP's, HVAC, Lifts, Fire Systems etc.)	
	Reactive Maintenance	Call outs Breakdowns and vandalism			Building Fabric
			Building Services	Contracted External Service Providers (HVAC, Lifts, Fire Systems, Pest Control etc.)	
			Building Compliance	Contracted External Service Providers (IQP's, HVAC, Lifts, Fire Systems etc.)	

Property Division – Service Group	Property Team Services	Description of work	Responsibility across the five Asset Types	Asset Compo- nents	Current Delivery Model
				User Provided Services (Arena/Te Man- awa)	Internal User resources & ad- hoc external and some minor works

## H. General Maintenance Responsibilities

Category	Expense Type	Financial Responsibility (Landlord or Tenant)
<b>Regulatory</b>	PNCC Rates	Landlord/ Respective Council Division (in the case of an external tenant)
	Horizons Rates	Landlord/ Respective Council Division (in the case of an external tenant)
	Water Charges/Rates	Landlord/ Respective Council Division (in the case of an external tenant)
	Building Insurance Premiums & Excess	Landlord/ Respective Council Division (in the case of an external tenant)
<b>Service &amp; Compliance</b>	Fire Detection and Fire Fighting Equipment	Landlord
	Building Warrant of Fitness	Property Division
	Automatic Doors / Doors	Landlord
	Air-conditioning replacement, servicing, and maintenance	Property Division (contractor)*
	Building Management Systems (BMS)	Property Division (contractor)*
	Lift maintenance	Property Division (contractor)*
	Fire and emergency systems (Fire alarm testing maintenance activities)	Property Division (contractor)*
<b>Repair &amp; Maintenance / Renewals</b>	External Cladding	Property Division
	Roofing – Inspection – painting, gutter cleaning	Property Division
	Glazing	Property Division
	Flooring (carpet/vinyl replacement)	Property Division
	Carpentry	Property Division
	Structural issues	Property Division
	Toilets and bathrooms	Property Division (contractor used for specified buildings)
	Footpaths, carpark, and driveways	Property Division (contractor)*
	Painting externally	Property Division (contractor)*
	Locksmiths	Property Division (contractor)*
	Electrical wiring/power	Property Division (contractor)*
	Plumbing (testing back flow preventors)	Property Division (contractor)*
	Lighting maintenance	Property Division
	Painting– internally (maintenance)	Property Division
	Major reconfigurations of layout	Property Division
	Curtains and blinds	Tenant
Furniture	Tenant	
Sound and audio-visual systems	Tenant	
<b>Operating Expenses</b>	Exterior sculptures and feature items	Tenant
	Gardens and grounds maintenance	Tenant
	Plant and Equipment	Tenant

Category	Expense Type	Financial Responsibility (Landlord or Tenant)
	Hygiene and Cleaning	Tenant
	Security Systems and Services	Property Division/ Tenant (depends on asset type)
	Grounds maintenance (CCOs only – all other areas Property Division allocates)	Tenant
	Cosmetic non-fixed items	Tenant
	Signage	Tenant
	Rubbish Removal	Tenant
	Pest Control	Tenant
	Operational Insurances	Tenant
	Operational Expenses i.e. Staffing	Tenant
	Electricity / Gas / Lines Charges	Tenant (if required)

\* Property Division (contractor). This means the work is managed by the Property Division but delivered by an external contractor.

\*\* Responsibilities can vary depending on the facility. The table is representative only and should not be used for operational planning purposes.

The table above is not an exhaustive list, and each asset will have different requirements. It could be used alongside new tenancy agreements for the building portfolio to ensure clear demarcations lines and expectations for maintenance

## I. Building Interior Cleaning Responsibility

Building	Interior Cleaning Responsibility
CET Arena Complex	Internal Team – Venues Team
Palmy Conference + Function Centre	Internal Team – Venues Team
Civic Administration Building (CAB)	Contractor
i-Site Building	Facilities Maintenance
Library Buildings (Central, Te Patikitiki, Ashhurst, Roslyn and Awapuni) *	Contractor
Animal Shelter	Facilities Maintenance
Kelvin Grove Crematorium Buildings	Facilities Maintenance
Resource Recovery Buildings**	Contractor & Facilities Maintenance (Depot)
Wastewater Treatment Buildings **	Facilities Maintenance
Water Treatment Buildings**	Facilities Maintenance
Public Toilets	Facilities Maintenance
Central Energy Trust Wildbase Recovery Centre	Contractor
Albert Street Operational Depot (includes all buildings on site)	Facilities Maintenance
Water and Wastewater Pump Station Buildings	Coordinated by the Water or Wastewater Activity Managers

## J. Compliance Responsibilities

There are several regulatory acts that we are required to meet for our property portfolio. Most of these are to ensure that our facilities are safe for occupation and fit for the purposes in which they were intended. These compliance actions typically require the properties are operated in a certain way or dictate how we invest in them. The table below outlines our key compliance responsibilities

**Table 101 - Compliance Responsibilities**

Compliance area	Existing response
Asbestos Management	Scheduling Asbestos identification and cleaning, keeping asbestos hazard register Development and implementation of Asbestos Management Policy
Fire Safety Compliance	An up-to-date fire safety evacuation procedure and evacuation scheme; ensuring the facility is fire compliant; regular trial evacuation; notices; clearing egress; training of wardens; reporting. maintain the evacuation scheme.
Seismic Building Management	Manage the seismic portfolio of PNCC owned buildings, register for earthquake prone building, ensure that seismic strengthening meets legislation requirements and council seismic policy.
Building Warrant of Fitness (BWOFF)	Make sure that all BWOFFs are up to date, specified systems are checked and inspected by a qualified IQP/contractor as per compliance schedules, maintain an updated Schedule for BWOFFs, interval and reporting
Building Consent (Council Property)	Ensure that buildings have building consents (BC) and Code compliance certificate (CCC). Building consents are obtained by any party who build/demolish/alter the building which is approved by building regulations. Compliance role will be to look after any building alteration have not affected the specified system

Compliance area	Existing response
Electrical Testing and Tagging	Manage a programme of electrical testing and tagging for PNCC owned buildings.
Health & Safety	Ensure that buildings are hazard free and meet health and safety requirements, make sure staff and contractors are aware of health and safety requirements.

## K. Community Centre Maintenance Responsibilities

Category	Expense Type	Financial Responsibility (Landlord or Tenant)
Regulatory	PNCC Rates	Landlord
	Horizons Rates	Landlord
	Water Charges/Rates	Landlord
	Building Insurance Premiums & Excess	Landlord
Service & Compliance	Fire Detection and Fire Fighting Equipment	Landlord
	Lifts	Landlord
	Automatic Doors / Doors	Landlord
	Fresh Air / Air-Con System	Landlord
	Building Warrant of Fitness & Reports	Landlord
Repair & Maintenance / Renewals	Toilets / Bathroom / Kitchen	Landlord
	Fresh Air & Air-Con System	Landlord
	Lift	Landlord
	Flooring / Carpet	Landlord
	Painting Internal	Landlord
	Base Lighting / Electrical Wiring	Landlord
	Hard Surfaces	Landlord
	Cladding / Roof	Landlord
	Painting External	Landlord
	Building Structural	Landlord
	Ground Maintenance	Landlord
	Major Reconfigurations of Layout	Landlord
	Security System (excludes security cameras)	Landlord
	Feature Lighting	Tenant
	Curtains/Blinds and Associated Plant	Tenant
	TV / Sound and Audio Systems	Tenant
Sculpture and Feature Items	Tenant	
Operating Expenses	Hygiene and Cleaning	Landlord (1x per week)/Tenant (other)
	Toilet Provision & Consumables	Landlord (1x per week)/Tenant (other)
	Electricity / Gas / Lines Charges	Tenant (if required)
	Cosmetic / Signage (includes advertisement)	Tenant

Category	Expense Type	Financial Responsibility (Landlord or Tenant)
	Rubbish Removal	Tenant
	Pest Control	Tenant
	Operational Insurances	Tenant
	Operational Expenses i.e. Staffing	Tenant



## L. Top Property Risks

Code	Property Activity Area	Process	Sub - Process	Potential Failure	Causes	Risk Category	Raw Risk Rating	Control Effectiveness	Residual Risk Rating	Target
PRO01	Property Facilities Mgt., Property	Healthy Homes Compliance	Assessment of requirements for HH legislation	1. Assessments not being completed in timely manner 2. Assessments not completed properly. 3. Incorrect input into SPM 4. Change in physical condition of property after assessment resulting in non-compliance	1. Poor schedule management and legislative non-compliance 2. Poor quality assessment by appointed inspector 3. Poor SPM input and no check made on accuracy 4. Actions by tenant or acts of God	Reputational	Extreme	1. Formal instructions provided to inspector with detailed property lists (Effective) 2. Instructions to included detail on specific legislative requirements to be assessed and information instructions have corrected information (Effective) 3. SPM upgraded to store details on state or compliance per property (Effective)	Medium	Low
						Legal/Compliance	Very High		Low	Low
PRO02	Property Compliance, Property, Infrastructure	Building Compliance	Undertake remediation work (HH)	1. Mis-interruption of requirements and works under or over completed. 2. Underwork and incorrect products used by contractors and not identified. 3. Unable to secure contractors. 4. Unable to complete works by 7/23 due to contractor capacity.	1. Inadequately trained staff. 2. Poor quality contractors and/or lack requirements 3. Inadequate inspection processes. 4. Unable to secure contractors. 5. Unable to complete works by 7/23 due to contractor capacity.	Legal/Compliance	Extreme	1. SPM upgraded to store details on state or compliance per property (Effective) 2. Undertake training of staff and/or hire experienced personnel. (Effective) 3. Use quality contractors (Partially Effective) 4. Adequate budget within LTP (Partially Effective) 5. Effective purchasing and planning. (Effective)	Low	Low
						Reputational	Extreme		Medium	Low
PRO05	Property Facilities Mgt., Property	Maintenance of Properties	Scheduled maintenance for existing, new & renewed components (non-social housing only)	1. Poor scheduling and planning 2. Early component failure due to delayed or poor maintenance 3. Poor training with respect to survey of completed works 4. Poor timeline monitoring 5. Over and under MSL budget 6. Poor quality workmanship 7. Lack of integrated platforms	1. Lack of up-to-date data in SPM 2. SPM capability not used as required 3. Lack of staff training and capability 4. Lack of documented maintenance requirements 5. Poor budgeting practises 6. Poor process for component maintenance requirements for new assets	Financial	Extreme	1. Increased budget in LTP (Effective) 2. Concentration/prioritisation on preventative maintenance (Partially Effective) 3. Ensure condition assessments are up to date (Effective) 4. Portfolio categories and assured responsibilities. (Effective)	Medium	Medium
						Service Delivery	Extreme		Medium	Medium
PRO14	Leasing & Tenancy Management, Property	Lease/Licence – New Tenancy	Commercial Contract	1. Under valuation on market rental rates 2. Lease agreement without acceptable level of protections and indemnities for PNCC and obligations on the tenant 3. Failure to preform obligations laid down in lease. 4. Lease renewal overlooked and lost revenue	1. Lack of knowledge of market conditions or poor engagement with market 2. Poor or non-existent due diligence process 3. Poor internal communications 4. Poor quality or under-qualified legal review of lease agreements coupled with poor quality/ignorant legal instructions on minimum requirements 5. Lack of understanding by PNCC of our obligations 6. Poor financial control processes. 7. Poor probity compliance or autocratic pressure	Financial	Extreme	1. External valuation sought to ensure market rates achieved (Effective) 2. External solicitors (approved panel firm) review and sign off on final lease agreement along with Unit and divisional sign off (Effective) 3. Standard lease agreement used in all cases (Effective) 4. MT 57 in place for conflict of interest for employees (Partially Effective) 5. Policy for Elected Members involvement (Partially Effective)	Medium	Medium
						Reputational	High		Medium	Medium

Code	Property Activity Area	Process	Sub - Process	Potential Failure	Causes	Risk Category	Raw Risk Rating	Control Effectiveness	Residual Risk Rating	Target
PRO15	Leasing & Tenancy Management, Property	Lease/Licence – New Tenancy	Non-Commercial Contract	<ol style="list-style-type: none"> <li>Under valuation on council policy mis-interruption as per Recreational Policy</li> <li>Undue political pressure with respect to arrangements</li> <li>Tenant reputationally unacceptable</li> <li>Lease agreement without acceptable level of protections and indemnities for PNCC and obligations on the tenant (a degree of separation)</li> <li>Failure to perform obligations laid down in lease.</li> <li>Failure to receive lease payments</li> <li>Failure to follow Reserves Act requirements</li> </ol>	<ol style="list-style-type: none"> <li>Lack of knowledge of pricing policy requirements</li> <li>Poor or non-existent due diligence process</li> <li>Poor internal communication with respect to requirements</li> <li>Poor quality or under-qualified legal review of lease agreements coupled with poor quality/ignorant legal instructions on minimum requirements</li> <li>Lack of understanding by PNCC of our obligations, including under the Reserves Act</li> <li>Poor financial control processes.</li> <li>Poor probity compliance or autocratic pressure</li> </ol>	Reputational	Extreme	<ol style="list-style-type: none"> <li>Recreational Policy and/or Community Policy in place for direction on pricing (Effective)</li> <li>Community or Parks Division undertake qualification assessment of potential tenant. (Effective)</li> <li>Lease agreement prepared internally using standard (approved) lease template along with Unit and divisional sign off (Effective)</li> <li>Weekly report generation of unpaid lease payments (manual generation) (Effective)</li> <li>MT 57 in place for conflict of interest for employees (Partially Effective)</li> <li>Standing orders for Elected Members involvement (Partially Effective)</li> </ol>	Low	Low
						Financial	Medium		Low	Low
PRO20	Leasing & Tenancy Management, Property	Lease - PNCC as Tenant	Lease - PNCC as Tenant	<ol style="list-style-type: none"> <li>Over valuation on market rental rates</li> <li>Lease agreement without acceptable level of protections and obligations for PNCC</li> <li>Failure to make lease payments</li> <li>Lease property that does not fit requirements of council</li> </ol>	<ol style="list-style-type: none"> <li>Lack of knowledge of market conditions or poor engagement with market</li> <li>Poor internal communications</li> <li>Poor quality or under-qualified legal review of lease agreements coupled with poor quality/ignorant legal instructions on minimum requirements</li> <li>Lack of understanding by PNCC of our obligations</li> <li>Poor financial control processes.</li> <li>Poor probity compliance or autocratic pressure</li> <li>Lack of single point of control council wide</li> </ol>	Financial	Extreme	<ol style="list-style-type: none"> <li>External valuation sought to ensure market rates achieved (Effective)</li> <li>External solicitors (approved panel firm) review and sign off on final lease agreement along with Unit and divisional sign off (Effective)</li> <li>Provision for funding included in LTP and annual budget (Effective)</li> <li>Standard lease agreement used in all cases (Effective)</li> <li>Delegated Authorities in place (Effective)</li> <li>MT 57 in place for conflict of interest for employees (Partially Effective)</li> <li>Policy for Elected Members involvement (Partially Effective)</li> </ol>	Medium	Low
						Service Delivery	Extreme		Medium	Low
PRO25	Leasing & Tenancy Management, Property	Easement Creation – PNCC Land /External Party	Creation of easement request and review. Determine approval and close	<ol style="list-style-type: none"> <li>LINZ do not consent to easement</li> <li>Failure to complete easement</li> <li>Under payment</li> </ol>	<ol style="list-style-type: none"> <li>Poorly draft legal agreements</li> <li>Survey not to required standard by LINZ</li> <li>Lack of understanding of market rates for easement</li> <li>Failure to understand requirements of Reserves Act</li> </ol>	Service Delivery	Extreme	<ol style="list-style-type: none"> <li>Market valuations obtained (Effective)</li> <li>Engagement with qualified surveyor (Effective)</li> <li>Engagement with external legal panel firm for advice on easement agreement (Effective)</li> <li>Reserves Act process followed (Effective)</li> </ol>	Medium	Medium
PRO27	Leasing & Tenancy Management, Property	Sub-Division Creation	Sub-Division Creation	<ol style="list-style-type: none"> <li>Inappropriate land selected, or unable to be purchased</li> <li>Project concept poorly considered and delivery unrealistic</li> <li>Delivery on outcomes not realised</li> <li>Rezoning of land viewed negatively/ not supported / Challenges in zoning consents</li> <li>Design not able to achieve resource consents or gain engineering approval</li> <li>Design not meeting public expectations and demand</li> <li>Poor presales or achieve desired sale prices</li> <li>Title not delivered in timely manner</li> <li>Failure to engage with stakeholders</li> </ol>	<ol style="list-style-type: none"> <li>Misunderstanding of market demand and type</li> <li>Costs to develop exceeds expectations</li> <li>Negative shift in market conditions</li> <li>Shift in political direction / objectives</li> <li>Poor marketing</li> <li>Poor consultation</li> <li>Challenging and poorly understood consent process and requirements</li> </ol>	Financial	Extreme	<ol style="list-style-type: none"> <li>Rigorous concept process considering all potential aspects (Effective)</li> <li>Market research (Effective)</li> <li>Robust stakeholder engagement and consultation process (Effective)</li> <li>Consideration of effect on social fabric and infrastructure etc (Effective)</li> <li>Alignment of designs to engineering and consent requirements, including district plan (Effective)</li> <li>Use of panel legal counsel (Effective)</li> <li>Engagement of development consultant and external property valuers (Effective)</li> <li>Engagement with sales and marketing professionals (Effective)</li> <li>Creation of portfolio level multidisciplinary steering group (Effective)</li> </ol>	Low	Low

Code	Property Activity Area	Process	Sub - Process	Potential Failure	Causes	Risk Category	Raw Risk Rating	Control Effectiveness	Residual Risk Rating	Target
PRO28	Property Compliance, Property, Infrastructure	Asbestos Management	Identification of Buildings with potential Asbestos Containing Materials (ACM)	<ol style="list-style-type: none"> <li>1. Work order not requesting asbestos assessment</li> <li>2. Contractor ignores or forget checking for asbestos prior to doing work.</li> <li>3. Asbestos survey might not have identified "hidden" asbestos, which may be revealed later.</li> <li>4. Asbestos issues arise when tenants undertake work without advising Council.</li> <li>5. Asbestos turns friable without our knowledge or not being periodically monitored.</li> </ol>	<ol style="list-style-type: none"> <li>1. Poorly designed work orders, confirmation of doing a job by email, in person or telephone without notifying them on potential asbestos (poor record of engagement). The POs does not have asbestos instruction.</li> <li>2. Unprofessional contractors</li> <li>3. Tenants not aware of their obligations or not have their work orders hard coded to include assessment requirements.</li> <li>4. Lack of proper monitoring of asbestos over time.</li> <li>5. Lack of detailed granularity in assessment reports</li> <li>6. Poor record keeping- Survey done by different divisions</li> </ol>	Health, Safety & Well-being	Extreme	<ol style="list-style-type: none"> <li>1. Work order "hard coded" for asbestos assessment (Effective)</li> <li>2. Use only certified, qualified surveyors (Effective)</li> <li>3. When issues identified stakeholders notified in writing (Partially Effective)</li> <li>4. Leases prohibit work without our approval. (Effective)</li> <li>5. Building condition assessment conducted every three years. Included in register (SPM) (Effective)</li> </ol>	Low	Low
							Very High		Low	Low
PRO29	Property Compliance, Property, Infrastructure	Asbestos Management	Action asbestos clearance plan	<ol style="list-style-type: none"> <li>1. Engage with non-competent contractor</li> <li>2. Contact with asbestos before removal</li> <li>3. Poor or inadequate site isolation</li> <li>4. Poor disposal of removed asbestos</li> </ol>	<ol style="list-style-type: none"> <li>1. No certification process followed.</li> <li>2. Lack of control/warnings/notices of risk</li> <li>3. Poor management/competency by contractor</li> <li>4. Lack of monitoring of disposal</li> </ol>	Health, Safety & Well-being	Extreme	<ol style="list-style-type: none"> <li>1. Obtain H&amp;S plan from contractor before works start (Effective)</li> <li>2. Obtain asbestos plan from contractor before works start. (Effective)</li> <li>3. Disposal declaration received from contractor (Effective)</li> </ol>	Low	Low
PRO30	Property Compliance, Property, Infrastructure	Seismic Building Management	Receipt of seismic assessment report from Council	<ol style="list-style-type: none"> <li>1. No action taken and building no longer compliant with regulations</li> <li>2. Inaction where reports are borderline and recommendations, but not compulsory, made.</li> </ol>	<ol style="list-style-type: none"> <li>1. Lack of process and action by responsible personnel in Council</li> <li>2. Unavailability of budget for DSA or strengthening work</li> <li>3. Requires decisions which are dependent on many other external factors (e.g. Civic and Cultural Precinct Master Plan, TM 2025)</li> <li>4. Un-availability of qualified consultants</li> </ol>	Reputational	Extreme	<ol style="list-style-type: none"> <li>1. Register and tracker in asset management data sheet. (Partially Effective)</li> <li>2. Within a one-year period accept the Initial Evaluation Procedure ("IEP") finding or challenge and conduct DSA (Effective)</li> <li>3. Include and prioritize the Earthquake Prone Building (EPB) for the LTP and budgeting (Effective)</li> <li>4. Actively planning and project managing of EPBs. (Effective)</li> <li>5. Strategic portfolio planning through the Asset Management Plan (Partially Effective)</li> </ol>	High	High
							Very High		Low	Low
PRO32	Property Compliance, Property, Infrastructure	Seismic Building Management	Undertake remediation of seismically prone buildings	<ol style="list-style-type: none"> <li>1. Not remedied on specific time frame</li> <li>2. Technically/financially not viable- gets postponed</li> <li>3. External factors leading to the delay in decision making (e.g. Civic and Cultural Precinct Master Plan, TM 2025)</li> <li>4. Technically hidden factors popping out during remedial work</li> </ol>	<ol style="list-style-type: none"> <li>1. Funding challenges due to Elected Members and or Council management prioritisation</li> <li>2. Portfolio size is huge in compared to 15 years and council resources to manage remediation</li> </ol>	Financial	Extreme	<ol style="list-style-type: none"> <li>1. Programme in LTP (Partially Effective)</li> <li>2. Ensure prioritisation plan is in place and advised to elected members and ELA. (Effective)</li> <li>3. Ensure formal engagement with all stakeholders on dealing with plans for EPBs. (Partially Effective)</li> <li>4. Actively planning and project managing of EPBs. (Effective)</li> <li>5. Strategic portfolio planning through the Asset Management Plan (Partially Effective)</li> </ol>	High	High
							Medium		Medium	Medium

Code	Property Activity Area	Process	Sub - Process	Potential Failure	Causes	Risk Category	Raw Risk Rating	Control Effectiveness	Residual Risk Rating	Target
PRO34	Property Compliance, Property, Infrastructure	Fire Compliance	Fire Systems Compliance	<ol style="list-style-type: none"> <li>1. Systems do not meet minimum standards and Council in breach of regulations</li> <li>2. Works cannot be implemented due to other factors (e.g. seismic upgrade)</li> <li>3. Requirements remain unidentified</li> <li>4. Lack of available budget to allow works to be completed</li> </ol>	<ol style="list-style-type: none"> <li>1. Poor planning and register of current arrangements/systems</li> <li>2. Insufficient data on systems</li> <li>3. Changes in regulations</li> </ol>	Legal/Compliance	Extreme	<ol style="list-style-type: none"> <li>1. Monthly inspections by contracts resulting in advice on improvements (Partially Effective)</li> <li>2. Register of all fire systems inventory (Effective)</li> <li>3. Gap assessment of systems against requirements (Partially Effective)</li> <li>4. For larger buildings engage external consultants to assess fire system (Effective)</li> </ol>	Medium	Low
PRO04	Property Facilities Mgt., Property	Property Condition Assessments	Programmed assessments for all facilities. Contractor maintenance condition assessments	<ol style="list-style-type: none"> <li>1. Poor register data input and management</li> <li>2. Poor understanding of legislative requirements resulting in issues not being identified</li> <li>3. Lack of consistency on assessing conditions</li> <li>4. Insufficient budget</li> </ol>	<ol style="list-style-type: none"> <li>1. Inadequate training of staff</li> <li>2. Poor quality reporting input due to lack of integration SPM and works order system</li> <li>3. Lack of SOPs</li> <li>4. Staff and consultant capacity not available</li> </ol>	Financial	Very High	<ol style="list-style-type: none"> <li>1. SPM and its data integrity (Effective)</li> <li>2. Scheduled condition assessments in place (Effective)</li> <li>3. Schedule physical assessments (Partially Effective)</li> <li>4. Training for consistency of application of requirements (Ineffective)</li> <li>5. Use NAMS (Asset condition guidelines) (Effective)</li> </ol>	Medium	Low
						Service Delivery	Very High		Medium	Low
PRO06	Property Facilities Mgt., Property	Maintenance of Properties	Social Housing renewals and maintenance (tenant in situ)	<ol style="list-style-type: none"> <li>1. Maintenance not undertaken when required due to lack of correct data</li> <li>2. Tenant not prepared property for works to be undertaken</li> <li>3. Tenant refuses/disagrees with works to be undertaken</li> <li>4. For major works lack on properties for temporary relocation</li> <li>5. Poor quality works</li> <li>6. Council created damage to tenant's property, or accusations of malfeasance</li> <li>7. Failure of works completion</li> </ol>	<ol style="list-style-type: none"> <li>1. Poor quality data management or system capability</li> <li>2. Lack of advanced planning with tenant.</li> <li>3. Uncooperative tenants</li> <li>4. Lack of properties for temporary arrangements</li> <li>5. Overlooking inspection requirements due to lack of system event management</li> <li>6. Carelessness on part of staff in dealing with tenant's property, and lack evidence of property condition</li> </ol>	Service Delivery	Very High	<ol style="list-style-type: none"> <li>1. Three yearly planned works using SPM data. (Effective)</li> <li>2. Standard operating process for staff working at tenanted facilities. (Effective)</li> <li>3. Before and after photos of tenant's property. (Partially Effective)</li> <li>4. Formal notices issued when required with respect to tenant's property. (Effective)</li> </ol>	Medium	Medium
						Financial	Very High		Low	Low
PRO08	Property Facilities Mgt., Property	Maintenance of Properties	Vacating property maintenance	<ol style="list-style-type: none"> <li>1. Maintenance not undertaken when required due to lack of correct data or poor communication</li> <li>2. Inability to rent or use property resulting in lost revenue</li> <li>3. Poor quality works</li> <li>4. Inspection not identifying quality of works deficiencies</li> <li>5. Delays due to unavailability of contractors</li> </ol>	<ol style="list-style-type: none"> <li>1. Lack of awareness from MASH/housing tenancy officers of requirements for notice</li> <li>2. Lack of staff training/capability for requirements of inspection</li> <li>3. Lack of budget availability</li> </ol>	Service Delivery	Very High	<ol style="list-style-type: none"> <li>1. Tenancy Housing Officers email report with photos to Housing maintenance officer. (Effective)</li> <li>2. Property officer &amp; Facilities management officer inspect commercial sites. (Effective)</li> <li>3. WorkTrax orders emailed to Contractors for works to be completed. (Effective)</li> <li>4. FM team inspect work prior to handing over to Property Officer / Tenancy Housing Officers. (Effective)</li> <li>5. Biannual condition assessments (Effective)</li> <li>6. Data on future requirements linked to SPM (Effective)</li> <li>7. Regular reporting to Council on funding requirements. (Effective)</li> <li>8. Provision within LTP (Effective)</li> </ol>	Medium	Medium
						Financial	High		Medium	Medium
PRO10	Property Facilities Mgt., Property	New & Renewed Assets Data	Provision of data to Asset Planning	<ol style="list-style-type: none"> <li>1. Lack of data and poor management resulting in inability to undertake required management and maintenance of properties</li> </ol>	<ol style="list-style-type: none"> <li>1. Lack of systems integration resulting in need for manual processes, along with SPM not updated properly or lack of maker/checker control over all activities</li> <li>2. Details on new component/asset not provided to Facilities Mgt. by external contractor or</li> </ol>	Financial	Very High	<ol style="list-style-type: none"> <li>1. SPM continuously updated (Partially Effective)</li> <li>2. WorkTrax maintains record of all maintenance (Partially Effective)</li> <li>3. All financial data on assets held in Ozone (Partially Effective)</li> </ol>	Medium	Medium

Code	Property Activity Area	Process	Sub - Process	Potential Failure	Causes	Risk Category	Raw Risk Rating	Control Effectiveness	Residual Risk Rating	Target
					another internal unit. 3. Records management of warranties etc misplaced or not receive and lack of record management process					
PRO13	Property Facilities Mgt., Property	Public Services Cleaning	Cleaning of public toilets and all other building areas	1. Poor quality cleaning resulting in public disquiet 2. Inability to use facilities	1. Staff not completed require duties 2. Poor cleaning practises due to poor training 3. Public behavioural problems	Reputational	Very High	1. None	Low	Low
PRO21	Leasing & Tenancy Management, Property	Land Acquisition	Initiation of identification of requirements for purchase	1. Acquisition not completed in budgetary year 2. Over payment/valuation for land 3. Poor planning resulting in unnecessary acquisition	1. Lack of budget 2. Lack of awareness of commercial considerations 3. Lack of planning process or understanding of city needs	Financial	Very High	1. Better pre-planning	Low	Low
PRO22	Leasing & Tenancy Management, Property	Land Acquisition	Closure of purchase with vendor consent	1. LINZ do not consent to sale 2. Additional obligations placed on council 3. Unable to agree on terms 4. Vendors change mind	1. Survey plan not completed properly 2. Poor draft S&P agreement 3. Poor due diligence of land title or zoning	Financial	Very High	1. Market valuations obtained (Effective) 2. Engagement with qualified surveyor (Effective) 3. Delegated authorities in place (Effective) 4. Engagement with external legal panel firm for advice on S&P (Effective) 5. Monetary budget included and approved before Property Division involvement (Effective) 6. Report to Council seeking additional funding (Effective) 7. Use Public Work Act to acquire essential land (Effective)	Low	Low
						Service Delivery	Very High	Low	Low	
PRO19	Leasing & Tenancy Management, Property	Lease/Licence - Termination	Asset management / removal	1. Lack of notification of intention to terminate 2. Poor clarity on ability to terminate 3. Tenants' improvements unclear or handover process not clear 4. Increased financial costs for dealing with assets taken into Council control 5. Unplanned transfer to council	1. Poor internal communications between divisions 2. Lack of assessment of potential costs for maintenance going forward of assets 3. Lack of budget to carry on maintenance 4. Bankruptcy of tenant	Financial	Very High	1. Planned for under LTP (aware of upcoming requirements) (Effective) 2. Extra funding available under annual budget (Effective)	Medium	Medium
						Financial	High	Low	Low	
PRO27	Leasing & Tenancy Management, Property	Sub-Division Creation	Sub-Division Creation	1. Inappropriate land selected, or unable to be purchased 2. Project concept poorly considered and delivery unrealistic 3. Delivery on outcomes not realised 4. Rezoning of land viewed negatively/ not supported / Challenges in zoning consents 5. Design not able to achieve resource consents or gain engineering approval 6. Design not meeting public expectations and demand 7. Poor presales or achieve desired sale prices 8. Title not delivered in timely manner 9. Failure to engage with stakeholders	1. Misunderstanding of market demand and type 2. Costs to develop exceeds expectations 3. Negative shift in market conditions 4. Shift in political direction / objectives 5. Poor marketing 6. Poor consultation 7. Challenging and poorly understood consent process and requirements	Legal/Compliance	Very High	1. Rigorous concept process considering all potential aspects (Effective) 2. Market research (Effective) 3. Robust stakeholder engagement and consultation process (Effective) 4. Consideration of effect on social fabric and infrastructure etc (Effective) 5. Alignment of designs to engineering and consent requirements, including district plan (Effective) 6. Use of panel legal counsel (Effective) 7. Engagement of development consultant and external property valuers (Effective) 8. Engagement with sales and marketing professionals (Effective) 9. Creation of portfolio level multidisciplinary steering group (Effective)	Low	Low
						Reputational	Very High	Medium	Medium	

Code	Property Activity Area	Process	Sub - Process	Potential Failure	Causes	Risk Category	Raw Risk Rating	Control Effectiveness	Residual Risk Rating	Target
PRO33	Property Compliance, Property, Infrastructure	Fire Compliance	Fire evacuation plan and testing	1. Fire drill not undertaken 2. Drill not conducted properly	1. Poor planning/exercise and poor-quality evacuation plan 2. Tenants' reluctance, lack of interest in taking part 3. Poor training 4. Lack of awareness for evacuation procedures 5. Poor or lack of comprehensive testing	Health, Safety & Well-being	Very High	1. Fire drill are undertaken semi-annually. (Effective) 2. A briefing session is organised right after the fire drill with fire wardens. (Effective) 3. A brief email is sent to staff (CAB only) on outcome of fire drill (Effective) 4. An email is sent to tenant representatives (other Council owned building) if fire drill went wrong. (Effective)	Low	Low
PRO34	Property Compliance, Property, Infrastructure	Fire Compliance	Fire Systems Compliance	1. Systems do not meet minimum standards and Council in breach of regulations 2. Works cannot be implemented due to other factors (e.g. seismic upgrade) 3. Requirements remain unidentified 4. Lack of available budget to allow works to be completed	1. Poor planning and register of current arrangements/systems 2. Insufficient data on systems 3. Changes in regulations	Health, Safety & Well-being	Very High	1. Monthly inspections by contracts resulting in advice on improvements (Partially Effective) 2. Register of all fire systems inventory (Effective) 3. Gap assessment of systems against requirements (Partially Effective) 4. For larger buildings engage external consultants to assess fire system (Effective)	Medium	Medium
PRO36	Property Compliance, Property, Infrastructure	Building Compliance	Notice to Fix Receipt	1. Notice not complied within time required 2. Remedial work not up to required standard 3. Potential fine for not completing work in required time.	1. Poor quality contractors 2. Contractors not meeting time requirements 3. Lack of resources in Council to action	Legal/Compliance	Very High	1. Register of notices reviewed. (Effective) 2. Register includes actions required (Effective) 3. Follow up contractors for works to be completed (Partially Effective) 4. Dated with actions. (Effective)	Low	Low
PRO07	Property Facilities Mgt., Property	Maintenance of Properties	Reactive maintenance	1. Lack of correct data on requirements resulting in works not being undertaken correctly or in timely manner 2. Inspection not undertaken as lack of awareness on works completion 3. Poor quality workmanship 4. Delayed completion of works due to poor understanding of requirements 5. Lack of access to properties resulting in delays and increased costs. 6. Undertaking works not the responsibility of PNCC resulting in unnecessary costs 7. Details of new components not recorded in SPM 8. Lack of knowledge of incident 9. Lack of ability to attribute blame 10. Failure of tenant (non-social housing) to reimburse for damage 11. Bond returned prior to inspection and identification of wilful damage	1. Lack on policy consistency for properties of a non-commercial nature 2. Lack of process for managing new component recording 3. Poor data management and data flow 4. Lack of system event management capability 5. Frequency of inspections insufficient 6. Poor communication between tenancy officers/MASH and Facility Management 7. Poor vetting of potential tenants	Financial	High	1. Customers advise of maintenance issues via Snap, Send & Solve, Customer Services or facilities management email address. (Effective) 2. Maintenance jobs emailed to contractors using the WorkTrax system. (Effective) 3. Monitor jobs via reports from the WorkTrax system. (Partially Effective) 4. Insurance (Effective) 5. Bond (Effective) 6. Tenancy Tribunal (Effective)	Low	Low
						Service Delivery	High		Low	Low
PRO09	Property Facilities Mgt., Property	Management of graffiti and vandalism	Management of graffiti and vandalism	1. Inability to deal with matters in a timely manner 2. Poor site control prior to police inspection 3. Repetitive incidents 4. Lack of awareness of incidents	1. Inability to deal with matters in a timely manner 2. Poor site control prior to police inspection 3. Repetitive incidents 4. Lack of awareness of incidents	Reputational	High	1. Insurance for vandalism above \$5,000 (Effective) 2. Customers advise of graffiti / vandalism via Snap, Send & Solve or Customer Services. (Effective) 3. Graffiti art (Ineffective)	Medium	Medium
						Financial	High		Medium	Medium

Code	Property Activity Area	Process	Sub - Process	Potential Failure	Causes	Risk Category	Raw Risk Rating	Control Effectiveness	Residual Risk Rating	Target
PRO10	Property Facilities Mgt., Property	New & Renewed Assets Data	Provision of data to Asset Planning	1. Lack of data and poor management resulting in inability to undertake required management and maintenance of properties	1. Lack of systems integration resulting in need for manual processes, along with SPM not updated properly or lack of maker/checker control over all activities 2. Details on new component/asset not provided to Facilities Mgt. by external contractor or another internal unit. 3. Records management of warranties etc misplaced or not receive and lack of record management process	Service Delivery	High	1. SPM continuously updated (Partially Effective) 2. WorkTrax maintains record of all maintenance (Partially Effective) 3. All financial data on assets held in Ozone (Partially Effective)	Medium	Medium
PRO12	Property Facilities Mgt., Property	Building Security	Acceptance and implementation of physical security recommendations	1. Lack of budget resulting in inability to implement recommendations 2. Physical access breached and loss of assets 3. Physical access breached and personnel/public/customers endangered	1. Lack of awareness of need to undertake security recommendations 2. Lack of financial budget 3. Management inaction	Financial	High	1. Lack of awareness of need to undertake security recommendations 2. Lack of financial budget 3. Management inaction	Medium	Medium
PRO16	Leasing & Tenancy Management, Property	Lease/Licence – Variation	Commercial - (Rent review, surrender, renewal)	1. Under valuation on market rental rates 2. Lease agreement without acceptable level of protections and indemnities for PNCC and obligations on the tenant 3. Failure to preform obligations laid down in lease. 4. Lease renewal overlooked and lost revenue	1. Lack of knowledge of market conditions or poor engagement with market 2. Poor internal communications 3. Poor quality or under-qualified legal review of lease agreements coupled with poor quality/ignorant legal instructions on minimum requirements 4. Lack of understanding by PNCC of our obligations. 5. Poor monitoring processes for lease renewal requirements 6. Poor probity compliance or autocratic pressure	Financial	High	1. External valuation sought to ensure market rates achieved (Effective) 2. External solicitors (approved panel firm) review and sign off on final lease agreement along with Unit and divisional sign off (Effective) 3. Standard lease agreement used in all cases (Effective) 4. MT 57 in place for conflict of interest for employees (Partially Effective) 5. Policy for Elected Members involvement (Partially Effective)	Medium	Medium
						Reputational	High		Medium	Medium
PRO23	Leasing & Tenancy Management, Property	Land Acquisition	Closure of purchase without consent	1. LINZ do not consent to sale properly 2. Additional obligations placed on council 3. Unable to agree on terms 4. Vendors change mind	1. Survey plan not completed properly 2. Poor draft S&P agreement 3. Poor due diligence of land title or zoning	Reputational	High	1. Market valuations obtained (Effective) 2. Engagement with qualified surveyor (Effective) 3. Delegated authorities in place (Effective) 4. Engagement with external legal panel firm for advice on S&P (Effective) 5. Monetary budget included and approved before Property Division involvement (Effective) 6. Report to Council seeking additional funding (Effective) 7. Use Public Work Act to acquire essential land (Effective)	Medium	Medium
PRO24	Leasing & Tenancy Management, Property	Easement Creation – Non PNCC Land	Creation and closure	1. LINZ do not consent to easement 2. Additional obligations placed on council 3. Failure to complete easement 4. Over payment	1. Poorly draft legal agreements 2. Survey not to required standard by LINZ 3. Lack of understanding of market rates for easement 4. Lack of budget	Service Delivery	High	1. Market valuations obtained (Effective) 2. Engagement with qualified surveyor (Effective) 3. Engagement with external legal panel firm for advice on easement agreement (Effective) 4. Monetary budget included and approved before Property Division involvement (Effective) Minor	Low	Low
						Financial	Medium		Low	Low
PRO25	Leasing & Tenancy Management, Property	Easement Creation – PNCC Land /External Party	Creation of easement request and review. Determine approval and close	1. LINZ do not consent to easement 2. Failure to complete easement 3. Under payment	1. Poorly draft legal agreements 2. Survey not to required standard by LINZ 3. Lack of understanding of market rates for easement	Reputational	High	1. Market valuations obtained (Effective) 2. Engagement with qualified surveyor (Effective) 3. Engagement with external legal	Low	Low

Code	Property Activity Area	Process	Sub - Process	Potential Failure	Causes	Risk Category	Raw Risk Rating	Control Effectiveness	Residual Risk Rating	Target
					4. Failure to understand requirements of Reserves Act			panel firm for advice on easement agreement (Effective) 4. Reserves Act process followed (Effective)		
PRO26	Leasing & Tenancy Management, Property	Land Disposal	Land Disposal	1. Disposal not completed in budgetary year 2. Under valuation for land 3. Poor planning resulting in irreversible disposal 4. LINZ do not consent to sale 5. Failure to receive payment 6. Additional obligations placed on council 7. Failure to complete disposal	1. Lack of planning process or understanding of city needs 2. Poor internal communications 3. Survey not to required standard by LINZ or survey plan not completed properly 4. Poor draft S&P agreement 5. Poor due diligence of land title or zoning 6. Failure to comply with LGA, PWA, RMA and Reserves Act requirements 7. Change in public sentiment 8. Lack of understanding by PNCC of our obligations 9. Poor financial control processes	Reputational	High	1. Market valuations obtained (Effective) 2. Engagement with qualified surveyor (Effective) 3. Engagement with external legal panel firm for advice on S&P and compliance with PWA (LINZ certified agent) (Effective) 4. Report to Council for approval (Effective) 5. Consultation with public and affected stakeholders (Effective)	Low	Low
						Financial	High		Low	Low
PRO31	Property Compliance, Property, Infrastructure	Seismic Building Management	Receipt DSA	1. Poor quality consultants and report not done properly 2. DSA become invalid due to change in regulations or building condition 3. Lack of availability of technical building plans/drawings to allow accurate DSA	1. No process for consultant onboarding 2. Poor record keeping or old plans. 3. Unavailability of budget 4. Delay in decision making for DSA or Strengthening work, external factors	Financial	High	1. Centralised file data (Partially Effective) 2. Programme in LTP (Effective) 3. Actively planning and project managing of EPBs. (Effective)	Low	Low
PRO33	Property Compliance, Property, Infrastructure	Fire Compliance	Fire evacuation plan and testing	1. Fire drill not undertaken 2. Drill not conducted properly	1. Poor planning/exercise and poor-quality evacuation plan 2. Tenants' reluctance, lack of interest in taking part 3. Poor training 4. Lack of awareness for evacuation procedures 5. Poor or lack of comprehensive testing	Legal/Compliance	High	1. Fire drill are undertaken semi-annually. (Effective) 2. A briefing session is organised right after the fire drill with fire wardens. (Effective) 3. A brief email is sent to staff (CAB only) on outcome of fire drill (Effective) 4. An email is sent to tenant representatives (other Council owned building) if fire drill went wrong. (Effective)	Low	Low
PRO35	Property Compliance, Property, Infrastructure	Building Compliance	Maintaining building WOF	1. Unable to provide building WOF 2. BWOFF not undertaken in timely manner 3. Insufficient monitoring of IQP and contracting agents for specified system resulting in potential poor work	1. Lack of monitoring process for BWOFF 2. Negligence, ignorance and or incompetency of compliance contractors and IQP 3. Lack of understanding of compliance requirements to challenge/test IQP activities. 4. Specified systems not compliant and not being tested- insufficient record so BWOFF cannot be issued	Legal/Compliance	High	1. Receive from PNCC a renewal notice. (Effective) 2. Review register of BWOFF requirements at least monthly. (Effective) 3. Building Specified System Report (BSSR) in place/ BWOFF status is prepared. (Effective) 4. Inspection and check of specified system as per compliance schedule (Effective) 5. Use only registered and qualified IQP operators. (Effective)	Low	Low



## M. Criticality and Condition Assessment Frequency

Summary of Criticality Rating and Condition Assessment and Building Performance Approach

Maximum Criticality Rating <sup>4</sup>	Consequences of asset failure	Examples	Approach to Condition Assessment and Performance Monitoring
<b>5 Severe</b>	<p>Financial loss &gt; \$1 million and/or Asset Value &gt;\$10 million.</p> <p>Extensive widespread irreversible damage to land and/or ecosystems.</p> <p>Permanent severe disability or loss of life, or multiple serious injuries, widespread sickness in the community.</p> <p>Severe loss of operational capability and disruption to service levels. Suburb, multi suburb or critical facility/service impact to essential service delivery.</p>	<p>Turitea Water Treatment</p> <p>Plant - Main Control Building (5.0)</p>	<p>A separate plan is developed for individual assets. This plan will include the condition assessment requirements as well as detail for how the results will be used to manage the asset.</p>
<b>4-5 Major</b>	<p>Financial loss \$500k-\$1million and/or asset value \$5-10million.</p> <p>Widespread long term (but reversible) environmental damage or localized long term irreversible damage.</p> <p>Severe injury and/or sickness requiring specialist medical treatment or hospitalisation. Long Term disability or 3+ month incapacitation.</p> <p>Major loss of operation capability and disruption to service levels.</p> <p>Suburb, multi suburb or critical facility/service impact to essential service delivery.</p>	<p>Central Library (4.44)</p>	<p>A combination of separate plans for individual assets and sample assets from each critical area.</p>
<b>3-4 Serious</b>	<p>Financial loss \$200k-\$500k and/or asset value \$1-5million.</p> <p>Measurable damage to the environment requiring significant corrective action resulting in localized medium term reversible damage to land/or water ecosystems.</p> <p>Injury and/or sickness requiring medical treatment up to 3 months incapacitation.</p> <p>Serious loss of operational capability and disruption to service levels.</p>	<p>Awapuni Material Recovery Facility Processing Building (3.52- Critical Asset)</p>	<p>A predetermined sample of assets from each critical area will be collected and assessed. Assessments are subject to subject matter expert judgement</p>

<sup>4</sup> Based on Maximum Criticality Score, Palmerston North Criticality Framework Part B, Facilities v1.0 April 20

Maximum Criticality Rating <sup>4</sup>	Consequences of asset failure	Examples	Approach to Condition Assessment and Performance Monitoring
	Isolated or suburb wide impact to essential service delivery/facility.		
<b>2-3 Moderate</b>	<p>Financial loss \$50k-\$200k and/or asset value \$200k 1 million.</p> <p>Contained and reversible (minimal) environmental impact resulting in localized or minor reversible damage to land and/or water ecosystems.</p> <p>Minor injury requiring first aid.</p> <p>Loss of operational capability in some areas and/or some disruption to service levels.</p> <p>Localised impact/outage to essential service delivery.</p>	<p>Awapuni Resource Recovery - Old Recycling Building (Timber Recyclers)</p> <p>Colquhoun Pavilion</p>	<p>A combination of assessment samples from each critical areas and representative samples from predetermined cohorts and assessed to extrapolate condition grades.</p>
<b>1-2 Minor</b>	<p>Financial loss &lt;\$50k and/or asset value &lt;\$200k.</p> <p>Small localized and reversible environmental impact resulting in slight short-term damage to land and/or water ecosystems.</p> <p>Minor injury or near miss, first aid not required.</p> <p>No loss of operational capability and/or minimal disruption to service levels.</p>	<p>Victoria Esplanade Buildings - Junior Road Safety Shed</p> <p>Victoria Esplanade Buildings - Rose Garden Pump Shed</p>	<p>Representative samples will be collected from predetermined cohorts and assessed to extrapolate condition grades</p>

## N. Compliance

There are several regulatory acts that we are required to meet for our property portfolio. Most of these are to ensure that our facilities are safe for occupation and fit for the purposes in which they were intended. These compliance actions typically require the properties are operated in a certain way or dictate how we invest in them. The overall compliance function aims to:

- Develop compliance servicing programmes to meet all legislation and council policies
- Run and manage the compliance programme
- Reporting and certification
- Detect, highlight, prevent and fix the non-compliance issues
- Financial implications, estimation for the annual budget and Long Term Plan (LTP)
- Monitor & certify 3rd party contractors' service report
- Establish and maintain a robust compliance filing system
- Keep on top of all regulatory legislation changes regarding compliance matters.

**Figure 47: Compliance Responsibilities**

Compliance area	Existing response
<b>Asbestos Management</b>	Scheduling Asbestos identification and cleaning, keeping asbestos hazard register Development and implementation of Asbestos Management Policy
<b>Fire Safety Compliance</b>	An up-to-date fire safety evacuation procedure and evacuation scheme; ensuring the facility is fire compliant; regular trial evacuation; notices; clearing egress; training of wardens; reporting. maintain the evacuation scheme.  Contractors also compete: Electrical testing and tagging, fire alarm testing, fire protection
<b>Seismic Building Management</b>	Manage the seismic portfolio of PNCC owned buildings, register for earthquake prone building, ensure that seismic strengthening meets legislation requirements and council seismic policy.
<b>Building Warrant of Fitness (BWOFF)</b>	Make sure that all BWOFFs are up to date, specified systems are checked and inspected by a qualified IQP/contractor as per compliance schedules, maintain an updated Schedule for BWOFFs, interval and reporting
<b>Building Consent (Council Property)</b>	Ensure that buildings have building consents (BC) and Code compliance certificate (CCC).  Building consents are obtained by any party who build/demolish/alter the building which is approved by building regulations.  Compliance role will be to look after any building alteration have not affected the specified system
<b>Electrical Testing and Tagging</b>	Manage a programme of electrical testing and tagging for PNCC owned buildings.
<b>Health &amp; Safety</b>	Ensure that buildings are hazard free and meet health and safety requirements, make sure staff and contractors are aware of health and safety requirements.

## O. Building Warrant of Fitness Compliance Schedule Items

The Building Warrant of Fitness is granted when all relevant items are deemed in working order as per the guidance in the Building Act 2004.

The [Compliance Schedule Handbook - Amendment 3](#) provides more details regarding the inspection and maintenance details.

The list below specifies the different components that are checked for in the compliance schedule. Inspections are completed as prescribed in compliance schedule or manufacturer manual and warrant is used annually.

**Figure 48: Building Warrant of Fitness Compliance Schedule Items**

- 18) SS15- Other fire safety system and features:
  - SS15/1- Systems for communicating spoken information intended to facilitate evacuation
  - SS15/2- Final exit
  - SS15/3- Fire separation s
  - SS15/4- Signs for communicating information intended for facilitating evacuation
  - SS15/5- smoke separation
- 19) CS14 – Safety barriers
- 20) CS15- Disabled facilities
- 21) Fire Extinguishers
- 22) Fire Hoses





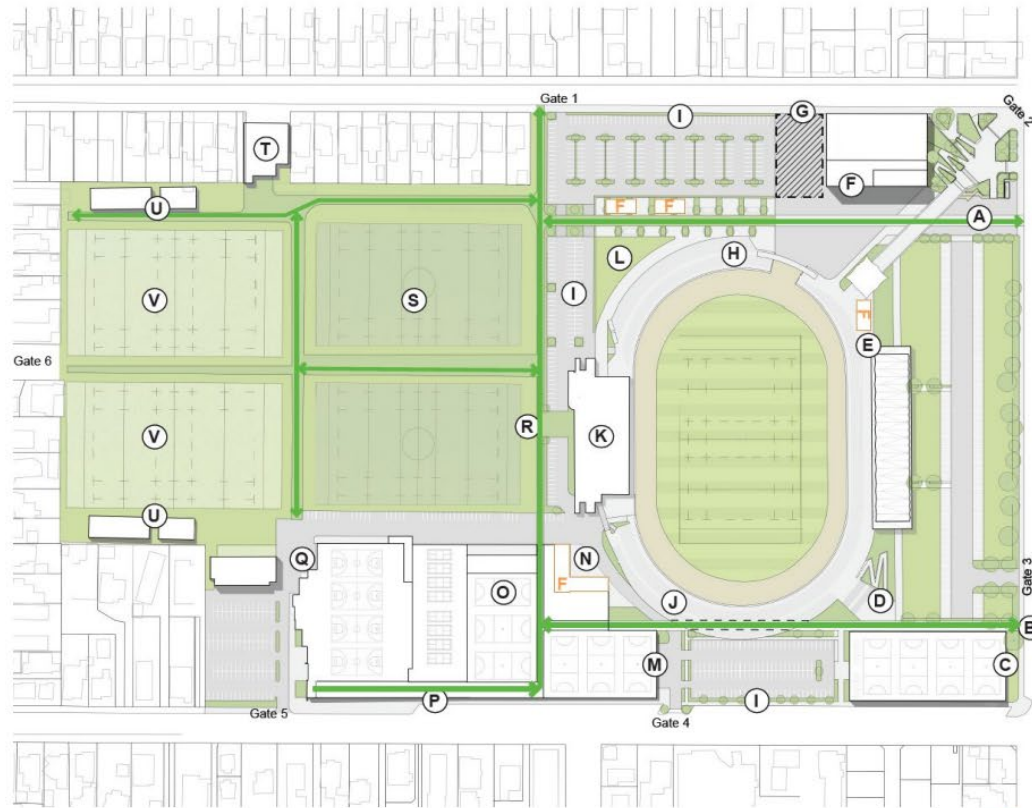
## Q. CET Arena Emerging Plan

### KAUPAPA: CET ARENA – EMERGING PLAN

→ Key Pedestrian Route

F Potential food vendor location

- A. North/South concourse
- B. New pedestrian entry near Gate 3
- C. New Arena 5. Community sport and non-sport
- D. New Western Entrance to Arena 1.
- E. Addition of shelter to Southern Stand.
- F. Multipurpose Plaza Building including gym, office and speedway. Potential for hospitality and hydrotherapy.
- G. Potential expansion space for Plaza Building or car parking.
- H. Expansion of Easter Concourse with storage garages in undercroft. Raised pedestrian link across track entrance.
- I. Car park rationalisation and CPTED enhancement
- J. Expansion of Western Concourse. Creation of pedestrian link in undercroft and removal of existing toilet blocks below.
- K. Arena 1 ground level re purposed for community activities.
- L. New quality green space.
- M. Improvements to Southern elevation of Arena 4
- N. Arena 4 Entry Reconfiguration. Potential extension of building and break out space.
- O. Arena 3 court adjustments to facilitate atrium. Potential expansion of WC/storage to rear of building.
- P. Arenas 2, 3 & 4 unified atrium and entrance.
- Q. Additional container storage
- R. New East West pedestrian link, with improvements to fencing.
- S. New artificial field with bleacher seating and shade structures
- T. Improve access to RFU facilities, and address CPTED concerns
- U. Storage/WC replacement structures.
- V. New hybrid fields



## R. IIMM Buildings Asset Condition Rating

Element	Condition Grade				
	1	2	3	4	5
	<b>Very Good</b>	<b>Good</b>	<b>Moderate</b>	<b>Poor</b>	<b>Very Poor</b>
<b>Structure</b>	Sound structure.	Functionally sound structure.	Adequate structure, some evidence of foundation movement, minor cracking.	Structure functioning but with problems due foundation movement. Some significant cracking.	Structure has serious problems and concern is held for the integrity of the structure.
<b>External</b>	Fabric constructed with sound materials, true to line and level. No evidence of deterioration or discolouration.	Showing minor wear and tear and minor deterioration of surfaces.	Appearance affected by minor cracking, staining, or minor leakage. Indications of breaches of weatherproofing. Minor damage to coatings.	Fabric damaged, weakened or displaced. Appearance affected by cracking, staining, overflows or breakages. Breaches of waterproofing evident. Coatings in need of heavy maintenance or renewal.	Fabric is badly damaged, or weakened. Appearance affected by cracking, staining, overflows leakage, or damage. Breaches of waterproofing. Coatings badly damaged or non-existent.
<b>Internal</b>	Fabric constructed with sound materials, true to line and level. No evidence of deterioration or discolouration.	Showing minor wear and tear and minor deterioration of surfaces.	Appearance affected by minor cracking, staining, or minor leakage, some dampness or mildew. Minor damage to wall/ceiling finishes.	Fabric damaged, weakened or displaced. Appearance affected by cracking, staining, dampness, leakage, or breakages. Breaches of waterproofing evident. Finishes of poor quality and in need of replacement.	Fabric is badly damaged, or weakened. Appearance affected by cracking, staining, leakage, or w/tilt damage. Breaches of waterproofing. Finishes badly damaged, marked and in need of replacement. Services
<b>Internal</b>	All components operate and well maintained	All components operable.	Occasional outages, breakdowns or blockages. Increased maintenance required.	Failures of plumbing electrical and mechanical components	Plumbing electrical and mechanical components are unsafe or inoperable. Fittings
<b>Internal</b>	Well secured and operational, sound of function and appearance.	Operational and functional, minor wear and tear.	Generally operational. Minor breakage.	Fittings of poor quality and appearance, often inoperable and damaged.	Most are inoperable or damaged. Maintenance
<b>Internal</b>	Well maintained and clean.	Increased maintenance inspection required.	Regular and programmed maintenance inspections essential.	Frequent maintenance inspections essential. Short term element replacement/ rehabilitation.	Minimum life expectancy, requiring urgent rehabilitation or replacement

## S. Proposed changes to levels of service statements and performance measures

Within the last 10 years, however, there have been significant changes with a focus on:

- health and safety (including seismic strengthening, asbestos management)
- building technological advancements, e.g., energy efficiency, lighting and building security software.
- statutory legislative changes from the central government (seismic strengthening, healthy homes improvements)
- climate change

Internal Level of service workshops with various Council Divisions have informed some of the suggested changes to levels of service statements and performance. A decision needs to be made on decision which measures would provide value to the Property services and ensuring we are measuring data that is valuable to us and how we deliver our property services.

To improve accuracy and measurability the following improvements have been made to the Level of services statements. The improvements are shown in red text and/or noted as a “suggested measure.”

### All Property - Level of Service Statements – Proposed Changes

Table 102 - Level of Service Statements – Proposed Changes

Service Attribute and LOS Statement	Performance Measure	Performance Target
<b>Quality</b> Our buildings assets are maintained in good condition	<b>Customer measure</b> % of tenants, user groups and occupiers satisfied or very satisfied with the appearance and presentation of the Council’s public buildings (Annual Residents Survey)	>95%
	<b>Technical measure:</b> Building assets are maintained to Condition Grade 3 (Good) or above. (suggested measure)	Increase to agreed condition grade level  Decreasing number each year of C5 components
<b>Safety</b> Our buildings are safe to use and meet appropriate building standards	<b>Customer measure</b> Public buildings comply with building warrant of fitness requirements (BWOF)	100%



Service Attribute and LOS Statement	Performance Measure	Performance Target
	<b>Technical measure:</b> Facilities meet all compliance requirements and standards on 30 June on any given year	100%
	<b>Technical measure:</b> DSAs for seismic strengthening completed for all facilities that require them and treatment plans developed (suggested measure)	Increasing number of buildings being seismically strengthened within the legislated time frame. (suggested measure)
<b>Accessibility</b> Our buildings are accessible to customers with differing mobility levels (suggested measure)	<b>Technical measure:</b> All public facing buildings and spaces meet the minimum accessibility requirements under the Building Act unless unable to be physically achieved due to building make up. (Suggested measure)	% of public facing facilities and spaces that meet minimum requirements.
<b>Availability</b> Our buildings are available at the appropriate times for users and tenants	<b>Customer measure</b> The facility meets the expectations and functional requirements of the users of the facility on 30 June on any given year. (suggested measure)	Measure to be developed or use existing 90 clear days for residential properties, four weeks for all other properties
	<b>Customer measure</b> Communication with stakeholders around project timing prior to works commencement.	Yes / No
<b>Sustainability</b> Our buildings are energy efficient (suggested statement)	<b>Increase in buildings that are energy efficient</b>	Increase number each year
<b>Financial Management</b> We manage our facilities in a financially sustainable way. (suggested statement)	Renewal and Capital Programmes are delivered within budget on 30 June in any given year. (suggested measure)	Minimum of 90% of Property projects and capital expenditure is spent in any given year.
<b>Financial Management</b> We reduce its unplanned maintenance (suggested statement)	Reduction in the average percentage of reactive maintenance needed at the facility to less than 30% of the total maintenance spend over the 10-year period. (suggested measure)	Decreasing reactive maintenance than previous year till 30% is reached in 10 years. (suggested target)
<b>Responsiveness</b> We respond to requests for service from tenants and occupants in a timely way.	<b>Technical:</b> Response time to priority requests for service (RFS) and for reactive maintenance were responded to within the allotted times depending on the urgency.	Yes or No

## Public Toilets – Level of Service

Table 103 - Public Toilets – Level of Service Statements

Service Attribute and LOS Statement	Performance Measure	Performance Target
<b>Public Toilets</b>		
<b>Accessibility</b> Our public toilets are accessible, appropriately located and gender-neutral	% of public toilets that are gender neutral % of public toilets with disabled person's access.	Increasing number each year
<b>Quality</b> Our public toilets are well designed, clean, and safe to use.	% of survey respondents satisfied or very satisfied with public toilets.	More than 80%

## Social Housing – Level of Service

Table 104 - Social Housing – Level of Service Statements

<b>Social Housing</b>		
<b>Quality</b> We provide warm and safe housing units	Social Housing is tenanted.	At least 95%, excluding units not available due to renovation
	Council tenants are satisfied with the standard of housing	Two-yearly survey - at least 90%
	Social Housing Units meet the Otago Medical School He Kainga Oranga Rental Warrant of Fitness Standard.	When all social housing units are compliant by 2024.
	Social Housing units meets Healthy Homes Acts Standards (suggested measure)	By increasing measure each year until 2024 (Suggested target)

## T. 30 Year Financial Forecasts

## Proposed Capital New Programmes Budgets 30 Year Forecast

### Capital New Programmes – 1 - 30 years

Programme Name	Year1 (2024/25)	Year2 (2025/26)	Year3 (2026/27)	Year4 (2027/28)	Year5 (2028/29)	Year6 (2029/30)	Year7 (2030/31)	Year8 (2031/32)	Year9 (2032/33)	Year10 (2033/34)
<b>Operational Buildings</b>										
161- Public Toilets - New City-wide Toilets	\$300,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
902 -Property - Seismic Strengthening of Council Properties	\$2,000,000	\$6,500,000	\$6,500,000	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000	\$7,500,000	\$7,500,000	\$5,000,000
1194 - CET Arena - Future Masterplan Items	\$	\$2,341,245	\$3,111,500	\$	\$14,340,840	\$613,664	\$1,514,221	\$	\$276,860	\$5,085,737
1451 - Property - LED Lighting Upgrades	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
1763 - CET Arena - Property Purchase	\$	\$	\$2,100,000	\$	\$	\$	\$	\$	\$	\$
2345 - Property - Solar Panel Installations	\$60,000	\$100,000	\$160,000	\$100,000	\$330,000	\$120,000	\$115,000	\$100,000	\$180,000	\$180,000
2351 - Cultural Facilities - New Archive Building	\$500,000	\$4,000,000	\$5,000,000	\$	\$	\$	\$	\$	\$	\$
2361 - CET Arena - Replacement of Grandstand Roof	\$	\$	\$1,000,000	\$1,000,000	\$	\$	\$	\$	\$	\$
2363 - Conference and Function Centre - New up-grades	\$	\$	\$	\$100,000	\$100,000	\$	\$	\$	\$	\$
2426 - CET Arena - Upgrade of lighting to LED	\$	\$	\$2,000,000	\$2,000,000	\$	\$	\$	\$	\$	\$
<b>Cultural Facilities</b>										
2350 - Cultural Facilities - New Multicultural Facility	\$	\$4,000,000	\$	\$	\$	\$	\$	\$	\$	\$
<b>Community Facilities</b>										
1130 - Urban Growth - Kakatangiata - New Community Centre	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$2,000,000
2343 - Urban Growth - New Community Hubs	\$	\$4,000,000	\$15,000,000	\$15,000,000	\$	\$	\$	\$	\$	\$
2440 - Community Centres - Pasifika Centre Expansion	\$	\$4,000,000	\$	\$	\$	\$	\$	\$	\$	\$
<b>Social Housing</b>										
1459 - Social Housing - Additional Social Housing Units	\$4,000,000	\$6,500,000	\$6,500,000	\$	\$	\$	\$	\$	\$	\$
2236 - Urban Growth - Huia Street Reserve - Community Housing - Better off funding	\$	\$	\$	\$	\$	\$7,500,000	\$7,500,000	\$	\$	\$
<b>Total</b>	<b>\$6,910,000</b>	<b>\$31,691,245</b>	<b>\$41,621,500</b>	<b>\$48,450,000</b>	<b>\$45,020,840</b>	<b>\$38,483,664</b>	<b>\$39,379,221</b>	<b>\$7,850,000</b>	<b>\$8,206,860</b>	<b>\$12,515,737</b>
Programme Name	Year11	Year12	Year13	Year14	Year15	Year16	Year17	Year18	Year19	Year20





<b>Total</b>	<b>\$2,634,808</b>	<b>\$2,805,808</b>	<b>\$2,976,808</b>	<b>\$3,147,808</b>	<b>\$3,318,808</b>	<b>\$3,489,808</b>	<b>\$3,660,808</b>	<b>\$3,831,808</b>	<b>\$4,002,808</b>	<b>\$4,173,808</b>
<b>Consequential Opex Programmes</b>	<b>Year21 (2044/45)</b>	<b>Year22 (2045/46)</b>	<b>Year23 (2046/47)</b>	<b>Year24 (2047/48)</b>	<b>Year25 (2048/49)</b>	<b>Year26 (2049/50)</b>	<b>Year27 (2050/51)</b>	<b>Year28 (2051/52)</b>	<b>Year29 (2052/53)</b>	<b>Year30 (2053/54)</b>
161 - Public Toilets - New City-wide Toilets	\$420,000	441,000	\$462,000	\$483,000	\$504,000	\$525,000	\$546,000	\$567,000	\$588,000	\$609,000
1130 - Urban Growth - Kakatangiata - New Community Centre	\$66,000	\$66,000	\$66,000	\$66,000	\$66,000	\$66,000	\$66,000	\$66,000	\$66,000	\$66,000
1194 - CET Arena - Masterplan Redevelopment	\$2,864,208	\$3,014,208	\$3,164,208	\$3,314,208	\$3,464,208	\$3,614,208	\$3,764,208	\$3,914,208	\$4,064,208	\$4,214,208
1459 - Social Housing - Additional Social Housing Units	\$191,600	\$191,600	\$191,600	\$191,600	\$191,600	\$191,600	\$191,600	\$191,600	\$191,600	\$191,600
2236 - Urban Growth - Huia Street Reserve - Community Housing - Better off funding	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000
2343 - Urban Growth - New Community Hubs	\$132,000	\$132,000	\$132,000	\$132,000	\$132,000	\$132,000	\$132,000	\$132,000	\$132,000	\$132,000
2350 - Cultural Facilities - New Multicultural Facility	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
2351 - Cultural Facilities - New Archive Building	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
2440 - Community Centres - Pasifika Centre Expansion	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
2345 - Property - Solar Panel Installations	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
<b>Total</b>	<b>\$4,344,808</b>	<b>\$4,515,808</b>	<b>\$4,686,808</b>	<b>\$4,857,808</b>	<b>\$5,028,808</b>	<b>\$5,199,808</b>	<b>\$5,370,808</b>	<b>\$5,541,808</b>	<b>\$5,712,808</b>	<b>\$5,883,808</b>





1791 - Parks Depot - Building Renewals	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
<b>Investment Buildings</b>										
270 - Holiday Park - Renewals	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
1753 - Investment Properties - Building Renewals	\$50,000	\$50,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
<b>Social Housing</b>										
180 - Social Housing - Renewals	\$875,000	\$875,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
<b>Total</b>	<b>\$3,554,000</b>	<b>\$3,340,000</b>	<b>\$4,195,000</b>	<b>\$2,475,000</b>	<b>\$2,295,000</b>	<b>\$2,145,000</b>	<b>\$2,145,000</b>	<b>\$2,145,000</b>	<b>\$2,195,000</b>	<b>\$2,195,000</b>













## Proposed Operations and Maintenance (MSL) Budgets - by MSL Activity Codes - 30 Year Forecast

MSL CODE	MSL Asset Activity	Year1 (2024/25)	Year2 (2025/26)	Year3 (2026/27)	Year4 (2027/28)	Year5 (2028/29)	Year6 (2029/30)	Year7 (2030/31)	Year8 (2031/32)	Year9 (2032/33)	Year10 (2033/34)
54705	Activities Management Overhead	\$63,906	\$63,906	\$63,906	\$63,906	\$63,906	\$63,906	\$63,906	\$63,906	\$63,906	\$63,906
54710	Cemeteries Buildings	\$41,039	\$41,039	\$36,539	\$36,539	\$36,539	\$36,539	\$36,539	\$36,539	\$36,539	\$36,539
54715	Central Energy Trust Wildbase	\$131,737	\$131,737	\$128,737	\$128,737	\$128,737	\$128,737	\$128,737	\$128,737	\$128,737	\$128,737
54720	Community Centres	\$211,961	\$211,961	\$211,961	\$211,961	\$211,961	\$211,961	\$211,961	\$211,961	\$211,961	\$211,961
54725	Libraries	\$686,300	\$686,300	\$678,800	\$678,800	\$678,800	\$678,800	\$678,800	\$678,800	\$678,800	\$678,800
54730	Public toilets	\$516,128	\$516,128	\$516,128	\$516,128	\$516,128	\$516,128	\$516,128	\$516,128	\$516,128	\$516,128
54735	Social Housing	\$1,896,141	\$1,896,141	\$1,896,141	\$1,896,141	\$1,896,141	\$1,896,141	\$1,896,141	\$1,896,141	\$1,896,141	\$1,896,141
54740	Animal Control	\$66,580	\$66,580	\$66,580	\$66,580	\$66,580	\$66,580	\$66,580	\$66,580	\$66,580	\$66,580
54745	Central Energy Trust Arena	\$848,567	\$848,567	\$848,567	\$848,567	\$848,567	\$848,567	\$848,567	\$848,567	\$848,567	\$848,567
54750	City Reserves	\$229,306	\$229,306	\$229,306	\$229,306	\$229,306	\$229,306	\$229,306	\$229,306	\$229,306	\$229,306
54755	Local Reserves (Facilities Management Overhead)	\$504,616	\$504,616	\$504,616	\$504,616	\$504,616	\$504,616	\$504,616	\$504,616	\$504,616	\$504,616
54760	Sportsfields	\$297,986	\$297,986	\$297,986	\$297,986	\$297,986	\$297,986	\$297,986	\$297,986	\$297,986	\$297,986
54765	Other Cultural Facilities	\$699,746	\$699,746	\$699,746	\$699,746	\$699,746	\$699,746	\$699,746	\$699,746	\$699,746	\$699,746
54770	Te Manawa	\$449,925	\$449,925	\$449,925	\$449,925	\$449,925	\$449,925	\$449,925	\$449,925	\$449,925	\$449,925
54775	Civic Administration Building	\$1,212,732	\$1,212,732	\$1,212,732	\$1,212,732	\$1,212,732	\$1,212,732	\$1,212,732	\$1,212,732	\$1,212,732	\$1,212,732
54780	Investment Property	\$128,518	\$128,518	\$128,518	\$128,518	\$128,518	\$128,518	\$128,518	\$128,518	\$128,518	\$128,518
54785	Landfill Management	\$103,690	\$103,690	\$103,690	\$103,690	\$103,690	\$103,690	\$103,690	\$103,690	\$103,690	\$103,690
54790	City Marketing	\$32,805	\$32,805	\$32,805	\$32,805	\$32,805	\$32,805	\$32,805	\$32,805	\$32,805	\$32,805
54795	Conference & Function Centre	\$188,000	\$188,000	\$188,000	\$188,000	\$188,000	\$188,000	\$188,000	\$188,000	\$188,000	\$188,000
54800	Economic Development	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000
54805	Wastewater Collection	\$39,996	\$39,996	\$39,996	\$-	\$-	\$-	\$-	\$-	\$-	\$-
54810	Wastewater Treatment and Disposal	\$71,500	\$71,500	\$71,500	\$-	\$-	\$-	\$-	\$-	\$-	\$-
54815	Water Collection	\$53,400	\$53,400	\$53,400	\$-	\$-	\$-	\$-	\$-	\$-	\$-
54820	Water Treatment	\$35,000	\$35,000	\$35,000	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Labour	Labour	\$2,532,295	\$2,546,416	\$2,561,871	\$2,566,244	\$2,578,329	\$2,582,643	\$2,593,263	\$2,594,492	\$2,605,409	\$2,608,054
	<b>Total</b>	<b>\$11,121,874</b>	<b>\$11,146,995</b>	<b>\$11,086,450</b>	<b>\$10,890,927</b>	<b>\$10,979,012</b>	<b>\$10,910,326</b>	<b>\$10,920,946</b>	<b>\$10,995,175</b>	<b>\$10,933,092</b>	<b>\$10,935,737</b>







## U. Property AMP Addendum 2024

Several changes have been made to the AMP budget through the 10 Year Plan - Long Term Plan (LTP) process due to internal and external constraints. Draft AMP documents were finalised on 30 September 2023 and were based on a best for asset approach.

Elected members reviewed the plans in November and December 2023 during the preparation of the 2024 – 2034 Long Term Plan and the Consultation Document. During these discussions elected members were concerned about the affordability of what was proposed. In some cases, further information was available that provided more accurate view of budget requirements.

To address concerns programmes were deferred, reduced in scope, or removed from the LTP. In some cases new programme had to be inserted as a result.

The addendum captures the changes and comments on the effects on Levels of Service and Risk that will result from the change in funding in the Adopted LTP and Consultation Document.

Each programme has two scenarios:

**Proposed AMP Budget** – The proposed budgets were set prior to 31 August 2023. This AMP’s operational and maintenance, renewals and capital new costs are informed the 31 August 2023 budget scenario.

**Adopted LTP Budget** – The adopted budget reflects the budgets in the 10 Year 2024-34 Long Term Plan. They reflect the outcomes of internal and external consultation as part of the 10 Year Plan process.

### ***Challenges in budget creation:***

In 2023, we faced some challenges with finalising the asset management plan scenario for our budgets. This included upgrading our financial system which led to challenges with allocating the labour component to our operations and maintenance (MSL) budgets and growth timing for some programmes changed.

### **Types of changes to budgets:**

Changes in any of our work programmes fall into one or more of the following categories:

- Budget decrease – Where there has been a significant decrease in budgets over the next 10 years.
- Budget increase - Where there has been a significant increase in budgets over the next 10 years.
- Not adopted – Where a programme has not been adopted for this LTP - 10 Year Plan.
- Introduced – Where a new programme has been introduced as result of consultation or when an existing programme has been recategorised, for example from a capital new growth programme to a capital new level of service programme.
- Programme timing change - Where there has been a programme timing change within a 10 year period.

Programmes that did not have any changes have been omitted from this addendum view.

## Operations and Maintenance

Operations and maintenance budgets contained in the Property Asset Management Plan were based on best available data at 30 August 2023, when the draft plan was finalised. At that time internal overheads and were under development and were not included in estimates. Subsequently these budgets have been refined to ensure that they reflect a true and fair view of estimated expenditure.

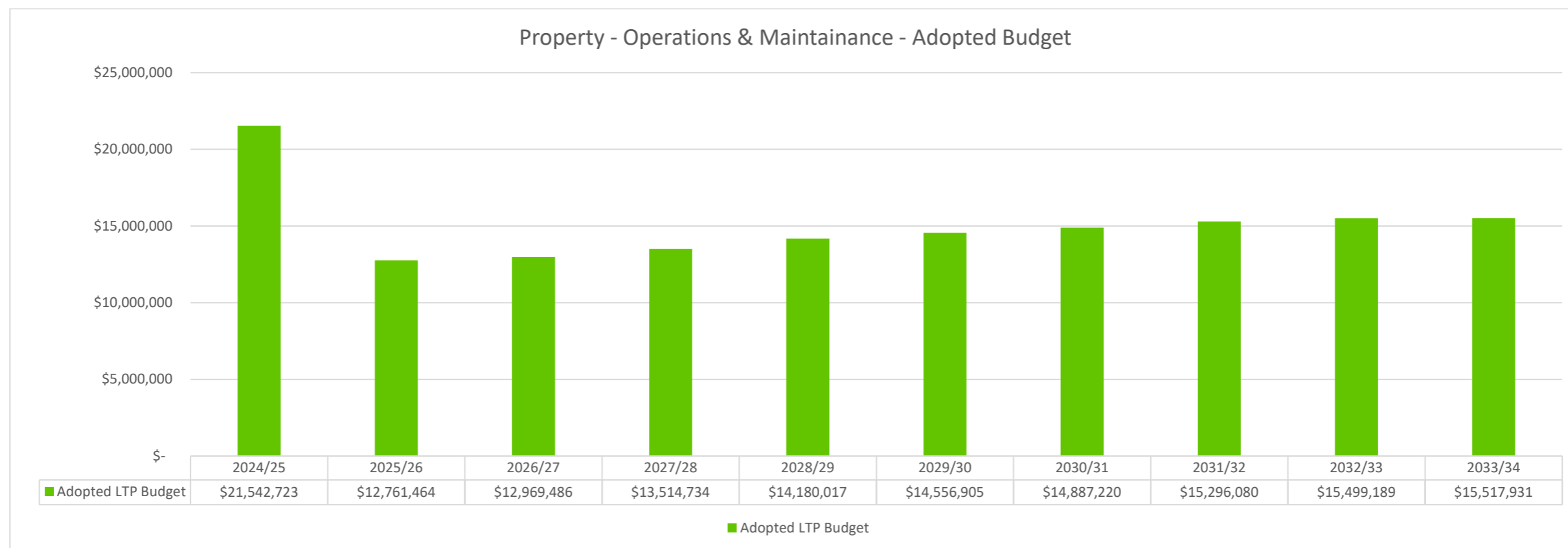
There has been no material change to budgets except those relating to allocation of labour.

Consequential Operational budgets are operational costs associated with the operation of new assets built from Capital New LOS, and Growth. Change to Consequential Operational Budgets will follow any changes to timing of Capital New budgets.

Our Operations and Maintenance will increase steadily over the next 10 years. The increase can be attributed to an increase in some capital new programmes which have a flow-on effect to also increase consequential opex a good example of this is the Future Masterplan items for the Central Energy Trust Arena, potential new community hubs in years 2 and 4 as well as community housing flagged for year 9 and 10 at Huia Street Reserve. Another cause for increase has been in property development cost associated with the Tamakuku Terrace subdivision.

From year 2 to year 6 our adopted budget has decreased this is due to the programme timing change for new facilities such as Pasifika Centre, Kakatangiata - New Community Centre and New Multicultural Facility with most of these facilities being deferred to year 11 or 12 of the next 10-year plan. The programme timing changes within our operational budgets is mainly to help reduce the cost of our overall capital programme. Where a capital new programme was not adopted, this also resulted in the consequential Opex programme not being adopted for this 10 Year Plan.

The graph below shows the adopted budget for operations and maintenance of our assets including consequential operating costs (Consequential OpEx) over the next 10 years.



The table below shows the breakdown of our operations and maintenance into key subcategories for:

Property Operations and Maintenance Budget (MSL)	Year1	Year2	Year3	Year4	Year5	Year6	Year7	Year8	Year9	Year10
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Admin and other	\$6,378,662	\$6,122,881	\$6,230,917	\$6,371,899	\$6,659,581	\$6,732,278	\$6,971,495	\$7,301,168	\$7,614,707	\$7,678,464
Consultancy	\$ 375,000	\$360,995	\$373,422	\$371,455	\$369,419	\$ 367,287	\$365,043	\$363,024	\$83,507	\$83,055
Maintenance	\$12,762,059	\$4,240,493	\$4,305,602	\$4,398,872	\$4,576,131	\$4,752,179	\$4,731,978	\$4,742,074	\$4,841,748	\$4,778,088
Remuneration	\$2,027,002	\$1,976,096	\$1,977,545	\$1,969,509	\$1,959,285	\$1,936,561	\$1,924,103	\$1,901,214	\$1,899,628	\$1,897,723
Consequential OpEx	\$	\$61,000	\$82,000	\$403,000	\$ 615,600	\$768,600	\$894,600	\$988,600	\$1,059,600	\$1,080,600
<b>Property Total</b>	<b>\$21,542,723</b>	<b>\$12,761,464</b>	<b>\$12,969,486</b>	<b>\$13,514,734</b>	<b>\$14,180,017</b>	<b>\$14,556,905</b>	<b>\$14,887,220</b>	<b>\$15,296,080</b>	<b>\$15,499,189</b>	<b>\$15,517,931</b>

## Operational programmes

Operational programmes fund one-time projects completed within a set period and for a specific purpose. Operational programmes are not part of the usual operation and maintenance of an asset. These programs include budgets for things like:

- Feasibility studies
- Resource consent applications
- Capacity modelling and management plans
- Community Grants

The property activity did not have any new operational programmes in the next 10 years. Our operations and maintenance budget (shown in the tables above) and renewal budget are tables below show changes to the proposed budgets for operational programmes during the development of the Long-Term Plan (LTP).

### Budget Decrease

There have been no budget decreases

### Budget Increase

There have been no budget decreases

### Programme Timing Change

There have been no timing changes to any programme

### Introduced

There have no new programmes

### Not adopted

All operational programmes were adopted

## Renewals

Funding overall across the LTP period has reduced by In the first 3 years our proposed property renewals have decreased. Our CAB renewals decreased by about \$100,000 each year and the \$2 million renewals in year 3 have been reduced to \$200,000. A new programme 2513 was created for the replacement of the CAB windows 50% of that budget will be externally funded externally funded- this accounts for the majority of renewals budget increase in year 8. Social housing, public toilets and - property furniture replacement have all been reduced. We are looking to further reprioritise renewals if needed. pted renewals budget increases from year 4 onwards.

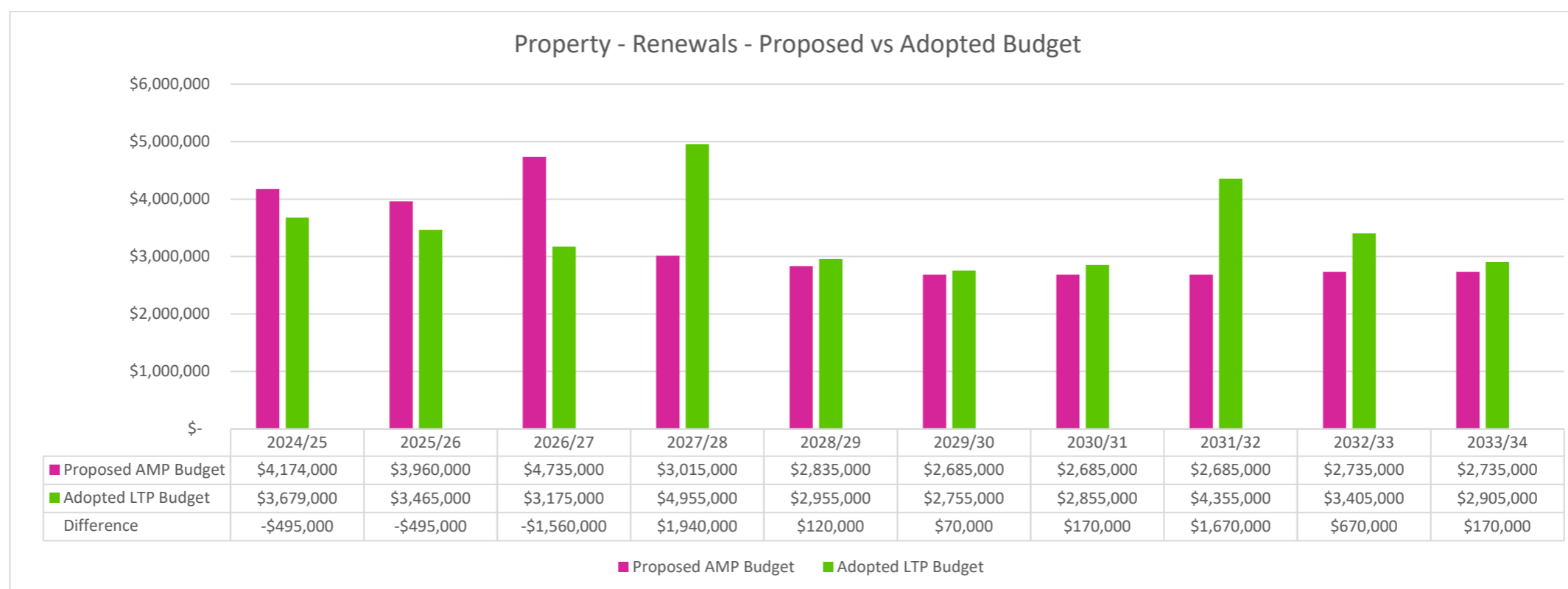
As mentioned above, part of the preparation of the draft LTP a resolution was passed to prepare draft budgets that stepped renewals from a Council wide prescribed budget value in Year 1 to a prescribed budget value in Year 10<sup>5</sup>. These draft budgets were prepared and subsequently accepted.

An analysis on the impacts of the resolution was also requested, which can be found here: [Agenda of Council - Wednesday, 13 December 2023 \(infocouncil.biz\)](#). The attachment entitled 'Impact and Risks of moderating the Capital Renewals Programme' details the impacts of the changes to the budgets, including risk implications and potential impact on levels of service. The primary impacts are:

- The overall condition of all our assets will continue to decrease resulting in an increasing risk of asset failure and unplanned service disruptions
- Addressing the backlog of renewals will be deferred, so that the cost of those renewals will become an issue for future generations

In general, the decrease in Property budgets is in response to this resolution.

The graph below summarises the budget differences between the proposed and adopted renewals budgets for the next ten years.



The tables below contain a summary of the renewal programme changes within a 10 year period as a result of the LTP consultation process, implications for the changes and effects on levels of service as a result of a change.

<sup>5</sup> Minutes of Extraordinary Council Meeting 29 November 2023, Clause 193-23, Attachment 1a: That a version of the draft LTP Capital Renewal programme starting at \$32M in Year 1 and stepping up to no more than \$40M per annum by Year 5 and no more than \$55M per annum by Year 10 be prepared for consideration alongside Opex programmes for Council meeting of 13 December 2023. [https://palmerstonnorth.infocouncil.biz//Open/2023/11/COU\\_20231129\\_MIN\\_11232\\_EXTRA.PDF](https://palmerstonnorth.infocouncil.biz//Open/2023/11/COU_20231129_MIN_11232_EXTRA.PDF)



## Budget increase

We have extended renewals for the whole 10 years rather than just the first 2 years. This is now consistent with all other water programmes. As a Council we will now need to fund all future works instead of the proposed Entity.

Programme Type : Renewals															
Programme Name	Budget view	Year1	Year2	Year3	Year4	Year5	Year6	Year7	Year8	Year9	Year10	Total	Description of Change	Implication/Risk/Opportunity	Effect on Levels on Service (LOS)
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34				
1822- Water Pump Stations - Building Renewals	AMP View	\$30,000	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$60,000	Extended renewals for the whole 10 years rather than just the first 2 years. Now consistent with all other water programmes.	Council now needs to fund all future works instead of the proposed Entity.	None
1822- Water Pump Stations - Building Renewals	LTP View	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$450,000			
1801 - Wastewater Pump Stations - Building Renewals	AMP View	\$30,000	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$60,000	Extended renewals for whole 10 years rather than just first 2 years. Now consistent with all other waters programmes.	Council now needs to fund all future works instead of proposed Entity.	None
1801 - Wastewater Pump Stations - Building Renewals	LTP View	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$450,000			
1799 - Wastewater Treatment Plant - Buildings Renewals	AMP View	\$50,000	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000	Extended renewals for whole 10 years rather than just first 2 years. Now consistent with all other water programmes.	Council now needs to fund all future works instead of the proposed Entity.	None
1799 - Wastewater Treatment Plant - Buildings Renewals	LTP View	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$500,000			
1797 - Water Treatment Plant - Building Renewals	AMP View	\$50,000	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000	Extended renewals for whole 10 years rather than just first 2 years. Now consistent with all other water programmes.	Council now needs to fund all future works instead of proposed Entity.	None
1797 - Water Treatment Plant - Building Renew	LTP View	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$500,000			

## Introduced

We have one introduced programme for renewals totalling \$2,000,000 – this will enable us to take the opportunity of funding for weathertightness from an external agency for our CAB building.

Programme Type : Renewals															
Programme Name	Budget view	Year1	Year2	Year3	Year4	Year5	Year6	Year7	Year8	Year9	Year10	Total	Description of Change	Implication/Risk/Opportunity	Effect on Levels of Service (LOS)
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34				
2513 - Renewal of CAB windows and window seals	LTP View	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500,000	\$500,000	\$0	\$2,000,000	Original would have been covered under renewals in Programme 281 CAB Renewals. Introduced programme to take the opportunity of external funding available for energy efficiency.	Watertightness and energy efficiency of windows in the CAB could be compromised.	None



### Capital New

Across our capital new programmes we have delayed the timing of some projects and overall reduced our capital new spend over the next 10 years. We have reduced some of our capital's new budgets for seismic strengthening, and solar panels and we anticipate that there will be alternative funding available from central government agencies. Our cultural facilities budget was also reduced as we identified that new key upgrades will be a part of the Civic and Cultural Precinct Masterplan. Some upgrades at CET Arena have been pushed out, this means our maintenance regimes will increase until the upgrades occur at a later date. The upgrades for Pasifika Centre have also been pushed out and are likely to take place in year 11. We introduced a new programme for Central Library and Te Manawa Redevelopments a large portion of the spend will occur in year 9 and 10 .

The graph below visualises the changes between our proposed AMP budget and the adopted LTP budget.

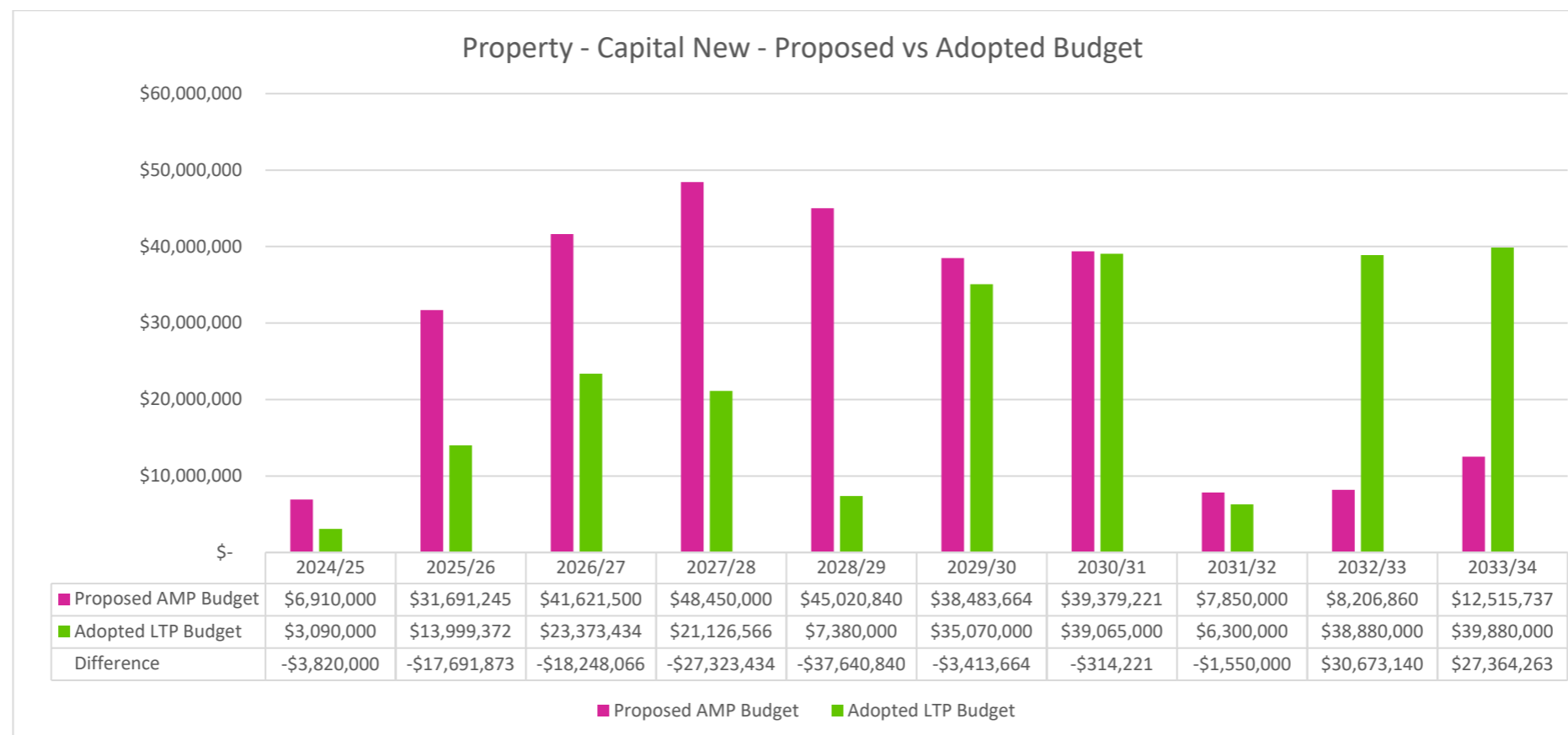


Figure 17 - Capital New Proposed AMP Budget vs Adopted LTP

### Capital New - Growth

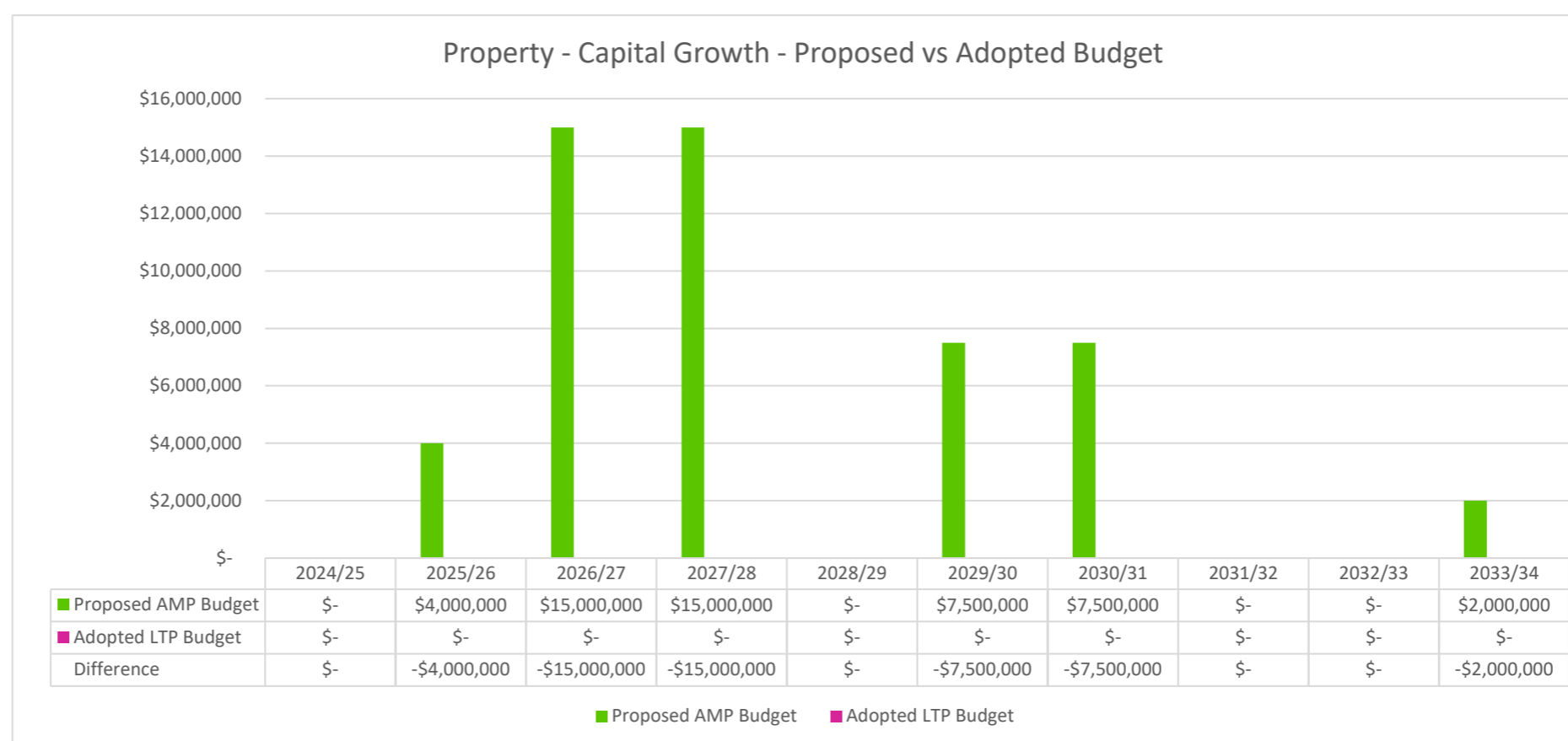
In our Property Asset Management Plan – we had a few programmes that were categorised as ‘Capital New – Growth’ programmes. Some programmes were re-categorised from a Capital New Growth programme to a Capital New Level of Service. All re-categorised programmes had no budget changes. Affected programmes are noted in the section - Capital New – Levels of service ‘Introduced’ programmes.

Capital investment is also required to cater for the expansion of the city and to meet growth demands. Actual service growth is dependent on the timing of developments.

The timing of the growth programmes has been adjusted in accordance with revised growth timing assumptions. As stated in the Strategic Asset Management Plan these assumptions are made Council wide based on population projections, economic projections, government policy on requirements for dwellings and projections of greenfield development areas.

These assumptions have some inherent risks – which are detailed in the Significant Forecasting Assumptions for the Long-Term Plan. Those most relevant to programmes is that growth is at significantly different rates than assumed. The impact on programmes is that the budget is not available to service the growth at the time it occurs. This will in turn affect the ability to provide standard levels of service to the growth that has occurred.

The graph below visualises the changes between our proposed AMP budget and the adopted LTP budget.



The tables below contain a summary of the capital new programme changes within a 10 year period as a result of the LTP consultation process, implications for the changes and effects on levels of service as a result of a change

#### Budget Decrease

There have been no budget decreases

#### Budget Increase

There have been no budget increases

#### Programme Timing Change

We only have one growth programme for the Property activity. The timing for a new community centre at Kakatangiata under Programme 1130 has been moved to year 12.

Programme Type : Capital New – Growth															
Programme Name	Budget view	Year1	Year2	Year3	Year4	Year5	Year6	Year7	Year8	Year9	Year10	Total	Description of Change	Implication/Risk/Opportunity	Effects on Levels of service
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34				
1130 - Urban Growth - Kakatangiata - New Community Centre	AMP View	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000,000	\$2,000,000	Programme moved to year 12, to be inline with revised growth timelines. This programme was recategorised from a Capital New Growth programme to a Capital New Level of Service. There was no budget change.	The cost of building, operating and maintaining would be avoided. Local residents will have to travel further to use a Council funded community facility for the next 12 years till the community centre is built.	None
1130 - Urban Growth - Kakatangiata - New Community Centre	LTP View	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			

### Introduced

There are no introduced programmes

### Not adopted

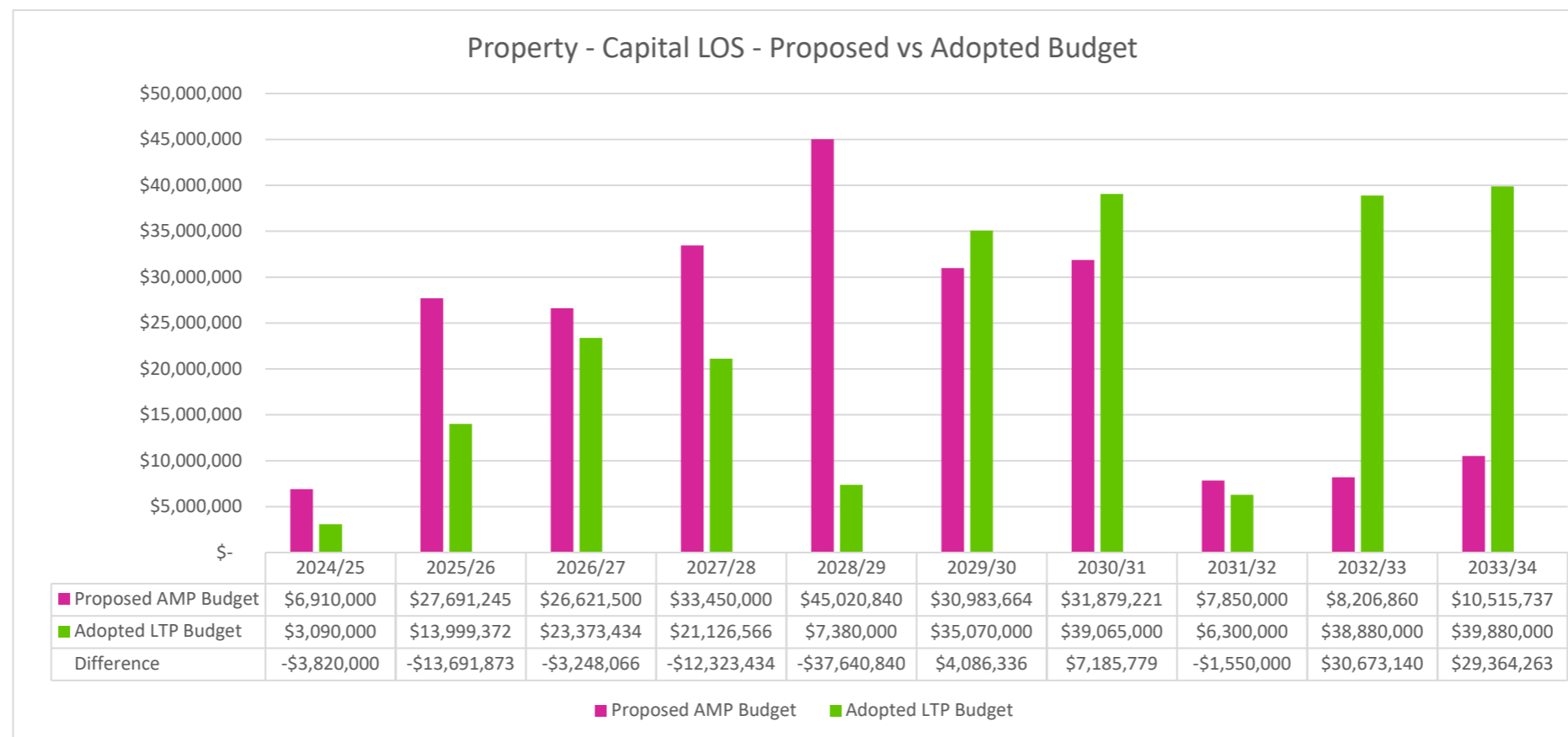
All programmes were adopted

### Capital New - Levels of Service

The tables below show changes to the proposed budgets for capital new programmes during the development of the Long-Term Plan (LTP).

\*\*Please note these programmes were re-categorised from a Capital New - Growth programme within the AMP View Budget to a Capital New - Level of Service programme within the Adopted LTP Budget View. These programmes also had a budget decrease. We have included them in this section for the purposes of budget comparison.

The graph below visualises the changes between our proposed AMP budget and the adopted LTP budget.



The tables below contain a summary of the capital new programme changes within a 10 year period as a result of the LTP consultation process, implications for the changes and effects on levels of service as a result of a change

#### Budget Decrease

There will be a budget decrease of \$19,680,68 over the next 10 years.

Programme Type : Capital New - Levels of Service Programmes													Description of Change	Implication/Risk/Opportunity	Effects on Levels of Service
Programme Name	Budget view	Year1	Year2	Year3	Year4	Year5	Year6	Year7	Year8	Year9	Year10	Total			
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34				
902 -Property - Seismic Strengthening of Council Properties	AMP View	\$2,000,000	\$6,500,000	\$6,500,000	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000	\$7,500,000	\$7,500,000	\$5,000,000	\$155,000,000	We separated out Te Manawa, Central Library from the programme of work and created a separate programme which is tagging to have external funding	External funding and not council-funded	None
902 -Property - Seismic Strengthening of Council Properties	LTP View	\$0	\$2,000,000	\$6,500,000	\$6,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$15,000,000			
2440 - Community Centres - Pasifika Centre Expansion	AMP View	\$0	\$4,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,000,000	Refined budget once we had more accurate information	None	None
2440 - Community Centres - Pasifika Centre Expansion	LTP View	\$0	\$3,799,372	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,799,372			
2426 - CET Arena - Upgrade of lighting to LED	AMP View	\$0	\$0	\$2,000,000	\$2,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$4,000,000	Spread the programme over 5 years rather than 4 years.	Some delivery efficiencies will be lost as spreading over longer. Will take	None

Programme Type : Capital New - Levels of Service Programmes															
Programme Name	Budget view	Year1	Year2	Year3	Year4	Year5	Year6	Year7	Year8	Year9	Year10	Total	Description of Change	Implication/Risk/Opportunity	Effects on Levels of Service
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34				
2426 - CET Arena - Upgrade of lighting to LED	LTP View	\$0	\$0	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	-	-	-	\$3,750,000		longer to upgrade the lighting which will result in a higher operational cost from lighting.	
2350 - Cultural Facilities - New Multicultural Facility	AMP View	\$0	\$4,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,000,000	Council made the decision to lease out a portion of the CAB building for a multicultural facility, instead of a new build. The budget is now for a fit-out.	No capital new expenditure. However, operating costs will now be required.	None
2350 - Cultural Facilities - New Multicultural Facility	LTP View	\$750,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$750,000			
2345 - Property - Solar Panel Installations	AMP View	\$60,000	\$100,000	\$160,000	\$100,000	\$330,000	\$120,000	\$115,000	\$100,000	\$180,000	\$180,000	\$1,445,000	Removed first 5 years of cost and brought forward into 2023/24 through the Low Carbon Fund. Helps to reduce the capital programme.	None	None
2345 - Property - Solar Panel Installations	LTP View	\$0	\$0	\$0	\$0	\$330,000	\$120,000	\$115,000	\$100,000	\$180,000	\$180,000	\$1,025,000			
1763 - CET Arena - Property Purchase	AMP View	\$0	\$0	\$2,100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,100,000	Purchased 1 of 2 properties in 2023/24.. Reduced budgets reflects this purchase.	None	None
1763 - CET Arena - Property Purchase	LTP View	\$840,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$840,000			
**2343 - Urban Growth - New Community Hubs	AMP View	\$0	\$4,000,000	\$15,000,000	\$15,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$34,000,000	Refined and reduced costs to reflect new cost certainty. Land purchased in 2023/24 year. This programme was re-categorised from a Capital New Growth programme to a Capital New Level of Service.	None	None
**2343 - Citywide - New Community Hubs	LTP View	\$1,000,000	\$0	\$0	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$0	\$0	\$0	\$13,000,000			

### Budget Increase

There will be a budget increase of \$9 million over the next 10 years as we upgrade and build new facilities at CET Arena.

Programme Type: Capital New - Levels of Service															
Programme Name	Budget view	Year1	Year2	Year3	Year4	Year5	Year6	Year7	Year8	Year9	Year10	Total	Description of Change	Implication/Risk/Opportunity	Effects on Levels of Service
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34				
1194 - CET Arena - Future Masterplan Items	AMP View	\$0	\$2,341,245	\$3,111,500	\$0	\$14,340,840	\$613,664	\$1,514,221	\$0	\$276,860	\$5,085,737	\$27,284,067	Increase and spread budget over every year to complete CET Masterplan items.	If this programme does not receive sufficient funding, the facility could fail to attract users and fall into decline. - Status quo. Current level of service would be maintained.	None
1194 - CET Arena - Future Masterplan Items	LTP View	\$500,000	\$8,000,000	\$8,500,000	\$1,000,000	\$2,000,000	\$2,000,000	\$5,000,000	\$5,000,000	\$2,000,000	\$2,000,000	\$36,000,000			

### Introduced

\*\*Please note these programmes were re-categorised from a Capital New - Growth programme within the AMP View Budget to a Capital New - Level of Service programme within the Adopted LTP Budget View. These programmes also had a budget decrease. We have included them in this section for the purposes of budget comparison. Some of these programmes are noted in the sections for the purposes of budget comparison. The table below shows all the re-categorised programmes.

Programme Type: Capital New - Levels of Service															
Programme Name	Budget view	Year1	Year2	Year3	Year4	Year5	Year6	Year7	Year8	Year9	Year10	Total	Description of Change	Implication/Risk/Opportunity	Effects on Levels of Service
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34				
**2343 - Urban Growth - New Community Hubs	AMP View	-	\$4,000,000	\$15,000,000	\$15,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$34,000,000		None	None

Programme Type: Capital New - Levels of Service															
Programme Name	Budget view	Year1	Year2	Year3	Year4	Year5	Year6	Year7	Year8	Year9	Year10	Total	Description of Change	Implication/Risk/Opportunity	Effects on Levels of Service
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34				
**2343 - Citywide - New Community Hubs	LTP View	\$1,000,000	\$0	\$0	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$0	\$0	\$0	\$13,000,000	**Overall there was a budget decrease with this programme. This programme was recategorised from a Capital New Growth programme to a Capital New Level of Service programme. This programme also appears in the 'Budget Decrease' section for the purposes of budget comparison.  Refined and reduced costs to reflect new cost certainty. Land purchased in 2023/24 year.		
**2236 - Urban Growth - Huia Street Reserve - Community Housing - Better off funding	AMP View	\$0	\$0	\$0	\$0	\$0	\$7,500,000	\$7,500,000	\$0	\$0	\$0	\$15,000,000	**Pushed back to reflect the uncertainty of the scope of community housing. Future decisions are still to be made. This programme was re-categorised from a Capital New - Growth programme within the AMP View Budget to a Capital New - Level of Service programme within the Adopted LTP Budget View. There was no budget change.	The cost of building and ongoing administration and maintenance would be avoided. The land would remain vacant. A valid option would be to sell to a developer.	None
**2236 - Urban Growth - Huia Street Reserve - Community Housing	LTP View	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,500,000	\$7,500,000	\$15,000,000			
2518 - Property - Central Library and Te Manawa Redevelopments	LTP View	\$0	\$0	\$0	\$0	\$1,000,000	\$29,000,000	\$30,000,000	\$1,000,000	\$29,000,000	\$30,000,000	\$120,000,000	We separated out Te Manawa, Central Library from programme of work and created a separate programme which is tagged to have external funding.	None	None

### Programme timing change

\*\*Please note these programmes were re-categorised from a Capital New - Growth programme within the AMP View Budget to a Capital New - Level of Service programme within the Adopted LTP Budget View. These programmes also had a budget decrease. We have included them in this section for the purposes of budget comparison.

Programme Type : Capital New - Levels of Service Programmes															
Programme Name	Budget view	Year1	Year2	Year3	Year4	Year5	Year6	Year7	Year8	Year9	Year10	Total	Description of Change	Implication/Risk/Opportunity	Effects on Levels of Service
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34				
**2236 - Urban Growth - Huia Street Reserve - Community Housing - Better off funding	AMP View	\$0	\$0	\$0	\$0	\$0	\$7,500,000	\$7,500,000	\$0	\$0	\$0	\$15,000,000	Pushed back to reflect the uncertainty of the scope of community housing. Future Decisions are still to be made. This programme was re-categorised from a Capital New - Growth programme within the AMP View Budget to a Capital New - Level of Service programme within the Adopted LTP Budget View. There was no budget change.	The cost of building and ongoing administration and maintenance would be avoided. The land would remain vacant. A valid option would be to sell to a developer.	None
**2236 - Urban Growth - Huia Street Reserve - Community Housing	LTP View	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,500,000	\$7,500,000	\$15,000,000			
**2361 - CET Arena - Replacement of Grandstand Roof	AMP View	\$0	\$0	\$1,000,000	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000,000	Grandstand end of useful life. Build will now take place in one year instead of spreading over 2 years.  This programme was re-categorised from a Capital New - Growth programme within the AMP View Budget to a Capital New - Level of Service programme within the Adopted LTP Budget View. There was no budget change.	Opportunity to improve roof structure to get more longevity and resilience.	None
**2361 - CET Arena - Replacement of Grandstand Roof	LTP View	\$0	\$0	\$0	\$2,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000,000			

Programme Type : Capital New - Levels of Service Programmes															
Programme Name	Budget view	Year1	Year2	Year3	Year4	Year5	Year6	Year7	Year8	Year9	Year10	Total	Description of Change	Implication/Risk/Opportunity	Effects on Levels of Service
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34				
1459 - Social Housing - Additional Social Housing Units	AMP View	\$4,000,000	\$6,500,000	\$6,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,000,000	Timing changed to take in account the design process for new units in proposed location.	Opportunity to optimise the efficient use of resources and time.	None
1459 - Social Housing - Additional Social Housing Units	LTP View	\$0	\$0	\$7,423,434	\$9,576,566	\$0	\$0	\$0	\$0	\$0	\$0	\$17,000,000			

### Not adopted

The following programmes were not adopted. More efficient ways of utilising funds for new archive buildings and LED lighting were identified.

Programme Type : Capital New - Levels of Service Programmes															
Programme Name	Budget view	Year1	Year2	Year3	Year4	Year5	Year6	Year7	Year8	Year9	Year10	Total	Description of Change	Implication/Risk/Opportunity	Effects on Levels of Service
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34				
2351 - Cultural Facilities - New Archive Building	AMP View	\$500,000	\$4,000,000	\$5,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,500,000	Separate archives will not be built. Will be included in the Central Library upgrade.	Efficient use of finances and increases resilience to our existing buildings	None
1451 - Property - LED Lighting Upgrades	AMP View	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$500,000	Council decision to not include LED lights as a standalone programme. LED will be funded within the renewal programmes	There is an opportunity for us to use the budget efficiently to renew LED lights as needed.	None





