

16 March 2021

Request for Official Information responded to under the Local Government and Official Information and Meetings Act 1987 (LGOIMA) – reference: 8021741 (OIR: 2021-187)

I refer to your information request we received on 17 February 2021 for the following:

I am concerned about the lack of accountability of the KCDC staff. The mold situation in the Waikanae Library was allowed to get worse over a period of 16 years (reportedly).

1. Even if it was only 10 years was it reported up the line?

Council closed the Waikanae Library in December 2018 after testing returned levels of toxigenic and allergenic mould within the building. In February 2019, Council engaged independent consultants, Morrison Low, to investigate the circumstances leading up to the closure.

Two reports were presented by Morrison Low (ML) relating to the closure of Waikanae Library and the events leading up to it. The first report received in June 2019 (attached) explains that while symptoms of the leaks were dealt with as they arose, the root cause was not. The report also details frustration by staff at not being able to deal with the issue which were not communicated to the Senior Leadership Team (SLT) or Council.

This led to the second report received in November 2019 (attached) which provides guidance to Council on improving asset management practices. This process, known internally as Asset Management Improvement Programme (AMIP), is on-going within Council.

2. Did the senior librarian know of the mold situation?

It is likely from the number of service requests, that the senior librarian was aware of the presence of mould in the building. According to the first ML report it was widely known that the building leaked.

3. Did he/she report it to his/her superior.

There were a number requests for service (RFS) relating to leaks at the Waikanae Library. This is noted in ML's first report.

4. Does the KCDC have a health/safety officer?

Yes.

5. Did they know?

As noted above in question 3.

6. Did they report it up the line to a superior.

As noted above in questions 2 and 3.

7. Did the councillors Know?

The ML report states that the issue of ongoing leaking in the Waikanae Library building was not clearly stated to SLT or Councillors.

8. Did they refuse budgets to fix the problem?

The ML report indicates that Councillors were not fully informed of the condition of the Waikanae Library building.

There were serious health risks to staff for a very long time. There was obviously no health and safety officer around at the time, or if so he/ she was not doing their job.

There were health issues for all those using the library but the Government agency responsible for our safety either did not know or ignored the problem.

9. Were they informed?

Please refer to points 1, 2 and 7 above.

10. The KCDC presumably has a person responsible for maintenance of the KCDC building assets. Did this person know about the problem?

Please refer to points 1, 2 and 7 above.

11. If so why did he/she ignore it for so long?

Please refer to the finding of the first ML report dated June 2019.

The problem got worse over the years and must have been obvious to anyone doing regular maintenance checks.

12. The KCDC CEO has changed but are these others still working for the council? Their efficiency seems questionable.

An Asset Management Improvement Programme was implemented in response to the key findings of the ML report and we continue to take positive steps to improve our practices and procedures.

The Waikanae library building and another KCDC building (I forget which one) need to be replaced for a cost to ratepayers of \$2m each, it has been reported. The cost would have been less if regular maintenance had been done.

The Te Newhanga Kāpiti Community Centre in Paraparaumu is the building you reference above.

A report commissioned in late 2018, and received in early 2019, to look into moisture intrusion issues noted a number of high risk building design features which were contributing to the moisture intrusion. At that time air testing suggested that the mould appeared to be confined within the walls.

A building management plan was implemented following the receipt of the report, which included regular air testing and ventilation. In December 2020 air quality tests returned excessive *Penicillium/Aspergillus* spore levels in the Totara Room, which has led to the closure of that part of the building. Decisions about what to do with the building will now be considered as part of consultation on our 2021-41 Long-term Plan.

13. The health problems to staff and public that mold can cause were ignored by KCDC staff who were paid to look after such issues. The two buildings deteriorated over years with maintenance issues being ignored until the costs escalated to equal the cost of a new building. This does look good for council staff and their management who seem to have ignored warnings.

Please refer to points 1, 2, 7 and 12 above as well as the reports provided by ML.

14. Hopefully KCDC now has new people in their health/safety and building departments. And they have the budget and ability to do their jobs

An Asset Management Improvement Programme was implemented in response to the key findings of the ML report and we continue to take positive steps to improve our practices and procedures.

15. Presumably you have done a review of the issues leading up to the closing of the library and the need to rebuild the other building. Could you direct me to where I can see this review?

Attached are copies of the two ML reports.

16. Presumably the new Gateway Project will have a health/safety officer who will actually protect staff and there will be regular maintenance checks on the building.

Council has a Health and Safety Officer.

Asset Management processes being introduced will include the Gateway building.

Ngā mihi



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Te Kaihautū Takiwā, Waahi hoki



Waikanae Library Review

Kapiti Coast District Council

June 2019

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Executive Summary

In December 2018 Kapiti Coast District Council (Council) closed the Waikanae Library indefinitely after testing returned levels of toxigenic and allergenic mould within the building. Council was advised by biodec, the company that performed the testing, that *“the air quality could not be effectively managed as an interim without compromising the safety of persons working in or using the building for its intended purpose”*.¹ Biodec’s report references air sampling undertaken by Capitol Environment Services which confirmed the presence of a serious mould issue, and state in their report that *“the extent and degree of the water ingress as well as the extent of visible colonies suggested that the issue had been occurring long term.”*² Council responded promptly by closing the library and establishing a pop-up library in the foyer of the Library following decontamination until February 2019 when the pop-up moved to the Mahara Gallery.

Morrison Low was asked to investigate how Council found itself in the situation of having to close the Library. Council seeks to make improvements to its systems and processes to avoid this happening across Council’s assets. We have reviewed Council policies, processes and plans, previous decisions and interviewed a range of staff in order to reach our findings.

There is a long history of the Waikanae Library and potential upgrades or redevelopment with the Mahara Gallery (Gallery). In 2009 the Long-Term Council Community Plan included the Library expansion and upgrade for 2012-2014, and included \$1,903,000 for this work, and a shortfall for the Gallery was identified. In 2011 the design of the upgrade of the Library and Gallery was approved and a memorandum of understanding signed with the Gallery. The decision parameters were then changed because of funding and a revised concept design was agreed in June 2011. In 2012 the Long Term Plan included provision in 2015/16 for an upgrade to the Library and Gallery, provided all external funding for the Gallery had been obtained. Then in 2015 the upgrade, as a combined project, was approved in the 2015-2025 Long Term Plan for years 2016/17 and 2018/19. Subsequently the 2017/18 Annual Plan signalled investigation of site options for the Library and Gallery, but in 2017 Council deferred the need for a new library by undertaking a programme of renewals and minor building alterations to the existing building with work to start in 2018. In our view, the many delays of the joint upgrade and expansion of the Library and Gallery meant there was no appetite to invest in the building and the building was, as some staff members called it, nursed along. Staff working in the building were effectively told to hold on and wait until the project funding came through. This meant that maintenance and renewals were continually deferred. Ultimately, the Gallery could not secure external funding, and because of the ongoing delays, the Library and Gallery projects were separated in 2017.

It is clear from Council records and in talking with various Council staff, that it was widely known that the building leaked and leaked badly. The information was available, however staff saw in the information what they wanted to see. This is evidenced by the volume of requests for service (RFS) and the nature of the RFS which say things like as “just the usual leak”, “leak in the same places as last time”, “same old leak”. Staff complaints date back to 2002. While the symptoms of the leaks were dealt with as they arose on a very regular basis (i.e. every time it rained), the root cause was not. While we understand there was some frustration from property staff in not being able to address the root cause because of the imminent redevelopment, their frustration was not conveyed to the Senior Leadership Team (SLT) or to Councillors as decision makers.

¹ Building Related Indoor Environmental Forensics Assessment. New Findings, biodec, 4 December 2018

² Ibid

Staff working in the building have been frustrated in having to either report or respond to ongoing leaks knowing that the root cause was not being dealt with and felt that their concerns about the building and their work environment were not being heard.

Irrespective of the number of RFS received, it was not until a building condition report was completed by Miyamoto International New Zealand Ltd in October 2018 for the commencement of budgeted renewals, that the true extent of the scale of the problem with the building and resulting costs became apparent. Failures with the membrane lined gutter and roof, window design failure and cladding design failure were identified, and the Miyamoto report also recommended air testing of areas such as the staff room and public areas due to the potential for mould contamination.

At a similar time, a complaint in the Ōtaki Library about the air conditioning unit resulted in the Acting Library and Arts Manager requesting the Acting Property Manager to undertake air testing. A decision was made to test the Waikanae Library at the same time. The testing returned level of toxigenic and allergenic mould in the Waikanae Library. The building was then quickly closed. Without this testing, Council could still be operating from the Waikanae Library and being reactive to building issues.

While we heard that there was no appetite for Council to spend money on the Waikanae Library, there is little evidence of specific decision making to support this view. From our observations and in reviewing the information provided, the Senior Leadership Team and Councillors were not informed of the condition of the Waikanae Library. The ongoing leaks and risks in deferring renewals for the property were never reported and therefore did not form part of the decision-making process. As such, senior management were not asked to reallocate budgets, bring forward renewals or any other action it saw fit, based on the working conditions and state of the Library building.

A culture of not spending money to meet the budget levels set by the Council through Annual and Long Term Plans was reported to us. While this drive to be careful with public money is understandable, and we are aware that decisions by previous councils have significantly impacted Council's financial position, we are concerned at what the long-term impact of this under-investment across the portfolio may mean for Council. Especially when those decisions were being made without the information that was needed for an informed decision.

The 2018 – 2038 Long Term Plan (LTP) finally identified a programme of renewals for the Waikanae Library and stated:

“Council has decided to defer the need for a new library by undertaking a programme of renewals and minor building alterations to the existing library building. This work, which has a budget of \$900,000 in 2018/19 and a further \$100,000 the following year will achieve a high standard of library facility within the constraints of the existing building envelope.”³

Planning for this work was underway when the building was closed, and the estimate was well short of the true costs because of the extent of design failures in the building identified in the Miyamoto Condition Report. The closure of the building raises some fundamental issues of whether the Council wants to spend approximately \$2million, as estimated by Miyamoto to get the building weathertight and some minor internal upgrades to last for another ten years, or whether a longer-term solution needs to be found.

³ Kapiti Coast District Council Long Term Plan 2018-2038 page 75

We have broader concerns about aspects of Council's community facilities portfolio. This is due to our discussions with staff, which anecdotally would indicate that Council may also have some significant issues with the community halls and pensioner housing portfolios due to historical low levels of investment in the community facilities portfolio.

To summarise our findings:

- There have been failures of council asset management systems, processes and reporting regarding the Waikanae Library.
- There has been a failure in management to respond to ongoing staff concerns with the condition of the Waikanae Library.
- There is a lack of using risk in decision making at a sufficient level as it relates to the impact on funding decisions.
- Property asset information is available. It, however, is not analysed, reported or collated, so staff do not have a full picture of the true funding needs of each building or asset group in the community facilities portfolio. There needs to be a way of bringing all information together so that Property can understand what the main issues for the portfolio are.
- Reporting from the current system does not meet the Property Manager's needs, and additional functionality is likely to be required to enable meaningful reporting to be undertaken.
- Staff and contractor knowledge of the buildings is not utilised in strategic asset management planning.
- The budget bottom line drives all decisions and resulted in staff not acting or investigating further as there is the perception that there is no money available. (i.e. don't bother asking for more money)
- We have concerns about the community halls and pensioner housing portfolios and would recommend a full review of those portfolios as a priority. This should form part of a wider strategic review of the property portfolio to develop a clear strategic direction for the acquisition, disposal, leasing and redevelopment of Council owned property.

We also note that from our discussions that senior managers have begun taking the first steps to implement change and improvements.

Scope and approach

In undertaking our investigation, we:

- reviewed council policies, processes, systems and procedures for responding to Requests for Service (RFS) and complaints
- reviewed all available RFS / complaints / communications about the building and subsequent responses / actions and recording of responses / actions taken
- reviewed any advice / reports (officer, legal, engineering etc.) received regarding the Library
- identified if council processes were followed and
 - compared these to industry practice
 - if they were followed, why didn't they work?
 - if they were not followed, why not and what was done instead (and how that compares to industry practice)?
 - if Council's asset management systems and processes worked or didn't work in the current situation including links to the RFS system

- provided context and understanding of maintenance and/or funding decisions made throughout the period under review and identified any learnings
- interviewed key staff and contractors at Council offices.

On completion of the interviews we presented our interim findings to Councillors followed by a briefing to the staff that we interviewed. A draft report was provided to staff for feedback and a final report completed after consideration of the feedback received.

During any discussions with staff and or stakeholders there are three Morrison Low policies that apply to our interview and investigation.

- **We are where we are**
Our culture demands we look forward to how improvements will assist stakeholders rather than look back to apportion blame for strategies that may have been sensible at the time of implementation but, as a result of circumstances, are no longer appropriate.
- **Every staff member and stakeholder has our undertaking that confidentiality will be maintained**
To allow staff and stakeholders to discuss opportunities openly with us, we undertake that we will ensure that their comments are not traced back to them without their permission.
- **We are not here to judge the competence of anyone**
We feel that competency is generally a management issue, and investigations into this involve completely different processes than those we would use on this project.

We would like to thank those staff that were interviewed for their openness in talking with us.

Background

Morrison Low was engaged by the Group Manager Place and Space to investigate how Council found itself in the circumstances of having to close the Waikanae Library due to toxic mould being found in the building. A brief summary of the background to this situation is outlined below.

Redevelopment of the library

There is a long history of the Waikanae Library renewal / redevelopment / new library dating back to 2008 where a decision was made for a joint upgrade and expansion of the Library and Mahara Gallery. The Gallery is Kapiti Coast District's public gallery, which is funded mostly by Council as well as private funders and volunteers. The Gallery has been offered the Field Collection, a significant art collection with strong local links, to be stored and displayed at the Gallery. The Field Collection contains 44 works collected and created by three generations of the Field family, including Frances Hodgkins, who is regarded as one of New Zealand's most famous painters. However, this offer is conditional on the Gallery premises being upgraded to professional museum standards. While Council provides financial support to the Gallery, the Gallery was also required to raise funds before the planned upgrade and expansion could go ahead.

The 2009-2019 LTP included an expansion and upgrade to the library in years 2012/13 and 2013/2014 but funding was moved to the 2015/16 budget provided that external funding had been obtained by the Gallery. The Gallery could not secure external funding and the project was put on hold in 2017. The strategy over this timeframe was to keep the building going until Council could build a new library.

Council has tried to progress options for the new Library/Gallery development and put together an offer back proposal for the Waikanae township car park land, however this was declined by the former landowners in March 2017. Additional site options have also been identified by Greg Pollock who was engaged to assist with the site selection based on Council's requirements.

In August 2018 Council signed an agreement for the Mahara Gallery Upgrade, Design, Build and Operational Review. As part of the Agreement it was stated that the Mahara Gallery Trustees *"...require the Council's commitment to the project, and to providing one-third of the funding of the project. The Mahara Gallery trust has until 30 June 2020 to raise its share of the project total. Council has planned for capital and operating expenditure for the expanded Mahara Gallery, provisional upon the Mahara Gallery Trust reaching its funding goals. The Council's commitment to this project is based on a project cost of \$5.205million."*⁴

Council made the decision in 2017 to separate the Library and Gallery projects, and allocated renewals budget for the Library in the 2018-2038 Long Term Plan of \$900,000 for 2018/19 and \$100,000 for 2019/2020.

Library leaks

In the information provided, we understand that as early as 1995 as part of the library relocation project to the current premises, it was noted by the architect for the refurbishment of the building that there was a leak in the corner of the existing PO Box lobby (the building was a former post office), and that this would need to be attended to before refurbishment commences, along with any other maintenance work. It is not clear that this was ever done.

During our discussions we were told that it was widely known that the building leaked and every time it rained a Request for Service would be logged for the Waikanae Library building to deal with those leaks.

Those working in the building raised concerns / complaints received from staff and customers via:

- a request for service
- team meetings
- escalation to management
- direct discussions with Property
- emails and phone calls to Property
- incident reports.

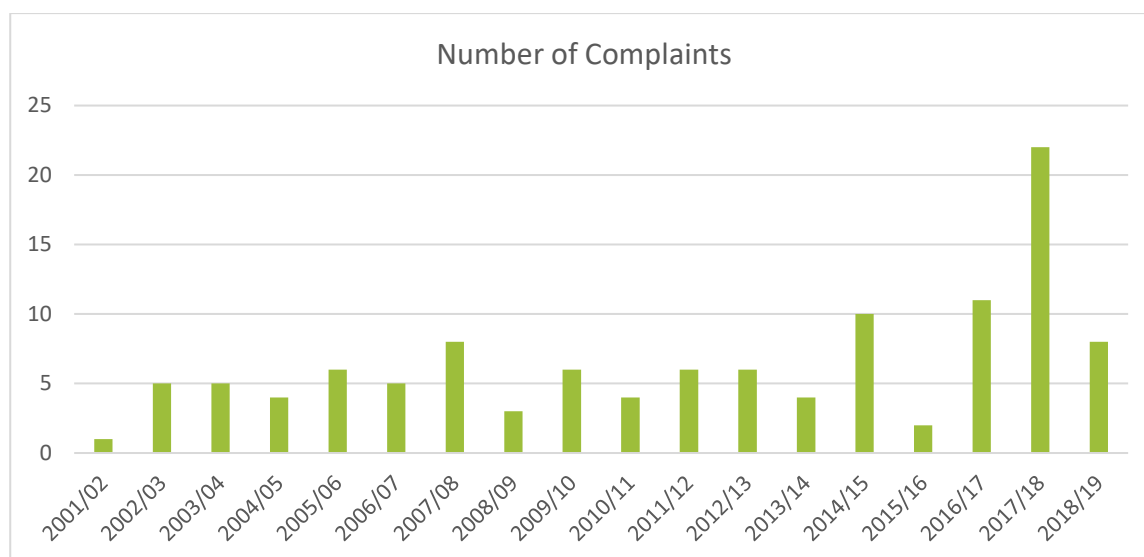
The perception was that Property simply wanted to fix the immediate issues and not the root cause, and the eventual planned redevelopment with the Gallery would remedy the situation.

We have seen various versions of properties asset management plans and/or financial data dating from 1997 to 2011 and community facilities activity management plans from 2015 to 2018. The documents provided were in various states of completeness. Historical Long Term Plan, Annual Plan, Asset Management Plan and Corporate Business Committee decisions or information were also provided in summary documents. While many reference condition surveys and staff and customer satisfaction surveys that inform the asset management planning process, there is little evidence of this happening. There is also little discussion in the documents specifically about the Waikanae Library because of the high level of these documents.

⁴ Agreement for the Mahara Gallery Upgrade Design, Building and Operational Review, page 2

From the information provided to us, complaints / RFS about leaks in the Waikanae Library date back to 2002. Between 2002 and November 2018, 116 complaints / RFS were received, peaking in 2017/2018 at 22. Figure 1 shows the number of complaints received between 2001/02 and 2018/2019. The first reference to mould and fungus on the carpet and walls were raised in November 2017. After numerous staff complaints about the state of the staff room in May 2018, including noting the presence of mould, the wall in the staff room was opened up and some remedial works were undertaken, including cleaning to remove the mould. We are not aware of any testing of the staff room for the presence of toxic mould at this time.

Figure 1 Complaints about leaks per year for the Waikanae Library



Source: Kapiti Coast District Council

We are not aware of any specific reporting to Council on the ongoing leaks / lack of weather tightness of the building or the risks and consequences of deferring maintenance while the Library was tied up with the Gallery on the working conditions and general state of the Waikanae Library.

In preparation for the planned renewal works in 2019, in October 2018 Council received two reports from Miyamoto International New Zealand, one on building condition and the other a structural report for the boundary wall. The building condition report identified that the exterior cladding of the staff room, children's area and work room tested positive for asbestos and recommended testing for mould in the staff room and public areas.

In November 2018 the Acting Libraries and Arts Manager requested the Acting Property Manager to undertake air testing of the air conditioning unit at the Ōtaki Library in response to a complaint that was made. At this time, it was decided to test the Waikanae Library. While the Ōtaki Library tests came back clear, the Waikanae Library did not.

In November Council engaged biodec to investigate the *"source, dispersion, and severity of mould growth and reservoirs indicated by poor indoor air quality results."*⁵ Council was advised by biodec that *"the air quality could not be effectively managed as an interim without compromising the safety of persons working in or using the building for its intended purpose"*.⁶ Council responded promptly by closing the library and establishing a pop-up library in the foyer of the Library following decontamination until February 2019 when the pop-up moved to the Mahara Gallery.

⁵ Ibid - Scope of Works

⁶ Ibid – New Findings

We do not propose to go any further regarding the results of the testing that was carried out as the biodec report covers this in detail. Similarly, we do not propose to go into Council's response to the biodec report as prompt action was taken once the issues were identified. The focus of this report is what happened and did not happen prior to this.

Findings

In undertaking our investigation there were key themes / areas that emerged that in our view have contributed to the current situation. We have categorised our findings in the following way:

- Asset management practices
- Decision making
- Other matters

We address each of these areas below.

Asset Management Practices

Asset management systems and processes

Council currently uses SPM Asset software for its asset management of property building / assets. SPM was installed approximately 18 months ago. Prior to this Council's property asset management was managed via an Access database. There are differing views as to the accuracy and validity of the Access database, and whether it was a good system or not. We heard that this was better than Council's own system as it linked maintenance costs (via purchase orders) to the budget which Council's system did not. We also heard that while at some point this database was kept up to date and included relevant asset management information such as condition surveys, good practice slipped, it was not updated, and became redundant. We understand that this is what the Property Manager inherited.

We are not clear on how much data was migrated from the Access database to SPM, or the accuracy of data derived from the previous asset management system.

SPM asset

SPM Asset is an asset management system used primarily for property assets (buildings) and is widely used within local government for property asset management. It is primarily used for long term planning of forward works programmes for property assets.

SPM holds a detailed asset register down to component level with condition information. It can also be used to hold performance information about property assets and information such as asbestos, leased or owned property and asset criticality. The system has analytical tools to predict asset component renewal needs and cost associated with those renewals. It can also be used as a project management tool for work programmes. The accuracy of the predictions is based on the accuracy and completeness of the information held within the system. How current and accurate information held in the system is very dependent on the training of the people who use the system and have undertaken the condition survey.

The quality of the output is very reliant on the processes and people associated with supporting the system. If the organisation does not take responsibility for understanding the information within the system or keeping the data within the system up to date and accurate, then it will not provide the answers the organisation is looking for. Staff using the SPM Assets system should be trained and understand how to use the information contained within the system and have programmes in place to regularly update the information held. An understanding of the modelling behind the condition report is critical to being able to get the most out of the assessment.

While SPM contains modules that can be used to record requests for service and the full end to end process, in our experience most organisations only use the modules associated with long term planning for asset replacements and tend to use SPM as a modelling and budgeting tool.

Condition assessment

Most condition assessments are visual assessments. There is a rating applied from 1 (very good/new) to 5 (very poor or about to fail) for component parts resulting from an on-site survey. For each building asset component, the percentage of the asset component that is in poor condition is assessed. For example, 90% of roof might be in good condition but 10% may be in poor condition. The condition assessment should identify the assets / components that are in very poor condition that need to be replaced before others and provide a focus and help prioritise maintenance and funding for Council.

SPM undertook condition surveys for all council properties in 2017 for the 2018 LTP. The condition assessment survey for the Waikanae Library was undertaken in May 2017. In our view, the SPM Summary Report raised several red flags that should have attracted further investigation. These relate to:

- the butynol roof being in average condition and which typically has a life span of 20-30 years (the building was built in 1982)
- mould on the exterior of the building
- rust on metal spouting
- rot on the plant room door
- water stained ceiling tiles and missing tiles
- internal gutters (a design that tends to result in leaks / problems).

Condition assessments only look at the component parts and do not bring together all that is known with the building. The condition assessment only identified \$26,000 of replacement costs for components in poor or very poor condition, however this does not tell the full story of the building. It is up to property staff to interpret the condition assessment and bring together all other known maintenance issues and building performance information (e.g. RFS), to prioritise and make informed recommendations for the building. Based on our reading of the condition report, we would have expected that this information would be elevated up, all other information brought together, and the work presented and prioritised in a transparent decision-making process.

We note that Property have identified that they need to moderate these condition assessments to make them more holistic as they do not look at functionality, usability etc. We are aware that SPM can also do performance assessments that look at the functionality requirements of an asset. A programme of moderation of the SPM reports is proposed, however we understand that some of the professional services budget was removed by the Senior Leadership Team for the work planned for the 2020/2021 year.

Overall, we do not see a failing in the condition report. The failing is in understanding what the assessment was and what it was not, the interpretation of the report, and not bringing together all information about the building. We do acknowledge that the SPM condition report would not identify the design failings that the Miyamoto Condition Report identified as they are two very different reports undertaken for different purposes.

We did not receive any condition assessments for the Library apart from a summary report for 2017. Other than references to an asset register in 2002 that contained condition ratings for the Library in two sections, Halls and Buildings and Office, Service Centres and Depots, there were no other condition surveys available. Condition ratings are shown in Table 1 below.

Table 1 Waikanae Library 2002 condition ratings

Condition rating						
	Exterior		Interior		Fitting	Ground
	Structural	Décor	Structural	Décor		
Halls and Buildings	2	2	2	3	4	3
Office, Service Centres and Depots	2	3	2	2		

Because no other copies of condition assessments have been provided, it is unclear whether they were undertaken and therefore we cannot say whether condition assessment underpinned previous asset and activity management plans or not. However, we note that previous activity management plans reference condition assessments as follows:

“The Waikanae Library is in good to very good condition.” (Draft 2006 Properties AMP)

The 2011/12 Property Asset Management Plan (AMP) identifies the timeframe for condition ratings assessment for libraries as June 2012.

“The Council carries out regular condition surveys to ensure its assets are maintained, replaced or developed over the long term to meet required delivery standards and foreseeable future needs at minimal cost.”

The Council has an asset management system which holds live condition date on property assets. Analysis of this data provides a good understanding of programmed cyclical maintenance needs to minimise costs.”
(2015-2035 Community Facilities Activity Management Plan)

The 2015-2035 Community Facilities Activity Management Plan indicates the timeframe for condition ratings assessment for libraries as June 2016.

The overall impression from the AMPs is that they are based, in part, on condition assessments and that the condition of the building is analysed as part of the process.

Property does not use the information available to it to make or inform decision making

While significant numbers of RFS were received for the Waikanae Library building, nobody was taking a holistic view of the asset. What we mean by this is that there is no system or process for reporting and/or analysis from the RFS system on a per building or per issue basis. Therefore, the Property team does not understand whether there are recurrent issues or themes related to one building or across its portfolio.

- Information from RFS is not used to inform asset management planning in the property team; it is not collated, analysed or reported.

- Service managers are not involved in strategic asset management discussions or given the opportunity to provide direct feedback to Property to discuss building performance and inform potential budget recommendations.
- Council's handyman and contractors are not consulted about common issues or in general, that could inform asset management planning. However, contractors must notify Council of any hazard they create or are aware of onsite in accordance with the Contractors Health, Safety and Environmental agreement.
- Customer satisfaction survey comments are not considered in asset management planning. Rather, the generally high library score is relied on to keep with the status quo.

This is valuable 'user' and performance information that should be being used.

We are however aware that Library and Customer Services staff reviewed a business case in 2017 for renewals and modifications of the Waikanae Library to *"achieve high standard of library facility for Waikanae for the next ten years"*.⁷ We do not know if any issues were raised by those departments at the time as the business case only indicates that this review occurred.

The fact is that Council had all the information it required to act earlier on the Library to test it. Organisationally, it chose not to use it. Property staff did not escalate or report the issues and continued with nursing the building along regardless of the risk or consequences. In doing so, they assumed that it was a risk that was not theirs to manage. In addition to RFS and maintenance records, there was information from staff working in the building, contractor and handyman information and service manager feedback that was available. It is critical that time is taken to gather and analyse information about Council assets so that asset performance is understood, and information given (or escalated) to management to ensure an informed response to Council asset management planning.

We also heard that new staff may not have been made aware of what information Council has and where to find it. This should be covered as part of the induction process.

Asset and activity management plans

Section 14 of the Local Government Act 2002 requires local authorities to act in accordance with the following principle:

"14(1)(g) a local authority should ensure prudent stewardship of the efficient and effective use of its resources in the interests of its district or region, including planning effectively for the future management of its assets..."

The industry accepted practice to meet this is via asset management plans.

We were provided with various versions of properties asset management plans and/or financial data dating from 1997 to 2011, a property 30-year plan updated to 2014, and community facilities activity management plans from 2015 and 2018. The documents provided were in various states of completeness. While many reference condition surveys and staff and customer satisfaction surveys that inform the asset management planning process, there is little evidence of this happening for the Library. There is also little discussion in the documents specifically about the Waikanae Library because of the high level of these documents.

⁷ 2018 Long Term Plan Business Case Waikanae Interim Library Renewal Modification

The most recent Activity Management Plan for Community Facilities (dated 2018) is a draft document that should have been signed off as part of the 2018-2038 LTP. Libraries are identified as a strategically important asset in this document. As the most recent document, and what should be the most up to date version, we have undertaken a high-level review of the draft Plan. Our view is that the Plan shows a barely aware level of maturity when it comes to community facilities asset management when considered against the International Infrastructure Management Manual Asset Management Maturity Assessment tool. In particular:

- There is a fundamental misunderstanding of what Council needs to be doing e.g. Asset Management Processes response to Failure Prediction relies on condition assessments and does not recognise asset performance, RFS or other maintenance information that should be used to predict failure.
- The document does not bring together all the information, risks and consequences about community assets.
- The document is high level and appears to have been treated as a tick box template exercise to try to demonstrate asset management practice and procedures, regardless of whether they are followed.
- Optimised Renewal Decision Making is defined but not followed.
- The AMP is light on meaningful information on specific buildings and is more at an asset group level.

We also note that no interpretation of the Library condition assessment is included in the AMP. Rather parts of the assessment have been cut and pasted into the AMP with no further explanation or information on the performance of the building or recognition of RFS. Users of the building, contractors and council's handyman were not involved in any asset management discussions. There is a clear disconnect between the building and the service.

We heard that staff do not place much value on the activity management plans and find them too high level. This comes through in the Activity Management Plan, and better asset management practices and culture needs to be embedded in the Property team to support the development of a meaningful document that is used, valued and relied on for informed decision-making.

Good asset management requires funding to do the job properly. Analysis of data is critical to see what is happening with Council assets and to address maintenance, capital works, issues, risks, consequences and budget. Staff need to be trained, and business processes need to be in place. We do not infer that staff are not currently trained but emphasise the importance of training to get the most out of staff. Putting the resource in the right area is critical.

From our experience, it is not uncommon for low levels of asset maturity to be prevalent in councils, particularly in buildings. Kapiti is not unique in this way.

We also note that it appears that the building was able to obtain the required Building Warrants of Fitness (BWOFF). These are required where a building has specified systems. It would not be expected that the contractor undertaking the BWOFF inspection work would address broader building issues in their report as that is unlikely to be within the scope of the work requested.

Budgeting

Budgets are built on a historic basis with a starting point for budgeting for asset management being that there is no more money. Budgets are commonly known to be insufficient to do the work required, but there is no evidence provided to support the budget that is initially put forward. Information provided on the historic community facilities capital expenditure across the portfolio as (asset renewals and new assets / upgrades) from 2013/2014 to 2017/2018 shows a total spend of between \$187,000 – \$343,000 per financial year, totalling \$1.37million. This compares with 2018/2019 budget of \$2.7million that included \$945,000 for the Library upgrade and supports the limited spend on the Waikanae Library over this period as was reported to us by staff.

We are aware that Council is one of the most indebted in New Zealand, and this has resulted in significant pressure to keep rates and costs down. This provides context for decisions on the Library, and is arguably likely why further budget was not sought.

We have identified a culture of not spending Council money. Even the plumber was told that Council didn't want to spend money on the Library because of the upcoming Library / Gallery upgrade. While fiscally admirable, staff need to consider what are the consequences of not asking for the budget that is required to deliver an effective service. This culture is not new and dates back to the previous General Manager and we understand this position was regularly reinforced to the Property Manager. If Council cannot undertake its functions and services to a safe and satisfactory level in accordance with legislative requirements, decision makers need to know this so they can make an informed decision on it. Staff doing so take a risk that is not theirs to take. Additionally, it creates a situation where there will be greater future costs as a result. Again, that analysis is not presented to decision makers.

By not seeking additional funding, not utilising the information available, not specifically and transparently reporting risks to decision makers, the Property team and its managers have played a key role in enabling the current set of circumstances at the Waikanae Library to occur.

We have broader concerns about Council's property portfolio. This is due to our discussions with staff which anecdotally would indicate that Council may also have some significant issues with the community halls and pensioner housing portfolios. There are significant risks and consequences, including reputational damage if this is not investigated immediately.

Roles and responsibilities

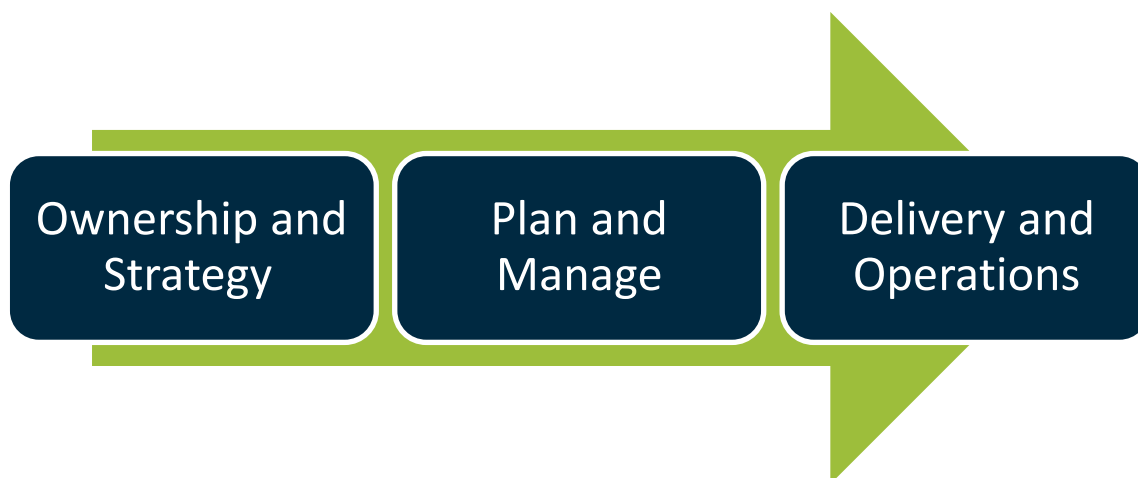
The efficient and effective management of Council's assets is essential. To be effective there must be a clear definition of roles and responsibilities, and this should be a whole of organisational approach. Currently, however, there is a lack of clarity around roles and responsibilities as they relate to the Library and building more generally.

We understand that the Property team undertake the asset management and property management function for Council. They are the asset owner, and their activities range from strategy to operations.

It is not uncommon for people to do multiple roles, particularly in smaller councils. However, it is important to understand the difference in each role you perform.

Successful delivery of asset management functions within an organisation requires a clear definition of the roles and responsibilities of asset management. This is reflected in an activity to continuum from owner to strategy to planning, to managing, to delivery and operations as shown in Figure 2 below.

Figure 2 Asset management activity continuum



Asset management has a number of key functions, each with core activity responsibilities. Generally, better results are achieved if roles have distinct boundaries within their functional areas. summary for roles and responsibilities is outlined in Table 2 below.

Table 2 Roles and responsibilities

Roles	Responsibilities
Asset owner Ownership responsibility for the management of assets and is usually responsible for policy and overall asset strategy	Establish long term policy and strategy Establish future demand for assets (type and standard) Establish long term organisational expectations Develop strategic service level outcomes Implement policy and strategy for existing assets through AMPs Develop AMPs Develop investment programmes to inform budget envelopes Ensure integration of asset management into delivery and operational plans Maintain and develop asset systems and strategic reporting Ensure asset accounting is accurate and maintained Develop renewals strategy Develop capital works prioritisation Collect asset management data Data custodian
Asset custodian Responsible for planning and management of the assets including collecting and maintaining asset data, determining works programmes and maintenance strategies etc	Develop and oversee forward works programme Project handover documentation Control budgets Commission improvements Develop asset management delivery plans Specify service levels Determine asset condition rating Undertake risk management Recommend asset disposal and renewal
Asset delivery Responsible for day to day maintenance of assets	Deliver programmed and reactive maintenance Deliver and / or manage capital works

Roles	Responsibilities
Operations Responsible for the operations and services delivered by the assets	Deliver operations and services Manage service delivery functions Manage service user expectations Deliver adopted levels of service

It is our view that these roles should be clear and distinct in any structure. How these roles and responsibilities are split will depend on a number of factors, such as organisational priorities, size, organisational asset management maturity and location.

It also appears that there are very clear grades / levels within which the Property team operate, with specific tasks allocated to a specific level role. It is important that the different roles and levels work together to achieve good property outcomes for staff and its customers in accordance with Council's delegation's manual and vision. Property is a specialist area which comes with high risk to Council if not managed properly. This should be reflected in the roles, responsibilities and delegations of the team.

Staff and customer satisfaction survey

Activity management plans reference staff and customer satisfaction surveys, often as mitigation or as an information source in the asset management planning process.

Given what we heard about the condition of the building, and after reviewing the extensive complaints from staff and customers, we expected that the staff and customer satisfaction surveys may provide further insight and information on the poor condition of the library. The community clearly values its library and its staff; they did have comments about the library building. By way of some examples, the 2017 customer satisfaction survey asked, "Are you satisfied with the library building facilities?" Answers included:

- Stained carpet by heater is disgusting
- Cramped and unwelcoming
- Could be a better building, previous water damage is apparent
- Ceiling in ladies toilet is a mess.

When asked in the same survey "what if anything could we do to make your library environment better" responses included:

- Need purpose building library
- New carpet. Very stained in places though I guess this is a low priority for KCDC
- Leaks all over carpet bad.

A 2016 customer feedback survey also elicited comments about the building including:

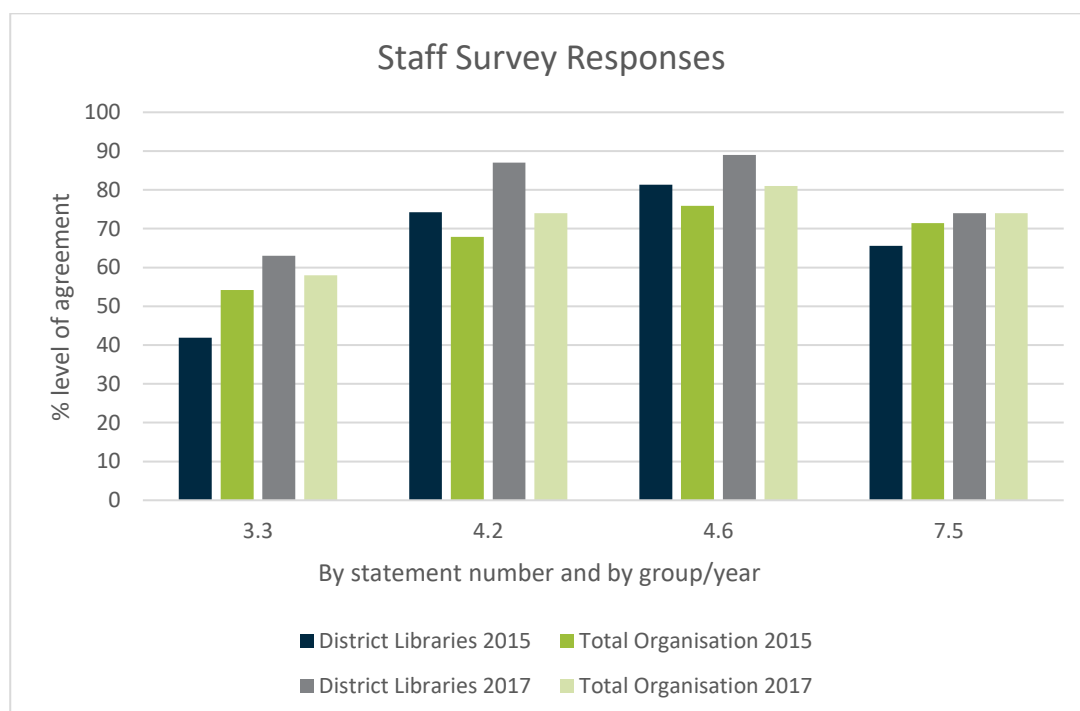
- Modernise and upgrade building
- Building not ideal, fabric looks tired. Please bowl and start from scratch
- Needs major rejuvenation
- Needs major upgrade
- Needs to be updated
- Poor condition
- Needs total rebuild – fit for purpose
- Things are very tired.

Based on these comments we would expect the Activity Management Plan to acknowledge the comments received, and not just rely on the high approval ratings of a library that the community does not want to lose. In the 2017 customer survey 83% of respondents were satisfied with services provided by libraries. High satisfaction results are not surprising for libraries, but if the feedback received is not considered, particularly in the mix of other information known by Council such as RFS and maintenance records, just using the overall satisfaction rating does not tell the full story.

We have received information on staff satisfaction surveys from 2015 and 2017. We understand that the 2017 survey was run by an external company, however we are not clear on whether this was the case for 2015. Answers to the survey are aggregated to *District Libraries* and measured against the *Total Organisation*. We note the following level of agreement to the following statements from the 2015 and 2017 survey in Figure 3 below.

- Statement 3.3 This organisation is interested in the views and opinions of its people
- Statement 4.2 This organisation cares about the well-being of its people
- Statement 4.6 This organisation is committed to the Health and Safety of its people (renumbered as 4.7 in 2017)
- Statement 7.5 I am satisfied with my physical work environment

Figure 3 Staff survey responses



While we cannot separate out those staff responses for those working at the Waikanae Library, the library staff survey results improved from 2015 to 2017, which does not correspond with what we were hearing. This may be because those staff interviewed as part of this review did not start working in the Library until 2018.

Overall, while survey results can be useful for asset management planning and gauging public and staff opinion, we do not see any evidence of this information being used in the 2018 draft Activity Management Plan for Community Facilities.

Recommendations

- Undertake an asset management practices and procedures (core business processes) review, develop an improvement plan and implement recommendations resulting from the review.
- Update and finalise the 2018 Activity Management Plan for Community Facilities utilising all known asset information and survey feedback so that it is a valuable information source for asset management planning.
- Property to transparently identify, escalate and report risks and consequences in their portfolio for under investment, deferrals etc.
- Identify any additional SPM and RFS functionality requirements to enable better reporting and analysis of information to achieve an integrated view of community facilities assets.
- Set clear criteria in line with a risk framework that will trigger specific action in particular circumstances.
- Clearly set out roles and responsibilities as they relate to buildings and the services within them.
- Property to liaise better with service managers and contractors to build a strong evidence base on the portfolio.
- Property to request a true and accurate level of funding required for capital projects and renewals.
- Urgently review the community halls and pensioner housing portfolios and identify risks, consequences, funding, health and safety implications from the review and a programme of work.
- Review staff training, identify training needs and develop a training programme.
- Review Property functions and assess alignment with available resource and identify any capability or capacity gaps.

Requests for service

We have included RFS under the broader asset management practices theme as the information contained in the system should be used to inform asset management planning. We understand that the RFS system started out as a customer services database and it is used in different ways across the organisation e.g. some use it as a workflow, but in essence it is a transactional system and used as a de facto works order system. We understand that there is currently no reporting on RFS's whether it be by site or by theme.

The number of service requests logged across the organisation annually is approximately 25,000. While we do not have a breakdown of the proportion of RFS that are overseen by Property, given the assets managed and broader property functions, we would expect that a large number of these requests would be property related. For the purposes of this report we focus on RFS as they relate to the Waikanae Library. There are a number of channels that RFS can be logged:

- By phone
- Face to face
- Email
- Direct to Property.

Not all staff members know how to log an RFS, and it is often a Customer Services Representative (CSR) who receives and logs the requests on behalf of other staff or the public.

We heard conflicting things around process and delegations in assigning work to contractors. We heard that CSRs log the RFS, send out to the contractor and cc the instruction to a generic Property email address. It is not possible for Property to identify, from the subject line, whether the email is for information or for action, so they must open each email, read it and take appropriate action (if any). We heard differing views for what the contractor is able to do when responding to an RFS. We understand that beyond an inspection or a quick fix that the contractor cannot undertake work without approval from, in most cases, the Property Manager. From this it appears that staff in Property who work with contractors on RFS do not have a clear or common understanding of what they are able to approve a contractor to do, and are not clear if they have a value limit on assigning work. As a result, staff delegate this up to the manager. This is inefficient and is not good use of the manager's time as it takes time away from the strategic functions of that role.

We also understand that an RFS gets closed on receipt of the contractor's invoice, and any comments received from the contractor about the job are noted in the RFS system. Details on RFS and feedback from contractors / suppliers are not recorded or migrated to any asset management system and it is not reported on.

In regard to the Waikanae Library, we heard that contractors were called out (via RFS) every time there was heavy rain. However, we also heard that there were times that staff working in the library would deal with smaller leaks themselves with buckets etc. Therefore, the building leaked more than the 116 times recorded between 2002 and 2018 and what is recorded through the RFS system.

Over the years, various forms of recording and tracking the leaky building issues have been developed by those working in the Library. Staff should not have felt they needed to do this to provide evidence of their requests / attempts to get the leaks fixed permanently.

We did not find any barriers for staff working at the library logging RFS on behalf of staff or customers. The barrier was in how the underlying source of the problem was not addressed. We do not understand how the number of RFS in the system with language such as *"just the usual leak"*, *"leak in the same places as last time"* *"same old leak"*, let alone the complaints relating to mould can still result in the root cause being unresolved and continual patch ups applied. The only answer we can come to on this is that it was because the building was being 'nursed along' waiting for the ever-impending redevelopment with the Gallery, and until funding was allocated in the LTP. Staff just needed to wait for that to happen, whenever that was going to be.

Recommendations

- Establish and communicate clear delegations be established for Property staff with clear parameters to be able to confidently instruct contractors to undertake required maintenance works through the RFS system.
- CSRs to include in the email subject line if Property is required to undertake an action or if it is for information for an RFS.
- Review the RFS process and information logged.
- Undertake quarterly reporting and analysis from the RFS system to understand asset performance and inform council asset management plans and decision making.
- Develop triggers for reporting that would help to identify repeated issues or themes logged in the RFS system for individual buildings and across portfolios so that Council can identify risk and consequences early.

Decision Making

We were provided with information on decisions made by Council on the Library. Long Term Plan and Annual Plan and report decisions on the library (and the gallery) are summarised below:

- 2008 - Annual Plan provides capex of \$120,000 for replacement and upgrade of the lift.
- 2009 - LTCCP includes library expansion and upgrade in 2012/2013 and 2013/2014 as part of a gradual increase in service levels over the next ten years. Council included \$1,903,000 in the 2009 LTCCP for this work and the shortfall for the Gallery was identified.
- 2010/2011 - Annual Plan - Design work for the Gallery and Library project to be completed (\$120,000).
- 2011 - Report approves the design for the upgrade of the Library and Gallery. A memorandum of understanding was signed with the Gallery following concept designs. Four proposals were received but design parameters changed because of funding, and then were considered overly compromised. A revised concept design was presented to a stakeholder group in June 2011 and agreed.
- 2012 - LTP included provision in 2015/16 for an upgrade to the Library and Gallery provided all external funding for the Gallery had been obtained.
- 2015 - Report approves inclusion in the 2015-2025 LTP of the upgrade as a combined project in 2016/2017 and 2018/2019 with a budget of \$5.3 million as per the MOU with the Mahara Gallery Trust.
- 2016/2017 - Annual Plan is to continue maintenance and renewal programme and commence the Library and Gallery upgrades subject to the Mahara Gallery Trust securing funding
- 2017/2018 - Annual Plan – investigate site options for Library and Gallery based on outcomes and commence preliminary design work.
- 2018 - LTP - Waikanae Library “Council has decided to defer the need for a new library by undertaking a programme of renewals and minor building alterations to the existing library building. This work, which has a budget of \$900,000 in 2018/19 and a further \$100,000 the following year, will achieve a high standard of library facility with the constraints of the existing building envelope. This will allow us to defer the building of a new library in Waikanae until 2029/2030 and will give us time to identify a preferred site and resolve any land ownership issues.

Mahara Gallery – In place of the original plan to build a new combined library and art gallery on a new site it is now intended that the Mahara Gallery will have its footprint extended to take over the current Waikanae public toilets space on the western side of the building. The existing public toilets will first be replaced by a new ‘Exceloo’ style facility to be built in 2020/21. The gallery extension is planned to follow in 2021 at an estimated cost of \$6.1 million, although this remains subject to the Mahara Gallery Trust completing their fundraising.”⁸

⁸ 2018-2038 Kapiti Coast District Council Long Term Plan, page 75

From what we have seen we cannot see any reference to risk, the continual leaks, conditions that staff were working in, and eventually mould in any reports to Council. It appears from the evidence we have seen that Councillors were unaware of the extent of the problems with the Library until the toxic mould was discovered and a significant decision having to be made to close the Library – primarily based on risk. There is a failing of Property staff to inform SLT and Council of the ongoing problems with the building and the risks in continuing to defer investment. The right information was not getting to decision makers. In addition, and as we identified earlier, we know that there is a culture of “don’t ask” for more budget, hence risk is not identified because nothing is reported. This culture is not new and dates back to the previous General Manager, Community Services. This is a perpetuating downward spiral that was not tested and can only lead to more problems. We heard that there was no appetite by Council to spend money on this asset. Who “Council” was it is not clear, as there is no evidence to suggest that this was elected members.

From the information that we have seen provided to SLT from Property, we have seen no reference to the current state of the Library, the constant leaks, no reference to the number of RFS, and no real assessment of the risk and consequences in delaying renewals or a new build.

In an LTP property presentation document for SLT and Councillors in 2018 there is a page on the Waikanae Library renewal which includes minor building alterations “...to achieve a high standard of library facility within the constraints of the existing building envelope.” The presentation states that:

- *“Cost of a new library is prohibitive at an estimated \$10.5m including land purchase*
- *18/19 = \$400k undertaking renewals to extend the life of the library*
- *18/19 = \$600k for minor building alterations to improve library service*
- *Deferring the new library development gives Council time to identify site and resolve land ownership issues*
- *Assumed a new library facility would be constructed in 2027/28 at a site to be determined.”⁹*

It is difficult to understand how any decisions on funding, the joint project with the Gallery, thinking about alternative sites and what Council needs from a new site and Library, that the state of current Library was not referenced in any of the documents.

We are aware that initial budget decisions are made by SLT before being put up to Council for consideration. If there is a failure to provide good information to Council, there will be no change to the continual under-investment in renewals, and council’s risk will increase. This requires managers to provide detailed information to SLT so that they can make an informed decision as well. We understand the reluctance to invest hundreds of thousands of dollars, or now millions of dollars to fix a leaky building that could be pulled down or, replaced. But that decision sits with Council and not council staff.

It is important for Council to be focussed at the strategic level of decision making, rather than in operational matters. However, the use of specific examples to demonstrate the impact of funding deficits will help Council make informed decisions on rates rises, prioritise projects in their Infrastructure and LTP so that the needs of the community will be met.

It is also important for decisions to be made in the context of the anticipated growth that Kapiti is likely to receive, particularly with the completion of significant roading projects that will increase the accessibility of the District. This may mean different priorities for funding and investment decisions, but these still need to be made in the context of risks, consequences and transparency of information.

⁹ Property Services 2018 LTP Activity Presentation, page 4

Recommendations

- SLT to clearly communicate to the business that it is reliant on good information to make decisions and recommendations to Council and encourage early escalation of potential risks and issues to SLT.
- Business cases must include detailed risk assessments and state clear consequences if funding is not secured, or a project does not go ahead. These should be addressed at an organisational and project level, include staff workplace and wellbeing considerations and reputational risk.
- SLT to require quarterly reporting on the state of council's property portfolio, including an analysis of RFS and maintenance requests and potential risks and consequences identified.

Risk management

While we have seen council's health and safety registers, we have not seen a risk register for Council. With the number of Requests for Service about the building, in our view the building should have been registered on a Council risk register identifying risks from asset management and user perspectives, and be subject to threshold criteria for reporting and reported to the Risk and Assurance Committee. This would have highlighted the issue to Council and enabled informed decision making. While elected representatives are tasked with setting the strategic direction for Council rather than being involved in detailed operational matters, there are times that a very specific risk with significant consequences should be brought for Committee attention.

If risk management was part of the reporting process then we would have expected to see an analysis of the leaks in the "usual" places and a detailed assessment of the building to understand the full extent of the costs required much earlier than when the Miyamoto report was commissioned in 2018. We also would have expected the property to be tested immediately after the first complaints about mould were received because of the known history of leaks in the building. A simple risk matrix approach should have been applied to the Library, particularly when mould was reported.

In thinking about a general approach to risk management, the following questions need to be asked at a strategic level:

1. What could go wrong?
2. What is the consequence?
3. What is the likelihood?
4. Can I mitigate the risk?
5. Do I accept the risk?

Figure 4 below shows the potential impact when considering the likelihood and consequence of an action or approach when answering the above questions. Decisions at all levels can be guided using this simple matrix.

Figure 4 Likelihood and consequences matrix

LIKELIHOOD	CONSEQUENCE					
		Insignificant	Minor	Moderate	Major	Catastrophic
	Almost Certain	Medium	High	Extreme	Extreme	Extreme
	Likely	Medium	Medium	High	Extreme	Extreme
	Possible	Low	Medium	High	Extreme	Extreme
	Unlikely	Low	Low	Medium	High	Extreme
	Rare	Low	Low	Medium	High	High

As identified earlier, the LTP business case template for interim renewals modifications for the library identifies strategic risks if the investment is not approved. Risks in business cases tend to be at a high level, however in the case of the Waikanae Library, when the business case was considered for a change to the planned funding, the strategic risks if the investment was not approved stated *“If this case is not approved, potentially the library will deteriorate to an unacceptable level in terms of health and safety and customer and staff wellbeing. Council would be under significant pressure to invest in a new library facility.”*¹⁰ We find it difficult to believe that there is no discussion or identification of the significant history of leaks, deferrals and the condition of the building that staff and customers were using. Based on what we have heard, and the information reviewed, the building was likely to already be at an unacceptable level in terms of health and safety for staff and customers. This business case was written in October 2017, before mould was first reported in December 2017, however, the 15-year history of leaks and deferrals should have been enough to trigger a more in-depth risk assessment.

There are also reputational risks for Council if they are seen not to be investing in their property assets.

Property do not report or appear to actively manage risk. There is a risk register in the Draft 2018 Activity Management Plan which includes a description of the risks, causes and consequences, mitigation and management options. The risk register is not informed by all information available to Property, is relatively high level, and we can see no evidence of the mitigation or management options being undertaken. No explanation of the scoring is included in the document. Relevant risks identified in the risk register in the Activity Management Plan are:

General risks

- Loss of property portfolio knowledge (information)
- Insufficient budget
- Lack of political alignment

Risks identified for Libraries, halls, depots, land holdings

- Equipment/Plant/Building failure
- Fire or water damage (to Library Collections)

We briefly touch on each of these risks below, and for completeness, relevant pages of the risk register corresponding included in Appendix A.

¹⁰ 2018 Long Term Plan Business Case, Waikanae Interim Library Renewal Modifications, Section 2.3

Loss of property portfolio knowledge

We have identified that there are many staff that are relatively new to their roles and Council does not have the institutional knowledge that we often see in these roles (we address this later in our report). Cause and consequences are identified; however, there is no acknowledgement of health and safety or workplace consequences associated with this risk. Mitigation measures include; asset management planning, condition surveys held in SPM standardisation of process, practices and equipment, asset management systems and database, data auditing and outcomes fed into the Improvement Plan, staff handover /exit plans, creation of property profile folders management options. to deal with this risk the AMP states to *“continue to form a robust end to end process of information management, improve use of filing systems, define responsibilities clearly, provide appropriate training for staff, protocols for update and ongoing auditing, ongoing customisation of asset management systems to meet needs.”* From our investigations there is no end to end information management currently, let alone continuing. As stated previously all information available to council is not being used to inform asset management planning. Similarly, there is no ongoing customisation of asset management systems to meet needs. Therefore, while this risk is appropriately identified mitigation measures described, no meaningful actions are being undertaken to manage this risk.

Insufficient budget

We note that the causes identified for insufficient budget include incomplete data and insufficient analysis of predictive asset data, budget capping and/or removal through Long Term Plan / Annual Plan process. We note that there are no health and safety or workplace consequences identified with this risk. Mitigation includes condition assessments, asset management plans and ensuring the expected life of assets is realistic. Condition assessments are only one source of information and do not give the full picture of assets. These may be being over-relied on when it comes to budget planning as performance of the asset is also relevant.

Lack of political alignment

This risk identifies that a lack of political alignment may be caused by a lack of communication to/from elected members and a *“lack of appreciation of risks associated with decisions by Council”*. Mitigation includes asset management planning process including community facilities asset management plans and reports, and the management options is to continue to manage processes and increase Councillor awareness of levels of service implications of decisions through CE/workshops. We would emphasise the need to communicate the right information to Councillors so that they have what they need to make informed decisions taking into account risks and consequences. This risk accurately describes exactly what occurred. In our view, the focus on levels of service as a management option, does not align with the description of the risk or the mitigation.

Equipment/Plan/Building Failure (for libraries, halls, depots, land holdings)

The cause of failure correctly identified a breakdown of operational equipment plant or building facilities and a lack of maintenance/budgets. We would also identify continually deferred work and lack of integrated asset information analysis and assessment. Mitigation includes condition assessments, condition-based renewals programme, user survey feedback and live asset data system (all maintenance, renewals and capex work is updated in Asset System), but there is no reference to any other information. We have reservations about the weight put on condition assessments as mitigation measures throughout the risk register, as this information should not be used in isolation of the RFS data and other asset management data and analysis. A management option also includes am move from reactive to cyclic maintenance, however in interviews we heard that all maintenance was reactive.

Fire or Water Damage (to Library Collections)

There are obvious process flaws if a property that is not weathertight (on a regular and reoccurring basis) can be in the condition that the Waikanae Library was and not make it onto a property risk register.

While this risk is specific to library collections, we found the cause, mitigation and management approach to be of interest given building failure may be because of a major leak. In this case mitigation includes maintenance/ preventative maintenance contracts, condition assessments, customer and user survey feedback etc. As indicated above, condition assessments were too heavily relied on as a risk management tool. We also know that Property now accept the need to moderate the condition assessments because of their limitations. This will be important if the risk register is to be held as a meaningful living document. We note that the management response is to continue current practices and this should be reviewed.

While we recognise that the AMP is draft, we recommend that the risk register be reviewed and updated to reflect better asset management practices. This can be done as part of the practices review as recommended above.

Recommendations

- Property to update and maintain the risk register in the Activity Management Plan, and ensure that it is informed by integrated asset management practices and report this to SLT and the Audit and Risk Committee on a quarterly basis.
- Amend business case templates to give guidance on risk and consequence including trust and confidence when considering investment decisions or applications for additional funding.

Workplace environment

In talking with a range of staff there were almost universal comments that the building / work environment was unpleasant. Many commented about the smell of the building which was also reflected in the complaints from customers and staff. Carpet and ceilings were water stained from where water had entered the building, the staff room was damp and eventually mouldy to the point it was not used.

While those working in the library enjoyed their job, they did not enjoy their workspace, and were embarrassed by it. Staff wanted a building that didn't leak with a usable staffroom, something they could be proud of and for the community to use. The fact that Council staff endured that work environment is a testament to those people and their dedication in continuing to provide a service to the community under difficult working circumstances.

As we stated previously, we are also aware that while it was not as widely known as the leaks, when it rained that sometimes the Library's phone and computer system would go down. We attribute this to the fact that this may have been reported to an IT help desk, rather than as a standard service request, although we are aware of at least one RFS relating to computers.

It also appears that there was a lack of clarity about who was responsible for the Library as a work place itself. For example:

- Who made sure that space requirements were met for staff and the collection?
- Who organised workplace assessments (desk, posture etc.)?
- Who assessed the impact on staff and customer wellbeing from the constant leaks, and how often?
- Who addressed the issues identified in the hazard register?

The library had a hard copy hazard register; however, this was destroyed through the decontamination process and no soft copy existed. We understand that the problems with the building were recorded in the hazard register which was reviewed every month. We also understand that at some point in time the reconciliation of the site register to Councils corporate system ceased.

As outlined in the Risk management section above, when additional funding was requested for the 2018 LTP in a business case, the strategic risk if the investment was not approved as “... *potentially the library will deteriorate to an unacceptable level in terms of health and safety and customer and staff wellbeing. Council would be under significant pressure to invest in a new library facility.*”¹¹ Based on our investigation our view is that it is likely that the building was already at an unacceptable level.

Recommendations

- Council to develop a programme of work to prioritise building audits of work environments for suitability and safety.
- Roles and responsibilities clearly identified and communicated for managing the workplace.
- Site registers should be reconciled to the Council’s corporate register on a regular basis.

Other Matters

In undertaking this investigation, a number of other matters have arisen that we wish to note.

Dangerous and Insanitary Buildings Policy 2018

The Building Act 2004 required that Territorial Authorities adopt a policy on earthquake-prone, dangerous and insanitary buildings by May 2006. Council’s current policy was adopted in 2018.

Section 123 of the building Act states that a building is insanitary if the building

- a) *“is offensive or likely to be injurious to health because -*
 - i. *of how it is situated or constructed; or*
 - ii. *it is in a state of disrepair; or*
- b) *has insufficient or defective provisions against moisture penetration to cause dampness in the building or in any adjoining building; or*
- c) *does not have a supply of potable water that is adequate for its intended use; or*
- d) *does not have sanitary facilities that are adequate for its intended use.”*

While the policy is worded as an outward facing document, the provisions of the Building Act (Act) apply to Council’s buildings as much as it does to any other building.

We do note that in the information provided to us the following statement was made:

“In 2006 the Council adopted its Earthquake-Prone, Dangerous and Insanitary Building Policy as required by the Building Act 2004. The Act defines ‘insanitary’ as a building which “has insufficient or defective provisions against moisture penetration to cause dampness in the building.” At the time, a Council desk-top risk assessment of buildings in the District noted that “Waikanae business area is of predominantly modern building stock and is unlikely to have buildings falling into the at risk category.”¹²

¹¹ 2018 Long Term Plan Business Case, Waikanae Interim Library Renewal Modifications, Section 2.3

¹² Waikanae Library Closure Memo, 28 January 2019

We have not seen a complaint specifically describing the building as insanitary, however based on the widely known problem of the leaks, the dampness, smell and constant RFS, the building appears to meet the meaning of insanitary building in the Act in that it was defective against moisture penetration and caused dampness in the building. It is, however, acknowledged that the true extent of the problem was not known until the Miyamoto structural report for the boundary wall at the Library was received in October 2018.

Staff turnover

From the range of staff we interviewed we were surprised at how new everybody was to their roles in Property and management. Many staff members had only been in their current role between five weeks and a year, with only a couple of people with three or more years' experience in their current role, including the current Property Manager who was employed in December 2015 who inherited the property portfolio. We note that some staff had other positions in Council prior to taking up their current role in libraries, customer services or property. We also note that the Waikanae Library mould issue arose on day one of the Acting Arts and Library Manager being in the job. We were also advised that there had been six library Team Leaders in ten years which is a high turnover of staff for that role.

While some SLT members who were not responsible for the Library have worked in Council for a longer period of time, the loss of institutional knowledge across the teams is significant and goes some way to understanding why the scale of the problem at Waikanae Library was not identified. As new staff were appointed into roles, they accepted what they had been told about the Library (and probably other buildings), and this does not appear to be questioned. This is exacerbated by poor asset management practices and systems, a lack of analysis of the information available. Waikanae Library provides a demonstration of why systems and processes are important.

Recommendations

A complete list of our recommendations is included below, by category and by priority.

Asset management

High priority

- Undertake an asset management practices and procedures (core business processes) review, develop an improvement plan and implement recommendations resulting from the review.
- Urgently review the community halls and pensioner housing portfolios; identify risks, consequences, funding, health and safety implications from the review, and a programme of work. This should form part of a wider strategic review of the property portfolio to develop a clear strategic direction for the acquisition, disposal, leasing and redevelopment of Council owned property.
- Clearly set out roles and responsibilities as they relate to buildings and the services within them.
- Identify any additional SPM and RFS functionality requirements to enable better reporting and analysis of information to get an integrated view of community facilities' assets.
- Property to transparently identify, escalate and report risks and consequences in their property portfolio for under investment, deferrals etc.

Medium priority

- Review Property functions and assess alignment with resource available and identify any capability or capacity gaps.
- Update and finalise the 2018 Activity Management Plan for Community Facilities, utilising all known asset information and survey feedback, so that it is a valuable information source for asset management planning.
- Set clear criteria in line with a risk framework that will trigger specific action in particular circumstances.
- Review staff training, identify training needs and develop a training programme.
- Property to request a true and accurate level of funding required for capital projects and renewals.
- Property to liaise better with service managers and contractors to build a strong evidence base on the portfolio.

Requests for service

High priority

- Establish and communicate clear delegations be established for property staff with clear parameters to be able to confidently instruct contractors to undertake required maintenance works through the RFS system.
- CSRs to include in the email subject line if Property are required to undertake an action, or if it is for information for an RFS.
- Review the RFS process and information logged.

Medium priority

- Undertake quarterly reporting and analysis from the RFS system to understand asset performance and inform council asset management plans and decision making.
- Develop triggers for reporting that would help to identify repeated issues or themes logged in the RFS system, for individual buildings and across portfolios so that Council can identify risk and consequences early.

Decision making

High priority

- SLT to clearly communicate to the business that it is reliant on good information to make decisions and recommendations to Council and encourage early escalation of potential risks and issues to SLT.

Medium priority

- Business cases must include detailed risk assessments and state clear consequences if funding is not secured, or a project does not go ahead. These should be addressed at an organisational and project level, include staff workplace and wellbeing considerations and reputational risk.
- SLT to require quarterly reporting on the state of council's property portfolio, including an analysis of RFS and maintenance requests and potential risks and consequences identified.

Risk management

Medium priority

- Property to update and maintain the risk register in the Activity Management Plan and ensure that it is informed by integrated asset management practices and report this to SLT and the Audit and Risk Committee on a quarterly basis.
- Amend business case templates to give guidance on risk and consequence including trust and confidence when considering investment decisions or applications for additional funding.

Workplace environment

Medium priority

- Roles and responsibilities clearly identified and communicated for managing the workplace.
- Council to develop a programme of work to prioritise building audits of work environments for suitability and safety.
- Site registers should be reconciled to the Councils corporate register on a regular basis.

Next Steps

In order to maximise the value of this investigation and our findings, Council should develop a programme of work to implement and prioritise the recommendations put forward in this report. We would suggest that Council begins with the asset management recommendations, as these will have the greatest impact.

While our recommendations focus on establishing processes and practices, we reiterate our concerns over the state of the community halls and pensioner housing portfolios, and recommend that a review of these portfolios is prioritised. In undertaking this review, our recommendations from asset management practices and in the analysis of information will be relevant to ensure all known information is gathered about the assets.

Council will need to develop a statement to the public and media as a result of this review and have a clear understanding of what will be released in the event of an Official Information Act request.

Appendix A Risk Register

Asset Management Risks - General

Risk Descriptor – details the main component and provides an example of a risk(s) that may be attributable.	Risk Type	Gross Risk			Current Practice/Strategy		Net Risk			Management Options
		(No effective measures in place)			(Avoidance and mitigation measures)		(Considering Measures in place)			
		Consequence	Likelihood	Factor	Description	Effectiveness	Consequence	Likelihood	Factor	
Loss of Property Portfolio Knowledge (Information) <i>Caused by:</i> - Temporary or permanent loss of strategic information through damage to information systems. - Telecommunication systems not working. - Insufficient systems in place to manage data/information, especially regarding asset performance and condition. - Loss of institutional knowledge (staff turnover/outourcing). - IT failure. <i>Consequences:</i> - Operational failure. - Financial costs. - Failure to meet compliance requirements (for example, asset inventory and condition information, unable to forecast renewals requirements). - Poor public perception/negative image.	Financial Skills and Knowledge Operational Legal Public Perception	3	1	3	- Asset Management Planning. - Condition surveys undertaken and programmed held in SPM (Cloud based). - IT practices (backup, viruses, security etc). - Document filing systems. - Existing corporate manuals. - Standardisation of processes, practices and equipment. - Asset Management systems and database. - Quality management procedures and practices. - Business Continuity Plan. - Data auditing and outcomes fed into the Improvement Plan. - Staff handover/exit plan. - Creation of Property profile folders	Good	2	1	2	- Continue to form a robust end to end process of information management. - Improve use of filing systems. - Define responsibilities clearly. - Provide appropriate training for staff. - Protocols for update and ongoing auditing - Ongoing customisation of Asset Management Systems to meet needs.

Risk Descriptor – details the main component and provides an example of a risk(s) that may be attributable.	Risk Type	Gross Risk			Current Practice/Strategy		Net Risk			Management Options
		(No effective measures in place)			(Avoidance and mitigation measures)		(Considering Measures in place)			
		Consequence	Likelihood	Factor	Description	Effectiveness	Consequence	Likelihood	Factor	
Insufficient Budgets Caused by: - Incomplete data. - Insufficient analysis of predictive asset data. - Incorrect asset description and condition data. - Incorrect assumptions around expected life. - Budge capping and/or removal through Long Term Plan/Annual Plan process. - Health and Safety issues. Consequences: - Decline in integrity and service capacity of assets due to underfunding of renewals. - Insufficient depreciation funding.	Financial Health and Safety Operational Public Perception	3	1	3	- Asset valuation carried out at three year intervals. - Periodic asset condition assessment. - Ensure expected life of assets is realistic. - Asset Management Plans.	Good	1	1	1	- Ensure asset descriptions and condition data is accurate prior to valuation exercise. - Annual Plan budgets are based on condition data. - Improved asset planning processes linked to project delivery and asset replacement.
Inadequate Contractor Performance Caused by: - Inadequate procurement practices. - Inadequate documents. - Inadequate management of contractors. - Poor communication. Consequences: - Increased incidence of defects and hazards. - Excessive deterioration of assets. - Unnecessary or excessive costs. - Health and Safety issues. - Legislative requirements not met (compliance). - Insufficient output or quality. - Poor public perception/negative image.	Financial Operational Public Perception	3	1	3	- Contracts based on NZS3910, or relevant NZ Standards. - Contract Management approach has strong focus on relationship management, to maintain a 'no surprises' environment. - Performance reviews related to performance incentives, and clear consequences of substandard performance. - Specified incidence levels and response times for specified defects (Key results schedules). - Specific performance criteria for responsiveness and data management. - Monthly reporting and review of expenditure. - Comprehensive contract documentation. - Contract management supported by professional services. - Contract conditions (KPIs, penalties). - Engineers representative monitoring of expenditure. - Procedures for suppliers to provide asset description data. - Audits and reviews.	Good	2	1	2	- Continue current practices. - Monitor customer feedback and trends.

Risk Descriptor – details the main component and provides an example of a risk(s) that may be attributable.	Risk Type	Gross Risk			Current Practice/Strategy		Net Risk			Management Options
		(No effective measures in place)			(Avoidance and mitigation measures)		(Considering Measures in place)			
		Consequence	Likelihood	Factor	Description	Effectiveness	Consequence	Likelihood	Factor	
Risk Descriptor – details the main component and provides an example of a risk(s) that may be attributable.	Risk Type	Gross Risk			Current Practice/Strategy		Net Risk			Management Options
		(No effective measures in place)			(Avoidance and mitigation measures)		(Considering Measures in place)			
		Consequence	Likelihood	Factor	Description	Effectiveness	Consequence	Likelihood	Factor	
Lack of Political Alignment Caused by: ▶ Lack of communication to/from elected members. ▶ Lack of understanding from elected members and not following due process (for example, decisions which are inconsistent with previous decisions, policies or the adopted Long Term Plan or other documents. ▶ Indecisiveness. ▶ Lack of appreciation of risks associated with decisions by Council. ▶ Decisions made outside Council governance role. Consequences: ▶ Essential services under-resourced. ▶ Delays may result in significant cost escalation. ▶ Programmes not delivered on time. ▶ Long Term Plan outcomes not achieved. ▶ Poor public perception/negative image.	Financial Operational Public Perception	3	1	3	▶ Agreed programme of works is signed off by Council under Long Term Plan ▶ Councillor’s roles well defined. ▶ Asset management planning process, including Community Facilities Asset Management Plans (“core”) and reports. ▶ Councillor induction/handbook. ▶ Councillor briefings/workshops. ▶ Chief Executive giving advice to Councillors.	Good	2	1	2	▶ Continue to manage process and increase Councillor awareness of Levels of Service implications of decisions through CE/workshops.
Unanticipated Cost Increases Caused by: ▶ Cost escalations (for example, due to construction cost increases, economic failures). ▶ Uncontrollable movements in economy (for example, exchange rates). ▶ Changes in legislation.	Financial Operational	3	1	3	▶ Local government networking.	Good	2	1	2	▶ Improve current practices – increase efficiencies, smart procurement practices, cost monitoring. ▶ Defer/reduce expenditure (may result in reduced Levels of Service or increased rest of life cost). ▶ Investigate alternative construction/maintenance options. ▶ Concentrate on core activities.

DRAFT

Asset Management Risks – Council Services Portfolio Libraries, Halls, Depots, Land Holdings

Risk Descriptor – details the main component and provides an example of a risk(s) that may be attributable.	Risk Type	Gross Risk			Current Practice/Strategy		Net Risk			Management Options
		(No effective measures in place)			(Avoidance and mitigation measures)		(Considering Measures in place)			
		Consequence	Likelihood	Factor	Description	Effectiveness	Consequence	Likelihood	Factor	
Equipment/Plant/Building Failure Caused by: - Breakdown of operational equipment plant or building facilities. - Lack of maintenance/budgets. Consequences: - Closure of facility. - Loss of revenue. - Health and Safety. - Poor public perception/negative image.	Financial Operational Health and Safety Public Perception Cultural / Community	3	3	9	- Maintenance contracts. - Condition assessments. - Condition based renewals programme. - User Survey feedback. - Senior Advisor Climate Change and Energy. - Live asset data system (all maintenance, renewals and capex work is updated in Asset System).	Good	2	2	4	- Ensure there are ongoing condition surveys of asset data. - Analysis of asset data used for predicting renewal requirements. - Move from reactive to cyclic maintenance.
Security Issues Caused by: - Inappropriate levels of physical security measures, procedures and/or systems. Consequences: - Theft (including cash handling). - Vandalism. - Graffiti. - Reluctance of community to utilise facilities. - Closure. - Loss of revenue.	Financial Operational Health and Safety Public Perception Cultural / Community	3	3	9	- Design/location. - Security contracts including patrols and alarm monitoring. - Maintenance contracts (response maintenance). - Graffiti removal, internal staff member.	Good	2	2	4	- Use of Crime Prevention through Environmental Design principles. - Improved coordination across Council.
User Issues Caused by: - Facility users not meeting agreement requirements. Consequences: - Damage. - Noise (neighbourhood complaints). - Cleanliness. - Poor public perception/negative image.	Financial Operational Health and Safety Public Perception Cultural / Community	3	3	9	- Communication with staff. - Inspections. - Conditions of Hire. - Bonds. - Caretaker/cleaner role – mostly on daily basis.	Good	2	2	4	Further monitoring and improvement of booking system.

Risk Descriptor – details the main component and provides an example of a risk(s) that may be attributable.	Risk Type	Gross Risk			Current Practice/Strategy		Net Risk			Management Options
		(No effective measures in place)			(Avoidance and mitigation measures)		(Considering Measures in place)			
		Consequence	Likelihood	Factor	Description	Effectiveness	Consequence	Likelihood	Factor	
Fire or Water Damage (to Library Collections) Caused by: - Fire, flood, storm, earthquake, building failure (for example, major leak). Consequences: - Total or partial loss of library collections (including heritage). - Total or partial loss of public facility. - Poor public perception/negative image.	Financial Health and Safety Operational Public Perception	3	2	6	- Maintenance/preventative maintenance contracts. - Condition assessments. - Customer and User Survey feedback. - Fire and automated systems (inspections and servicing. - Building Warrant of Fitness compliance. - Fire evacuation drills and procedures. - Building standards. - Earthquake Prone Buildings Policy.	Good	2	1	2	Continue current practices.



Kāpiti Coast District Council

Assessment of Asset Management Practices

November 2019

Document status

Job #	Version	Approving Director	Date
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2458	2	Cushla Anich	27/11/2019

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1 Overview

1.1 Introduction

Kāpiti Coast District Council (Council) wishes to assess practices across the property portfolio to have a complete view of its buildings and facilities management in response to the recent Waikanae Library closure. Council wishes to gain an improved understanding of their current asset management (AM) maturity in accordance with industry best practice as set out in the 2015 International Infrastructure Management Manual (IIMM), appropriate for a medium size District Council.

Council closed the Waikanae Library indefinitely in December 2018 after testing returned levels of toxigenic and allergenic mould within the building. Morrison Low was engaged to investigate how Council found itself in the position of having to close the library. The review identified AM as one of the key areas that needed improvement as there were failures of Council asset management systems, processes, and reporting regarding the Waikanae Library. The review has also highlighted broader concerns about other aspects of Council's community facilities, particularly around community halls and pensioner housing.

Morrison Low was engaged by Council to undertake an assessment of their AM practices at a strategic level across the property portfolio.

1.2 Project objectives

The overall project objectives for the AM practices review were as follows:

- Assess Council's AM practices for the property portfolio against the IIMM Maturity Assessment Model
- Identify the gaps to meet the appropriate target for each AM area
- Develop AM Improvement Programmes with the identified initiatives from the practices review for the two property portfolios
- Provide comment on Council's internal AM capability and team function, mainly for the community facilities activity
- Assess and understand the issues of Council's property portfolio
- Prepare for the 2021 Long Term Plan (LTP).

We understand that Council's vision for their property portfolio is:

- *High value, and highly used community facilities that are talked about and desirable and enhances the quality of life at Kāpiti Coast. Fit for purpose, well utilised, adaptable community facilities that enhances the quality of life at Kāpiti Coast.*

Council wishes to understand if their internal capability is right to achieve this vision, focused on the Property Services Team post the Waikanae Library closure.

Success would be for other councils to visit them to see how they manage their property portfolio. Kāpiti Coast would be recognised as a good practice organisation nationally for managing their property portfolio, a shift from the current position.

2 Background

2.1 About Council's property portfolio

Council's property portfolio consists of:

- Community facilities
- Aquatic facilities (part of the recreation and leisure activity).

Council provides affordable and safe aquatic facilities. The District has pools in Ōtaki, Waikanae, and Paraparaumu. These facilities provide programmes and services for the health and wellbeing of the community. Council also provides District wide library services with libraries in the above areas as well as in Paekākāriki. These library facilities engage with the community through the provision of a vibrant programme of activities, training, and art and cultural events. Community facilities such as halls, pensioner housing, and public toilets are also provided throughout the District.

The summary of Council's facilities is listed in Table 1.

Table 1 Summary of Council's property portfolios

Property portfolio	Facility	Quantity (no)
Community facilities	Libraries	4
	Community halls	7
	Community centres	2
	Sports halls	1
	Cemeteries	5
	Public toilets	33
	Work depots	3
	Pensioner housing	118
	Emergency operations centre	1
	Civic administration building	1
	Rental houses	11
Recreation and leisure facilities	Aquatic centres	3
	Changing room in parks	9

The following were excluded from this review:

- Leased buildings
- Land holdings

2.2 Methodology

The methodology used to undertake the AM Practices Review for the property portfolio was as follows:

- Existing information was reviewed and verified prior to the on-site audit.
- An on-site audit of Council's AM practices was completed by Morrison Low's Strategic AM Specialist in July 2019 including interviewing key Council staff covering community facilities and aquatic facilities.
- The assessment was structured to align with the sixteen AM areas as part of the AM Maturity Assessment Model.
- Each AM area was assessed based on the on-site audit and compared with the agreed maturity target.
- A summary report was completed to document the high-level review findings and structured to align with the AM Maturity Assessment Model. The report was structured by community facilities and aquatic facilities so easy for the two activity managers to use for their AM planning and 2021 LTP.
- Development of AM Improvement Programmes from the identified gaps and presentation in prioritised roadmaps and grouped into key programmes for community facilities and aquatic facilities.

3 Team functions

3.1 Current group management structure

Management of the property portfolio is divided between two teams in the Place and Space Group as summarised in Table 2.

Table 2 Place and Space Group management structure

Property assets	Managed by
Recreation and leisure facilities	Parks and Recreation Manager
Community facilities	Property Services Manager

Both these roles report to the Group Manager Place and Space who has overall responsibility for the property portfolio.

3.2 Current Property Services Team structure

Historically there have been limited resources in the Property Services Team to adequately perform all the management tasks for the community facilities activity. This was addressed following the Waikanae Library closure with an interim Property Services Team Structure approved in July 2019 for a two-year period (refer to Figure 1). The additional resourcing included the following two new roles:

- An Asset Planner and Property Analyst to increase AM capability.
- A temporary Programme Manager to set the wider AM improvement programme.

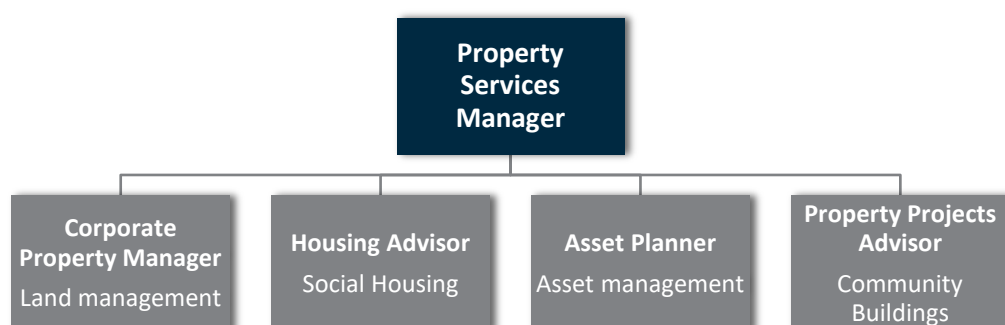


Figure 1 Interim Property Services Team Structure

The interim Property Services Team Structure mixes portfolio management and operational roles in each of the management positions without coordination of functional activities, i.e. maintenance planning across the portfolios.

Through the structured interview process, it was identified that best practice AM roles and functions were not all assigned. It is unclear who has responsibility for a number of functions, e.g. planned maintenance scheduling and delivery. This has the potential to cause frustration in the Property Services Team, and tension between the internal Operations Department and business users, such as librarians.

3.3 Future options

Successful delivery of AM functions within an organisation requires a clear definition of the roles and responsibilities for all aspects. This is reflected in an activity continuum from owner to delivery and operations, as shown in Figure 2.

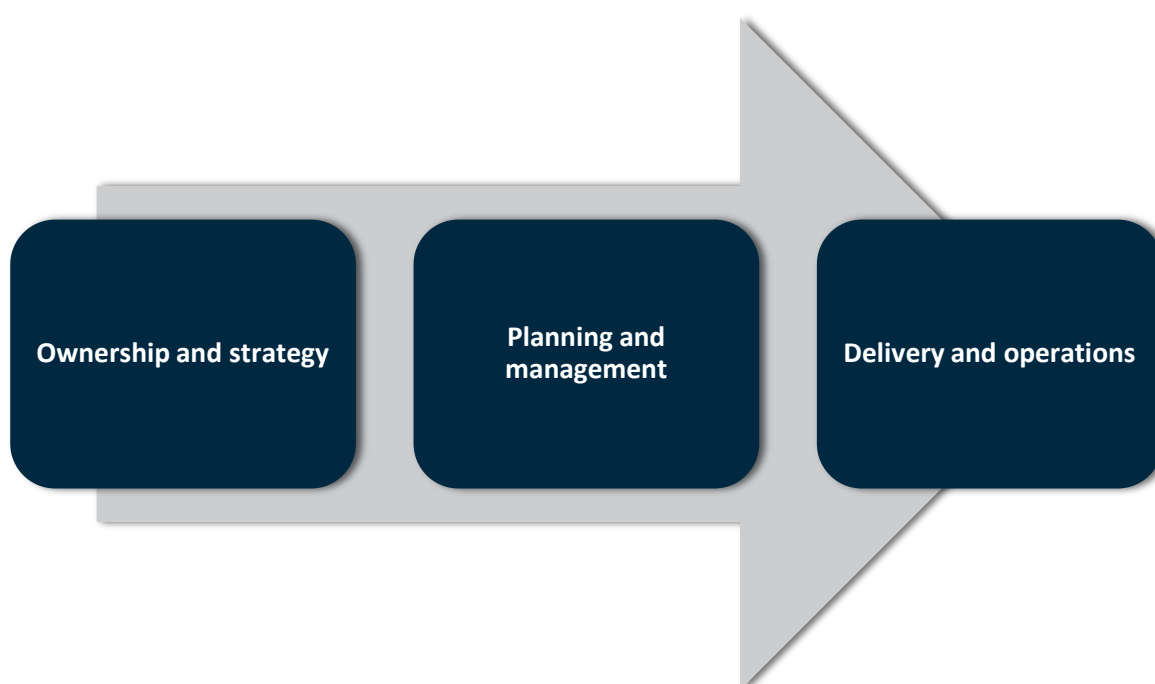


Figure 2 Asset management activity continuum

There are a number of key AM functions, each with core activity responsibilities. Generally, better results are achieved if roles have distinct boundaries within their functional area, as follows:

- **Ownership and strategy (asset owner)** - Takes ownership responsibility for the management of the assets and is usually responsible for policy and overall asset strategy. A four - ten+ year horizon. This is the strategic functions of the Property Services Team.
- **Planning and management (asset custodian)** - Normally the technical expert who has responsibility for planning and management of the assets over a one - four year time horizon. This is the technical AM functions of the Property Services Team.
- Broadly applying this for the community facilities activity, this would be the business users such as librarians and animal management officers.
- **Delivery and operations (service delivery)** - responsible for day to day maintenance of assets with a one year time horizon. This is the Operations Department at Kapiti Coast.

In addition, there are the business users such as librarians and animal management officers which need to be kept informed and included in decision making at certain points.

A number of improvement actions have recommended clarifying roles and responsibilities amongst the teams (asset owner), internally with the Operations Department (service delivery), and the business users. A RACI (Responsible, Accountable, Consulted and Informed) matrix can be used to map the roles and responsibilities.

Identifying the key functions to manage the property services for Place and Space could look similar to the functional team summary outlined in Table 3.

Table 3 Functional team summary

Functions	Roles	Responsibilities include
Strategy	Strategy Manager	Land acquisition strategy, social housing strategy
Planning	Asset Planner	AMP preparation, renewal planning, asset performance, asset risk assessment, long term plan
Information	Information Manager	Lease data, asset register, planned maintenance
	Data Collection Manager	Condition inspections, landlord inspections
Operational	Operations Manager	Lease management, tenancy management, compliance management
Maintenance	Facilities Manager	Maintenance planning
Renewals	Renewals Manager	Refurbishment and replacement delivery
Capital	Project Manager	Acquisition management, capital project delivery

4 AM maturity assessment model

4.1 Overview

The AM Maturity Assessment Model consists of 16 subject areas grouped into three AM elements as shown in Figure 3 and described in the IIMM.

- Understanding requirements
- Lifecycle planning
- Asset management enablers



Figure 3 Outline of AM Maturity Assessment Model

4.2 AM maturity target

Council's current target in AM maturity for both community facilities and aquatic facilities is at Core to Lower Intermediate level (or 41 to 65%) as agreed with Council's activity managers. It is expected that in the medium term that AM maturity target would increase to the Intermediate level.

5 Overall assessment results

The overall assessment of community and aquatic facilities are summarised in the sections below. The detailed findings, categorised by the three elements, are in Appendix C and D for each portfolio respectively. The assessment scoring for each of the community and aquatic facilities are located in Appendix E. The suggested improvement programme for each portfolio can be found in Appendix F.

5.1 Community facilities

The AM maturity for community facilities has been assessed at **39%** against a target of 62%. This is at the higher end of the **Basic level** of maturity.

The results for each of the sixteen IIMM review elements are shown in Figure 4 below.

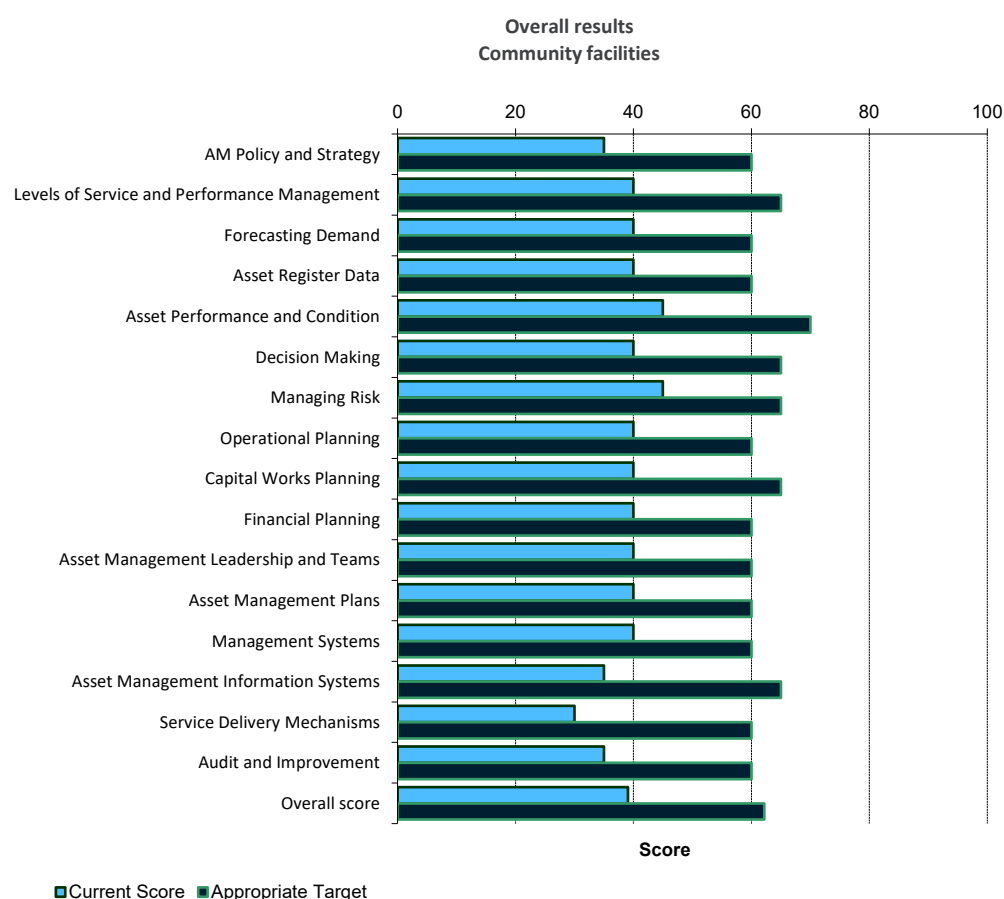


Figure 4 Overall AM maturity results for community facilities (as at July 2019 by Morrison Low)

Asset Performance and Condition and Managing Risk scored the highest (45%) with most of the remaining elements scored equally at 40%. Service Delivery Mechanism scored the lowest at 30%.

Note: The Basic Maturity Level is between 21% and 40%, and the Core Maturity Level is between 41% and 60%.

5.2 Aquatic facilities

The AM maturity for aquatic facilities has been assessed at **49%** against a target of 61%. This is at the midpoint of the **Core** level of maturity.

The results for each of the sixteen IIMM review elements are shown in Figure 5.

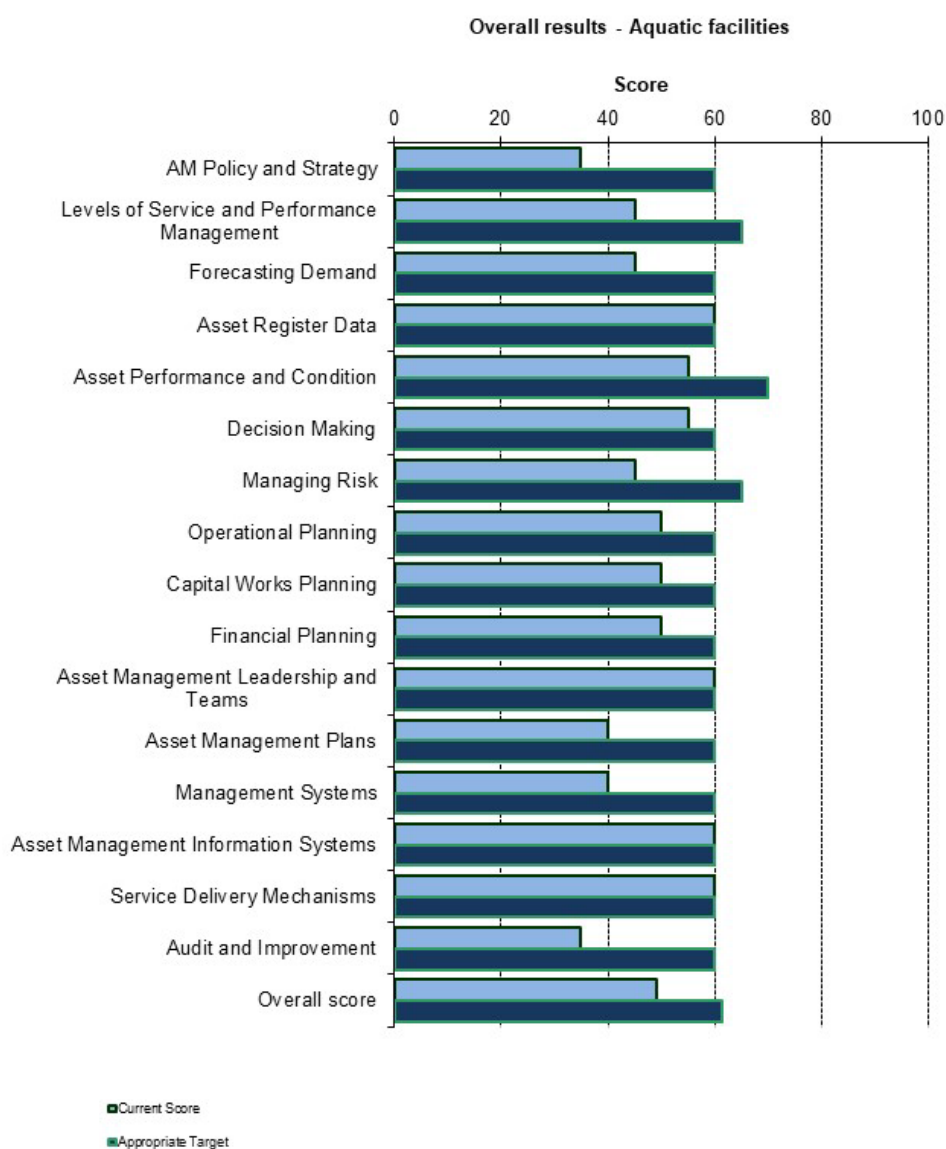


Figure 5 Overall AM maturity results for aquatic facilities (as at November 2019 by Morrison Low)

Asset Register Data, Asset Management Leadership and Teams, Asset Management Information Systems, and Service Delivery Mechanism scored higher than other areas (equally at 60%) followed by Asset Performance and Condition and Decision Making at 55%. Audit and Improvement scored the lowest at 35%.

6 Key achievements to date

At the start of the project, key issues and achievements were discussed with Council's management of community facilities and aquatic facilities to provide context. These key issues and achievements were considered with the development of the AM Improvement Programmes.

A number of key achievements have been made by Council as part of their AM journey and maturity including:

6.1 Community facilities

- **Waikanae Pop Up Library** – With the closure of the Waikanae Library, a pop-up library was set up relatively quickly in consultation with the community and cross council departments, including end-users, as a medium-term solution (three years).
- **New management structure** – A new Property Services Structure was approved in July 2019 for a two-year period.
- **Senior Leadership Team (SLT) Resilience** – Through the Waikanae Library closure process, the SLT have become more resilient with their decision making. There is greater visibility of infrastructural challenges across all the portfolios and networks rather than the traditional core infrastructure.
- **Holistic practices review** – Council has engaged an independent review of strategic AM practices for a holistic view of the property portfolio. It covers community services and recreation and leisure activities.
- **Pensioner housing refurbishment** – About one-third of the interior of the pensioner housing units have recently been refurbished.
- **Pensioner housing units insulated** – All of Council's pensioner housing units were insulated in 2010 (prior to the Healthy Homes Guarantee Act 2017).
- **Property capital programme delivery** – A much larger property capital programme was delivered in 2018/19 compared with 2017/18 (i.e. \$1.4 million versus \$464,000). The property capital budget for 2019/20 is larger again at \$3.9 million.
- **Asbestos survey register** – A register was developed in accordance with Health and Safety at Work (Asbestos) regulations 2016 to record the identified suspect asbestos material based on the surveys completed to date.
- **Partnership model with the community** – A principle-based service model was developed to agree outcomes for the future Kāpiti Community Centre options. This service model was agreed with Councillors in June 2019 to ensure the facility is fit for purpose and meets the community needs.
- **Proactive inspections of pensioner housing units** – A proactive inspection programme was set up about three years ago that includes a visual assessment of the inside of units as well as understanding tenants' concerns. It is now in the second round of inspections.
- **Capital project templates and processes** – Capital project templates and processes have recently been developed for managing the non-residential property portfolio consistently.

6.2 Aquatic facilities

- **Asset register** – There is an established and detailed asset register for the aquatic centres (for about six years). The pool asset register is used to justify renewal and maintenance budgets to inform the LTP process.
- **Energy-efficient Coastlands Aquatic Centre** – The new centre is a state of the art facility with a clear roof consisting of three layers of cushioning for energy efficiency.

7 Key issues

7.1 Community facilities

- **Lack of strategic frameworks** – There are limited or dated strategic frameworks to guide decision making for the property portfolio. This leads to governance and management focusing on technical/operational issues rather than long term planning. Examples include:
 - **Pensioner housing portfolio** – There is a lack of strategy for the pensioner housing provisions. The existing framework (1993) is dated and subject to interpretation.
 - **Non-residential property** – The Community Facilities Strategy (2017) is a stocktake of the property portfolio rather than a decision making framework.
- **Purpose of community services** – There was a disconnect between providing community services and people using them and the physical buildings. The mindset has started to change that the buildings are there to serve the community post the Waikanae Library closure.
- **Historic under-investment** – With Council’s constrained financial position, there has been limited investment in community facilities compared with the core asset groups (i.e. land transport and three waters) as it was considered a lower priority. This has resulted in the property portfolio’s current poor state.
- **Communicating investment needs** – There has been limited communication of the asset investment needs of the property portfolio to management and governance decision makers. This has led to historic under-investment as noted above.
- **Step change in thinking** – A step change in thinking is required to better manage the property portfolio. For example, service levels need to be considered rather than an operational response with decision.
- **Limited capability and capacity** – There were limited resources in the existing Property Services Team to adequately cover the community facilities activity.
- **Legacy risks with existing buildings** – There has been limited progress on addressing legacy performance risks with existing buildings such as the Otaki Library.
- **Reactive decision making** – Long term management of the community buildings has generally been reactive with limited strategic oversight, unclear drivers, lack of integrated decision making, evidence-based using performance data, pressure to spend the budget, or understanding what the community wants. There has been a tendency to react to service requests, even multiple times, without understanding the underlying causes. This has resulted in mainly operational management of the property portfolio.
- **Disparate asset data** – Property asset data is managed by various processes and stored in multiple locations which do not support sound AM practices.
- **Ad hoc contract management** – The process for managing the operational contractors (internal and external) for the non-residential property portfolio has been informal with limited processes.
- **Ad hoc planned inspections** – The inspections of non-residential property portfolio are generally ad hoc with minimal documentation.

- **Service requests** – The request for service to address defects identified with the non-residential property portfolio is through multiple channels, with wide scope and lack of priority assigned. This has impacted resourcing as it is difficult to schedule urgent and non-urgent work as well as the planned inspections.
- **Challenging procurement process** – Council’s procurement process is challenging for implementing important but unbudgeted programmes such as the planned building condition surveys.

7.2 Aquatic facilities

- **Energy efficiency optimisation** – The new Coastlands Aquatic Centre, Paraparaumu, is fitted with new technology Building Management System (BMS) to ensure the mechanical and electrical equipment is monitored and used effectively. The system is about seven years old, so needs review/ optimisation to ensure potential cost savings are realised. A BIM was not installed at the Otaki Pool as part of the upgrade in December 2017 due to budget constraints.
- **Decision on the future of Raumati Pool** – The pool complex has been closed since 2011 as the new Coastlands Aquatic Centre adequately serves the local Raumati community. There are various proposals to repurpose the building complex (excluding aquatic centre option). However, there is still no Council decision on the future of this site.
- **Changing rooms in club buildings** – The arrangements for sporting clubs is for them to own the building located on a park reserve/sports field. The club is located on the top floor and Council’s changing rooms are located on the ground floor. However, sporting clubs are finding it difficult to secure insurance for the building. Council is currently negotiating the excess with insurance companies.

8 AM Improvement Programme

8.1 Project prioritisation assessment

A number of improvements have been identified through this AM practices review. The improvements have been grouped into key programmes as detailed in Appendix F.

For each activity, a benefit-cost quadrant was used for the prioritisation process, as shown in Section 8.2. Each key programme was given a priority based on the area of the quadrant from “A” (low cost and high benefit) to “I” (high cost and low benefit).

Benefits were assessed for each key programme at a high level in the following broad ranges:

- High – legislative compliance, severe impact to levels of service, failure to address may result in significant Councillor adverse comment, greatly enhanced operational efficiency, significant cost savings achieved, major risk mitigated, major gap between current and appropriate practice
- Medium - contributing to legislative compliance, some improvements to operational efficiency, significant gap between current and appropriate AM practice, moderate cost savings achieved, failure to address adequately will adversely affect (over time) Council's ability to achieve its core responsibilities
- Low - minor improvements to operational efficiency, not required for legislative compliance, minor cost savings achieved, good practice, nice to have.

Costs were assessed for each key programme at a high level in the following broad ranges:

- High or substantial cost to implement or >\$150,000
- Medium cost to implement or \$50,000 to \$150,000
- Low cost to implement or <\$50,000.

Note that internal costs were not included as part of this high-level assessment.

8.2 Key improvement programmes

To increase AM maturity in management of the property portfolio and strengthen the integration/ connection between the various initiatives underway, the following high priority improvement programmes need to be undertaken for each of the activities. The improvement programmes for community facilities and aquatic facilities are summarised in Table 4 and 5 respectively. The corresponding benefit-cost quadrants are illustrated after each improvement programme.

Table 4 Key AM Improvement Programmes – Community facilities

No.	Key AM Improvement Programmes	Priority
1	Develop AM policy and strategy and guide decision making	High benefits/ High costs
2	Consolidate asset datasets from the various systems and streamline asset condition recording and reporting processes	High benefits/ Medium costs
3	Incorporate strategic framework into evidence-based decision making and strengthen risk management approach through asset data validation	High benefits/ Medium costs
4	Develop sound processes for capital works and financial planning to support evidence-based decision making	High benefits/ Medium costs
5	Restructure Property Services to build in-house AM capability and capacity and develop AMP	High benefits/ Medium costs
6	Improve management systems to streamline operational and service delivery needs	Medium benefits /Medium costs

Description

- Legislative Compliance
- Severe impact to Levels of Service
- Failure to address may result in significant adverse Council comment
- Greatly enhanced operational efficiency
- Significant cost savings achieved
- Major risk mitigated
- Major gap between current and appropriate practice

- Some improvements to operational efficiency
- Moderate cost savings achieved
- Will contribute to legislative compliance
- Significant gap between current and best practice
- Failure to address adequately will adversely affect (over time) Council's ability to achieve its core business responsibilities

- Minor improvements to operational efficiency
- Good practice
- Nice to have
- Minor cost savings achieved
- Not a legislative requirement

BENEFIT

PRIORITY QUADRANTS - KAPITI COAST DISTRICT COUNCIL'S AM IMPROVEMENT PROGRAMME FOR COMMUNITY FACILITIES

BENEFIT	PRIORITY QUADRANTS - KAPITI COAST DISTRICT COUNCIL'S AM IMPROVEMENT PROGRAMME FOR COMMUNITY FACILITIES					
	HIGH		MED		LOW	
	Programme 1: Develop AM Policy and Strategy for community facilities and guide decision making		Programme 2: Consolidate asset datasets from the various systems and streamline asset condition recording and reporting processes Programme 3: Incorporate strategic framework into evidence-based decision making and strengthen risk management approach through asset data validation Programme 4: Develop sound processes for capital works and financial planning to support evidence-based decision making Programme 5: Restructure Property Services to build inhouse AM capability and capacity and develop AMP		Programme 6: Improve management systems to streamline operational and service delivery needs	
		MEDIUM		HIGH		
		IMPLEMENTATION COST				
		<\$50,000		\$50,000 - \$150,000		>\$150,000

Table 5 Key AM Improvement Programmes – Aquatic facilities

No.	Key AM Improvement Programmes	Priority
1	Develop AM policy/strategy, establish levels of service, and ensure demand is fully understood	High benefits/ Medium costs
2	Continue to undertake asset condition assessment and develop budget justification for energy efficiency optimisation programme	High benefits/ Medium costs
3	Continue with a risk and evidence-based decision making approach	High benefits/ Medium costs
4	Continue with sound processes for capital works and financial planning that link to Council outcomes	High benefits/ Low costs
5	Update the AMP supported by evidenced-based asset information and implement AM improvement tasks	High benefits/ Low costs
6	Strengthen the management systems to streamline operational and service delivery needs	Medium benefits /Medium costs

Description

- Legislative Compliance
- Severe impact to Levels of Service
- Failure to address may result in significant adverse Council comment
- Greatly enhanced operational efficiency
- Significant cost savings achieved
- Major risk mitigated
- Major gap between current and appropriate practice

- Some improvements to operational efficiency
- Moderate cost savings achieved
- Will contribute to legislative compliance
- Significant gap between current and best practice
- Failure to address adequately will adversely affect (over time) Council's ability to achieve its core business responsibilities

- Minor improvements to operational efficiency
- Good practice
- Nice to have
- Minor cost savings achieved
- Not a legislative requirement

BENEFIT

PRIORITY QUADRANTS - KAPITI COAST DISTRICT COUNCIL'S AM IMPROVEMENT PROGRAMME FOR AQUATIC FACILITIES

BENEFIT	HIGH	Programme 4: Continue with sound processes for capital works and financial planning that link to Council outcomes. Programme 5: Update AMP supported by evidenced-based asset information and implement AM Improvement tasks. A	Programme 1: Develop AM Policy/Strategy, establish levels of service, and ensure demand is fully understood. Programme 2: Continue to undertake asset condition assessment and develop budget justification for energy efficiency optimisation programme. Programme 3: Continue with a risk and evidence-based decision-making approach. C	F
	MED	B	Programme 6: Strengthen management systems to streamline operational and service delivery needs. E	H
	LOW	D	G	I
		IMPLEMENTATION COST		
		LOW	MEDIUM	HIGH
		<\$50,000	\$50,000 - \$150,000	>\$150,000

9 Conclusion

9.1 Community facilities

Overall, we assessed Council's AM Maturity for managing its community facilities at the high end of Basic Level, with Asset Performance and Condition and Managing Risk scored the highest. From our experience, this level of AM Maturity it is not uncommon for property portfolios in local and central government. Generally, AM practices are more mature for land transport and water activities.

There have been a number of key achievements made by Council to date, these include:

- With the closure of the Waikanae Library, a pop-up library was set up relatively quickly in consultation with the community and cross council departments including end-users, as a medium-term solution.
- A new Property Services management structure was approved in July 2019 for a two-year period.
- The SLT have become more resilient with their decision making, and there is greater visibility of infrastructural challenges across all the portfolios and networks.
- Council has engaged an independent review of strategic AM practices for a holistic view of the property portfolio.

9.2 Aquatic facilities

Overall, we assessed Council's AM Maturity for managing its aquatic facilities at the Core Level (sitting around the mid-range), with Asset Register Data, Asset Management Leadership and Teams, Asset Management Information Systems, and Service Delivery Mechanisms scored the highest. In comparison with community facilities, the higher level of AM Maturity is attributed by the more advanced plant and equipment used in managing the aquatic centres. In addition, there is an established and detailed asset register for the aquatic centres. The asset register is used to justify renewal and maintenance budgets to inform the LTP process.

9.3 Next steps

Through this high-level review and assessment, a range of findings and improvements have been identified for community facilities and aquatic facilities. The next steps to implement the identified improvement actions and take Council on its AM journey for the property portfolios are:

- Implement the three-year AM Improvement Programme with the actions identified, prioritised, and responsibilities and timeframes assigned.
- Strengthen the AM governance functions to bed in good culture within the Place and Space Group and coordinate with corporate steering group (once set up).
- Start monitoring the progress of the AM Improvement Programmes on a quarterly basis as good practice.
- Shift the focus to developing AM foundations rather than responding reactively to service requests.
- Become more agile around resource management so community needs can be addressed as a priority.

Appendix A Acronyms

Acronym	Definition
AM	Asset Management
AMP	Asset Management Plan
BCP	Business Continuity Plan
BIM	Building Information Modelling
BMS	Building Management System
BWOF	Building Warrant of Fitness
IIMM	International Infrastructure Management Manual
LOS	Levels of Service
LTP	Long Term Plan
NAMS	New Zealand Asset Management Support
NBS	New Building Standard
PMO	Project Management Office
PQS	Property Quality Standards
RACI	Responsible, Accountable, Consulted and Informed
SLA	Service Level Agreement
SLT	Senior Leadership Team

Appendix B Review interviewees

Summary of review interviewees.

Role	Person	Functional area	Date
Group Manager Place and Space	James Jefferson	Asset owner – strategic oversight	30 July 2019
Property Services Manager	Crispin Mylne	Asset owner (libraries, arts and museums, some public toilets, community facilities except leased buildings and land holdings)	30 July 2019
Parks and Recreation Manager	Alison Law	Asset owner (aquatic centres, some public toilets)	30 July 2019
Environmental Standards Manager	Jacque Muir	Animal management end user	30 July 2019
Library Manager	Ian Littleworth	Library end user	5 August 2019
Manager, Programme Design and Delivery	Tania Parata	Community centre end user	30 July 2019
Housing and Property Coordinator	Lynne McMillan (and Crispin Mylne)	Pensioner housing end user	30 July 2019
Property Project Advisor	Cherie McKillop (and Crispin Mylne)	Capital planning and delivery for community facilities	30 July 2019
Senior Advisor Project and Portfolio	Chris Pierce	Strategy and Planning Department	30 July 2019
Operations Manager	Tony Martin	Operations and Maintenance (i.e. custodian for end users and owners)	30 July 2019
Corporate Risk Manager	Gary Butler	Corporate Risk Management	30 July 2019
CFO	Jacinta Straker	Finance Department	30 July 2019

Appendix C Community Facilities Detailed Findings

Understanding Requirements

Council demonstrated that it is operating AM at Basic Level of maturity for community facilities in relation to understanding and defining requirements, as summarised in Figure 6. The strongest AM area is **Asset Performance and Condition**. A visual condition survey was completed in 2017 of Council's property portfolio. The survey also assessed asset performance in terms of Property Quality Standards (PQS).

The condition survey results for the pensioner housing portfolio were used mainly for informing the budget process, whereas the proactive inspections of the housing units were used to drive the works programmes. Council's survey condition data is stored in SPM Asset database. An Asbestos Survey Register was developed in accordance with Health and Safety at Work (Asbestos) regulations 2016. It has recorded the identified suspect asbestos material based on the surveys completed to date.

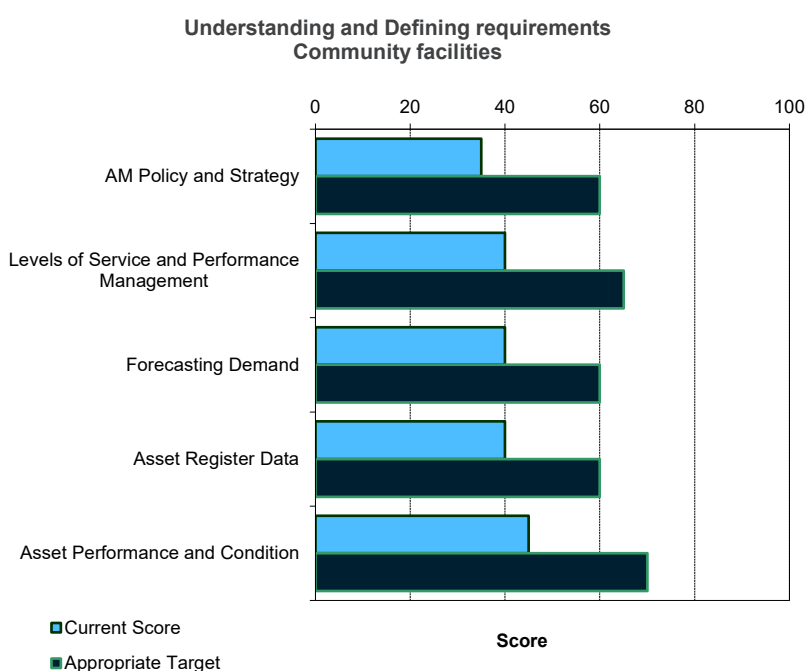


Figure 6 Results for understanding and defining requirements element – Community facilities (as at July 2019 by Morrison Low)

In addition to the specific findings for the activity, demand forecasting is also addressed at the **corporate level**:

- The District's growth challenges and demographic trends are covered adequately in the 2018 LTP and 30 Year Infrastructure Strategy, this includes the impact of the aging population and a smaller sized household.
- An assessment of the District's housing and business development capacity is being prepared. A joint growth planning study is scheduled to be undertaken with Wellington City Council including the impact of Transmission Gully.
- Council is coordinating a community engagement programme to identify demand.

The key findings for the understanding and defining requirements elements for community facilities are categorised as follows:

- AM policy and strategy:
 - There are limited or dated strategic frameworks to guide decision making for the property portfolio.
 - There is currently no over-arching corporate AM Policy and Strategy.
 - Corporate wide AM Policy Statements were prepared in 2010 including selecting appropriate AM level. Most asset managers are unaware of this document and it does not seem to be adopted by Council and/or an AM formal steering group. The 2010 corporate wide AM Policy Statements do not meet good industry standards, as focused on setting the suitable maturity level.
- Levels of service:
 - A mix of performance measures are used in the 2018 LTP and draft 2018 Community Services Activity Management Plan. However, there was an over-reliance on satisfaction ratings rather than covering an aspect of the service (i.e. quality for asset condition).
 - The levels of service are reported every quarter to Council and in the Annual Report.
 - Historically the building end-users have not been involved with setting the levels of service.
 - Operational/technical performance measures are currently not recorded by the contractors due to the transactional nature of contract management.
- Forecasting demand:
 - Pensioner housing – There is high demand for units with a long waiting list as criteria is dated. Demand data is stored in the Applicant Register. District Health Board boundaries have an impact on the demand for pensioner housing as well.
 - Public toilets – High demand facilities are known operationally but not assessed formally to date, including the Community Facilities Strategy. Demand for facilities across the District has changed with the new expressway.
 - Community halls – Bookings are currently made through front of the house and saved in Council's enterprise system (MagiQ). Council's new online booking system will provide better demand statistics. The demand forecasts for community halls has not been formally assessed to date. It needs to take into account the changing community demographics and needs, and the growth study outputs.
 - Civic buildings – These are generally well utilised as moving to modern workspaces. Council wishes to move to a campus approach for civic building arrangement.
- Asset register data:
 - Property asset data is managed by various processes and stored in multiple locations. These do not support sound AM practices and data management is considered ad hoc.
 - There is currently no single repository of asset condition and performance data so that information can be analysed/viewed holistically.
- Asset performance and condition:
 - The questions for the PQS were generic and not tailored to Council's property portfolio.
 - There is currently no internal capability/capacity to manage or analyse the asset condition and performance data.
 - Council owns five buildings determined as earthquake prone. Council adopted a higher target of 80% NBS (than a minimum of 34%) remediation of its high use facilities.
 - There have been recent weather-tightness issues identified with the property portfolios. This resulted in the closure of the Waikanae Library.

Lifecycle Planning

Council demonstrated that it is operating AM at Core Level of maturity for community facilities in relation to lifecycle decision making, as summarised in Figure 7. The strongest AM area is **Managing Risk**. Critical assets were identified in the 2018 Community Facilities Activity Management Plan and include the Emergency Operations Centre, Paraparaumu Depot and Civil Defence Posts.

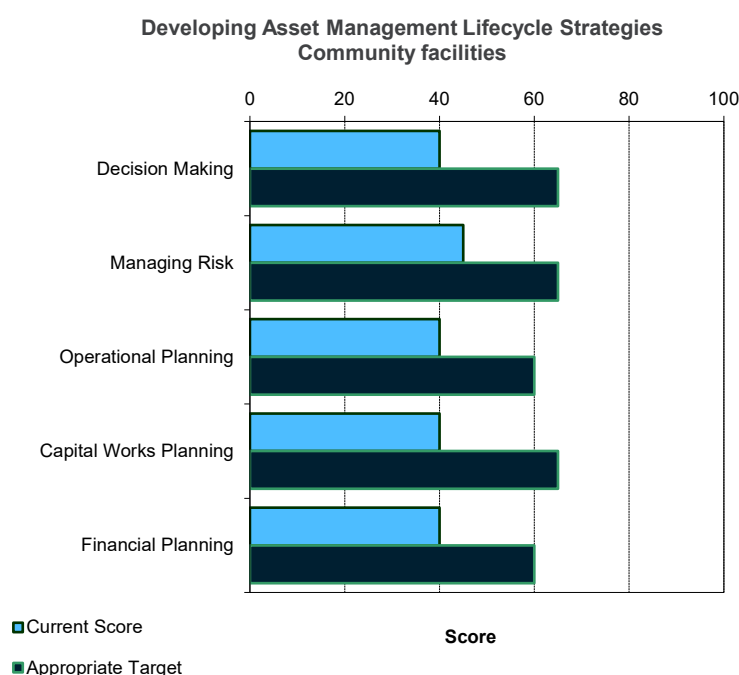


Figure 7 Results for lifecycle decision making element – Community facilities (as at July 2019 by Morrison Low)

In addition to the specific findings, the following elements are also addressed at the **corporate level**:

- Managing risk:
 - Risk management framework has been developed and is available on Council’s intranet for staff.
 - The corporate risk register is reported quarterly to the Audit and Risk Committee. Group Managers are part of the sessions on risk discussions at the Committee. Activity managers have had limited involvement to date resulting in lack of risk champions at activity level.
 - Council developed a Business Continuity Plan (BCP) Framework post Kaikoura earthquake in 2016. The Continuity Management Team was refreshed in May 2019.
 - There is an overarching BCP corporate framework with separate plans. There is a BCP for loss of buildings (December 2016). Plans still need to be developed for pensioner housing as a high priority, followed by libraries and aquatic centres.
- Capital works planning:
 - Council’s financial performance is reported to the SLT on a monthly basis including capital expenditure. Critical capital projects in terms of risk, issues, procurement and timing are also reported to SLT.
 - There will also be a pilot developing non-financial performance criteria for capital project reviews.

- Financial planning:
 - The LTP sets the direction for Council. The key elements of the strategic direction are conceptualised with Our Plan on a Page.
 - Council has adopted a green-line strategy to manage borrowings to fund future infrastructure replacement.
 - Council automated the budget process about five years ago with MagiQ templates and pre-set reports.

The key findings for the lifecycle decision making elements for community facilities are categorised as follows:

- Decision making:
 - Historically decision making for the community facilities portfolio has not been evidence-based. It lacked supporting justification and wider context for decision makers compared with core infrastructure (i.e. waters and land transport).
 - There was a disconnect between the core purpose of community services (i.e. libraries, animal management, social housing) and the physical buildings supporting these services. The mindset has now started to change so that the buildings are to serve the community (post the Waikanae Library closure).
 - Long term management of the community buildings has generally been reactive to an incident with limited strategic oversight, unclear drivers, lack of integrated decision making, evidence-based using performance data, pressure to spend the budget, or understanding what the community wants.
 - There has been limited communication of the asset investment needs of the property portfolio to management and governance decision makers. The top priorities for the property portfolio were not well communicated up to SLT.
 - The AM functional roles and responsibilities (including decision making) between the Property Services Team (asset owner) and the business users is not always clear. This results in frustration and projects sometimes put on hold, arriving at a solution that does not meet the business users' needs, or urgency to spend the budget. The asset owner and business user is currently combined for community halls due to historical practices and limited council wide resources.
- Managing risk:
 - There is an activity risk register as part of the 2018 plan but dated 2015.
 - The Civic Building is hardwired so hire generator can connect to it. There are generators located at the Emergency Operations Centre.
- Operational planning:
 - The operation and maintenance activities for the community facilities are undertaken by a mix of internal and external resources.
 - The AM functional roles and responsibilities for the inspections of non-residential property are mixed up. The Facilities Assistant (asset owner) undertakes the inspections with the handyman (service delivery).
 - There is no formal inspection schedule or records kept. The current list of the annual certification of Council's buildings (BWOFF) is not up to date.
 - The request for service process to address defects identified with the property portfolio is through multiple channels, with a wide scope, undefined service levels and lack of priority.

- Capital works planning:
 - With Council's constrained financial position, there has been limited investment in community buildings compared with the core infrastructural asset groups as was considered a lower priority. This has resulted in the property portfolio's current poor state.
 - Council has changed its historic piecemeal approach with pensioner housing renewals. For the last three years, it now undertakes complete refurbishment when the unit becomes vacant.
 - Capital project templates and processes have recently been developed for managing the non-residential property portfolio consistently.
 - 20-year renewal programmes have been derived for the LTP directly from SPM Assets. No evidence of business
 - LTP ten-year forecasts for community facilities are based on the long-term condition profiles from SPM survey. There is low confidence with the ten-year forecasts.
 - It is important going forward that the property portfolio is viewed strategically. This will ensure Council only retains buildings that are needed long term so not planning for a replacement that is not required.
 - Currently, the investment levels are not linked to Council outcomes, and there are no linkages between the
 - processes to refine or review the SPM forecast.
- Financial planning:
 - The 2018 LTP and AMP.

AM enablers

Council demonstrated that it is operating AM at Basic Level of maturity for community facilities in relation to AM enablers, as summarised in Figure 8. The **Asset Management Leadership and Teams**, **Asset Management Plans**, and **Management Systems** are equally scored and are better than the other AM areas. The Property Services Manager has clear accountability as an asset manager for the community facilities activity, and there has been a change in culture post the Waikanae Library closure to understand better what went well and not so well.

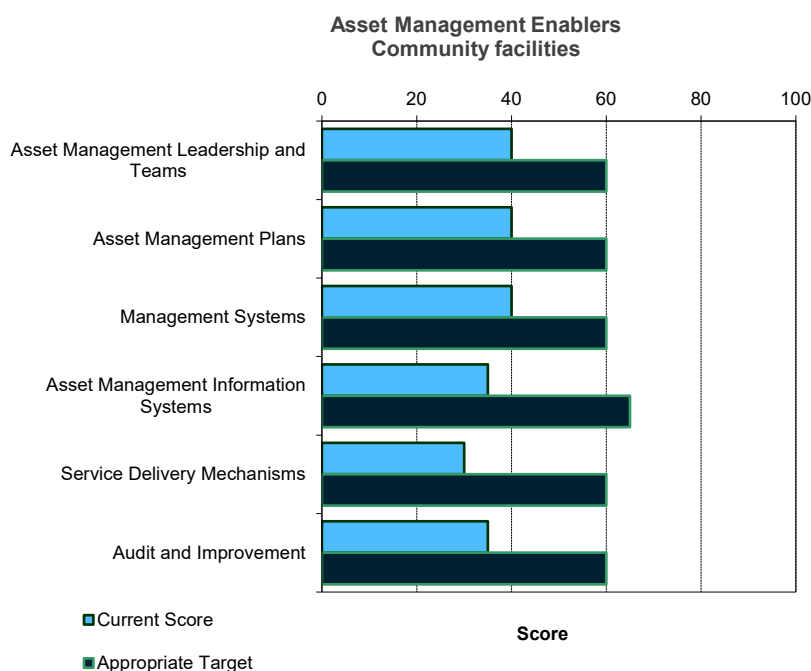


Figure 8 Results for AM enablers element – Community facilities (as at July 2019 by Morrison Low)

In addition to the specific findings below, the following elements are also addressed at the **corporate level**:

- AM leadership and teams:
 - SLT is committed to increasing and formalising the AM practices for Council’s property portfolio.
 - The Group Manager Place and Space provides strategic oversight of the community facilities activity as well as the other property-related activities, including recreation and leisure.
- Management systems:
 - Council has implemented a procurement framework with various templates and supporting processes.
 - There are suitable delegations in place that are assigned at management level.
 - Council is setting up a Project Management Office (PMO).
- Audit and improvement:
 - There is an existing Steering Group for the LTP process but no formal AM Steering Group. This results in AM undertaken in silos at the team level with no consistency across activities.

The key findings for the AM enablers elements for community facilities are categorised as follows:

- AM leadership and teams:
 - There were limited resources in the existing Property Services Team to adequately cover the community facilities activity.
- AMP:
 - The 2018 Activity Management Plans were prepared to provide input into the budget process. There were no corporate requirements to complete or publish them.
 - The draft 2018 Community Services Activity Management Plan is considered in working draft status. Most sections are incomplete and do not provide justification for the work programmes. The activity risk register has not been updated since 2015.

- Management systems:
 - Council's procurement process is challenging for implementing important but unbudgeted programmes such as the planned building condition surveys.
 - There is minimal quality management for the existing internal and external contractual arrangements.
- AM information systems:
 - SPM Asset database is used to hold the 2017 asset condition survey data.
 - Other asset data is held in various spreadsheets/registers.
 - Maintenance records are documented on hard copy sheets.
- Service delivery models:
 - The process for managing the operational contractors (internal and external) for the non-residential property portfolio has been informal with limited documented processes.
 - There are no regular meetings or contractor KPIs set with internal and external operational contractors.
 - There is a draft SLA with Council's Operations Department for undertaking operational activities. It has not formally been signed.
- Audit and improvement:
 - The 2018 AM Improvement Plan was not monitored.
 - The AM Improvement Plan will be reset through this review as well as other initiatives need to be added to it from the wider Property Management Improvement Programme.

Appendix D Aquatic Facilities Detailed Findings

Understanding Requirements

Council demonstrated that it is operating AM at the Core Level of maturity for aquatic facilities in relation to understanding and defining requirements, as summarised in Figure 9. The strongest AM area is **Asset Register Data**. The pool asset register is used to provide justification for renewal and maintenance budgets to inform the LTP process. It is updated annually and based on input from an electrical contractor and external pool specialist.

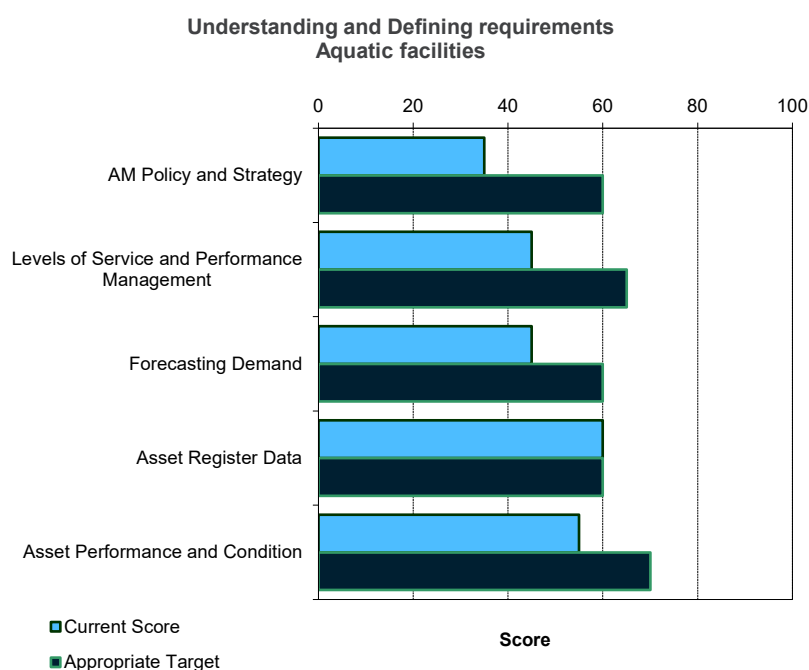


Figure 9 Results for understanding and defining requirements element – Aquatic facilities (as at July 2019 by Morrison Low)

The key findings for the understanding and defining requirements elements for aquatic facilities are categorised as follows:

- AM Policy and Strategy:
 - The Community Facilities Strategy (2017) is a stocktake of the property portfolio and has been used as a decision-making framework (noting pools were not part of the scope).
 - The 2010 corporate wide AM Policy Statements do not meet good industry standards, as focused on setting the suitable maturity level.
- Levels of service:
 - The levels of service are detailed in the 2018 LTP and draft 2018 Aquatics Activity Management Plan.
 - There is a good understanding of user groups and stakeholders of aquatic facilities as documented in the 2018 AMP.
 - Council participated in the Sport NZ Benchmarking (2015/16) and generally annually. The results were used to compare Council's pools with other public pools in terms of costs, visits and revenue.

- Forecasting demand:
 - Current and future demand is discussed in the AMP. There are no statistics on current demand or future projections by facility provided.
 - There is no formal assessment of District's current and future aquatic facility provision. Current and future aquatic facility provision regionally is understood between Councils but not formally documented.
 - It is understood that there is sufficient capacity at Coastlands Aquatic Centre in the medium term but not at peak times, although it has not been assessed formally.
- Asset register data:
 - There is an established and detailed asset register for the aquatic centres (for about six years).
- Asset performance and condition:
 - The asset condition of the aquatic facilities is assessed externally every three years. An asset condition survey was completed in 2016 based on specialist inputs (electrical contractor and external pool specialist).
 - No aquatic facilities were identified as earthquake prone.
 - An Asbestos Survey Register was developed in accordance with Health and Safety at Work (Asbestos) regulations 2016 to record the identified suspect asbestos material based on the surveys completed to date. However, the changing room buildings located on parks have not been assessed for identified suspect asbestos material to date.

Lifecycle Planning

Council demonstrated that it is operating AM at Core Level of maturity for aquatic facilities in relation to lifecycle decision making, as summarised in Figure 10. The strongest AM area is **Decision Making**. Generally, most decisions for aquatic facilities can be made at activity/group manager levels as within formal delegation thresholds. Not many decisions need to be escalated to SLT or full Council (except for normal Annual Plan and LTP processes). Lifecycle management decision making is generally strong due to the importance of equipment and incidence management for adequate and safe pool operation.



Figure 10 Results for lifecycle decision making element – Aquatic facilities (as at July 2019 by Morrison Low)

The key findings for the lifecycle decision making are categorised as follows:

- Decision making:
 - Generally, most decisions for aquatic facilities can be made at activity/group manager levels as within formal delegation thresholds. Not many decisions need to be escalated to SLT or full Council (except for normal Annual Plan and LTP processes).
 - The asset register is reviewed annually before any replacement is undertaken to confirm identified renewals are still required and/or any other additional candidates.
- Managing risk:
 - Critical assets are known and include all plant, BMS (for controls), Coastlands specialist features including the stainless steel tanks and three layered roof.
 - An activity risk register was part of the 2018 plan (but provided for this review) but dated 2015.
 - There are detailed Normal Operating Procedures for managing the pool operations. This ensures Council maintains its PoolSafe accreditation.
 - Council's Contractor Aquaheat is on call for emergency response, particularly for Coastlands Centre's roof. The BMS triggers critical alarms including Aquaheat to set up generator for the roof when there is no power/surges.
- Operational planning:
 - The operational management of aquatic facilities used to be contracted to a service provider. It was brought in-house about 7 years ago after a Council decision.
 - The planned preventative maintenance programme for plant is contracted to Aquaheat. The schedules were developed by Pacific Pool Ltd to go out to market. They are stored in Council's document management system. Aquaheat updates and adds to the schedules (now about five years old).
 - Council's staff manage the day to day operations and maintenance of the facilities, with specialist support as noted above.
- Capital works planning:
 - The aquatic facilities capital programmes are generally for renewals at the asset component level rather than new works.
 - Reports on delivering the major capital projects are prepared as required based on cost, risk and profile. Generally, the capital works for aquatic facilities are routine renewals.
 - The aquatic facility capital programme is included under the Recreation and Leisure Activity. There was a larger capital programme delivered in 2017/18 (\$4.2 million actual versus \$2.3 million actuals in 2016/17). This was mainly due to the Otaki building roof renewal project.
- Financial planning:
 - The 2018 LTP ten-year forecasts for aquatic facilities are based on the inspections undertaken annually and the three yearly asset condition surveys. The renewal plan was developed by Aquaheat for plant and HDT Architects for buildings for the 2018 LTP. There is moderate confidence with the ten-year forecasts.
 - Latest asset valuation for aquatic facilities is currently underway. It is undertaken on an annual basis and managed by Finance Team.
 - There is no documented link between investment levels and Council outcomes, and LTP and AMP.

AM enablers

Council demonstrated that it is operating AM at Core Level of maturity for aquatic facilities in relation to AM enablers, as summarised in Figure 11. The strongest AM areas are **Asset Management Leadership and Teams**, **Asset Management Information Systems**, and **Service Delivery Mechanisms**. The Parks and Recreation Manager has clear accountability as an asset manager for aquatic facilities, and the Aquatic Manager also has responsibilities. Asset data for aquatic facilities are held in the asset register spreadsheet, this seems to be fit for purpose for the scale of the facilities at this stage. To strengthen in-house capabilities, Council's service delivery model was changed about seven years ago with bringing operational services and maintenance activities back inhouse from outsourcing.

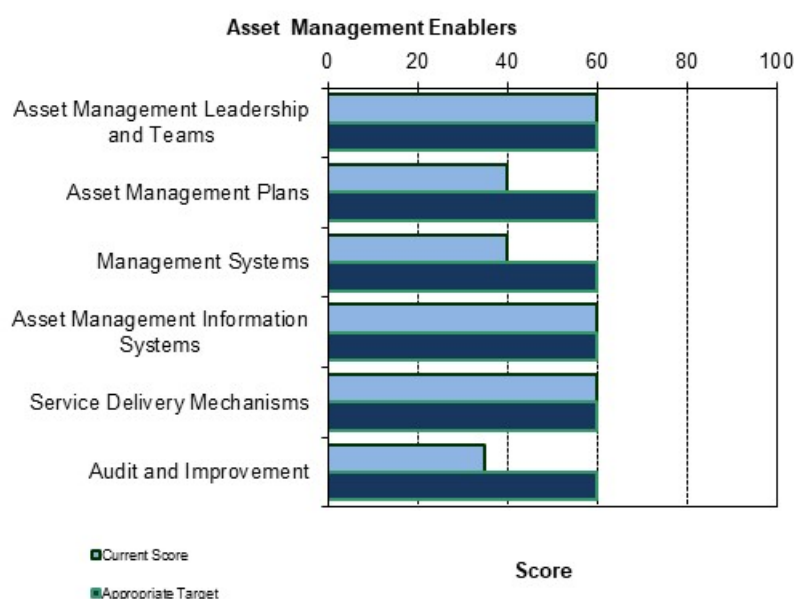


Figure 11 Results for AM enablers element – Aquatic facilities (as at November 2019 by Morrison Low)

The key findings for the AM enablers are categorised as follows:

- AM leadership and teams:
 - The aquatic facilities team capability and capacity has been developed with bringing it in-house as noted above. Good practice AM roles and functions have been assigned.
- AMP:
 - The draft 2018 Aquatic Facilities Activity Management Plan is considered in working draft status as noted above. Most sections were completed except the Financial Section and the justification for the renewal programme was detailed in a separate sheet for 2018 LTP purposes but not finalised in the plan.
 - The draft plan does not include an Executive Summary. The lifecycle and risk management plan sections are very brief (at ½ page each) and do not meet industry good practice.
 - There is an AM Practices Section but excludes an AM Improvement Programme. The activity risk register has not been updated since 2015.
- Management systems:
 - Council has Normal Operating Procedures for standardising operational processes.
 - Quality management is achieved through the documentation for maintaining the PoolSafe accreditation.

- Due to the scale and nature of capital projects for aquatic facilities, the LTP budget bid process is the main mechanism for documenting the justification for projects.
- Service delivery models:
 - External contractors are used for inspections based on the planned schedules (i.e. electrical contractors and pool specialist). There is a contract in place for Aquaheat.
- Audit and improvement:
 - There was no AM Improvement Plan developed as part of the 2018 AMP.



Appendix E AM Assessment Scoring

Tool.

Tool.

					Maturity Levels					Agencies to complete these four columns (K to O)					
Reference	Question				Aware	Basic	Core	Intermediate	Advanced	Current Score	Appropriate Target				
		Section	Questions	Why	D-20	21-40	41-60	61-80	81-100			Reason for scores	Evidence to support score	Improvement actions planned or underway	
Understanding and Defining Requirements															
IIMM 2.1	1	AM Policy and Strategy	To what extent has your organisation's AM system (including AM Policy and Strategy) been articulated, approved, communicated and acted on? How consistent is the asset management policy and strategy with current government policies?	The asset management system is the co-ordinated set of activities that are undertaken to deliver the organisation's AM objectives. Plans and processes relating to the AM system must be clearly aligned from the strategic plan through to the detailed work programmes and procedures. The AM Policy supports an organisation's strategic objectives. It articulates the principles, requirements and responsibilities for asset management (AM). The AM Policy and Strategy may be incorporated into the AM Plan.	The organisation is aware of the benefits of asset management.	Corporate expectations are expressed in relation to the development of AM Plans and AM objectives.	AM Policy, Strategy and Objectives are developed, and are aligned to corporate goals and the strategic context.	AM System scope is defined and documented. Strategic context (internal, external, customer environment) is analysed and implications for AM System documented in the AMP / AM Strategy.	AM Policy and Strategy is fully integrated into the organisation's business processes and subject to defined audit, review and updating procedures.	35	60	There are limited or dated strategic frameworks to guide decision making for the property portfolio. These are: •Pensioner housing portfolio – There is lack of policy for the pensioner housing provisions. The Housing for Older Persons Framework (1993) is dated and subject to interpretation. •Non-residential property – The Community Facilities Strategy (2017) is a stocktake of the recreational and community property portfolio rather than a decision-making framework. Corporate wide AM Policy Statements were prepared in 2010 including selecting appropriate AM level. Most asset managers are unaware of this document and it does not seem to be adopted by Council and / or an AM formal steering group. The 2010 corporate wide AM Policy Statements do not meet good industry standards, as focussed on setting the suitable maturity level.		Community Facilities Strategy (2017); Housing for the Elderly Policy (1993)	Develop a Place and Space Strategy to guide the long term decisions for the property portfolios including acquisitions and disposals, considering how each place and space activity will achieve council objectives. Develop a specific strategy for the pensioner (social) housing and include in place and space strategy to ensure consistent decision making that serves the community. Develop Council wide AM Policy and Strategy that meets good industry practice and documents to include all asset groups – e.g. Water, Roads, Parks, and Property. Develop the strategic case for investment in community and social property portfolios and incorporate in the Activity Management Plans for these activities. Develop a strategic document framework for the place and space group that connects community outcomes, council strategies, place and space strategy and activity plans.
IIMM 2.2	2	Levels of Service and Performance Management	How does your organisation determine what is the appropriate level of service for its customers and then ensure that asset performance is appropriate to those service levels?	Levels of service are the cornerstone of asset management and provide the platform for all lifecycle decision making. Levels of service are the outputs a customer receives from the organisation, and are supported by performance measures. One of the first steps in developing asset management plans or processes is to find out what levels of service customers are prepared to pay for, then understand asset performance and capability to deliver those requirements.	The organisation recognises the benefits of defining levels of service but they are not yet documented or quantified.	Basic levels of service have been defined and agreed, along with the contribution of asset performance to the organisation's objectives. Customer Groups have been defined and requirements understood.	Levels of service and appropriate performance measures are in place covering a range of service attributes. There is annual reporting against targets. Customer Group needs analysed. Level of service and cost relationship understood.	Customers are consulted on significant service levels and options.	Customer communications plan in place. Customer levels of service and technical (i.e. asset performance) levels of service are an integral part of decision making and business planning.	40	65	The levels of service are detailed in the 2018 LTP and draft 2018 Community Services Activity Management Plan. A mix of performance measures are used but there is an over reliance on satisfaction ratings rather than covering an aspect of the service (ie quality for asset condition). The LOS are reported on a quarterly basis to Council and in the Annual Report. Historically the building end users have not been involved with setting the levels of service. Operational technical performance measures are currently not recorded by the contractors due to the transactional nature of contract management (refer to Service Delivery).		2018 LTP; draft 2018 Community Services Activity Management Plan; 2017/18 Annual Report	Fully develop levels of service for the community and social property portfolios that include Customer and Technical levels of service and are aligned to Council outcomes and well beings. Define and commence measuring KPIs for the technical levels of service community and social property portfolios.
IIMM 2.3	3	Forecasting Demand	How robust is the approach your organisation uses to forecast demand for its services and the possible impact on its asset portfolios?	This AM activity involves estimating demand for the service over the life of the AM plan or the life of the asset. Demand is a measure of how much customers consume the services provided by the assets. The ability to predict demand enables an organisation to plan ahead and meet that demand, or manage risks of not meeting demand.	Future demand requirements generally understood but not documented or quantified.	Demand forecasts are based on experienced staff predictions, with consideration of known past demand trends and likely future growth patterns.	Demand Forecasts are based on robust projections of a primary demand factor (e.g. population growth) and extrapolation of historic trends. Risk associated with changes in demand is broadly understood and documented. Demand management is considered as an alternative to major project development.	A range of demand scenarios is developed (e.g. high/medium/ low). Demand management is considered in all strategy and project decisions.	Risk assessment of different demand scenarios, and mitigation actions are identified.	40	60	Corporate level: The District's growth challenges and demographic trends are covered adequately in the 2018 LTP and 30 Year Infrastructure Strategy. This includes the impact of aging population and a smaller sized households. An assessment of the District's housing and business development capacity is being prepared (expected in Sept 2019). A joint growth planning study is scheduled to be undertaken with Wellington City Council including the impact of Transmission Gully. It may not be available for the 2021 LTP and AMPs. Council is coordinating a community engagement programme to identify demand. Activity managers need to assess the forecast demand against their services. Activity level: Demand / utilisation is measured differently for each property portfolio with varying maturity as follows: • Pensioner housing – there is high demand for units with long waiting list as criteria is dated (refer to Housing for the Elderly Policy). Demand data is stored in the Applicant Register. DHB boundaries impacts demand for units as well. •Public toilets - High demand facilities are known operationally but not assessed formally to date including the Community Facilities Strategy. Demand for facilities across the District has changed with the new expressway. •Community halls - Bookings are currently made through front of house and saved in Council's enterprise systems (MagIQ). Moving to online system soon for bookings which will provide better stats. The demand forecasts for community halls has not been formally assessed to date. It needs to take into account the changing community demographics and needs, and the growth study outputs. •Civic buildings – Generally well utilised as moving to modern work spaces. Council wishes to move to campus approach to civic building arrangement.		2018 LTP; 30 Year Infrastructure Strategy; 2019 Pre Election Report	Engage with community and People and Partnerships to understand community needs and document demand for community facilities. Undertake the joint growth planning study with Wellington City Council. Assess the impacts on the property portfolios across the District using the study outputs. Formally assess the public toilet facilities against the NZS 4241: 1991 including usage, performance, amenity and safety. Establish client framework for each Community Facility to achieve better liaison with users of each facility and with contractors and to develop an evidence base for the portfolio. Analyse utilisation information for community facilities to better understand demand. Develop demand forecasts for community halls taking into account various factors including location, changing community demographics and needs, and the growth study outputs.
IIMM 2.4	4	Asset Register Data	What sort of asset-related information does the organisation collect, and how does it ensure the information has the requisite quality (accuracy, consistency, reliability)?	Asset data is the foundation for enabling most AM functions. Planning for asset renewal and maintenance activities cannot proceed until organisations know exactly what assets they own or operate and where they are located	The organisation has an awareness of need to collect asset data.	Basic physical information recorded in a spread sheet or similar (e.g. location, size, type), but may be based on broad assumptions or not complete.	Sufficient information to complete asset valuation (basis attributes, replacement cost and asset age/ life) and supports prioritisation of programmes (criticality). Asset hierarchy, identification and attribute systems documented. Metadata held as appropriate.	A reliable register of physical and financial attributes recorded in an information system with data analysis and reporting functionality. Systematic and documented data collection process in place. High level of confidence in critical asset data.	Information on work history type and cost, condition, performance, etc. recorded at asset component level. Systematic and fully optimised data collection programme with supporting metadata.	40	60	Property asset data is managed by various processes and stored in multiple locations which does not support sound AM practices: •Surveyed asset condition and PQS data is stored in SPM Asset database •Defect information is contained in service requests and Property Team emails •Performance asset data is stored in various reports. There is currently no single repository of asset condition and performance data so information can be analysed / viewed holistically. Data management is considered ad hoc.		Waikanae Library Service Request records (2016 to 2018)	Align asset information in the fixed asset register (FAR) in MagIQ and the physical asset register in SPM Assets so the data sets can be connected. Keep up to date with maintenance records and as built information. Refine the physical asset register hierarchy in SPM Assets to better suit the management of the social housing portfolio. Develop a simple process to enable all defects to be logged with suitable response times in systematic way as a high priority. Communicate the new process to end users to ensure successful implementation.
IIMM 2.5	5	Asset Performance and Condition	How does the organisation measure and manage the performance of its assets?	Timely and complete asset performance information (such as condition, utilisation and functionality) supports risk management, lifecycle decision-making and financial / performance reporting.	Condition and performance understood but not quantified or documented.	Adequate data and information to confirm current performance against AM objectives.	Condition and performance information is suitable to be used to plan maintenance and renewals over the short term.	Future condition and performance information is modelled to assess whether AM objectives can be met in the long term. Contextual information such as demand is used to estimate likely performance.	The type, quality and amount of data are optimised to the decisions being made. The underlying data collection programme is adapted to reflect the assets' lifecycle stage.	45	70	Asset condition: A visual condition survey was completed in 2017 of Council's property portfolio. It also assessed asset performance in terms of Property Quality Standards (PQS). The questions for the PQS were generic and not tailored to Council's property portfolio.The survey did include site infrastructure and building systems. There is currently no internal capability / capacity to manage the asset condition and performance data. The survey condition data is stored in SPM Asset database. There is also defect information contained in service requests as noted above. There has been limited analysis of condition survey results to date due to limited internal team resources. The condition survey results for the pensioner housing portfolio was used mainly for informing the budget process rather than for FWP / AMP purposes. The proactive inspections of the pensioner housing units including discussing with the tenant identifies defects. These inspections are used to drive the works programmes (including refurbishment). Asset performance: PQS surveys were undertaken as noted above. Seismic performance – Council owns 5 buildings determined as EQ prone (refer to Council report July 2018). Council adopted a higher target of 80% NBS (than minimum of 34%) remediation of its high use facilities. Council owned heritage buildings have been identified including Otaki Museum and stored in District Register. An Asbestos Survey Register was developed in accordance Health and Safety at Work (Asbestos) regulations 2016. It has recorded the identified suspect asbestos material based on the surveys completed to date. The register now needs reviewing to ensure it is complete and accurate with the various surveys reports. There have been recent weather tightness issues identified with the property portfolios. This resulted in the closure of the Waikanae Library. There have also been other moisture issues identified with the Paraparumu Community Centre and four pensioner flats located in Paekakariki. The performance of public toilets have not been formally assessed against the NZS as noted above.		SPM Property Summary Report, Waikanae Library (30 June 2017); Managing Council Owned Buildings that are Earthquake Prone Council Report (July 2018)	Develop a reporting framework to identify risks and consequences early and understand asset performance and information and inform decision making. Include remediation works to address earthquake prone buildings in the 2021 AMP and LTP, contemplating mitigation options such as divestment. Procure condition surveys for the property portfolio and load data to SPM Assets. Customise the PQS questions to obtain more useful information during the condition inspections. Analyse condition survey and PQS results to inform the forward works programme and the 2021 AMP and LTP. Review the Asbestos Survey Register to ensure it is complete and accurate with the various survey reports. Develop MagIQ reporting and BI tools to pull external data sets together in MagIQ. Develop a suite of reporting tools, i.e. dashboards and reports to provide visibility of asset, financial and service request data in MagIQ. Schedule monthly and quarterly reporting from MagIQ to summarise the financial and RFS information.
Lifecycle Decision Making															

Tool.

Tool					Maturity Levels					Agencies to complete these four columns (K to O)				
Reference	Question				Aware	Basic	Core	Intermediate	Advanced	Current Score	Appropriate Target			
		Section	Questions	Why	0-20	21-40	41-60	61-80	81-100			Reason for scores	Evidence to support score	Improvement actions planned or underway
IIMM 3.1	6	Decision Making	How does your organisation go about making decisions on the replacement or refurbishment of existing assets or investment in new ones?	Decision techniques provide the best value for money form an organisation's expenditure programmes. These techniques reveal strategic choices, and balance the trade off between levels of service, cost and risk. ODM is a formal process to identify and prioritise all potential asset and non-asset solutions with consideration of financial viability, social and environmental responsibility and cultural outcomes.	AM decisions are based largely on staff judgement.	Corporate priorities incorporated into decision making.	Formal decision making techniques (e.g. using MCA/BCA) are applied to major projects and programmes, where criteria are based on the organisations' AM objectives.	Formal decision making and prioritisation techniques are applied to all operational and capital asset programmes within each main budget category/business unit. Critical assumptions and estimates are tested for sensitivity to results.	AM objectives/targets are set based on formal decision making techniques, supported by the estimated costs and benefits of achieving targets. The framework enables projects and programmes to be optimised across all activity areas. Formal risk-based sensitivity analysis is carried out.	40	65	Corporate level: - Historically decision making for the community facilities portfolio was not evidence based. It lacked supporting justification and wider context for decision makers compared with core infrastructure (ie waters and land transport). - There was a disconnect between the core purpose of community services (ie libraries, animal management, social housing) and the physical buildings supporting these services. The mindset has now started to change that the buildings are to serve the community (post the Waikanae Library closure). Activity level: - Although Council's strategic direction is set out in Our plan on a page, it has generally been applied at a low level for the property portfolio. - Long term management of the community buildings has generally been reactive to an incident with limited strategic oversight, unclear drivers, lack of integrated decision making, evidence based using performance data, pressure to spend the budget, or understanding what the community wants. There has been a tendency to react to service requests, even multiple times, without understanding the underlying causes. This has resulted in a mainly operational management of the property portfolio. - There has been limited communication of the asset investment needs of the property portfolio to management and governance decision maker as noted below (under capital planning). The top priorities for the property portfolio were not well communicated up to SLT. - The AM functional roles and responsibilities (including decision making) between the Property Services Team (asset owner) and the business users (asset custodian) is not always clear. This results in frustration and projects sometimes put on hold, arrive at a solution that does not meet the business users' needs, or urgency to spend the budget. This is demonstrated with the current Animal Management Centre Renewal Project. The asset owner and business user is currently combined for community halls due to historical practices and limited council wide resources. - There have also been successes with good decision making frameworks and recent examples (with details in main report) including: - Waikanae Pop Up Library - Partnership model with community - Established Youth Council - Four pensioner flats located in Paekakariki with moisture issues were recently remediated with an accelerated works programme - A debriefing session was also completed as part of the learning process (for the above pensioner housing urgent works).	2018 LTP Our plan on a page; Animal Management Centre Renewal Project Timeline	Move to an integrated planning approach for property decision making. This considers evidence (such as asset performance and condition) and contextual factors such as demand patterns and changing community needs. Start to tell the story to decision makers about the asset investment needs for the property portfolio. This is important in a financially constrained environment. Involve the relevant business users with the property decision making process at key steps as good practice. Start formal six-monthly catch ups with key business users so there is more focus on strategic questions and decision making and understanding issues holistically. Use strategic frameworks to ensure the right questions are asked, suitable options explored, and decisions made for sustainably managing the property portfolio (i.e. retain, divest, non-ownership solution, build new). Define decision making processes and timelines to align with LTP funding applications and record decision making process in AMP. Develop robust ten-year investment programmes for renewals and capital improvements to inform the 2021 AMP and LTP. Programmes should be evidence based using asset condition, performance data and demand forecasts aligned to strategic outcomes. Incorporate SPM Assets risk rating in renewal decision making processes, document business process in lifecycle section of AMP. Deploy the SPM Assets risk rating capability by purchasing the advanced lifecycle management module.
IIMM 3.2	7	Managing Risk	To what extent is risk management and resilience planning integrated into your asset management decision making?	Risk management helps identify higher risks, and identify actions to mitigate those risks. This process reduces the organisation's exposure to asset related risk, especially around critical assets, and drives renewal and rehabilitation programmes and decision making.	Risk management is identified as a future improvement.	Critical services and assets understood and considered by staff involved in maintenance / renewal decisions. Risk framework developed.	Critical assets and high risks identified. Documented risk management strategies for critical assets and high risks.	Current resilience level assessed and improvements identified. Systematic risk analysis to assist key decision making. Risk register regularly monitored and reported. Risk managed and prioritised consistently across the organisation.	Resilience strategy and programme in place including defined levels of service for resilience. A formal risk management policy in place. Risk is quantified and risk mitigation options evaluated. Risk is integrated into all aspects of decision making.	45	65	Risk management practices at multiple levels are still developing at Council. The focus for the last 3 years has been establishing good risk management practices at the corporate level. These are: Corporate level: - Risk management framework developed and available on Council's intranet for staff - The corporate risk register contains the high level risks including global warming, iwi relationships and asset investment decisions - Corporate risk register reported quarterly to the Audit and Risk Committee - Deep dives on specific strategic and tactical risks are undertaken every meeting - A Risk Management Policy has been prepared but not adopted - Group Managers are part of the sessions on risk discussions at the Committee. Activity managers have had limited involvement to date resulting in lack of risk champions at activity level. - A Council PMO is being set up which will address project risk across Council - Council developed a Business Continuity Plan (BCP) Framework post Kaikoura EQ in 2016. The Continuity Management Team was refreshed in May 2019. - There is an overarching BCP corporate framework with separate plans. There is a BCP for loss of buildings (Dec 2016). Plans still need to be developed for pensioner housing as a high priority followed by libraries and aquatic centres. - There was a Council wide energy efficient programme. It targeted the high power usage assets such as streetlights, pump stations and community facilities. The programme stopped about 2 years ago when the role was disestablished. - The BCPs have not been tested for readiness to date as good practice. Activity level: - Critical assets were identified in the 2018 Community Facilities Activity Management Plan. These include the Emergency Operations Centre, Paraparaumu Depot and Civil Defence Posts. - There is an activity risk register as part of the 2018 plan but dated 2015. - Building risks are covered under asset performance above (i.e. seismic, asbestos, weather tightness). - The Civic Building is hardwired so hire generator can connect to it. There are generators located at the Emergency Operations Centre.	Risk Management Business Assurance Report (May 2019); Corporate Risk Register (May 2019); 2018 Community Facilities Activity Management Plan; 2015 Activity Risk Register; Continuity Management Team Quick Guide (Dec 2018); BCP for loss of buildings (Dec 2016); Towards Carbon Neutrality Goal by 2025 Council Report (27 June 2019)	Appoint risk champions including the Property Services Manager. Develop risk management processes so risk is managed from the top down and the bottom up. Update the activity risk register as part of the 2021 AMP process. Ensure it covers new activity risks such as new legislation and weather tightness. Develop Business Continuity Plans for high risk properties and test the BCP against a loss of critical buildings. Update building importance and asset component criticality data in SPM Assets from the current default values. Adopt a risk-based approach to inspection frequencies, operations and maintenance levels of service and develop programme for these activities.

Tool.

					Maturity Levels					Agencies to complete these four columns (K to Q)				
Reference	Question				Aware	Basic	Core	Intermediate	Advanced	Current Score	Appropriate Target			
		Section	Questions	Why	0-20	21-40	41-60	61-80	81-100			Reason for scores	Evidence to support score	Improvement actions planned or underway
IIMM 3.3	8	Operational Planning	How does the organisation plan and manage its operational activity (including maintenance planning and procedures) to keep assets in service and meet AM objectives?	Operational procedures are wide ranging and sometimes complex. The operations manager needs to have robust and documented procedures in place for cost and budget management, health and safety management, security, operational risk, reactive and preventative maintenance. A major challenge for the asset manager is striking the appropriate balance between planned maintenance (inspections and scheduled maintenance etc.) and unplanned maintenance (arising from unexpected failures)	Operational processes based on historical practices.	Operating procedures are available for critical operational processes. Operations organisational structure in place and roles assigned.	Operating procedures are available for all operational processes. Operational support requirements are in place.	Risk and opportunity planning completed. Operational objectives and intervention levels defined and implemented. Alignment with organisational objectives can be demonstrated.	Continual improvement can be demonstrated for all operational processes. Comparison with ISO 55001 requirements complete.	40	60	The operation and maintenance activities for the community facilities are undertaken by a mix of internal and external resources including: • One internal handy man (recently moved from Property Services Team to Council's Operations Department) • Depot for minor building works • External electrical and plumbing contractors • Multiple preferred suppliers for major maintenance building works • Multiple cleaning contractors (about 4 to 5) Planned inspections are variable for the asset groups as follows: • Pensioner housing units - Proactive inspection programme was set up about three years ago that includes visual assessment of the inside of units as well as understanding the tenants' concerns. It is now in the second round of inspections. Inspection schedules are stored in Council's document management system. • Public toilets – There are no planned inspections, mostly ad hoc in response to a service request • Non – residential - The inspections are generally ad hoc with minimal documentation. The AM functional roles and responsibilities for the inspections of non–residential property is mixed up. The Facilities Assistant (asset owner) undertakes the inspections with the handyman (service delivery). There is no formal inspection schedule or records kept.	Waikanae Library Service Request records (2016 to 2018)	Refine inspection programmes using a risk based approach and procure condition inspections through Council's Operations Department or external suppliers. Streamline the service request system for the community facilities based on defined service levels and work scope, and location in the District. Establish stakeholder relationship framework for each Community Facility to achieve better liaison with users of each facility and contractors. Consider procurement options for operations and maintenance tasks including planned and reactive maintenance. Create planned maintenance routines and schedule for commercial buildings including compliance and regulatory maintenance requirements. Consider how pensioner housing landlord inspection frequencies align to private sector best practice.
IIMM 3.4	9	Capital Works Planning	What processes and practices does the organisation have in place to plan and prioritise capital expenditure?	Capital investment includes the upgrade, creation or purchase of new assets, typically to address growth or changes in levels of service requirements, or for the periodic renewal of existing assets, to maintain service levels. Agencies need to plan for the long term asset requirements relative to future levels of service. The decision on whether to create a new asset is typically the time when there is the most opportunity to impact on the potential cost and level of service. Cabinet expects all capital-intensive agencies to disclose 10 year capital intentions and make appropriate use of the better business cases methodology for programmes and individual investment proposals.	Capital investment projects are identified during annual budget process.	There is a schedule of proposed capital projects and associated costs for the next 3-5 years, based on staff judgement of future requirements.	Projects have been collated from a wide range of sources and collated into a project register. Capital projects for the next three years are fully scoped and estimated. A prioritisation framework is in place to rank the importance of capital projects.	Formal options analysis and business case development has been completed for major projects in the 3-5 year period. Capital intentions reports identify all major capital projects for the next 10 or more years and broad estimates of the costs and benefits are available.	Long-term capital investment programmes are developed using advanced decision techniques, such as predictive renewal modelling.	40	65	Corporate level: • Council's financial performance is reported to the SLT on a monthly basis including capital expenditure. Critical capital projects in terms of risk, issues, procurement and timing are also reported to SLT. • Finance's business analysts meet with the activity managers monthly to review capital projects. It is planned to start quarterly SLT reviews of all capital projects as good practice. • A pilot will develop non-financial performance criteria for capital project reviews. • Council currently does not undertake benefits realisation at project closure as good practice. It is expected that this will be part the new PMO. Activity level: • With Council's constrained financial position, there has been limited investment in community buildings compared with the core infrastructural asset groups as was considered a lower priority. This has resulted in the property portfolio's current poor state. • Coupled with this, there has been limited communication of the asset investment needs of the property portfolio to management and governance decision makers. This has led to historic under investment as noted above. • The community facilities capital programmes is generally for renewals rather than new works. • Report monthly on delivering capital programme to group manager and quarterly to Council for larger capital projects and /or exceptions. • Design work is outsourced. • About one third of the interior of the pensioner housing units have recently been refurbished. • Council has changed its historic piecemeal approach with pensioner housing renewals. For the last 3 years, it now undertakes complete refurbishment when unit becomes vacant. • The pensioner housing units were insulated in 2010 (prior to the Healthy Homes Guarantee Act 2017). • A much larger property capital programme was delivered in 2018/19 compared with 2017/18 (i.e. \$1.4 million versus \$464,000). The property capital budget for 2019/20 is larger again at \$3.9 million. • Capital project templates and processes have recently been developed for managing the non-residential property portfolio consistently. • Dashboard reporting recently developed for non-operational projects at major and minor levels. • Forward works programme developed for non-operational property (mainly developed for 2 years ahead). • Capital programme for non-operational property based on legacy projects. Some projects have been stopped due to strategic fit issues as well as ad hoc decision making in some cases. • 20 year Renewal programmes have been derived for the LTP directly from SPM Assets. No evidence of business processes to refine or review the SPM forecast.	June Year End Draft Financial Results (11 July 2019); Summary of Capital Budgets- budget versus actuals (2014/15 to 2019/20); Property services project portfolio dashboard report (for July 2019)	Define capital investment planning processes using a data driven, evidence based approach for social housing and community facilities. Work with the PMO to complete the development of templates to initiate and manage capital projects. Re-establish an energy efficiency programme to contribute to Council's 2025 carbon emissions goal. Consider adopting a business case approach to capital planning and incorporate into the AMP. Assess the capital investment programme against the three asset management pillars of cost, service and risk. Realign the capital investment programme once the Property Strategy is completed. Report non-financial performance metrics for capital investment programme once developed by Finance Department.
IIMM 3.5	10	Financial Planning	How does your organisation plan for the funding of its future capital expenditure and asset-related costs?	Poor financial management can lead to higher long run life cycle costs, inequitable fees and charges, and financial "shocks". Good collaboration between financial and asset managers is important, especially in relation to long term financial forecasts and asset revaluations. Asset valuation is required by International Accounting Standards, and can be used in lifecycle decision making. Robust financial budgets are a key output of any asset management planning process.	Financial planning is largely an annual budget process, but there is intention to develop longer term forecasts. The organisational focus is on the operating statement rather than the balance sheet.	Assets are re-valued in accordance with financial reporting and accounting standards.	Asset revaluations based on reliable asset data. Ten year financial forecasts based on current comprehensive AMPs with detailed supporting assumptions/reliability factors and high confidence in accuracy. Funding sources are fully understood and matched with expenditure forecasts over the long term. Alternative funding sources have been fully explored. Asset expenditure information is linked with asset performance information.	10 year plus financial forecasts based on current comprehensive AMPs with detailed supporting assumptions/reliability factors and high confidence in accuracy. Funding sources are fully understood and matched with expenditure forecasts over the long term. Alternative funding sources have been fully explored. Asset expenditure information is linked with asset performance information.	The organisation publishes reliable ten year+ financial forecasts based on comprehensive, advanced AMPs with detailed underlying assumptions and high confidence in accuracy. Advanced financial modelling provides sensitivity analysis, evidence-based whole of life costs and cost analysis for level of service options.	40	60	Corporate level: • The LTP sets the direction for Council. The key elements of the strategic direction is conceptualised with Our Plan on a Page. Council has been in a period of prudent management due to historical depreciation funding decisions and to minimise borrowing. Council has adopted a green-line strategy to manage borrowings to fund future infrastructure replacement. Council has automated the budget process about 5 years ago with MagiQ templates and pre-set reports. Opex and capex expenditure are reforecast on monthly basis. Activity level: • The 2018 LTP ten year forecasts for community facilities are based on the long term condition profiles from SPM survey. There is low confidence with the ten year forecasts. • It is important going forward that the property portfolio is viewed strategically. This will ensure Council only retains buildings that are needed long term so not planning for a replacement that is not required. • 20 year forecasts were prepared for the 2018 AMP (appendix C) but referenced an internal document (so unavailable for this review). • Latest asset valuation for community facilities completed in 2017 and detailed in lifecycle section of AMP. It is undertaken on an annual basis by external consultants. • Investment levels not linked to Council outcomes. • No link between LTP and AMP. • No options considered for financial implications.	2019 Pre Election Report; 2018 Community Facilities Activity Management Plan	Develop asset valuation processes to utilise data in SPM assets and minimise work required each year to undertake valuation. Develop asset capitalisation processes to ensure components added to the physical asset register match the fixed asset register. Review GL code structure to align with portfolio management and decision making. Develop business processes that connect the capital projects in SPM Assets to the financial forecasts in MagiQ. Refine financial reports to provide a dashboard style view of financial performance at Space and Place, Community Facilities and cost code levels. Financial modelling considers total cost over the whole life of assets including operations, maintenance, renewal and capital costs.
Asset Management Enablers														
IIMM 4.1	11	Asset Management Leadership and Teams	What is the level of organisational commitment to asset management? How is this reflected in existing organisation structure, responsibilities and resourcing of AM competencies?	Effective asset management requires a committed and co-ordinated effort across all sections of an organisation. The organisational structure and AM roles need to be clearly defined and specifically allocated to people and teams.	The organisation recognises the benefits of an asset management function within the organisation, but has yet to implement a structure to support it.	Asset Management functions are performed by a small groups and roles reflect requirements.	Position descriptions incorporate AM roles. AM co-ordination processes established. Ownership and support of AM by the leadership. Awareness of AM across most of the organisation.	Organisational structure supports AM. Roles reflect AM resourcing requirements and reflected in position descriptions for key roles. Consistent approach to AM across the organisation. Internal communication plan established.	Formal documented assessment of AM capability and capacity requirements to achieve AM objectives. Demonstrable alignment between AM objectives, AM systems and individual responsibilities.	40	60	SLT are committed to increasing and formalising its AM practices for community facilities (as demonstrated with this formal review and AM associated projects). The Group Manager Place and Space provides strategic oversight of the community facilities activity as well as the other property related activities including recreation and leisure. The Property Services Manager has clear accountability as asset manager for the community facilities activity. There were limited resources in the existing Property Services Team to adequately cover the community facilities activity. This was quickly addressed post Waikanae Library closure as noted below. Key achievements include: • The new Property Services Structure was approved in July 2019 for a two-year period. There are two new roles to increase asset management capability including Asset Planner and Technical Assistant / Coordinator. • The appointment of the Programme Manager to set the wider programme (post the Waikanae Library closure). Not all good practice AM roles and functions are assigned (refer to Team Functions Section). It is unclear as to who has responsibility for a number of functions as noted above (particularly planned inspections).	Asset Planner PD (July 2019); Property Services Structure to 30 June 2021 – Business as Usual	Clarify roles, responsibilities and delegations of the Property Services team including asset information management, Operations Department, and business users, considering a matrix of portfolio vs functions using RACI style approach. Clearly define the AM functional roles and responsibilities in decision making and O & M i.e. asset owner, asset custodian and service delivery. Specifically review the combined asset owner and business user roles for community halls. Ensure adequate resources are in place to deliver the asset improvement programme of tasks, including a dedicated training budget. Strengthen the AM oversight governance functions of the community facility activities to bed in good AM culture into the Place and Space Group. Advocate for a corporate AM Steering Group, and development of a council wide AM community of interest to leverage cross portfolio expertise. Implement the Interim Property Services Structure to address limited team capability and capacity issues as a high priority. Deploy training for mission critical tools and systems for the property services team. Identify staff training needs and develop a training programme. Utilise PMO and resources including their processes and practices to manage AM Improvement Programme.

Tool.

Tool.					Maturity Levels					Agencies to complete these four columns (K to O)					
Reference	Question				Aware	Basic	Core	Intermediate	Advanced	Current Score	Appropriate Target				
		Section	Questions	Why	0-20	21-40	41-60	61-80	81-100			Reason for scores	Evidence to support score	Improvement actions planned or underway	
IIMM 4.2	12	Asset Management Plans	How does your organisation develop, communicate, resource and action its asset management plans?	An asset management plan is a written representation of intended capital and operational programmes for its new and existing infrastructure, based on the organisations understanding of demand, customer requirements and it's own network of assets. The AM Plan is often considered as the business case for the long term financial forecasts.	The organisation has a stated intention to develop AM plans.	AM Plans contain basic information on assets, service levels, planned works and financial forecasts (5-10 years), and future improvements	AM objectives are defined with consideration of strategic context. Approach to risk and critical assets described, top down condition and performance assessment, future demand forecasts, description of supporting AM processes, 10 year financial forecasts, 3 year AM improvement plan.	Analysis of asset condition and performance trends (past/future), effective customer engagement in setting LoS, ODM/risk techniques applied to major programmes. Strategic context analysed with risks, issues and responses described.	Evidence of programmes driven by comprehensive ODM techniques, risk management programmes and level of service/cost trade-off analysis. Improvement programmes are largely complete with focus on maintaining appropriate practices.	40	60	Corporate level: The 2018 Activity Management Plans were prepared to provide input into the budget process. There were no corporate requirements to complete or publish them. The 2018 LTP contained part A of the AMPs. A Strategic Context contains some high level information such as demographics and District challenges. Activity level: The draft 2018 Community Services Activity Management Plan is considered in working draft status. Most sections are incomplete and do not provide justification for the work programmes. The Executive Summary does not tell a compelling story to decision makers. There is a AM Practices Section including an AM Improvement Programme. The 20 year financial forecasts are not provided in draft AMP as noted above. The activity risk register has not been updated since 2015 as noted above.		Draft 2018 Community Services Activity Management Plan; A Strategic Context, Supporting information, 2018 LTP	Develop robust ten-year investment programmes for renewals and capital improvements to inform the 2021 AMP and LTP. Programmes should be evidence based using asset condition, performance data and demand forecasts aligned to strategic outcomes. Develop the 2021 AMP supported by sound asset performance and condition evidence and understanding of the renewal requirements. Adopt a business case approach to include the Strategic case and Programme case inside the AMP documents similar to land transport, and coordinate with other activities for consistent approach.
IIMM 4.3	13	Management Systems	How does your organisation ensure that it's asset management processes and practices are appropriate and effective?	Management systems are the procedures and interactions within an organisation that are needed to achieve its objectives. A robust management system enables the organisation to operate consistently and reliably, and provide evidence that what was planned was delivered. The processes should be appropriate, consistently applied and understood.	The organisation has an awareness of the need to formalise systems and processes.	Simple process documentation in place for service-critical AM activities.	Basic Quality Management System in place that covers all organisational activities. Critical AM processes are documented, monitored and are subject to review. AM system meets the requirements of ISO 55001.	Process documentation has been implemented in accordance with the AM system to appropriate level of detail. Internal management systems are aligned.	ISO certification to multiple standards for large asset intensive organisations, including ISO 55001. Strong integration of all management systems within the organisation.	40	60	Corporate level: • Council has implemented a procurement framework with various templates and supporting processes. • There are suitable delegations in place assigned at management level. • Council is setting up a PMO as noted above. Activity level: • Council's procurement process is challenging for implementing important but unbudgeted programmes such as the planned building condition surveys. • There is minimal quality management for the existing internal and external contractual arrangements. • Capital project templates and processes have recently been developed for managing the non-residential property portfolio. • There has been a change in culture post the Waikanae Library closure to better understand what went well and not so well. This is demonstrated with the independent Waikanae Library Review (June 2019) and Wipata Flats debriefing notes (August 2019).		Property services project portfolio dashboard report (for July 2019); Waikanae Library Review (June 2019); Wipata Flats debriefing notes (August 2019)	Ensure there is suitable quality management documentation with the improvements in contract management. Document quality management processes for key decision making linked to RACI model.
IIMM 4.4	14	Asset Management Information Systems	How does your organisation meet the information needs of those responsible for various aspects of asset management?	AM systems have become an essential tool for the management of assets in order to effectively deal with the extent of analysis required to support the size and complexity of assets and their operation, and the maturity of AM practices.	The organisation has an intention to develop an electronic asset register/AMIS.	Asset register can record core asset attributes - size, material, location, age etc. Asset information reports can be manually generated for AM Plan input.	Asset register enables hierarchal reporting (at component level to facility level). Customer service request tracking and planned maintenance functionality enabled. System enables manual reports to be generated for valuation and renewal forecasting.	Spatial relationship capability. More automated asset performance reporting on a wider range of information.	Financial, asset and customer service systems are integrated and all advanced AM functions are enabled. Asset optimisation analysis can be completed.	35	65	Corporate level: • MagiQ is Council's financial system. • There is also a Council GIS system. • Ed is Council's document management system. Activity level: • SPM Asset database is used to hold the 2017 asset condition survey data. • There is currently limited internal team resources to analyse the asset condition data in SPM Asset so the tool is not fully used. • Other asset data is held in various spreadsheets / registers. • Maintenance records are documented on hard copy sheets. • The asset register is the Fixed Asset Register			Consolidate asset information to the enterprise level information management systems, MagiQ and SPM Assets. Eliminate information held in spreadsheets by individuals. Define asset information processes to manage asset data and support system consolidation.
IIMM 4.5	15	Service Delivery Mechanisms	How does your organisation procure asset-related services like maintenance and consumables for different classes of assets? How does the organisation exercise control over any outsourced asset management services?	The effectiveness of asset management is proven in the efficient and effective delivery of services at an operational level. Organisations need to consider the relative costs, benefits and risks of alternative delivery mechanisms.	Asset management roles (owner and service delivery) are generally understood.	Service delivery roles are clearly allocated (internal and external) generally following historic approaches.	Core functions defined. Procurement strategy/policy in place. Internal service level agreements in place with the primary internal service providers and contract for the primary external service providers.	Risks, benefits and costs of various outsourcing options have been considered and determined. Competitive tendering practices applied with integrity and accountability.	All potential service delivery mechanisms have been reviewed and formal analysis carried out to identify the best delivery mechanism.	30	60	The process for managing the operational contractors (internal and external) for the non-residential property portfolio has been informal with limited documented processes. Contractors are provided separate purchase orders each month. There are multiple cleaning contracts and some have expired. There are no regular meetings or contractor KPIs set with the internal and external operational contractors. There is a draft SLA with Council's Operations Department for undertaking operational activities. It has not formally been signed.		SLA?	Develop a procurement strategy for the operational contracts for community facilities. This will include reviewing the number and type of operational contracts, particularly the cleaning contracts. Develop category strategies and a procurement plan to move toward proactive contract management including documented processes, setting KPIs and regular meetings. Formalise the SLA with Council's Operations Department so there is clarity on work scope, KPIs and resourcing levels. Review response times for faults. Link contract outcomes to customer levels of service.
IIMM 4.6	16	Audit and Improvement	How does your organisation ensure that it continues to develop its asset management capability towards an appropriate level of maturity?	Well performing agencies give careful consideration of the value that can be obtained from improving AM information, processes, systems and capability. The focus is on ensuring AM practices are "appropriate" to the business objectives and government requirements.	The organisation recognises the benefits of improving asset management processes and practises, but has yet to develop an improvement plan.	Improvement actions have been identified and allocated to appropriate staff.	Current and future AM performance has been assessed and gaps used to drive the improvement actions. Improvement actions identified to close the gaps. Improvement plans identify objectives, timeframes, deliverables, resource requirements and responsibilities.	Formal monitoring and reporting on the improvement programme to the Executive Team. Project briefs have been developed for all key improvement actions.	Improvement plans specify key performance indicators (KPIs) for monitoring AM improvement and these are routinely reported.	35	60	Corporate level: • There is an existing Steering Group for the LTP process but no formal AM Steering Group. • This results in AM undertaken in silos at team level with no consistency across activities Activity level: The 2018 AM Improvement Plan was not monitored. Key achievement includes the development of the wider Property Management Improvement Programme (post the Waikanae Library closure). The AM Improvement Plan will be reset through this review as well as other initiatives need to be added to it from the wider Property Management Improvement Programme.		Draft Property Management Improvement Programme 2019-2020; Draft 2018 AM Improvement Plan (Section 8.5 of draft AMP)	Instigate the recommendations from this AM Improvement Plan to ensure processes and be used in the preparation of the 2021 LTP. Start formally monitoring progress of this AM Improvement Programme on at least a quarterly basis. Develop a project plan to note work packages and major tasks and inputs in preparation for the 2021 LTP.

Section 2 Asset Management Maturity Assessment Tool.

2 Asset Management Maturity Assessment Tool.					Maturity Levels					Agencies to complete these four columns (K to O)				
Reference	Question				Aware	Basic	Core	Intermediate	Advanced	Current Score	Appropriate Target			
		Section	Questions	Why	0-20	21-40	41-60	61-80	81-100			Reason for scores	Evidence to support score	Improvement actions planned or underway
Understanding and Defining Requirements														
IIMM 2.1	1	AM Policy and Strategy	To what extent has your organisation's AM system (including AM Policy and Strategy) been articulated, approved, communicated and acted on? How consistent is the asset management policy and strategy with current government policies?	The asset management system is the co-ordinated set of activities that are undertaken to deliver the organisation's AM objectives. Plans and processes relating to the AM system must be clearly aligned from the strategic plan through to the detailed work programmes and procedures. The AM Policy supports an organisation's strategic objectives. It articulates the principles, requirements and responsibilities for asset management (AM). The AM Policy and Strategy may be incorporated into the AM Plan.	The organisation is aware of the benefits of asset management.	Corporate expectations are expressed in relation to the development of AM Plans and AM objectives.	AM Policy, Strategy and Objectives are developed, and are aligned to corporate goals and the strategic context.	AM System scope is defined and documented. Strategic context (internal, external, customer environment) is analysed and implications for AM System documented in the AMP / AM Strategy.	AM Policy and Strategy is fully integrated into the organisation's business processes and subject to defined audit, review and updating procedures.	35	60	The Community Facilities Strategy (2017) is a stocktake of the recreational and community property portfolio and has been used as a decision making framework (noting pools were not part of the scope). There is currently no separate aquatic facilities strategy. Corporate wide AM Policy Statements were prepared in 2010 including selecting appropriate AM level. Most asset managers are unaware of this document and it does not seem to be adopted by Council and / or an AM formal steering group. Aquatic facilities were included as part of Open Space and Recreation asset group. The 2010 corporate wide AM Policy Statements do not meet good industry standards, as focussed on setting the suitable maturity level.	Community Facilities Strategy (2017); Selecting the Appropriate AM Levels, Waugh Consultants (2010)	Consider developing a Strategic Framework to guide the long term decisions for the aquatic facilities portfolio within the District (in the medium term). It should consider any regional aquatic facilities planning. Develop a Council wide AM Policy and Strategy including the recreation and leisure activity that meets good industry practice.
IIMM 2.2	2	Levels of Service and Performance Management	How does your organisation determine what is the appropriate level of service for its customers and then ensure that asset performance is appropriate to those service levels?	Levels of service are the cornerstone of asset management and provide the platform for all lifecycle decision making. Levels of service are the outputs a customer receives from the organisation, and are supported by performance measures. One of the first steps in developing asset management plans or processes is to find out what levels of service customers are prepared to pay for, then understand asset performance and capability to deliver those requirements.	The organisation recognises the benefits of defining levels of service but they are not yet documented or quantified.	Basic levels of service have been defined and agreed, along with the contribution of asset performance to the organisation's objectives. Customer Groups have been defined and requirements understood.	Levels of service and appropriate performance measures are in place covering a range of service attributes. There is annual reporting against targets. Customer Group needs analysed. Level of service and cost	Customers are consulted on significant service levels and options.	Customer communications plan in place. Customer levels of service and technical (i.e. asset performance) levels of service are an integral part of decision making and business planning.	45	65	The levels of service are detailed in the 2018 LTP and draft 2018 Aquatics Activity Management Plan. Only satisfaction rating performance measures are used in the AMP and service related measures used in the LTP. The LOS are reported on a quarterly basis to Council and in the Annual Report. There is good understanding of user groups and stakeholders of aquatic facilities as documented in the 2018 AMP. Council participated in the Sport NZ Benchmarking (2015/16) and generally annually. The results were used to compare Council's pools with other public pools in terms of costs, visits and revenue.	2018 LTP; draft 2018 Community Services Activity Management Plan; 2017/18 Annual Report; Sport NZ Benchmarking (2015/16)	Develop full levels of service for the aquatic facilities that reflects the complete portfolio. The levels of service should cover the key service attributes (i.e. safety and quality), customer and technical levels of service. Continue participating in the Sport NZ Benchmarking to measure Council's effectiveness in providing public pools.
IIMM 2.3	3	Forecasting Demand	How robust is the approach your organisation uses to forecast demand for its services and the possible impact on its asset portfolios?	This AM activity involves estimating demand for the service over the life of the AM plan or the life of the asset. Demand is a measure of how much customers consume the services provided by the assets. The ability to predict demand enables an organisation to plan ahead and meet that demand, or manage risks of not meeting demand.	Future demand requirements generally understood but not documented or quantified.	Demand forecasts are based on experienced staff predictions, with consideration of known past demand trends and likely future growth patterns.	Demand Forecasts are based on robust projections of a primary demand factor (e.g. population growth) and extrapolation of historic trends. Risk associated with changes in demand is broadly understood and documented. Demand management is considered as an alternative to major project development.	A range of demand scenarios is developed (e.g. high/medium/low). Demand management is considered in all strategy and project decisions.	Risk assessment of different demand scenarios, and mitigation actions are identified.	45	60	Corporate level: The District's growth challenges and demographic trends are covered adequately in the 2018 LTP and 30 Year Infrastructure Strategy. This includes the impact of aging population and a smaller sized households. An assessment of the District's housing and business development capacity is being prepared (expected in Sept 2019). A joint growth planning study is scheduled to be undertaken with Wellington City Council including the impact of Transmission Gully. It may not be available for the 2021 LTP and AMPs. Council is coordinating a community engagement programme to identify demand. Activity managers need to assess the forecast demand against their services. Activity level: Current and future demand is discussed in the AMP. There are no stats on current demand or future projections by facility provided. There is no formal assessment of District's current and future aquatic facility provision. Current and future aquatic facility provision regionally is understood between Councils but not formally documented. Peak demand is highest in the evenings. Usage records are kept in a database by age classification. The usage data is analysed on a quarterly basis. It is understood that there is sufficient capacity at Coastlands Aquatic Centre in the medium term but not at peak times, although it has not been assessed formally. Closing aquatic facilities for planned maintenance (ie 3 weeks) can be a challenge, particularly for the busy Coastlands Aquatic Centre. A new commercial kitchen has been installed of the relatively new pavilion building (about ten years old) located on Macey and Gubb Reserve. This has increased utilisation of this facility.	2018 LTP; 30 Year Infrastructure Strategy; 2019 Pre Election Report; Sport NZ Benchmarking (2015/16)	Undertake the joint growth planning study with Wellington City Council. Start developing the demand projections for the aquatic facilities based on the current usage and expected demand factors. The projections should be informed by the proposed joint growth planning study including the impact of Transmission Gully, as well as the Strategic Framework (as noted above). This will inform the likely year for the stage 2 provision of the Coastlands Aquatic Centre. Assess the District's current and future aquatic facility provision based on the demand projections and regional planning (as noted above).
IIMM 2.4	4	Asset Register Data	What sort of asset-related information does the organisation collect, and how does it ensure the information has the requisite quality (accuracy, consistency, reliability)?	Asset data is the foundation for enabling most AM functions. Planning for asset renewal and maintenance activities cannot proceed until organisations know exactly what assets they own or operate and where they are located	The organisation has an awareness of need to collect asset data.	Basic physical information recorded in a spread sheet or similar (e.g. location, size, type), but may be based on broad assumptions or not complete.	Sufficient information to complete asset valuation (basis attributes, replacement cost and asset age/ life) and supports prioritisation of programmes (critically). Asset hierarchy, identification	A reliable register of physical and financial attributes recorded in an information system with data analysis and reporting functionality. Systematic and documented data collection process in place. High level of	Information on work history type and cost, condition, performance, etc. recorded at asset component level. Systematic and fully optimised data collection programme with supporting	60	60	There is an established and detailed asset register for the aquatic centres (for about six years). The pool asset register is used to provide justification for renewal and maintenance budgets to inform the LTP process. It is updated annually and based on input from an electrical contractor and external pool specialist.	Coastlands Aquatic Centre Final AMP Revised 2017/18 (spreadsheet)	None identified at this stage.
IIMM 2.5	5	Asset Performance and Condition	How does the organisation measure and manage the performance of its assets?	Timely and complete asset performance information (such as condition, utilisation and functionality) supports risk management, lifecycle decision-making and financial / performance reporting.	Condition and performance understood but not quantified or documented.	Adequate data and information to confirm current performance against AM objectives.	Condition and performance information is suitable to be used to plan maintenance and renewals over the short term.	Future condition and performance information is modelled to assess whether AM objectives can be met in the long term. Contextual information such as demand is used to estimate likely performance.	The type, quality and amount of data are optimised to the decisions being made. The underlying data collection programme is adapted to reflect the assets' lifecycle stage.	55	70	Asset condition: The asset condition of the aquatic facilities is assessed externally every 3 years. There was an asset condition survey completed in 2016 based on specialist inputs (electrical contractor and external pool specialist). It is assessed annually internally by Council managers plus specialist inputs (electrical contractor and external pool specialist) as noted above. It was assessed on simple 3 level rating (ie must do, could do, should do). Asset performance: Seismic performance – Council owns 5 buildings determined as EQ prone (refer to Council report July 2018). Council adopted a higher target of 80% NBS (than minimum of 34%) remediation of it high use facilities. No aquatic facilities were identified as EQ prone. The Raumati Pool complex has been closed since 2011 as the new Coastlands Aquatic Centre now adequately serves the local Raumati community. There are various proposals to repurpose the building complex. However, there is still no Council decision on the future of this site. The new Coastlands Aquatic Centre has the new technology with the Building Management System (BMS) to ensure the mechanical and electrical equipment is monitored and used effectively. The system is about seven years old so needs review / optimisation to ensure potential cost savings are realised. A BMS was not installed at the Otaki Pool as part of the upgrade in December 2017 due to budget constraints. However, there is an existing basic BMS that controls the pumps. An Asbestos Survey Register was developed in accordance Health and Safety at Work (Asbestos) regulations 2016 to record the identified suspect asbestos material based on the surveys completed to date. However, the condition some buildings located on-site have not been assessed for	Managing Council Owned Buildings that are Earthquake Prone Council Report (July 2018); Coastlands Aquatic Centre Final AMP Revised 2017/18 (spreadsheet)	Undertake the planned full asset condition assessment of the aquatic facilities in 2020 to inform the 2021 LTP budget process (periodic surveys). Develop the budget justification for the energy efficiency optimisation programme including: • Reviewing / optimising the BMS at the Coastlands Aquatic Centre • New BMS for Otaki Pool Assess the changing room buildings located on parks to identify suspect asbestos material as a high priority.
Lifecycle Decision Making														
IIMM 3.1	6	Decision Making	How does your organisation go about making decisions on the replacement or refurbishment of existing assets or investment in new ones?	Decision techniques provide the best value for money form an organisation's expenditure programmes. These techniques reveal strategic choices, and balance the trade off between levels of service, cost and risk. ODM is a formal process to identify and prioritise all potential asset and non-asset solutions with consideration of financial viability, social and environmental responsibility and cultural outcomes.	AM decisions are based largely on staff judgement.	Corporate priorities incorporated into decision making.	Formal decision making techniques (e.g. using MCA/BCA) are applied to major projects and programmes, where criteria are based on the organisations' AM objectives.	Formal decision making and prioritisation techniques are applied to all operational and capital asset programmes within each main budget category/business unit. Critical assumptions and estimates are tested for sensitivity to results.	AM objectives/targets are set based on formal decision making techniques, supported by the estimated costs and benefits of achieving targets. The framework enables projects and programmes to be optimised across all activity areas. Formal risk-based sensitivity analysis is carried out.	55	60	Corporate level: • Generally most decisions for aquatic facilities can be made at activity / group manager levels as within formal delegation thresholds. Not many decisions need to be escalated to SLT or full Council (except for normal Annual Plan and LTP processes). • Most decisions are operational since it is a service related activity focussed on existing staff and recruiting for new staff. • Council has not made a decision on the future of the Raumati Pool site as noted above. It is likely not to be developed into an aquatic facility as there is adequate provision. Stage 2 Coastlands will address future demand changes. Activity level: • Lifecycle management decision making is generally strong due to the importance of equipment and incidence management for the adequate and safe pool operation. This also ensures Council maintains its PoolSafe accreditation. • The asset register is reviewed annually before any replacement is undertaken to confirm identified renewals are still required and / or any other additional candidates. This is undertaken by the Aquatic Manager with external support from Aquaheat for plant and HDT Architects for buildings as		• Develop an options paper on the future of Raumati Pool site suitable for full Council to make a decision. Note that this will exclude redeveloping the aquatic centre as covered by Coastlands Centre.

Section 2 Asset Management Maturity Assessment Tool.

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HMM 3.2	7	Managing Risk	To what extent is risk management and resilience planning integrated into your asset management decision making?	Risk management helps identify higher risks, and identify actions to mitigate those risks. This process reduces the organisation's exposure to asset related risk, especially around critical assets, and drives renewal and rehabilitation programmes and decision making.	Risk management is identified as a future improvement.	Critical services and assets understood and considered by staff involved in maintenance / renewal decisions. Risk framework developed.	Critical assets and high risks identified. Documented risk management strategies for critical assets and high risks.	Current resilience level assessed and improvements identified. Systematic risk analysis to assist key decision-making. Risk register regularly monitored and prioritised consistently across the organisation.	Resilience strategy and programme in place including defined levels of service for resilience. A formal risk management policy in place. Risk is quantified and risk mitigation options evaluated. Risk is integrated into all aspects of decision making.	45	65	Risk management practices at multiple levels are still developing at Council. The focus for the last 3 years has been establishing good risk management practices at the corporate level. These are: Corporate level: • Risk management framework developed and available on Council's intranet for staff • The corporate risk register contains the high level risks including global warming, iwi relationships and asset investment decisions • Corporate risk register reported quarterly to the Audit and Risk Committee • Deep dives on specific strategic and tactical risks are undertaken every meeting • A Risk Management Policy has been prepared but not adopted • Group Managers are part of the sessions on risk discussions at the Committee. Activity managers have had limited involvement to date resulting in lack of risk champions at activity level. • A Council PMO is being set up which will address project risk across Council • Council developed a Business Continuity Plan (BCP) Framework post Kaikoura EQ in 2016. The Continuity Management Team was refreshed in May 2019. • There is an overarching BCP corporate framework with separate plans. There is a BCP for loss of buildings (Dec 2016). Plans still need to be developed for pensioner housing as a high priority followed by libraries and aquatic facilities. • The BCPs have not been tested for readiness to date as good practice. Activity level: • Critical assets are known and include all plant, BMS (for controls), Coastlands specialist features including the stainless steel tanks and 3 layered roof. • An activity risk register was part of the 2018 plan (but provided for this review) but dated 2015. • Building risks are covered under asset performance above (i.e. seismic, asbestos, energy efficiency). • There are detailed Normal Operating Procedures for managing the pool operations. This ensures Council maintains its PoolSafe accreditation. • Council's Contractor Aquaheat is on call for emergency response, particularly for Coastlands Centre's roof. The BMS triggers critical alarms including Aquaheat to set up generator for roof when	Risk Management Business Assurance Report (May 2019); Corporate Risk Register (May 2019); Continuity Management Team Quick Guide (Dec 2018); Towards Carbon Neutrality Goal by 2025 Council Report (27 June 2019)	Update the activity risk register as part of the 2021 AMP process. Ensure it covers new activity risks such as any new legislation and weather tightness. Develop risk champions at activity level including the Parks and Recreation Manager so risk is managed top down / bottom up. Develop BCP for aquatic facilities as a high priority. Start testing the BCP for loss of buildings to ensure prepared. Develop a suitable energy efficient programme for Council aquatic facilities to contribute to Council's carbon neutrality goal by 2025. Formally identify the critical aquatic facility assets and document in 2021 AMP.

Section 2 Asset Management Maturity Assessment Tool.

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					0-20	21-40	41-60	61-80	81-100					
												Reason for scores	Evidence to support score	Improvement actions planned or underway
IIMM 3.3	8	Operational Planning	How does the organisation plan and manage its operational activity (including maintenance planning and procedures) to keep assets in service and meet AM objectives?	Operational procedures are wide ranging and sometimes complex. The operations manager needs to have robust and documented procedures in place for cost and budget management, health and safety management, security, operational risk, reactive and preventative maintenance. A major challenge for the asset manager is striking the appropriate balance between planned maintenance (inspections and scheduled maintenance etc.) and unplanned maintenance (arising from unexpected failures)	Operational processes based on historical practices.	Operating procedures are available for critical operational processes. Operations organisational structure in place and roles assigned.	Operating procedures are available for all operational processes. Operational support requirements are in place.	Risk and opportunity planning completed. Operational objectives and intervention levels defined and implemented. Alignment with organisational objectives can be demonstrated.	Continual improvement can be demonstrated for all operational processes. Comparison with ISO 55001 requirements complete.	50	60	The operational management of aquatic facilities used to be contracted to a service provider. It was brought in house about 7 years ago after a Council decision. There are about 50 aquatic staff increasing to about 80 in the summer period when the Waikanae outdoor pool is open. The planned preventative maintenance programme for plant is contracted to Aquaheat. The schedules were developed by Pacific Pool Ltd to go out to market. They are stored in Council's document management system. Aquaheat updates and adds to the schedules (now about 5 years old). There are detailed Normal Operating Procedures for managing the pool operations as noted above. Council's staff manage the day to day operations and maintenance of the facilities, with specialist		Review and update the planned preventative maintenance programmes for plant in advance of going out to market (in about 2 years).
IIMM 3.4	9	Capital Works Planning	What processes and practices does the organisation have in place to plan and prioritise capital expenditure?	Capital investment includes the upgrade, creation or purchase of new assets, typically to address growth or changes in levels of service requirements, or for the periodic renewal of existing assets, to maintain service levels. Agencies need to plan for the long term asset requirements relative to future levels of service. The decision on whether to create a new asset is typically the time when there is the most opportunity to impact on the potential cost and level of service. Cabinet expects all capital-intensive agencies to disclose 10 year capital intentions and make appropriate use of the better business cases methodology for programmes and individual investment proposals.	Capital investment projects are identified during annual budget process.	There is a schedule of proposed capital projects and associated costs for the next 3-5 years, based on staff judgement of future requirements.	Projects have been collated from a wide range of sources and collated into a project register. Capital projects for the next three years are fully scoped and estimated. A prioritisation framework is in place to rank the importance of capital projects.	Formal options analysis and business case development has been completed for major projects in the 3-5 year period. Capital intentions reports identify all major capital projects for the next 10 or more years and broad estimates of the costs and benefits are available.	Long-term capital investment programmes are developed using advanced decision techniques, such as predictive renewal modelling.	50	60	Corporate level: • Council's financial performance is reported to the SLT on a monthly basis including capital expenditure. Critical capital projects in terms of risk, issues, procurement and timing are also reported to SLT. • Finance's business analysts meet with the activity managers monthly to review capital projects. It is planned to start quarterly SLT reviews of all capital projects as good practice. • A pilot will develop non-financial performance criteria for capital project reviews. • Council currently does not undertake benefits realisation at project closure as good practice. It is expected that this will be part the new PMO. Activity level: • The aquatic facilities capital programmes is generally for renewals at asset component level rather than new works. • Reports on delivering the major capital projects are prepared as required based on cost, risk and profile. Generally, the capital works for aquatic facilities are routine renewals. • The aquatic facility capital programme is included under the Recreation and Leisure Activity. There was a larger capital programme delivered in 2017/18 (\$4.2 million actual versus \$2.3 million actuals)	June Year End Draft Financial Results (11 July 2019); Summary of Capital Budgets- budget versus actuals (2014/15 to 2019/20)	Develop business cases for the major capital projects as required (and to meet Council's procurement strategy).
IIMM 3.5	10	Financial Planning	How does your organisation plan for the funding of its future capital expenditure and asset-related costs?	Poor financial management can lead to higher long run life cycle costs, inequitable fees and charges, and financial "shocks". Good collaboration between financial and asset managers is important, especially in relation to long term financial forecasts and asset revaluations. Asset valuation is required by International Accounting Standards, and can be used in lifecycle decision making. Robust financial budgets are a key output of any asset management planning process.	Financial planning is largely an annual budget process, but there is intention to develop longer term forecasts. The organisational focus is on the operating statement rather than the balance sheet.	Assets are re-valued in accordance with financial reporting and accounting standards. Five to nine year financial forecasts are based on extrapolation of past trends and broad assumptions about the future.	Asset revaluations based on reliable asset data. Ten year financial forecasts based on current comprehensive AMPs with detailed supporting assumptions/reliability factors and high confidence in accuracy. Funding sources are fully understood and matched with expenditure forecasts over the long term. Alternative funding sources have been fully explored. Asset expenditure information is linked with asset performance information.	10 year plus financial forecasts based on current comprehensive AMPs with detailed supporting assumptions/reliability factors and high confidence in accuracy. Advanced financial modelling provides sensitivity analysis, evidence-based whole of life costs and cost analysis for level of service options.	The organisation publishes reliable ten year+ financial forecasts based on comprehensive, advanced AMPs with detailed underlying assumptions and high confidence in accuracy. Advanced financial modelling provides sensitivity analysis, evidence-based whole of life costs and cost analysis for level of service options.	50	60	Corporate level: The LTP sets the direction for Council. The key elements of the strategic direction is conceptualised with Our Plan on a Page. Council has been in a period of prudent management due to historical depreciation funding decisions and to minimise borrowing. Council has adopted a green-line strategy to manage borrowings to fund future infrastructure replacement. Council has automated the budget process about 5 years ago with MagIQ templates and pre-set reports. Opex and capex expenditure are reforecast on monthly basis. Activity level: The 2018 LTP ten year forecasts for aquatic facilities are based on the inspections undertaken annually and the three yearly asset condition surveys as noted above. The renewal plan was developed by Aquaheat for plant and HDT Architects for buildings for the 2018 LTP. There is moderate confidence with the ten year forecasts. These provided the forecasts for the AMP (as set in the asset register) but were never updated in the 2018 AMP. Latest asset valuation for aquatic facilities is currently underway. It is undertaken on an annual basis and managed by Finance Team	2019 Pre Election Report; 2018 Aquatic Facilities Activity Management Plan; Coastlands Aquatic Centre Final AMP Revised 2017/18 (spreadsheet)	Continue to prepare sound ten year renewal programmes. Link investment levels and Council outcomes. Document the ten year renewal programme in the 2021 AMP for completeness.
Asset Management Enablers														
IIMM 4.1	11	Asset Management Leadership and Teams	What is the level of organisational commitment to asset management? How is this reflected in existing organisation structure, responsibilities and resourcing of AM competencies?	Effective asset management requires a committed and co-ordinated effort across all sections of an organisation. The organisational structure and AM roles need to be clearly defined and specifically allocated to people and teams.	The organisation recognises the benefits of an asset management function within the organisation, but has yet to implement a structure to support it.	Asset Management functions are performed by a small groups and roles reflect requirements.	Position descriptions incorporate AM roles. AM co-ordination processes established. Ownership and support of AM by the leadership. Awareness of AM across most of the organisation.	Organisational structure supports AM. Roles reflect AM resourcing requirements and reflected in position descriptions for key roles. Consistent approach to AM across the organisation. Internal communication plan established.	Formal documented assessment of AM capability and capacity requirements to achieve AM objectives. Demonstrable alignment between AM objectives, AM systems and individual responsibilities.	60	60	SLT are committed to increasing and formalising its AM practices for community facilities (as demonstrated with this formal review and AM associated projects). The Group Manager Place and Space provides strategic oversight of the Recreation and Leisure Activity (includes aquatic facilities) as well as the other property related activities including community facilities. The Parks and Recreation Manager has clear accountability as asset manager for aquatic facilities. The Aquatic Manager has been assigned responsibility. The aquatic facilities team capability and capacity has been developed with bringing it in house as noted above. Good practice AM roles and functions have been assigned. There are about 50 aquatic staff increasing to about 80 in the summer period as noted above. The Aquatic Manager oversees the facilities with coordinators at each aquatic facility including health		None identified at this stage.
IIMM 4.2	12	Asset Management Plans	How does your organisation develop, communicate, resource and action its asset management plans?	An asset management plan is a written representation of intended capital and operational programmes for its new and existing infrastructure, based on the organisations understanding of demand, customer requirements and it's own network of assets. The AM Plan is often considered as the business case for the long term financial forecasts.	The organisation has a stated intention to develop AM plans.	AM Plans contain basic information on assets, service levels, planned works and financial forecasts (5-10 years), and future improvements	AM objectives are defined with consideration of strategic context. Approach to risk and critical assets described, top down condition and performance assessment, future demand forecasts, description of supporting AM processes, 10 year financial forecasts, 3 year AM improvement plan.	Analysis of asset condition and performance trends (past/future), effective customer engagement in setting LoS, OOM/risk techniques applied to major programmes. Strategic context analysed with risks, issues and responses described.	Evidence of programmes driven by comprehensive OOM techniques, risk management programmes and level of service/cost trade-off analysis. Improvement programmes are largely complete with focus on maintaining appropriate practices.	40	60	Corporate level: The 2018 Activity Management Plans were prepared to provide input into the budget process. There were no corporate requirements to complete or publish them. The 2018 LTP contained part A of the AMPs. A Strategic Context contains some high level information such as demographics and District challenges. Corporately the 2018 AMPs (including Aquatic Facilities) were never completed and left in draft status. Activity level: The draft 2018 Aquatic Facilities Activity Management Plan is considered in working draft status as noted above. Most sections were completed except the Financial Section and the justification for the renewal programme was detailed in separate sheet for 2018 LTP purposes but not finalised in the plan. The draft plan does not include an Executive Summary. The lifecycle and risk management plan	Draft 2018 Aquatic Facilities Activity Management Plan; A Strategic Context, Supporting Information, 2018 LTP; Coastlands Aquatic Centre Final AMP Revised 2017/18 (spreadsheet)	Develop the 2021 AMP as a high priority and include the sound evidence available including asset performance and condition, and renewal requirements. This includes updating the activity risk register. Link the 2021 AMP to community outcomes. Consider the AMP structure and coordinate with other Council AMPs including Community Facilities for consistent approach.
IIMM 4.3	13	Management Systems	How does your organisation ensure that it's asset management processes and practices are appropriate and effective?	Management systems are the procedures and interactions within an organisation that are needed to achieve its objectives. A robust management system enables the organisation to operate consistently and reliably, and provide evidence that what was planned was delivered. The processes should be appropriate, consistently applied and understood.	The organisation has an awareness of the need to formalise systems and processes.	Simple process documentation in place for service-critical AM activities.	Basic Quality Management System in place that covers all organisational activities. Critical AM processes are documented, monitored and are subject to review. AM system meets the requirements of ISO 55001.	Process documentation has been implemented in accordance with the AM system to appropriate level of detail. Internal management systems are aligned.	ISO certification to multiple standards for large asset intensive organisations, including ISO 55001. Strong integration of all management systems within the organisation.	40	60	Corporate level: • Council has implemented a procurement framework with various templates and supporting processes. • There are suitable delegations in place assigned at management level. • Council is setting up a PMO as noted above. Activity level: • Council has Normal Operating Procedures for standardising operational processes as noted above. • Quality management is achieved through the documentation for maintaining the PoolSafe accreditation. • Due to the scale and nature of capital projects for aquatic facilities, the LTP budget bid process is the main mechanism for documenting the justification for projects.		Ensure suitable quality management documentation prepared with the planned contract tender.
IIMM 4.4	14	Asset Management Information Systems	How does your organisation meet the information needs of those responsible for various aspects of asset management?	AM systems have become an essential tool for the management of assets in order to effectively deal with the extent of analysis required to support the size and complexity of assets and their operation, and the maturity of AM practices.	The organisation has an intention to develop an electronic asset register/AMIS.	Asset register can record core asset attributes - size, material, location, age etc. Asset information reports can be manually generated for AM Plan input.	Asset register enables hierarchical reporting (at component level to facility level). Customer service request tracking and planned maintenance functionality enabled. System enables	Spatial relationship capability. More automated asset performance reporting on a wider range of information.	Financial, asset and customer service systems are integrated and all advanced AM functions are enabled. Asset optimisation analysis can be completed.	60	60	Corporate level: • MagIQ is Council's financial system. • There is also a Council GIS system. • Ed is Council's document management system. Activity level: • Asset data for aquatic facilities is held in the asset register spreadsheet as noted above. This seems to be fit for purpose for the scale of the facilities at this stage.	Coastlands Aquatic Centre Final AMP Revised 2017/18 (spreadsheet)	None identified at this stage.
IIMM 4.5	15	Service Delivery Mechanisms	How does your organisation procure asset-related services like maintenance and consumables for different classes of assets? How does the organisation exercise control over any outsourced asset management	The effectiveness of asset management is proven in the efficient and effective delivery of services at an operational level. Organisations need to consider the relative costs, benefits and risks of alternative delivery mechanisms.	Asset management roles (owner and service delivery) are generally understood.	Service delivery roles are clearly allocated (internal and external) generally following historic approaches.	Core functions defined. Procurement strategy/policy in place. Internal service level agreements in place with the primary internal service providers and contract for the primary external service providers.	Risks, benefits and costs of various outsourcing options have been considered and determined. Competitive tendering practices applied with integrity and accountability.	All potential service delivery mechanisms have been reviewed and formal analysis carried out to identify the best delivery mechanism.	60	60	The service delivery model was changed about 7 years ago as noted above with bringing operational services and maintenance activities in house. External contractors are used for inspections based on the planned schedules (ie electrical contractors and pool specialist) as noted above. There is a contract in place for Aquaheat.		Tender the contract for the planned preventative maintenance programmes for plant to the market (in about 2 years). This contract will cover the three pools.
IIMM 4.6	16	Audit and Improvement	How does your organisation ensure that it continues to develop its asset management capability towards an appropriate level of maturity?	Well performing agencies give careful consideration of the value that can be obtained from improving AM information, processes, systems and capability. The focus is on ensuring AM practices are "appropriate" to the business objectives and government requirements.	The organisation recognises the benefits of improving asset management processes and practices, but has yet to develop an improvement plan.	Improvement actions have been identified and allocated to appropriate staff.	Current and future AM performance has been assessed and gaps used to drive the improvement actions. Improvement actions identified to close the gaps. Improvement plans identify objectives, timeframes, deliverables, resource requirements and responsibilities.	Formal monitoring and reporting on the improvement programme to the Executive Team. Project briefs have been developed for all key improvement actions.	Improvement plans specify key performance indicators (KPIs) for monitoring AM improvement and these are routinely reported.	35	60	Corporate level: • There is an existing Steering Group for the LTP process but no formal AM Steering Group. • This results in AM undertaken in silos at team level with no consistency across activities Activity level: There was no AM Improvement Plan developed as part of the 2018 AMP. The AM Improvement Plan will be developed through this review as well as other initiatives.	Draft 2018 Aquatic Facilities Activity Management Plan	Implement the recommendations from this review to ensure prepared for the 2021 LTP. Start formally monitoring progress of this AMP on a quarterly basis of implementation of the AM Improvement Plan. Strengthen the AM oversight governance functions of the Recreation and Leisure activity to bed in good AM culture into the Place and Space Group. Coordinate with corporate AM Steering Group (once set up). Develop a project plan to note work packages and major tasks and inputs in preparation for the 2021 LTP.

Appendix F AM Improvement Programmes

Community Facilities Asset Management Improvement Programme

No.	AM Improvement Programmes	Potential benefits (H/M/L)	Potential costs (H/M/L)	Priority Quadrant (A to I)	AM Improvement Focus	Project no	Action	Responsibility	Indicative Timeframe		
									2019/20	2020/21	2021/22
1	Develop AM Policy and Strategy for community facilities and guide decision making. Ensure measures for asset performance and demand are assessed and understood.	H	H	F	AM Policy and Strategy	1.1	Develop a Place and Space Strategy to guide the long term decisions for the property portfolios including acquisitions and disposals, considering how each place and space activity will achieve council objectives.	GM Place and Space			
						1.2	Develop a specific strategy for the pensioner (social) housing and include in place and space strategy to ensure consistent decision making that serves the community.	Property Services Manager			
						1.3	Develop Council wide AM Policy and Strategy that meets good industry practice and documents to include all asset groups – e.g. Water, Roads, Parks, and Property.	GM Corporate			
						1.4	Develop the strategic case for investment in community and social property portfolios and incorporate in the Activity Management Plans for these activities.	Property Services Manager			
						1.5	Develop a strategic document framework for the place and space group that connects community outcomes, council strategies, place and space strategy and activity plans.	GM Place and Space			
					Levels of Service and Performance Management	2.1	Fully develop levels of service for the community and social property portfolios that include Customer and Technical levels of service and are aligned to Council outcomes and well beings.	Property Services Manager			
						2.2	Define and commence measuring KPIs for the technical levels of service community and social property portfolios.	Property Services Manager			
					Forecasting Demand	3.1	Engage with community and People and Partnerships to understand community needs and document demand for community facilities.	Property Services Manager			
						3.2	Undertake the joint growth planning study with Wellington City Council.	GM Corporate			
						3.3	Assess the impacts on the property portfolios across the District using the growth study outputs.	Property Services Manager			
						3.4	Formally assess the public toilet facilities against the NZS 4241: 1991 including usage, performance, amenity and safety.	Asset Planner			
						3.5	Establish client framework for each Community Facility to achieve better liaison with users of each facility and with contractors and to develop an evidence base for the portfolio.	Asset Planner			
						3.6	Analyse utilisation information for community facilities to better understand demand.	Asset Planner			
						3.7	Develop demand forecasts for community halls taking into account various factors including location, changing community demographics and needs, and the growth study outputs.	Asset Planner			

No.	AM Improvement Programmes	Potential benefits (H/M/L)	Potential costs (H/M/L)	Priority Quadrant (A to I)	AM Improvement Focus	Project no	Action	Responsibility	Indicative Timeframe		
									2019/20	2020/21	2021/22
2	Consolidate asset datasets from the various systems and streamline asset condition recording and reporting processes.	H	M	C	Asset Management Information Systems	4.1	Consolidate asset information to the enterprise level information management systems, MagiQ and SPM Assets. Eliminate information held in spreadsheets by individuals.	Asset Planner			
						4.2	Define asset information processes to manage asset data and support system consolidation.	Asset Planner			
					Asset Register Data	5.1	Align asset information in the fixed asset register (FAR) in MagiQ and the physical asset register in SPM Assets so the data sets can be connected. Keep up to date with maintenance records and as built information.	Asset Planner			
						5.2	Refine the physical asset register hierarchy in SPM Assets to better suit the management of the social housing portfolio.	Asset Planner			
						5.3	Develop a simple process to enable all defects to be logged with suitable response times in systematic way as a high priority. Communicate the new process to end users to ensure successful implementation.	Property Services Manager			
					Asset Performance and Condition	6.1	Develop a reporting framework to identify risks and consequences early and understand asset performance and information and inform decision making.	GM Place and Space			
						6.2	Include remediation works to address earthquake prone buildings in the 2021 AMP and LTP, contemplating mitigation options such as divestment.	Property Services Manager			
						6.3	Procure condition surveys for the property portfolio and load data to SPM Assets.	Property Services Manager			
						6.4	Customise the PQS questions to obtain more useful information during the condition inspections.	Asset Planner			
						6.5	Analyse condition survey and PQS results to inform the forward works programme and the 2021 AMP and LTP.	Asset Planner			
						6.6	Review the Asbestos Survey Register to ensure it is complete and accurate with the various survey reports and load data to SPM Assets.	Asset Planner			
						6.7	Develop MagiQ reporting and BI tools to pull external data sets together in MagiQ.	CFO			
						6.8	Develop a suite of reporting tools, i.e. dashboards and reports to provide visibility of asset, financial and service request data in MagiQ.	Finance Business Analyst			
						6.9	Schedule monthly and quarterly reporting from MagiQ to summarise the financial and RFS information.	Finance Business Analyst			
3	Incorporate strategic framework into evidence-based decision making and strengthen risk management approach through asset data validation.	H	M	C	Decision Making	7.1	Develop the story to decision makers about the asset investment needs for the property portfolio. This is important in a financially constrained environment.	GM Place and Space			
						7.2	Involve the relevant business users with the property decision making process at key steps as good practice. Start formal six-monthly catch ups with key business users so there is more focus on strategic questions and decision making and understanding issues holistically.	Property Services Manager			
						7.3	Use strategic frameworks to ensure the right questions are asked, suitable options explored, and decisions made for sustainably managing the property portfolio (i.e. retain, divest, non-ownership solution, build new).	Property Services Manager			

No.	AM Improvement Programmes	Potential benefits (H/M/L)	Potential costs (H/M/L)	Priority Quadrant (A to I)	AM Improvement Focus	Project no	Action	Responsibility	Indicative Timeframe		
									2019/20	2020/21	2021/22
						7.4	Move to an integrated planning approach for property decision making, considering evidence such as asset performance and condition, and contextual factors such as demand patterns and changing community needs.	Property Services Manager			
						7.5	Define decision making processes and timelines to align with LTP funding applications and record decision making process in AMP. Develop robust ten-year investment programmes for renewals and capital improvements to inform the 2021 AMP and LTP. Programmes should be evidence based using asset condition, performance data and demand forecasts aligned to strategic outcomes.	Asset Planner			
						7.6	Incorporate SPM Assets risk rating in renewal decision making processes, document business process in lifecycle section of AMP.	Asset Planner			
						7.7	Deploy the SPM Assets risk rating capability by purchasing the advanced lifecycle management module.	Asset Planner			
					Managing Risk	8.1	Appoint risk champions including the Property Services Manager.	GM Place and Space			
						8.2	Develop risk management processes so risk is managed from the top down and the bottom up.	Property Services Manager			
						8.3	Update the activity risk register as part of the 2021 AMP process. Ensure it covers new risks such as updated legislation e.g. weather tightness, and it better reflects the property risks post the Waikanae Library closure.	Property Services Manager			
						8.4	Develop Business Continuity Plans for high risk properties and test the BCP against a loss of critical buildings.	Property Services Manager			
						8.5	Update building importance and asset component criticality data in SPM Assets from the current default values.	Asset Planner			
						8.6	Adopt a risk-based approach to inspection frequencies, operations and maintenance levels of service and develop programme for these activities.	Asset Planner			
4	Develop sound processes for capital works and financial planning to support evidence-based decision making.	H	M	C	Capital Works Planning	9.1	Define capital investment planning processes using a data driven, evidence based approach for social housing and community facilities.	Property Services Manager			
						9.2	Work with the PMO to complete the development of templates to initiate and manage capital projects.	Property Services Manager			
						9.3	Re-establish an energy efficiency programme to contribute to Council's 2025 carbon emissions goal.	Property Services Manager			
						9.4	Consider adopting a business case approach to capital planning and incorporate into the AMP.	Property Services Manager			
						9.5	Assess the capital investment programme against the three asset management pillars of cost, service and risk.	Asset Planner			
						9.6	Realign the capital investment programme once the Property Strategy is completed.	Asset Planner			
						9.7	Report non-financial performance metrics for capital investment programme once developed by Finance Department.	Asset Planner			
					Financial Planning	10.1	Develop asset valuation processes to utilise data in SPM assets and minimise work required each year to undertake valuation.	Finance Business Analyst			

No.	AM Improvement Programmes	Potential benefits (H/M/L)	Potential costs (H/M/L)	Priority Quadrant (A to I)	AM Improvement Focus	Project no	Action	Responsibility	Indicative Timeframe		
									2019/20	2020/21	2021/22
						10.2	Develop asset capitalisation processes to ensure components added to the physical asset register match the fixed asset register.	Finance Business Analyst			
						10.3	Review GL code structure to align with portfolio management and decision making.	Finance Business Analyst			
						10.4	Develop business processes that connect the capital projects in SPM Assets to the financial forecasts in MagiQ.	Finance Business Analyst			
						10.5	Refine financial reports to provide a dashboard style view of financial performance at Space and Place, Community Facilities and cost code levels.	Finance Business Analyst			
						10.6	Financial modelling considers total cost over the whole life of assets including operations, maintenance, renewal and capital costs.	Asset Planner			
5	Restructure Property Services to build inhouse AM capability and capacity. Develop AMP supported by evidenced-based asset information and implement improvement tasks.	H	M	C	Asset Management Leadership and Teams	11.1	Clarify roles, responsibilities and delegations of the Property Services team including asset information management, Operations Department, and business users, considering a matrix of portfolio vs functions using RACI style approach. Clearly define the AM functional roles and responsibilities in decision making and O & M i.e. asset owner, asset custodian and service delivery. Specifically review the combined asset owner and business user roles for community halls.	GM Place and Space			
						11.2	Ensure adequate resources are in place to deliver the asset improvement programme of tasks, including a dedicated training budget.	GM Place and Space			
						11.3	Strengthen the AM oversight governance functions of the community facility activities to bed in good AM culture into the Place and Space Group.	GM Place and Space			
						11.4	Advocate for a corporate AM Steering Group, and development of a council wide AM community of interest to leverage cross portfolio expertise.	GM Place and Space			
						11.5	Implement the Interim Property Services Structure to address limited team capability and capacity issues as a high priority.	Property Services Manager			
						11.6	Deploy training for mission critical tools and systems for the property services team.	Property Services Manager			
						11.7	Identify staff training needs and develop a training programme.	Property Services Manager			
						11.8	Utilise PMO and resources including their processes and practices to manage AM Improvement Programme.	Property Services Manager			
					Asset Management Plans	12.1	Develop robust ten-year investment programmes for renewals and capital improvements to inform the 2021 AMP and LTP. Programmes should be evidence based using asset condition, performance data and demand forecasts aligned to strategic outcomes.	Property Services Manager			
						12.2	Develop the 2021 AMP supported by sound asset performance and condition evidence and understanding of the renewal requirements.	Property Services Manager			
						12.3	Adopt a business case approach to include the Strategic case and Programme case inside the AMP documents similar to land transport, and coordinate with other activities for consistent approach.	Property Services Manager			
					Audit and Improvement	13.1	Instigate the recommendations from this AM Improvement Plan to ensure processes and be used in the preparation of the 2021 LTP.	GM Place and Space			

No.	AM Improvement Programmes	Potential benefits (H/M/L)	Potential costs (H/M/L)	Priority Quadrant (A to I)	AM Improvement Focus	Project no	Action	Responsibility	Indicative Timeframe		
									2019/20	2020/21	2021/22
6	Improve management systems to streamline operational and service delivery needs, including contract and quality management.	M	M	E		13.2	Start formally monitoring progress of this AM Improvement Programme on at least a quarterly basis.	GM Place and Space			
						13.3	Develop a project plan to note work packages and major tasks and inputs in preparation for the 2021 LTP.	Property Services Manager			
					Management Systems	14.1	Ensure there is suitable quality management documentation with the improvements in contract management.	Property Services Manager			
						14.2	Document quality management processes for key decision making linked to RACI model.	Property Services Manager			
					Operational Planning	15.1	Refine inspection programmes using a risk based approach and procure condition inspections through Council's Operations Department or external suppliers.	Property Services Manager			
						15.2	Streamline the service request system for the community facilities based on defined service levels and work scope, and location in the District.	Property Services Manager			
						15.3	Establish stakeholder relationship framework for each Community Facility to achieve better liaison with users of each facility and contractors.	Property Services Manager			
						15.4	Consider procurement options for operations and maintenance tasks including planned and reactive maintenance.	Property Services Manager			
						15.5	Create planned maintenance routines and schedule for commercial buildings including compliance and regulatory maintenance requirements.	Property Projects Advisor			
						15.6	Consider how pensioner housing landlord inspection frequencies align to private sector best practice.	Housing & Property Advisor			
					Service Delivery Mechanisms	16.1	Develop a procurement strategy for the operational contracts for community facilities. This will include reviewing the number and type of operational contracts, particularly the cleaning contracts.	Property Services Manager			
						16.2	Develop category strategies and a procurement plan to move toward proactive contract management including documented processes, setting KPIs and regular meetings.	Property Services Manager			
						16.3	Formalise the SLA with Council's Operations Department so there is clarity on work scope, KPIs and resourcing levels.	Property Services Manager			
						16.4	Review response times for faults. Link contract outcomes to customer levels of service.	Property Services Manager			

Aquatic Facilities Asset Management Improvement Programme

No.	AM Improvement Programmes	Potential benefits (H/M/L)	Potential costs (H/M/L)	Priority Quadrant (A to I)	AM Improvement Focus	Project no	Action	Responsibility	Indicative Timeframe		
									2019/20	2020/21	2021/22
1	Develop AM Policy/Strategy and establish levels of service for aquatic facilities. Ensure demand is fully understood and continue to assess asset performance against industry benchmarking.	H	M	C	AM Policy and Strategy	1.1	Consider developing a Strategic Framework to guide the long-term decisions for the aquatic facilities portfolio within the District (in the medium term). It should consider any regional aquatic facilities planning.	Group Manager Place and Space			
						1.2	Develop a Council wide AM Policy and Strategy including the recreation and leisure activity that meets good industry practice.	Corporate Planning and Reporting Manager			
					Levels of Service and Performance Management	2.1	Develop full levels of service for the aquatic facilities that reflects the complete portfolio. The levels of service should cover the key service attributes (i.e. safety and quality), customer and technical levels of service.	Parks and Recreation Manager			
						2.2	Continue participating in the Sport NZ Benchmarking to measure Council's effectiveness in providing public pools.	Parks and Recreation Manager			
					Forecasting Demand	3.1	Undertake the joint growth planning study with Wellington City Council.	Corporate Planning and Reporting Manager			
						3.2	Start developing the demand projections for the aquatic facilities based on the current usage and expected demand factors. The projections should be informed by the proposed joint growth planning study including the impact of Transmission Gully, as well as the Strategic Framework.	Parks and Recreation Manager/Aquatic Facility Manager			
						3.3	Assess the District's current and future aquatic facility provision based on the demand projections and regional planning.	Parks and Recreation Manager/Aquatic Facility Manager			
2	Continue to undertake asset condition assessment of aquatic facilities and develop budget justification for the energy efficiency optimisation programme.	H	M	C	Asset Performance and Condition	4.1	Undertake the planned full asset condition assessment of the aquatic facilities in 2020 to inform the 2021 LTP budget process (periodic surveys).	Aquatic Facility Manager			
						4.2	Develop the budget justification for the energy efficiency optimisation programme including: - Reviewing / optimising the BMS at the Coastlands Aquatic Centre - New BMS for Otaki Pool	Parks and Recreation Manager/Aquatic Facility Manager			
						4.3	Assess the changing room buildings located on parks to identify suspect asbestos material as a high priority.	Parks and Recreation Manager			
3	Continue with a risk and evidence-based decision-making approach that will assist Council in achieving its goals.	H	M	C	Decision Making	5.1	Develop an options paper on the future of Raumati Pool site suitable for full Council to make a decision. This will exclude redeveloping the aquatic centre as covered by Coastlands Centre.	Parks and Recreation Manager			
					Managing Risk	6.1	Update the activity risk register as part of the 2021 AMP process. Ensure it covers new activity risks such as any new legislation and weather tightness.	Parks and Recreation Manager			
						6.2	Develop risk champions at activity level including the Parks and Recreation Manager so risk is managed top down / bottom up.	Group Manager Place and Space/CFO			
						6.3	Develop BCP for aquatic facilities as a high priority.	Aquatic Facility Manager			
						6.4	Start testing the BCP for loss of buildings to ensure prepared.	Aquatic Facility Manager			

No.	AM Improvement Programmes	Potential benefits (H/M/L)	Potential costs (H/M/L)	Priority Quadrant (A to I)	AM Improvement Focus	Project no	Action	Responsibility	Indicative Timeframe		
									2019/20	2020/21	2021/22
						6.5	Develop a suitable energy efficient programme for the aquatic facilities to contribute to Council's carbon neutrality goal by 2025.	Parks and Recreation Manager/Aquatic Facility Manager			
						6.6	Formally identify the critical aquatic facility assets and document in 2021 AMP.	Parks and Recreation Manager/Aquatic Facility Manager			
4	Continue with sound processes for capital works and financial planning that link to Council outcomes.	H	L	A	Capital Works Planning	7.1	Develop business cases for the major capital projects as required (and to meet Council's procurement strategy).	Parks and Recreation Manager/Corporate Planning and Reporting Manager			
					Financial Planning	8.1	Continue to prepare sound ten-year renewal programmes. Link investment levels and Council outcomes. Document the ten-year renewal programme in the 2021 AMP for completeness.	Parks and Recreation Manager/Aquatic Facility Manager			
5	Update the AMP supported by evidenced-based asset information and implement AM improvement tasks.	H	L	A	Asset Management Plans	9.1	Develop the 2021 AMP as a high priority and include the sound evidence available including asset performance and condition, and renewal requirements. This includes updating the activity risk register and linking the AMP to community outcomes.	Parks and Recreation Manager			
						9.2	Consider the AMP structure and coordinate with other Council AMPs including Community Facilities for consistent approach.	Parks and Recreation Manager/Corporate Planning and Reporting Manager			
					Audit and Improvement	10.1	Implement the recommendations from the AM practices review to ensure prepared for the 2021 LTP.	Group Manager Place and Space/Parks and Recreation Manager			
						10.2	Start formally monitoring progress of this AMP on a quarterly basis of implementation of the AM Improvement Plan.	Group Manager Place and Space/Parks and Recreation Manager			
						10.3	Strengthen the AM oversight governance functions of the Recreation and Leisure activity to bed in good AM culture into the Place and Space Group. Coordinate with corporate AM Steering Group (once set up).	Group Manager Place and Space/Corporate Planning and Reporting Manager			
						10.4	Develop a project plan to note work packages and major tasks and inputs in preparation for the 2021 LTP.	Parks and Recreation Manager/Aquatic Facility Manager			
6	Strengthen the management systems to streamline operational and service delivery needs	M	M	E	Management Systems	11.1	Ensure suitable quality management documentation prepared with the planned contract tender.	Parks and Recreation Manager			
					Operational Planning	12.1	Review and update the planned preventative maintenance programmes for plant in advance of going out to market (in about 2 years).	Parks and Recreation Manager			
					Service Delivery Mechanisms	13.1	Tender the contract for the planned preventative maintenance programmes for plant to the market (in about 2 years). This contract will cover the three pools.	Parks and Recreation Manager			