

**Mayor and Councillors**  
COUNCIL

08 AUGUST 2019

Meeting Status: **Public**

Purpose of Report: For Information

## **WAIKANAЕ LIBRARY REVIEW; FINAL REPORT**

### **PURPOSE OF REPORT**

1. The purpose of this report is to present the final report from Morrison Low on the Waikanae Library Review (**attachment 1**) as well as socialise with Council our organisational response framework (**attachment 2**), the work programme for implementing the findings from the review.

### **DELEGATION**

2. The Council has the authority to consider this matter.

### **BACKGROUND**

3. In late November 2018 a decision was made to close the Waikanae Library due to the identification of the presence of toxic mould and advice that the resulting air quality could not be managed in a way that would not potentially compromise the health and safety of those working in and using the building.
4. In February 2019 Morrison Low were engaged by Council to complete a review of the processes, systems, procedures and decision making around property management functions as they related to the Waikanae library and the situation Council found itself in, in late November.

### **SCOPE AND APPROACH**

5. At page 3 and 4 of the final report, Morrison Low outline the scope of their review together with the approach they adopted.
6. In summary they completed an extensive review of Council policies, practices, systems and procedures as these related to the asset management practices applied to the Waikanae Library.
7. Morrison Low also conducted face to face interviews with Council staff and contractors then compiled a draft report for review.
8. On May 23 2019 representatives from Morrison Low presented the preliminary findings to Council via briefing.
9. Later that day Morrison Low met with staff involved in the review process to present their draft findings and, as committed to on the initiation of this review, to allow staff to provide feedback as to the veracity and accuracy of the representation of the interviews and information that was obtained.
10. Feedback and clarification received from those involved has now been collated into the final report. It is noted that nothing of substance has changed from the draft findings.

## FINDINGS AND RECOMMENDATIONS

11. Page 1 of the final report provides a comprehensive executive summary. Key findings are tabulated on page 3.
12. Systemic breakdown of end to end asset management practices, procedures and risk based decision making, coupled with failure to escalate risk due to perceived financial constraints through the Council's Long Term Plan (LTP) and Annual Plan (AP) planning processes, overlaid with uncertainty around joint future capital projects with Mahara Gallery, led to the closure of the Waikanae Library.
13. The reviewers have expressed concern that the failings in this specific instance may potentially be replicated in other parts of the property portfolio.
14. The overall findings are accepted by staff, as are the twenty-four recommendations that Morrison Low make at page 25 of their report.
15. Council is advised that this situation is not unique to Kapiti in that property asset management largely takes a 'back seat' to major infrastructure asset management practices, resulting in similar property management issues being common across both central and local government.
16. Notwithstanding this, it is clear that our property asset management practices lack the maturity that is required.

## OUR RESPONSE

17. Officers have had several meetings with Morrison Low and have commissioned a programme of work which begins to implement the recommendations made.
18. **Attachment 2** provides an overview of the programme framework which will deliver the actions required to move us towards greater maturity in our property asset management practices and the delivery of a fit for purpose, safe and well maintained property portfolio.
19. The programme of work will be led by a programme manager, who will oversee a number of streams of work. Many of these work streams will be led by staff, while we will need, at times, to secure external contractor resource to deliver some of the activities, reviews, changes and actions.
20. Work has already commenced on the asset management 'practices review', a critical building block for future maturity and one of the priority actions identified by Morrison Low. Additionally, preparation is well advanced for the procurement of 'building condition and risk assessment survey' services.
21. As with similar programme management approaches, a framework is in place to provide oversight from a delivery perspective with six weekly progress reports to management, while quarterly progress reports will be provided to the Operations and Finance Committee.
22. It is anticipated that this work programme will continue over the next eighteen months and inform the 2021-2041 LTP process with regards strategic community facilities and how they are managed going forward.

## Tāngata whenua considerations

23. There are no considerations specific to Iwi other than those that are of concern to the community as a whole.

24. However, as the programme of work develops more strategically, we will provide updates to Te Whakameninga O Kapiti in respect of the partnership we share and seek input into future planning around community facilities.

### Financial considerations

25. The costs for the first stages are being managed within existing budgets. The wider financial implications resulting from this portfolio of work are not yet known. When the asset management practices review is completed we will be in a position to better understand the cost in terms of the issues and opportunities that emerge from this work in conjunction with the broader response framework.
26. We will however bring quarterly reports to Committee and Council, where appropriate, and a clearer picture is anticipated to develop as the programme of work progresses.
27. We expect that findings and financial implications will largely inform the next Long Term planning process when a more strategic understanding of our property portfolio is developed.

## SIGNIFICANCE, COMMUNICATIONS AND ENGAGEMENT

### Significance policy

28. The subject of this report is of low significance, as it relates to the review report only.
29. As the programme of work develops it will become apparent whether or not Council's Significance and Engagement Policy is triggered or whether issues and opportunities identified can be addressed within the provisions of the current Long Term Plan.
30. Given that our programme of work will inform the next LTP we anticipate using the 2021-2041 LTP engagement and consultation processes to address the strategic opportunities that arise.

## RECOMMENDATIONS

31. It is recommended that Council:
- Receive the final Morrison Low report, titled Waikanae Library Review;
  - Note the framework approach in Appendix 2 as the recommended organisational response that will deliver on the Morrison Low recommendations.

### Report prepared by

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### Approved for submission

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## **ATTACHMENTS**

- 1 Final report from Morrison Low on the Waikanae Library Review
- 2 Council's organisational response framework