



Nelson
City Council

Te Kaunihera o
Whakatū

Property Activity Management Plan

Mahere Whakahaere Rawa

2024 – 2034

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1.0 EXECUTIVE SUMMARY

1.1 Why Council needs Activity Management Plans

It is a regulatory requirement that councils undertake and provide an Activity Management Plan (AMP). Activity Management Plans demonstrate the coordinated and responsible management of Council's activities, summarising the strategic and long-term approach of their provision and maintenance.

The Plans are necessary to record and justify funding requirements given the large value of Council's assets and the associated capital and operating expenditure that is required to maintain agreed levels of service.

Council's Activity Management Plans:

- a) Outline key issues, goals, and objectives for each activity and how management of the activity contributes to community outcomes.
- b) Outline the level of service that Council will provide to the public and the performance measures it will monitor to check whether it is delivering this level of service.
- c) Provide information on life cycle management, maintenance, and replacement of assets.
- d) Provide information on any new projects or expenditure that will be required to meet future demand.
- e) Provide an overview of operational and capital costs and how the management of the activity is funded.
- f) Outline uncertainties and risks involved in undertaking the activity.

1.2 The Purpose of this AMP

The purpose of the Property Activity Management Plan (AMP) is to provide information about council owned structures and building assets and to justify funding requirements, including provision for Council's library activities. The AMP informs and is informed by Nelson City Council's Long Term Plan (LTP).

This AMP considers the budgetary constraints of Council at the time of writing and the impact this will have on the affordability of required renewals and maintenance. Following LTP budget review in July 2023 Council requested all teams re-evaluate budgets with a target of zero increase in expenditure. The Property Services Team achieved the target, officers have assessed the impacts on Level of Service (LOS) and concluded that this can be managed within the current AMP with no reduction in LOS, however, the assets will be unable to sustain this pattern long term.

WHAT WE DO

The activities included within the Property AMP includes libraries, heritage properties, community facilities, strategic properties, and corporate properties (Civic House).

Other properties and assets allocated to Parks and Facilities are covered in the 2024-2034 Parks and Facilities Activity Management Plan.

The AMP provides an overview of the actions and expenditure needed, within the period 2024-2034, to achieve the required level of service in the most cost-effective manner for the life of the asset and its use.

In 2019, Council began restructuring its property asset management to improve on operational functions and delivery of services by Nelson City Council (NCC). The building assets in the Parks, Property and Facilities portfolio were split and the Property AMP (Mahere Whakahaere Rawa) was created.

This is the first issue of the AMP under the new structure. The restructuring maintains consistent management principles between the two AMPs. It supports increased focus and expertise within the Property Services Team to address complex and specific needs facing Council's building assets while targeting ongoing improvement to service delivery.

1.3 The Scope of this AMP

Council owns, plans for, and maintains buildings, structures, and property. This AMP will explain and detail the framework necessary to manage Council property assets, from division of the portfolio into Focus Areas to financial data and community demand for these assets.

WHY WE DO IT

- a) To support our communities to be prosperous, connected, and inclusive
- b) To transform our city and commercial centres to be thriving, accessible and people-focused
- c) To foster a healthy environment and a climate resilient, low-emissions community

Council owned facilities provide a network of places for communities to gather and participate. These focal points provide opportunity, growth, and inclusion. Council facilities also support us to partner with community groups and organisations to enhance wider Whakatū Nelson community outcomes.

This AMP will include information on Key Issues as these are the obstacles facing the assets and their ability to provide for service delivery.

The AMP will provide information on the Level of Service (LOS) the assets are achieving and should achieve. Level of Service underpins the core of the framework, allowing each asset's success to be fundamentally based on measurable and recognised LOS targets. Where possible, or helpful, supporting information will be included in the Appendices to provide higher levels of detail and understanding.

The AMP acknowledges that climate change is a factor spanning across the property asset portfolio. Future impact of climate change on the way Council manages its assets means that this AMP has designated sections on climate change as well as integrated assessments within the sections.

1.4 Strategic Direction

1.4.1 Council Vision and Priorities

Council establishes a point of focus that is expressed as a vision statement to reflect its priorities and commitments to community outcomes. The vision fits into Council's strategic direction, it underpins the Long Term Plan (LTP) and is what unifies all AMPs across council teams.

Following a series of workshops in 2023 Council reviewed its vision and arrived at the statement below.

COUNCIL'S VISION

'Our vision for Whakatū Nelson is a creative, prosperous, and innovative city. Our community is inclusive, resilient, and connected – we care for each other and our environment.'

Council property and building assets work to achieve this vision by providing places for people to come together and participate in their community, they offer places of work and socialisation, and places to gather and share in cultural activity, physical and mental well-being.

Some property is for longer-term benefit, Council’s property in this group is intended to create future opportunity for our community. Council uses this AMP to monitor how well our assets are delivering and to assess how they need to deliver in the future.

COUNCIL’S PRIORITIES

- Support our communities to be prosperous, connected, and inclusive
- Transform our city and commercial centres to be thriving, accessible and people-focused
- Foster a healthy environment and a climate resilient, low-emissions community

1.4.2 Community Outcomes / Ngā Putanga Hapori

The objective of all AMPs is to enhance community outcomes and support outcomes that align with Te Taihū Intergenerational Strategies. Property assets are for the purpose of these outcomes. This AMP explains the way Council building assets are intended to uphold these outcomes, by supporting the activities they are to provide for.

Council currently has eight community outcomes, a review of these was completed for the new LTP in 2024. Councils Community Outcomes are the basis for level of service evaluation. Council is also guided by its eight Te Taihū Intergenerational Strategies, developed in partnership and under the guidance of Taihū iwi.

This AMP acknowledges both frameworks as historic foundations on which decisions have been made for the activities and assets in this portfolio. The table below lists both the Strategies and the Community Outcomes, while there are similarities between them, they are not translations of each other; rather they are intended to align and support one another.

Figure 1.0 - Community Outcomes and Te Taihū Strategies

Te Taihū Intergenerational Strategies	Council Community Outcomes
<p>Te Taiao The Natural World Our relationship with the natural world is healthy</p>	<p>Our unique natural environment is healthy and protected. E Hauora ana, ā e tiakina ana te taiao</p>
<p>Te Rākau Taumatua Place Our people can access affordable and quality places to live. Our shared spaces are places where people want to be.</p>	<p>Our urban and rural environments are people-friendly, well planned, accessible and sustainably managed. Kua pai te whakmahere, ā e toitū ana te whakahaere</p>
<p>Mātauranga Knowledge Our people are knowledgeable, curious and creative.</p>	<p>Our communities have access to a range of social, cultural, educational and recreational facilities and activities. E āhei ana te hapori ki ngā hanganga ā-pāpori, ā-ahurea, ā-mātauranga, ā-rēhia hoki</p>
<p>Papa Whenua Infrastructure Our people have resilient transport, communications and energy networks, and water and waste systems.</p>	<p>Our infrastructure is efficient, resilient, cost effective and meets current and future needs. He pai te hanganga o nāianeī, o muri ake hoki</p>
<p>Tangata People and Communities Our people and communities are welcoming, healthy, and safe. Our people are connected across generations, cultures and distance.</p>	<p>Our communities are healthy, safe, inclusive and resilient. Kō ō tātou hapori e hauora ana</p>
<p>Te Taihūtanga Identity Our people are proud of their individual and shared identity and feel a strong sense of belonging. We treat each other with kindness and respect.</p>	<p>Our communities have opportunities to celebrate and explore their heritage, identity and creativity. Kei te whakanui te hapori i tō tātou taonga tuku iho, tuakiri, auahatanga hoki</p>
<p>Rangatiratanga Leadership Our decision-making is collaborative, courageous, inclusive, respectful and acts for the long term. We uphold the values and rights of the people and taonga of our region.</p>	<p>Our Council provides leadership and fosters partnerships, including with iwi, fosters a regional perspective, and encourages community engagement. Ka hautū te Kaunihera, ka whakatītina hoki i tē ngātahitanga ā-iwi, ā-takiwā, ā-hapori hoki</p>

Pūtea Economy

Our resilient economy allows our people, places, communities and businesses to thrive.

Our region is supported by an innovative and sustainable economy.

Kei te tautokona te rohe e te ohaoha toitū, auaha hoki

1.4.3 Prioritisation

Council considers its strategic context to prioritise projects and workstreams. Decisions are based on:

- a) The need to protect public health and safety
- b) Conserving the natural environment
- c) Statutory compliance
- d) Considering the effects on future populations
- e) Strategic fit
- f) The feasibility and readiness to implement
- g) Co-funding opportunities

1.4.4 Climate Change

Climate change is our biggest global challenge and Council is committed to considering and reducing climate change impacts.

At a local level, Council has a key role to play by reducing its corporate emissions, supporting and providing leadership on mitigation actions across the community, and managing and reducing risk by helping Whakatū Nelson adapt to climate change effects, especially in relation to:

- a) **Sea level rise:** sea level rise is the most significant climate challenge for Whakatū Nelson as a large proportion of its urban infrastructure is coastal or low lying. These areas will become more vulnerable to coastal inundation over time.
- b) **Heavy rainfall and flooding events:** higher intensity rainfall events mean Whakatū Nelson will experience more regular and extensive flooding from streams, rivers, and stormwater overflows, which will increase the risk of landslips.
- c) **Droughts and high temperatures:** with a warmer climate, the temperature of the water within our rivers and streams will increase and affect habitats. Droughts will result in a higher risk of fires.

Responding to climate change**Mitigation**

Mitigation is about reducing greenhouse gas (GHG) emissions and enhancing carbon sinks (sequestration to remove greenhouse gases from the atmosphere). Council is committed to emissions reduction targets for its own activities in line with government targets:

- a) Net zero emissions of all GHGs other than biogenic methane by and beyond 2050
- b) 10% reduction below 2017 biogenic methane emissions by 2030
- c) 24-47% reduction below 2017 biogenic methane emissions by 2050

Adaptation

Adaptation is the process of responding to current and future climate related impacts and risks. To manage impacts and risks, Council is following Ministry for the Environment guidance and is using the Dynamic Adaptive Pathways Planning (DAPP) approach. This means managing our assets in a way that makes them more resilient, or in some instances, it may mean moving those assets.

Council action and response

How Council delivers its services will play a key role in meeting emissions reduction targets and building community resilience.

Acknowledging the need for urgent action, Council declared a climate emergency in May 2019. Council adopted Te Mahere Mahi a te Āhuarangi Climate Action Plan in 2021, a living document which outlines what Council is doing to address climate change over the next decade. In 2022, Council also began developing a Climate Change Strategy, which will set the long-term direction and guide Council and community investment in climate action.

Council is working with Tasman District Council on a regional climate change risk assessment, which will build a comprehensive picture of how climate change will impact the region.

2.0 INTRODUCTION

2.1 AMP Structure

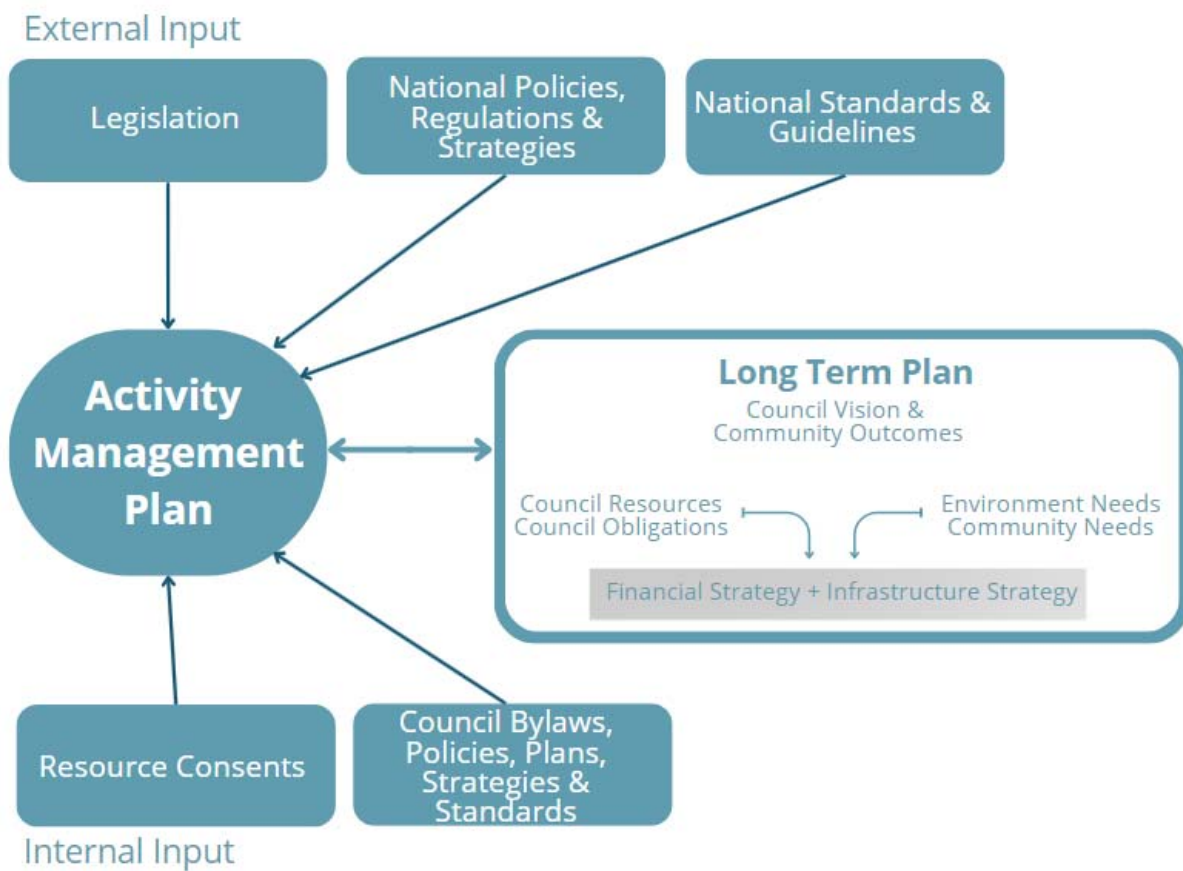
This AMP is developed with reference to the International Infrastructure Management Manual (IIMM) which follows ISO 55000 Asset Management Standards.

2.2 Key Linkages (AMP Relationships)

This AMP communicates the requirements for the sustainable delivery of services through management of assets, compliance with regulatory requirements, and required funding to provide the appropriate levels of service over the planning period.

There are multiple influences on the management and delivery of Council's property assets. Identifying linkages provides consistency across documentation. Linkages also identifies the constraints that Council must work within. Linkages are shown in the diagram below.

Figure 2.0 - Key Linkages Diagram



2.3 Our Partners and Stakeholders

Council aspires to be a trusted partner. It aspires to make good community decisions in collaboration with iwi/Māori, the public and other stakeholders across Te Taihū o Te Waka-a-Māui (top of the South Island).

Relationship with iwi/Māori

Council is committed to strengthening partnerships with iwi and Māori of Te Taihū, recognising their role as Treaty partner is unique, and to providing opportunities for Māori involvement in Council decision-making processes in a meaningful way. This includes an intention to:

- a) Build genuine partnerships with all eight Te Taihū iwi at governance, management and operational levels
- b) Support iwi to participate in local government decision-making
- c) Increase Council’s understanding of te reo Māori me ōnā tikanga (Māori language and culture)
- d) Support iwi aspirations.

There are eight iwi trusts with interests in Whakatū/Nelson region who affiliate to three waka (canoe):

Tokomaru Waka:

- Ngāti Tama ki Te Waipounamu Trust
- Te Ātiawa o Te Waka-a-Māui Trust

Kurahaupō Waka:

- Ngāti Kuia Trust
- Ngāti Apa ki te Rā Tō Trust
- Rangitāne o Wairau Trust

Tainui Waka

- Ngāti Rārua Iwi Trust
- Ngāti Koata Trust
- Ngāti Toa Rangatira Trust

Key stakeholders

Council works alongside a variety of stakeholders and partners to share knowledge and views. It is an opportunity to make the most of resources to achieve shared goals. This includes organisations focused on community development, arts, sport, recreation, environment and transport, other territorial authorities (particularly Tasman District Council), health bodies, Nelson Marlborough Institute of Technology, central government agencies, businesses, and residents’ associations.

2.4 Legislative Requirements

This AMP is guided by national legislation and the legislative requirements form the minimum level of service that Council is required to provide. The legislation is listed below by original title; however, all amendment Acts and regulations shall be considered in conjunction with the original Act.

The following table contains legislation and regulations that influence this AMP. It is accurate as of 16 June 2023, however, legislation is changed and replaced. For latest Act information refer to <https://www.legislation.govt.nz/>

Figure 3.0 - Key Legislation

Constitutional Agreement	
Legislation	Implications
Te Tiriti o Waitangi – Treaty of Waitangi	Te Tiriti o Waitangi - The Treaty of Waitangi is an agreement between Māori and the Crown. Under section 4 of the Local Government Act 2002 local authorities are required to ‘recognise and respect the Crown’s responsibility to take appropriate account of the principles of the Treaty of Waitangi and to maintain and improve opportunities for Māori to contribute to local government decision-making processes. Further sections of the Act, particularly 77 and 81, detail the scale of requirement for local authorities to seek contributions and involvement from Māori in consultation and decision-making processes.

Acts and Regulations	
Legislation	Implications
Building Act 2004	<ul style="list-style-type: none"> Local Authorities are subject to the terms and conditions of the NZ Building Act, and all buildings are to comply in design and construction with the requirements of the Act, and must be managed to facilitate requirements of the Act concerning any building warrants of fitness Provides earthquake prone building legislation which Council must adhere to for earthquake prone buildings
Bylaws Act 1910	<ul style="list-style-type: none"> Sets general provisions for making and operating bylaws, quashing or amending bylaws and recovery of fines
Civil Defence Emergency Management Act 2002	<ul style="list-style-type: none"> Local authorities must take a risk management approach when dealing with hazards. When considering the risk both the likelihood of the event occurring and its consequence must be considered. All hazards, not just natural hazards, must be taken into consideration
Climate Change Response Act 2002 and (Zero Carbon) Amendment Act 2019	<ul style="list-style-type: none"> The Act provides a framework for New Zealand to develop and implement clear and stable climate change policies In 2019 the Act was amended by the Climate Change Response (Zero Carbon) Amendment Act 2019), which: <ul style="list-style-type: none"> Set a new domestic greenhouse gas emissions reduction target for New Zealand to reduce net emissions of all greenhouse gases (except biogenic methane) to zero by 2050 Established a system of emissions budgets to act towards the long-term target Required the Government to develop and implement policies for climate change adaptation and mitigation Established a new, independent Climate Change Commission to provide expert advice and monitoring to keep successive governments on track to meeting long-term goals
Copyright Act 1994 and Copyright (Infringing File Sharing) Regulations 2011	Regulates the use, lending, copying and public performance of printed works, sound recordings, films and DVDs and other media in digital formats. Governs the lending of library materials, use of recordings and films in library programmes, the copying of library materials and the use of public internet services.
Electricity Act 1992	Provides for the regulation, supply, and use of electricity in New Zealand for the protection of the public.
Health and Safety at Work Act 2015	The HSWA requires local authorities to manage all property assets in a safe manner and conduct or arrange all works associated with the properties to facilitate the Act's requirements for health and safety in the workplace.
Plumbers, Gasfitters and Drainlayers Act 2006	Protects the health and safety of members of the public by ensuring the competency of persons engaged in the provision of sanitary plumbing, gasfitting, and drainlaying services.

	The Act requires registered people to undertake such work. This requirement applies to work undertaken for councils.
Fire and emergency New Zealand Act 2017	Requires local authorities to ensure protection of life and property from fire.
Fire and Emergency New Zealand (Fire Safety, Evacuation Procedures, and Evacuation Schemes) Regulations 2018	The Council, as the owner of community facilities and other buildings, must have a procedure in place (evacuation procedure) for the safe, prompt, and efficient evacuation of the building's occupants in the event of a fire emergency requiring evacuation.
Fencing Act 1978	Sets out requirements for adjoining occupiers to share fencing costs.
Food Act 2014 and Food Hygiene Regulations 1974	Places certain duties on the Council – advice, enforcement, registration, audit and verification of food premises. Not all food businesses are audited by Council.
Health Act 1956 and Health Regulations 1966	The Council has responsibilities under the Health Act to improve, promote and protect public health.
Heritage New Zealand Pouhere Taonga Act 2014	Defines an archaeological site as a place associated with pre-1900 human activity. Any excavation works carried out on Council land or heritage buildings must comply with the requirements set out in this Act.
Infrastructure Funding and Financing Act 2020	Provides a framework to allow private capital to support the provision of new infrastructure for housing and urban development. The Act provides opportunities for local government, Māori and iwi, and developers to partner and deliver infrastructure, free from council debt limits or charging high upfront costs to developers.
Land Drainage Act 1908	Outlines the responsibilities as landowners and as local authority for drainage works.
Local Government Act 1974 and 2002 and Amendments	Provides a framework and powers for local authorities to decide which activities they undertake and the way they will undertake them.
Local Government Official Information and Meetings Act 1987	Governs council meeting procedures and release of information. It also sets out responsibilities for councils to provide information about property in a Land Information Memorandum.
Local Government Borrowing Act 2011	Establishes the Local Government Funding Agency and authorises local authorities to deal with the Agency.
Local Government (Rating) Act 2002	Provides local authorities with powers to set and collect rates to fund their activities, with rates being set in a transparent and consultative manner. Council must keep rates records. Council can have policies for the remission and postponement of rates and that govern liability for rates on Māori freehold land.
Marine and Coastal Area (Takutai Moana) Act 2011 and	The Act:

associated regulations	<ul style="list-style-type: none"> • Ensures the protection of the legitimate interests of all New Zealanders in the marine and coastal area of New Zealand. • Recognises the mana tuku iho exercised in the marine and coastal area by iwi, hapū and whānau as tangata whenua. • Provides for the exercise of customary interests. • Acknowledges the Treaty of Waitangi. • Local authorities must take into account any planning documents lodged with them under the Act when making any decisions in relation to the customary marine title area. Local authorities can apply to the Minister of Conservation for redress for any losses to its title to any land or investments in the common marine and coastal area.
National Library of New Zealand (Te Puna Mātauranga o Aotearoa) Act 2003	Provides for the preservation, protection, development, and accessibility of the collections of the National Library and specifies that the National Library also has a role in supplementing and furthering the work of other libraries in New Zealand. National Library collections are made available to the public through the interlibrary loan scheme and the National Library manages a number of library consortia and partnerships which are available to council libraries.
Occupiers Liability Act 1962	States the duty which a person in control of premises owes to visitors in respect of dangers due to the state of premises or to things done or not done on them, and outlines the consequences if visitors are hurt or unsafe.
Privacy Act 2020	Stipulates how personal information can be collected and used, and people’s rights to gain access to that information and ask for it to be corrected. This applies to information held by councils.
Prohibition of Gang Insignia in Government Premises Act 2013	Prohibits the display of gang insignia on premises of government departments, local authorities or schools. It covers any structure, grounds, public swimming pool or aquatic centre owned or under the control of a local authority.
Public Bodies Contracts Act 1959	Outlines the mode of contracting by public bodies and enables public bodies to delegate the power to enter contracts to committees or officers.
Public Bodies Leasing Act 1969	Provides powers to local authorities to lease land and outlines general provisions for the process for granting leases and of the content of leases.
Public Records Act 2005	Provides a framework within which local authorities create and maintain records and sets requirements for preserving and archiving records.
Public Works Act 1981	Provides the statutory authority to acquire land for a public infrastructure, pay compensation for land and how land acquired for a public work is disposed of.
Reserves Act 1977	<ul style="list-style-type: none"> • Requires and empowers Council to administer and manage the reserves under its control to ensure their use, enjoyment, maintenance, protection, preservation, and (as resources permit) their development. • The Act identifies a system of classification for reserves and ensures that reserves are classified and managed accordingly.
Resource Management Act 1991	Requires councils to: <ul style="list-style-type: none"> • Sustain the potential of natural and physical resources to meet the reasonably foreseeable needs of future generation.

	<ul style="list-style-type: none"> • Comply with District and Regional Plans. • Avoid, remedy or mitigate any adverse effect on the environment. • Take into account the principles of the Treaty of Waitangi in exercising functions and powers under the Act relating to the use, development, and protection of natural and physical resources. <p>Comply with resource consents issued by the Nelson City Council for any subdivision of Council owned land, or other development of Council’s own property assets that may have an effect on the neighbouring community and environment.</p>
Residential Tenancies Act 1986	Where properties are rented with a residential tenancy, Council needs to ensure it meets the requirements of the Residential Tenancies Act by ensuring the houses are in the appropriate condition and meet the required standards.
Sale and Supply of Alcohol Act 2012	Provides for a system of control over the sale and supply of alcohol. Council provides inspection, licensing and advice to alcohol suppliers, and administrative and technical support to the District Licensing Committee.
Te Taihū Settlement Acts 2014	<p>The Acts are the culmination of Central Government’s resolution of claims lodged by the eight iwi for redress of past wrongs and provides for Cultural, Relationship and Financial redress. They make up three Acts with statutory obligations for Council in respect to general decision making processes and comprise:</p> <ul style="list-style-type: none"> • The Ngāti Kōata, Ngāti Rārua, Ngāti Tama ki Te Taihū, and Te Ātiawa o Te Waka-a-Māui Claims Settlement Act 2014. • The Ngāti Apa ki te Rā Tō, Ngāti Kuia, and Rangitāne o Wairau Claims Settlement Act 2014. • The Ngāti Toa Rangitira Claims Settlement Act 2014.
Te Tau Ihu Statutory Acknowledgements	<p>A statutory acknowledgment is legal recognition of cultural, spiritual, historical and traditional association of an iwi with an identified statutory area. The eight iwi of Te Taihū to which these statutory acknowledgements and areas relate are:</p> <ul style="list-style-type: none"> • Ngāti Apa ki te Rā Tō • Ngāti Kuia • Rangitāne o Wairau • Ngāti Kōata • Ngāti Rārua • Ngāti Tama ki Te Taihū • Te Ātiawa o Te Waka-a-Māui • Ngāti Toa RaNgātira <p>The statutory acknowledgment places obligations on local authorities which are explained in the statutory acknowledgement document attached to the Nelson Resource Management Plan. The maps do not indicate all sites of importance to iwi. Other sites have been recognised through other redress instruments from the Crown.</p>
Treaty of Waitangi Act 1975	Early reform law that established the Waitangi Tribunal as an entity for commissions of inquiry, it gave legal recognition to the Treaty of Waitangi to safeguard Māori and Iwi rights.
Waste Minimisation Act 2008 (WMA)	Drives Council’s waste management and minimisation activities. Part 4 of the WMA sets out the responsibilities of territorial authorities in relation to waste management and minimisation. Section 42 of the WMA states that the Council “must promote effective and efficient waste management and minimisation within its district”. Activities required of the Council by the WMA include:

	<ul style="list-style-type: none"> • Adoption of a Waste Management and Minimisation Plan (WMMP) • Review of the WMMP at least every six years • Preparation of a Waste Assessment prior to review of the WMMP <p>Central government is currently reviewing the WMA. This review may change the waste management and minimisation responsibilities of the Council and may amend Council's funding distribution from waste disposal levies.</p>
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Key National Standards and Policies	
Legislation	Implications
National Energy Efficiency and Conservation Strategy	The current Energy Efficiency and Conservation Strategy's focus is on promoting energy efficiency, energy conservation and renewable energy. A review of this Strategy is in progress, a new Strategy will replace this one that will better align with Government climate change priorities.
National Environmental Standards for Air Quality	Many locations in New Zealand experience poor air quality, primarily due to home heating during winter and to a lesser extent due to emissions from motor vehicles. Regional councils and unitary authorities are responsible for ensuring that national air quality standards are met in their regions.
National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health (NESCS)	The NESCS is a nationally consistent set of planning controls and soil contaminant values. It ensures that land affected by contaminants in soil is appropriately identified and assessed before it is developed and, if necessary, the land is remediated, or the contaminants contained to make the land safe for human use. There are amendments proposed to improve the effectiveness of this Standard.
National Environmental Standards for Freshwater (Freshwater NES)	The NES regulates activities that pose risks to the health of freshwater and freshwater ecosystems.
National Environmental Standards for Sources of Human Drinking Water	This NES sets requirements for protecting sources of human drinking water from becoming contaminated.
National Policy Statement for Renewable Electricity Generation 2011	Provides guidance for local authorities on how renewable electricity generation should be dealt with in RMA planning documents, including regional plans and district plans. Updated June 2023
National Policy Statement on Urban Development 2020	Sets out the objectives and policies for providing development capacity under the Resource Management Act 1991. It removes overly restrictive barriers to development to enable growth.
New Zealand Coastal Policy Statement 2010 (NZCPS)	Guides local authorities in their day-to-day management of the coastal environment. Highlights declining coastal water quality because of contamination through stormwater and wastewater discharges.
National Policy Statement on Electricity Transmission (2008)	Gives guidance across New Zealand for the management and future planning of the national grid. It provides guidance to councils on the management of the impacts of the transmission network on its environment and on the adverse effects of activities from third parties on the national grid.

Industry Standards	<p>For NZ standards please refer to standards.govt.nz</p> <ul style="list-style-type: none"> • New Zealand Building Code (NZBC) • Fire Safety and Evacuation of Buildings Regulations 1992 • Asbestos Management Procedure 2017 • The Methodology to Identify Earthquake Prone Buildings 2017 • NZS 3604:2011 Timber Framed Buildings • NZS 3602:2003 Timber and Wood-based Products for use in Building • NZS 3910:2003 Conditions of Contract for Building and Civil Engineering Construction • NZS 4121:2001 Design for Access and Mobility: Buildings and Associated Facilities • NZS 4210:2001 Masonry Construction • NZS 4229:2013 Concrete Masonry Buildings not requiring engineer design • NZS 4360:2000 Risk Management for Local Government • NZS 4404:2004 Land Development and Subdivision Engineering • NZS 5828:2004 Playground Equipment and Surfacing • NZS 8409:2004 Management of Agrichemicals • SNZ HB 84:1996 Guide to Concrete Repair and Protection • SNZ HB 5828.1:2006 General Playground Equipment and Surfacing Handbook • SNZ HB 9213:2003 Guide to Local Government Service Delivery Options • NZ Metal Roofing Manufacturers CoP3.0 • NZ Electrical Certificate of Compliance and Electrical Safety Certificate • Gas Safety Certificate
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This Activity Management Plan (AMP) is a key part of Council’s strategic planning process. This plan supports and underpins the financial forecasts and work programmes contained in planning documents like the Long Term Plan and Annual Plan

Plans, Policy & Strategy	Description
Activity Management Plans (AMPs)	AMPs describe the activities, services, and infrastructural assets needed for Council to undertake those activities and services. The AMPs outline the financial, management, and technical practices to ensure the assets are maintained and developed to meet the requirements of the community over the long term. AMPs focus on the service that is delivered as well as the planned maintenance and replacement of physical assets.
Annual Plan	Council prepares an Annual Plan in the years between reviews of the Long Term Plan. It contains the annual work programme, annual budget and rating information, and any variations from the Long Term Plan for the year. The Annual Plan helps provide integrated decision making and coordination of Council’s resources and contributes to Council’s accountability to its community.
Annual Report	The Annual Report identifies the prior year’s achievements against Long Term Plan/Annual Plan targets.

Asset Management Policy July 2010	<p>Objectives are:</p> <ul style="list-style-type: none"> To provide a consistent approach to asset and activity management planning within Council and to ensure plans reflect the strategic direction of Council. To demonstrate to the community that Council recognises the critical importance of managing the city's assets and activities in an effective and sustainable manner to deliver appropriate levels of service to current and future generations. To confirm a coordinated process for each significant asset/activity area that links their contribution to the Community Outcomes with specific levels of service, performance levels and desired improvement priorities and strategies.
Climate Action Plan	<p>This Action Plan contains the resources Council has currently allocated to climate change projects over the next ten years, as set out in our Long Term Plan. The Action Plan is a living document that is updated as actions are completed, or new actions are added. The actions in the Plan cover a wide range of infrastructural, social, and environmental areas, demonstrating Council's commitment to meeting the urgent challenge of mitigation of and adaptation to climate change.</p>
Compliance Strategy 2020	<p>The purpose of this compliance strategy is to:</p> <ul style="list-style-type: none"> Provide a strategic approach to monitoring and enforcement. Encourage a high level of compliance. Provide guidance to ensure monitoring and enforcement duties are consistently applied by Council staff or contractors. Provide a process to monitor and review the effectiveness of the compliance strategy. Be consistent with the Regional Sector Strategic Compliance Framework 2019-2024. Be consistent with the Ministry for the Environment's Best Practice Guidelines for Compliance, Monitoring and Enforcement under the Resource Management Act 1991.
Contracts and agreements	<p>The service levels, strategies and information requirements contained in the AMP are the basis for performance standards in the current Maintenance and Professional Service Contracts for commercial arrangements and in less formal "agreements" for community or voluntary groups.</p>
Earthquake Prone, Dangerous and Insanitary Buildings Policy	<p>Section 131 of the Building Act 2004 requires territorial authorities to adopt a policy on earthquake-prone, dangerous, and insanitary buildings. This reflects the government's broader concern with life safety of the public in buildings and, more particularly, the need to address life safety in event of an earthquake. It is a requirement that the policy be developed in consultation with the Council's ratepayers and stakeholders in accordance with section 83 of the Local Government Act 2002.</p>
Financial Strategy	<p>Council must adopt a Financial Strategy as part of its Long Term Plan. The Council's Financial Strategy facilitates prudent financial management by Council and provides a guide for Council to consider proposals for funding and expenditure against. It makes funding and expenditure proposals transparent to the community by outlining the effects of proposals on services, rates, debt and investments.</p>
He Tātai Whetū - Arts & Creativity Strategy	<p>The strategy promotes Council's collective aspirations and potential through incentives and means to facilitate working together, particularly in new and innovative ways, to realise the full potential of creativity as a force for our city, our community and our economy.</p>
Infrastructure Strategy	<p>Council must adopt an Infrastructure Strategy as part of its Long Term Plan. The Infrastructure Strategy looks at least 30 years into the future to detail the infrastructure needs that the Council can reasonably foresee. It outlines the principal options for managing infrastructure issues and the implications of those options.</p>
Long Term Plan (LTP)	<p>The LTP is Council's 10-year planning document. It sets out the broad strategic direction and priorities for the long-term development of the City and it:</p> <ul style="list-style-type: none"> identifies the desired community outcomes describes the activities the Council will undertake to support those outcomes outlines Council's work programme over the ten years outlines the means of measuring progress

	<ul style="list-style-type: none"> includes Council’s current Infrastructure and Financial Strategies
Nelson-Tasman Joint Waste Management and Minimisation Plan 2019	The Nelson-Tasman Joint Waste Management and Minimisation Plan outlines the Councils’ waste management and minimisation aims, requirements and activities for the region. The Plan is currently under review and due to be completed in July 2025.
Nelson Tasman Future Development Strategy 2022	<p>The joint Nelson Tasman Future Development Strategy is a 30-year high-level strategic plan that outlines areas in our region where there is potential for future housing and business growth.</p> <p>It provides a valuable guide for decision-making that will benefit current residents and those who choose to live in Nelson and Tasman.</p> <p>The Strategy also provides an evidence base to inform reviews and changes to resource management plans and support the next round of infrastructure strategies and long-term plans.</p>
Nelson 2060	The strategy begins with a community-led vision for Nelson in 2060. It sets out 10 goals that will help Nelson achieve that vision and ideas of how to reach the goals, plus ways to measure our progress as a community
Nelson Regional Land Transport Plan (RLTP)	The Regional Land Transport Plan (RLTP) is a critical document, it underpins all the region’s road network and transportation planning, as well as the investment priorities over the next six years on both the state highway and local road networks. The RLTP is a requirement under the Land Transport Management Act 2003. The vision of this RLTP is to have a safe and connected region that is liveable, accessible, and sustainable.
Nelson Regional Policy Statement 1997	A regulatory document produced under the Resource Management Act 1991 which sets the high-level policy for environmental management of the region, with which Council activities must comply.
Nelson Resource Management Plan (NRMP)	The regional policy statements set out how Council will achieve management of resource management issues to meet the obligations of the Resource Management Act 1991.
Nelson Tasman Land Development Manual (LDM) 2020	The LDM sets out the requirements that all infrastructure must conform with. It is based on national guidelines and standards but there are requirements that are specific to Nelson.
Procurement Policy	Provides a set of requirements that Council needs to follow when purchasing goods and services.
Significance and Engagement Policy	<p>The Significance and Engagement Policy is required under the Local Government Act. It lets both Council and the community know:</p> <ul style="list-style-type: none"> How Council will determine the degree of significance of matters When the community can expect to be engaged in Council’s decision-making processes How this engagement is likely to take place Council’s strategic assets
Social Wellbeing Policy	<p>The Social Wellbeing Policy aims to support Nelson to be “a happy, healthy community where people have access to necessary services and facilities and feel connected to each other and to the city”.</p> <p>Areas where the Council has a key responsibility in promoting social wellbeing include the physical environment, leisure and recreation, social connectedness, cultural identity, civil and political rights, and safety.</p>
Taonga Tuku Iho – Heritage Strategy	Taonga Tuku Iho is locally relevant and is to enable opportunity for histories, traditions, and unique stories that weave together our collective story and legacy of tupuna pono or being good ancestors. While the Council has led the revision of this strategy, it is a community-wide strategy that values the support of everyone for effective protection and management of outcomes.
Youth Strategy	The vision of the Strategy is ‘Young people have the resilience, skills, confidence and connections to develop, and participate positively in the community’. The Strategy is supported by a Youth Action Plan.

Iwi Management Plans are lodged by iwi authorities and received by Council under the Resource Management Act 1991. Once lodged with Council they become planning documents that Council must consider when preparing or changing Resource Management Act Plans (e.g., the Regional Policy Statement, Air Quality Plan or Nelson Resource Management Plan).

Iwi Management Plans document iwi worldview and aspirations for the management of resources and help Councillors and staff to better understand those factors.

Figure 4.0 - Iwi Management Plans

Iwi Management Plan	Iwi
Pakohe Management Plan 2015	Ngāti Kuia
Nga Taonga Tuku Iho Ki Whakatū Management Plan 2004	Ngāti Rarua, Rangitira, Te Atiawa, Ngāti Koata, Ngāti Tama
Iwi Management Plan 2002	Ngāti Koata
Te Tauihu Mahi Tuna (Eel Management Plan) 2000	All iwi

Figure 5.0 - Bylaws

NCC Bylaw	Purpose
Parking and Vehicle Control Bylaw 2011	Controls road users' behaviour regarding parking and vehicle control. (In review)
Urban Environments 2022	<p>This bylaw has one or more of the following purposes:</p> <ul style="list-style-type: none"> To protect, promote and maintain public health and safety in Nelson's urban environments. To maintain and enhance the amenity of Nelson's urban environments and to protect the public from activities that may constitute, or have the potential to constitute, a nuisance, including the keeping of animals, bees, and poultry. To minimise the potential for disorder or offensive behaviour within Nelson's urban environments, including controlling the bringing of alcohol into specified public places and the consumption and possession of alcohol in those public places. To regulate trading in public places, including soliciting donations, busking and begging. To manage activities within Nelson's parks and reserves, including Nelson's cemeteries. To promote the display of street numbers on buildings. To regulate the use of public rubbish bins.
City Amenity 2017	Aims to help manage the safety and amenity of our central city and suburban shopping areas. (In review)
Wastewater Bylaw 2021	To protect the health and safety of the public from the potential adverse effects of harmful substances discharged into the wastewater system. It regulates trade waste and domestic wastewater and manages and protects our infrastructure.

2.5 Asset Description

The Property AMP includes council structures and buildings assigned to the management of Nelson City Council’s Property Services Team. Other council structures and property are covered in the Parks and Facilities Activity Management Plan.

Council’s assets and structures are grouped into main categories called Focus Areas. Focus Areas are based on similarly used buildings and facilities and allow assets to be managed by the type of their activity. The following table outlines the Property AMP asset portfolio and is set out by Focus Area. Focus Areas may not necessarily match governance structures, it should be noted that council management frameworks can change over time.

Figure 6.0 - Focus Area Summary: Assets in this AMP

Focus Area	Council code
Libraries	4005, 4010, 4015
Heritage Houses and Founders	3810, 3811, 3812, 3820
Community Properties	4055
Strategic Properties	1514
Corporate Properties	1504
Other	5511, 4053

Appendix A contains further detail and expands on the Property Services Team assets included in this AMP activity.

2.6 Key Risks

Risk management has an important part in the development and management of Council activities. Council is committed to using risk management principles and techniques to understand and appropriately manage all internal and external factors and influences which affect the achievement of its objectives.

Council adopted a Risk Management Policy in accordance with Australian New Zealand International Standard ISO 31000. All risks described and managed in this AMP comply with the principles in Council’s Policy.

Figure 7.0 - Key Risks

Risk	Mitigation
The population growth is considerably higher or lower than the projections used.	Carefully track projections to ensure they remain a reliable indicator of future trends.
Uncertainty of financial markets and inflation is different to the forecasts used to inform budgeting.	Closely monitor financial and economic data and forecasts to plan for potential fluctuations.
Major changes in legislative changes occur.	Closely monitor legislation changes and assess their impact on Council’s work programme.
The lifecycle of assets will be longer or shorter than projected.	Maintain an accurate data and continuously update information on Council’s assets.
The ongoing effects of climate change are difficult to quantify.	Monitor sea level rise guidance and impacts of climate change over time and review budgets, work programme and levels of service accordingly. Continue to take actions to mitigate Council’s own greenhouse gas emissions and show leadership on climate change responses.

Asset specific risks can be found under the Focus Area section of this document. There is an overall risk assessment table specific to assets located in Appendix I.

2.7 Key Issues

Key issues represent the assets current obstacles that may have potential to limit or prevent the desired level of service and the ability of that asset to provide services in a cost-effective manner. Addressing key issues can better align assets with the larger Council strategic objectives and level of service delivery.

Currently Key Issue identification is assisting Council staff to shift toward stronger preventative-based maintenance processes for improved service quality. There is renewed emphasis on better use of asset condition assessment data. Key issues are also assisting staff to address future large budget costs and better spread expenditure over time.

Key issues do not include emergency response preparedness, this is considered under the Risk Management sections of this AMP. All occupied buildings within this AMP will have current BWOF (and/or appropriate Certificate for Public Use (CPU) when necessary). A list of assets with BWOF compliance requirements is in Appendix E.

The key issues affecting assets within this AMP are set out in Figure 9.0. Key issues inform the level of service and performance targets set out in Section 3.0 Levels of Service.

Figure 8.0 - Key Issues Legend

Key Issues: Legend		
Category	Key Issues by Type	Description
Asset Services	Asset Delivery	Preparedness and functionality of the asset to provide and cater to the required use.
	Asset Demand	Ability of the asset to provide for public demand. Assessment is on current and future success and adaptability.
Physical Condition	Asset Maintenance	Includes all planned and programmed work e.g., scheduled defect remediation, re-occurring maintenance (gutter cleaning etc.), life-cycle upgrades etc.
	Asset Compliance	Assessment is against current and incoming compliance legislation changes and includes ability of the asset to meet common user needs e.g., accessibility (GAP 112), fire safety systems, earthquake prone status.
External Impacts	Hazardous Materials	Presence or containment of, or exposure to hazardous substances e.g., asbestos materials, historic ground contaminations.
	Climate Change	Location and exposure zone threats, impact on normal/expected materials lifecycle.
	Emergency or Other Risk	<ol style="list-style-type: none"> 1. Flood recovery cost impacts on budgets (reallocation) 2. Council staff resources 3. Earthquake: Council has a number of earthquake prone buildings that need strengthening

Figure 9.0 - Key Issues

Key Issues	
Focus Area	Key Issue(s) Affecting Asset Performance
Libraries	
27 Halifax Steet Elma Turner Library	<p>Asset Delivery: Services currently not fully operational due to earthquake prone strengthening work. Target is to re-open to former service level and occupy the building until 2032 at the latest.</p> <p>Asset Demand: Demand higher than the temporary partial reopening provides for. Anticipated to be higher than the facility can cater for once fully re-opened.</p> <p>Asset Maintenance: Building has been progressively converted and is not suitable for high demands of library type use, building is end of life & maintenance is high, it is vulnerable to roof leaks, electrical equipment age and capacity and street stormwater capacity provide uncertainty.</p> <p>Asset Compliance: Identified as earthquake risk, remediation in progress.</p> <p>Climate Change: The asset has been identified as being at risk to future sea level rise, mainly during flood events, within flood zone.</p>
35 Putaitai Street Stoke Library	<p>Asset Delivery: Identified as unable to meet full needs of the service.</p> <p>Asset Demand: Identified as unable to meet demand.</p> <p>Asset Maintenance: Significant renewal work to address, complex building requiring complex maintenance schedule.</p> <p>Asset Compliance: Asset has temporary consent on some structural components. Work in progress to remove temporary status.</p>
2 Beach Road Nightingale Library Memorial	<p>Asset Delivery: Identified as unable to meet full needs of the service.</p> <p>Asset Demand: Identified as unable to meet demand for bookable spaces and community group use is at capacity. The library itself is operating within capacity.</p> <p>Asset Maintenance: Significant renewal work to address (roof).</p>
Heritage Properties	
16 Hillard Place Isel House	<p>Asset Delivery: Asset condition is underutilised with some areas permanently closed and remainder closed for a significant portion of the year.</p> <p>Asset Demand: Demand identification needs to be undertaken.</p> <p>Asset Maintenance: Significant renewal work to address, complex building requiring complex maintenance schedule.</p>
26 Brougham Street Melrose House	<p>Asset Demand: Meeting demand, has potential to increase.</p> <p>Asset Maintenance: Significant renewal work to address, complex building requiring complex maintenance schedule.</p>

Key Issues	
276 Nayland Road Broadgreen House	<p>Asset Demand: Meeting demand, has potential to increase.</p> <p>Asset Maintenance: Significant renewal work to address, complex building requiring complex maintenance schedule.</p>
Museums	
87 Atawhai Drive Founders Heritage Park	<p>Asset Demand: Identified as unable to meet demand.</p> <p>Asset Maintenance: Significant renewal work to address for some buildings, complex maintenance schedule.</p> <p>Asset Compliance: Compliance matters are ongoing.</p> <p>Hazardous Materials: Ground subsidence and contamination.</p> <p>Emergency Risk: Some structures (unoccupied) have earthquake risks.</p>
Corporate Properties	
110 Trafalgar St Civic House	<p>Asset Delivery: Not meeting needs of service, no longer fit for purpose.</p> <p>Asset Demand: Identified as unable to meet demand.</p> <p>Asset Maintenance: Significant renewal work to address, high building element failure rate, complex maintenance schedule.</p> <p>Climate Change: Identified as at risk of flooding, within flood zone.</p> <p>Emergency Risk: Legally classified earthquake prone.</p>
Transport Properties	
75-81 Trafalgar Street Millers Acre	<p>Asset maintenance: Complex building envelope (multiple junctions and claddings, stringent manufacturer's warranty criteria); external elements prone to failure and with high risk/ high maintenance claddings and roof penetrations.</p> <p>Climate change: within flood zone, and low resilience to heavy rain events.</p>
Strategic Properties	
300 Wakefield Quay	<p>Asset Delivery: Vacant, currently seeking suitable tenant to enable investment.</p> <p>Asset Maintenance: Significant renewal work to address, high building element failure rate, complex maintenance and unscheduled due to questions over buildings future, earthquake prone strengthening required.</p> <p>Hazardous Materials: Ground contamination, asbestos.</p> <p>Climate Change: High exposure zone, vulnerable to sea level rise, and low resilience to heavy rain events.</p> <p>Emergency Risk: Legally classified earthquake prone.</p>
258 & 262 Wakefield Quay	<p>Asset Delivery: Vacant, currently seeking suitable tenant to enable investment.</p> <p>Asset Maintenance: Significant renewal work, earthquake prone status, high corrosion zone.</p> <p>Hazardous Materials: Asbestos.</p> <p>Emergency Risk: Legally classified earthquake prone (no. 258).</p>

Key Issues	
236 Haven Road	<p>Asset Maintenance: Significant renewal work to address (electrical and asbestos materials) work not being carried out due to building's uncertain long term future.</p> <p>Hazardous Materials: Asbestos (partial treatment completed).</p>
250 Haven Road	Asset Delivery: Vacant, not suitable for occupation.
101 Achilles Avenue	No key issues: continue maintenance schedules.
81 Achilles Avenue	<p>Asset Delivery: Condition poor. Would not meet level of service criteria for long-term lease.</p> <p>Asset Compliance: Earthquake prone strengthening work was not carried out to LOS Grade 3 level and if adjusted would involve alternative strengthening work. Light fitting failure continues, light levels may need compliance review.</p> <p>Climate Change: Within flood zone.</p>
42 Rutherford Street	No issues: Continue maintenance schedule.
25-27 Bridge Street	<p>No known issues: asset is newly acquired (2023) and is still in the process of adoption into the asset management programme. Compliance and Health and Safety assessment criteria are satisfied. Fitout work has been completed during the writing of this AMP and the building occupied.</p> <p>Climate change: Within flood zone.</p>
23 Halifax Street	Demolished
41 Halifax Street	Asset Delivery: Vacant and currently being deconstructed to create carparking as an extension to Millers Acre parking.
Neale Park Nelmac Nursery	<p>Asset Maintenance: Health & safety item identified (shade cloth supports - work underway), office/workshop structure nearing end of life due to ground subsidence.</p> <p>Hazardous Materials: Ground contamination and subsidence.</p>
19 Halifax Street	No key issues: Continue normal maintenance schedules.
1 Kinzett Terrace	No key issues: Continue normal maintenance schedules.
Community Properties	
548 Main Road Stoke Stoke Community Youth Hall	<p>Asset Delivery: High standard. However, located adjacent to Stoke Hall, where temporary earthquake safety mitigation impacts user experience of community youth activity (visually), and impacts from anti-social behaviour associated with unoccupied buildings.</p> <p>Asset maintenance: No issues, continue maintenance schedule.</p>
3 Halifax Street	<p>Asset Delivery: Vacant, Council yet to determine community use (tenant).</p> <p>Asset Compliance: Addressing compliance matters is not underway due to confidence in retaining budget for project without confirmed community use.</p> <p>Hazardous Materials: Ground subsidence and contamination.</p>

Key Issues	
	Emergency Risk: Legally classified earthquake prone. Note: high floor level increases protection from flood zone impacts.
7-9 Paru Paru Road	No key issues: Continue normal maintenance schedules.
70 Beach Road Nelson Surf Life Saving Club	Asset Demand: Identified as unable to meet demand and not suited to needs of service.
Neale Park Nelson Districts Woodturning Club	No key issues: Continue normal maintenance schedules.
55 Muritai Street Tahunanui Hub	No key issues: Continue normal maintenance schedules.
70 Beach Road Cafe	No key issues: Continue normal maintenance schedules.
1 Tantragee Road	Asset Delivery: Vacant. Asset demand: Asset was acquired as a storage facility and is part of a leased complex that does not use this space. Asset maintenance: Asset would require renewal work to meet useful and safe purpose
11 Hastings Street Youth Nelson	Asset Maintenance: Asset has prolonged deferral but is meeting LOS.
Strategic Residential Properties	
92 Beatson Road	No issues: Asset occupied, continue following maintenance schedule. Contracted to Summit Property Management, fully compliant with Residential Tenancies (Healthy Homes Standards) Regulations 2019.
213 St Vincent Street	No issues: Asset occupied, continue following maintenance schedule. Contracted to Summit Property Management, fully compliant with Residential Tenancies (Healthy Homes Standards) Regulations 2019.

2.8 Levels of Service

2.8.1 Expectations

This AMP sets out the level of service (LOS) Council seeks to provide to the community for the different activities. Levels of service are the standards Council aims to meet when providing a facility or a service in support of community outcomes. They are the measurable effect or result of a Council service, described in terms of quality, quantity, reliability, timelines, cost and other similar variables.

Levels of service are not compulsory but they set the standard for Council's goals for an activity. Council follows IIMM recommendations in that it considers LOS through both technical and customer parameters. Council aims to achieve these goals while being aware of the cost implications of any changes.

Many stakeholder groups will have different and sometimes conflicting expectations of levels of service. These expectations need to be managed to reduce dispute and unnecessary expense.

This AMP defines the levels of service provision for the Property activity, the current performance, and the measures and targets by which these will be assessed. Performance measures that are included in the Long Term Plan are reported on annually through the Annual Report.

This document provides further detail about levels of service in Section 3.0 Level of Service, and specific customer level of service information relevant to the activity under Focus Areas.

Figure 10 - Level of Service (Technical)

Community Outcomes	Level of Service (Technical)	Performance Measure	Current Performance	Target Performance*			
				Year 1	Year 2	Year 3	Year 4
Our infrastructure is efficient, resilient, cost effective and meets current and future needs.	Assets are fit for intended purpose and are well maintained.	Minimum average condition rating for staff areas at Civic House.	Grade 3	3	3	3	3
		Minimum average condition rating for public areas at Civic House.	Grade 2	2	2	2	2
		Minimum average condition rating for Millers Acre.	Grade 2	2	2	2	2
Our urban and rural environments are people-friendly, well planned, accessible, and sustainably managed.							
Our communities are healthy, safe, inclusive and resilient.							
* Grades are directly in accordance with IIMM assessment framework and measure building condition. Refer to Appendix D for full condition grading systems applied to assets to measure performance against LOS.							

This AMP considers Council's Community Outcomes in the evaluation of LOS data above.

2.8.2 Changes in level of Service

The following summary confirms changes in levels of service by Focus Area.

Figure 11 Level of service changes from LTP 2021-2031

Key changes to Level of Service (LOS) from previous AMP	
Category	Change in LOS
Focus Areas General	Focus areas have been reviewed, assignment of assets within focus areas corrected. Refer to Focus Area LOS tables for details.
Libraries	Number of LOS reduced from two to one. Minor wording changes.
Heritage Houses	LOS and performance measures have been reworded, including outlining the measurement process. Performance targets have been adjusted to enable flexibility and practical approach to maintaining heritage.
Museums: Founders	The LOS has been reworded to be more customer focused
Corporate Property	The targets have been changed from a reducing electricity use to a maintained use and electricity measurement changed from kWh to kWh/m2
Transport Property	No change
Strategic Property	No change
Community Properties	No change

2.8.3 Customer Research

Levels of service are included in the Long Term Plan consultation process. Council has also undertaken a range of consultation processes. These consultation processes are detailed in the table below.

An important informer for the AMP is the Residents' Survey, which was last conducted in 2022 and prior to writing the AMP. The purpose of the Residents' Survey is to gather statistically significant resident feedback on Council performance. This feedback is used to report on performance measures and identify areas for improvement.

Feedback is incorporated from residents' surveys into council decisions. The Residents' Survey has specific questions on council facilities and their use, which Council uses when making decisions on facilities such as the structural strengthening work in progress to re-open Elma Turner Library. The following table contains a list of primary sources that inform Council when undertaking projects such as this.

Figure 12 - Council Consultation Processes

Consultation Processes	Frequency	Reasons for Consultation (examples)	Extent of Consultation	Applicable to which Customer Value
Historical and proposed				
Heart of Nelson	2009, one off	Community expectations for city centre	Public feedback sought through a range of means	Sustainability Responsiveness
Residents' Survey	Most years since 1998. Current survey 2021/22	Resident satisfaction with services provided by Council	300–400 residents surveyed by telephone	Cleanliness Maintenance Available services Responsiveness
Long Term Plan process	Every three years	Legislative requirement criteria of Local Government Act 2002	Public, business and industry submissions requested. Advertising in local papers.	Services Affordability Good asset management
Annual Plan process	Each year that changes to the Long Term Plan are proposed	Legislative requirement criteria of Local Government Act 2002. (Note consultation is not required each year, depending on the level of changes proposed)	Public, business and industry submissions requested. Advertising in local papers.	Services Affordability Good asset management
Reserve Management Plan process	Whenever engaging on plans	As required under Local Government Act 2002/ Reserves Act 1977.	Submissions requested. Advertising in local papers and website.	Reliability Capacity Responsiveness
Non-regulatory strategy and plans	Whenever engaging on plans	To seek community input into proposed strategy/policy.	Feedback requested. Advertising in Council publications and website.	Dependent on strategy or policy

Project Consultation	As identified	Such as: Elma Turner Library Strengthening	Such as: existing users, events managers of Trafalgar Centre residents' meetings, submissions, presentations, reports	Accessibility Quality services Fit for purpose
Tenants	As identified	Measure customer satisfaction and other user feedback. Ensure requirements under the lease are being met.	Users of facilities	Maintenance Availability Cleanliness

2.9 Assumptions

The high-level assumptions underlying the approach taken to Council's activities are:

- **Population and growth projections** - Nelson's population is expected to increase by 5,013 between 2023 and 2033 to 60,419. The projections suggest a relatively modest annual average growth rate for 2023-2033 of around 0.9%.
- **An ageing population** - The proportion of the population aged 65 years and over is projected to increase from 21% in 2023 to 26% in 2033. Statistics New Zealand's¹ projections indicate that by 2048 Nelson City would become New Zealand's 11th oldest population (i.e., the median age will be higher than all but 10 other territorial authorities in New Zealand).
- **Climate change** - Increased numbers or severity of extreme weather events, such as heavy rainfall with flooding and slips, and dry weather resulting in drought and fire, would lead to increased costs for Council in both responding to the events and building greater resilience into infrastructure.
- **Legislative reform** - There are reforms and legislative changes impacting local government that are likely to progress or come into effect during the period of the Long Term Plan 2024-2034. This could require changes to Council's work programme and budgets and may increase or decrease work in some areas.

Assumptions are also made in more detail at an asset-by-asset level. Where relevant assumptions are also discussed in relevant sections such as Focus Areas.

2.10 Current and Future Demand

This section provides an overview of key drivers of demand and what demand management measures the Council has planned to implement in relation to the drivers.

The future demand for Council services will change over time in response to a wide range of influences, including:

- Demographic forecasts
- Accuracy of predicted future populations
- Climate change
- Local economic trends
- Land use change
- Changing technologies
- Changing legislative requirements
- Changing regional and district planning requirement

¹ Subnational population projections: 2018 base-2048 update December 2022

These demands will be approached using a combination of managing existing assets, upgrading existing assets and providing new assets to meet demand. Demand management practices may also include a combination of non-asset solutions, insuring against risks and managing failures.

The ability to predict future demand for services enables the Council to plan ahead and identify the best way of meeting that demand. This may be done through a combination of demand management and investing in improvements.

Population growth

The population data in this section is provided by DOT Consulting. Tasman District Council and Nelson City Council are using the same population projections to ensure a more regional approach to planning.

Nelson currently has an estimated population of 54,500 people (as of 30th June 2023 – Source: Stats NZ). This is an increase of 3.6% since 2018.

The key demographic assumptions affecting future demand are:

- Ongoing population growth over the next 30 years with the rate of growth slowing over time.
- An ageing population, with population increases in residents aged 65 years and over.
- A decline in average household size, mainly due to the ageing population with an increasing number of people at older ages who are more likely to live in one- or two-person households.

Under the medium variant the population (rounded to nearest 10) is projected to increase 27.8% from its estimated base of 52,660 in 2018 to 67,308 in 2058. Projected numbers under the high variant reach 82,600 in 2058 (+56.8%). Under the low variant, numbers reach 54,910 in 2058 (+4.3%). Council is proposing to use the medium growth projections for the Long Term Plan 2024-2034.

The 65+ age group is projected to increase to 34% in 2058. This increase is known as structural ageing. Once a population has more than 20% aged 65 years and over, it is usually approaching the end of natural increase.

The March 2023 projections, under the medium population growth variant, have most of Nelson’s future growth occurring between 2018 and 2058 in the following areas: Omaio (Stoke), Nayland, Daelyn, Suffolk, and Broadgreen-Monaco.

The Omaio population is projected to approximately double, while the other four areas are projected to increase by 43%-55% between 2018 and 2058.

Looking at communities with a projected population of over 100 people in 2058, four areas are projected to experience population declines. These are Maitai (-24.2%), Marybank (-9.0%), Victory (-3.3%), and Rutherford (-3.3%). However, all but Rutherford had a population smaller than 1,700 in 2018 so the results should be interpreted with some caution. Also, future developments in these areas could alter these projections.

Eleven areas are projected to have over a third of their population aged over 65 years in 2058. The larger of these include: The Wood, Britannia, Aldinga, Omaio, Suffolk, Marybank, and Maitai.

The youngest projected suburbs in 2058 (those with the largest proportion of 0-14 year olds) are projected to be Broadgreen-Monaco (20.1%), Toi Toi (17.8%), Nayland (17.7%), Nelson Rural (16.6%), and Washington (16.4%).

Stats NZ expects population growth will begin to slow over the next 30 years and Nelson’s population will stagnate around the mid-late 21st century. The national population rate will likely stagnate later than Nelson due to higher immigration and birth rates compared to our region.

The relative contributions of net migration and natural increase/decrease to Nelson’s projected population growth varies across time and between the high, medium and low projection variants. Net migration is the major contributor to the city’s growth under the medium variant projections, while the natural birth increase is projected to decrease over time.

2.11 Lifecycle Management Plan

An asset’s lifecycle management plan is a wholistic approach to reach the full potential of the asset. It is an evaluation of an asset from beginning (building or purchase) to end (disposal or deconstruction). It is monitored and largely measured

by financial efficiency. The lifecycle costs and actions necessary to provide the services covered by this AMP are grouped into asset stages: acquisition, operation, maintenance, renewal, and disposal of the asset.

2.12 AMP Management Practice Maturity

Activity management plans are reviewed every three years. The portfolio is operating at core level using the IIMM scale of asset management maturity.

Figure 13 – IIMM Asset Management Maturity Levels

Maturity	Description	Definition	Examples of Characteristics
1	Aware	The organisation recognises the benefits of an asset management function within the organisation but has yet to implement a structure to support it.	
2	Basic	Asset Management functions are performed by a small groups and roles reflect requirements.	
3	Core	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.	<ul style="list-style-type: none"> • Adequate physical and financial description of the asset with ability to aggregate information. • Define LOS of the asset linked to community outcomes & significant services. • Demand forecasts for 10 years. • Risk management and critical assets identified with strategies. • Identify gaps between current service and required service capability. • Significant capital investment options. • Physical maintenance translated to financial for 10-year period with decline (depreciation) able to be measured. • AMP improvement processes. • Peer reviewed and adopted.
4	Intermediate	Organisational structure supports AM. Roles reflect AM resourcing requirements and reflected in position descriptions for key roles. Consistent approach to AM across the organisation.	
5	Advanced	Formal documented assessment of AM capability and capacity requirements to achieve AM objectives. Demonstrable alignment between AM objectives, AM systems and individual.	
Council Property AMP score = 3+			
Source: International Infrastructure management Manual (IIMM)			

To understand and anticipate budget needs and actions required this AMP uses the following approach in regard to the asset stages.

Figure 14 11 - Property AMP management approach

Lifecycle group (stage)	Mechanism or management control	Next steps for AMP maturity
Asset acquisition or new building constructed	a) changes in compliance requirements or legislation b) existing asset nearing end of life c) change in public demand	Need for new assets will initiate planning strategy assessment to confirm whole of life costs and budget forecast check.

Operations	<ul style="list-style-type: none"> a) Scheduled inspection and monitoring b) Condition assessments c) Unprogrammed maintenance informs future renewals 	Improved lease and stakeholder contracts to establish clear expectations and obligations.
Maintenance	<ul style="list-style-type: none"> a) Unprogrammed, by contractor under council's services contract as a variation b) Programmed by contractor under council's services contract 	Improved handover processes for capital works or renewal contracts as future control over warranty obligations and awareness of product needs for ongoing improved scheduled maintenance.
Renewals <i>*renewals are not intended to increase asset capacity or increase services provided but may increase LOS</i>	<ul style="list-style-type: none"> a) On identification of health and safety issue b) When level of service (LOS) is no longer met c) When maintenance costs are greater than replacement d) Compliance changes/upgrades and legislation requirements are imposed 	Council has a pattern of deferred property renewal indicating that asset management at maintenance stage needs review and establishment of clearer criteria and increased LTP budget. Increased Renewal budget should reflect in decreased unprogrammed maintenance budget, if managed wisely the total expenditure should be close to equivalent, with asset condition raised and higher or more consistent LOS achieved.
Disposal or demolition	<ul style="list-style-type: none"> a) Use is determined redundant, demand ceases, or asset is significantly underutilised b) Level of service LOS cannot be met c) Physical upgrade is unaffordable d) Intended use changes and any new use will not meet purchase intention policy 	Council does not carry out regular mandatory review of assets as a portfolio wide strategic assessment, assets in the portfolio are managed case by case. The overall strategic direction could offer cost savings if tighter strategic direction were imposed.

2.13 Financial Summary

Although the AMP typically informs a Long-Term financial planning period of 10 years. Council considers the drivers of capital expenditure are:

- a) to meet additional demand for an activity; and
- b) to improve the level of service; and
- c) to replace existing assets.

Funding impact statement

The total capital expenditure for the property activities is estimated at \$70,133,388.00 over the LTP 2024-2034. This represents an average of \$7,013,388.80 cost, on average, per year.

Over the length of the LTP \$45,485,488 is anticipated to be invested into improving level of service. It is expected that \$20,271,641 will be spent of renewals. To meet new demand or an increased demand of the activity \$4,376,257 will be spent on the Property portfolio's capital growth.

Detailed financial information and summary data is provided in Section 8.0 Financial Planning and reporting.

2.14 Monitoring and Improvement Program

Monitoring and improvements are to enable Councils asset management to be effectively recorded and implemented across the various processes including annual operation, the LTP, and budgets. Council uses IIMM framework and standards as the guidelines to approach this. Potential for renewals programmes to align with climate change policies and Iwi adaptation policies (Iwi Environmental Plans) is improving and increasingly part of the consideration.

Improving the management of property assets is a continual and ongoing process. While updating this AMP improvement tasks are identified and noted for follow-up. The objective of the improvements is to deliver the right level of service in a cost-effective manner.

Section 9 of this document contains the Property Services Team's asset monitoring and improvement register. Because this is a new AMP the register is also new and does not contain prior monitoring review or tracking. The assets in the previous Plan, the Property and Facilities Activity Management Plan, identified that a data information system suitable for building assets was needed and that the current system, INFOR, was lacking. As a result, the properties were acquired with this data system which the Property Services Team has continued to use, but to limited capacity until a solution is confirmed.

A review of INFOR and its suitability has been carried out. It is apparent that a fundamental issue is the software systems inability to function intuitively, and consequentially it does not cater for self-taught user efficiency. In summary, the system works well for long-term frequent users doing repetitive inputting. It does not adapt well to changes in staff and does not support variable or unique (one-off) data management needs. It has an ongoing training factor that is a resource burden. The requirement for improvement in data management systems has been carried over into the register contained in Section 9.

3.0 LEVELS OF SERVICE

3.1 Level of Service Performance

A review of the levels of service has been undertaken in the development of this AMP and coordinated across the service delivery of other teams. Elected members have provided input into the process through workshops during the AMP development.

The levels of service are linked to Council’s Community Outcomes (Nga Putanga Hapopori). A change in the level of service would be reflected as a requirement to increase or decrease that level and carried out in consultation with the stakeholders and community. Levels of service in this AMP did not require any significant increase or decrease. Key changes from the 2021 levels of service are recognised in the AMP and are developed in this section.

Evaluation criteria for reviewing the levels of service is based on the recommendations provided by the International Infrastructure Management Manual (IIMM) and considers both technical, and customer expectation levels of service and performance. It includes the following:

Figure 1512 - Level of Service Performance

Level of Service Performance	
Asset Condition	Council uses the Condition Rating Methodology in accordance with the International Infrastructure Management Manual (IIMM).
	1 Very good
	2 Minor defects only
	3 Maintenance required to return to accepted level of service
	4 Requires renewal
	5 Asset unserviceable
Compliance and legislation	Compliance is a requirement of specific and relevant legislation and standards, there are some levels of service that relate to this.
User satisfaction	Customer surveys are undertaken annually by service contractors or completed independently under Council supervision. These surveys provide a measure of customer satisfaction and can be used to gain feedback on a particular Focus Area.
Visitor numbers or user rates	This plan has made use of visitor volumes where Council has an aspiration to meet demand, foster community use (such as the libraries) or support events in facilities.
National Measures	Where industry benchmarking or New Zealand Standards can provide a good means of measuring service then these are used specifically and suit Council goals for maintaining quality.
Bespoke targets	Some levels of service need to relate to their specific areas or capacity.

Appendix D provides information on how the technical LOS assessment system is carried out, including the measurements used by this AMP to confirm the asset performance. Customer LOS is covered in each asset Focus Area.

Customer LOS are considered across condition, function, and capacity or use and are classified as tangible or intangible:

Figure 1136 – Types of Levels of Service

Tangibles	Intangibles
Appearance of the facility, frequency of service disruption, availability of service, incidence of illness etc.	Involves understanding what customers value e.g., speed of service, staff attitude, ease of communication (dealings), indigenous representation/design principles. Across this AMP customer values present themes including quality, quantity, availability, and safety.

These are measures of fact related to the service delivery outcome. An example would be the number of occasions when service is not available.

3.2 Current Level of Service

Current LOS has potential to generate negative effects and has the complexity of meeting diverse community needs that are sometimes conflicting. The following table looks at a few common negative effects and shows what council does to try and balance this effect or inform decision making to avoid it.

Figure 1147 - Common Negative Effects and Examples of Mitigation

Effect	Examples of mitigation
Vandalism, crime, antisocial behaviour <ul style="list-style-type: none"> Assets can create spaces that attract this type of behaviour e.g., assets are targets for expressing viewpoints, they have periods of being vacant etc. 	<ul style="list-style-type: none"> Design and modification of facilities using crime prevention principles Timely removal of graffiti Timely repair of damage
Asset cost within Council’s annual budget	<ul style="list-style-type: none"> Develop appropriate LOS to ensure that council is not over-providing Optimise life-cycle management to reduce operating costs
Noise and light spill <ul style="list-style-type: none"> Facilities are for the purpose of gathering people, this can increase populations in concentrated timeframes 	<ul style="list-style-type: none"> Council follows all planning regulations and monitors changes in building occupants to ensure that they fit with the zoning use and operate within decibel requirements
Asset changes <ul style="list-style-type: none"> Changes in property occur, change can cause uncertainty 	<ul style="list-style-type: none"> Council uses opportunities to notify and inform. For example, public notifications and our media updates page

3.3 Levels of Service 2024-2034

The allocation in the planned budget is sufficient to continue providing existing services at current levels for the planning period.

This means that there are no consequences to LOS for the planned budget period, although there are assumptions made that produces uncertainty for some assets and will affect the stability of the levels of service if these assumptions do not follow through as planned.

Levels of service are provided in the Executive Summary. Key issues, which can directly impact LOS, are also identified. There has been some level of service modifications proposed from the previous AMP, these have been suggested to:

- a) Rationalise the LOS to make them more succinct, relevant and measurable
- b) Remove LOS which are activity operational considerations and not related to asset management

Level of Service Assumptions

- a) In response to external impacts such as the costs of flood recovery all AMP authors and budget contributors have been instructed to achieve a zero-budget increase over the first three years of the LTP. Capacity of assets to perform to anticipated levels has been modelled and shown to be sufficient, however, this status is at elevated risk and is vulnerable to unexpected demand.
- b) The asset portfolio has been subjected to prolonged deferral leading into this AMP. Examples are: earthquake prone building compliance is yet to be met by any physical work completions; Elma Turner library is an asset

that has been strengthened to extend end of life but has significant deferred maintenance that is not included in the project; Nightingale Library re-roof was deferred from the current annual plan budget to 2024-25. To impose a zero increase on these assets will represent further deferral. If failure occurs this will involve additional cost over what was budgeted.

- c) An indicative business case has been commissioned in 2023 to provide options for a community hub including city centre library, and staff workplace accommodation (overcrowding and lack of facility) and failing (end-of-life) infrastructure. The assumption is that Council will be able to fund at least one of the business case options and that the option selected will meet timeframes to respond.
- d) The indicative business case will incorporate solutions for the new city centre community hub and library. The assumptions applied to the indicative business case also apply to this asset. The Elma Turner Library has been strengthened to extend the asset use but will reach end of life by 2032. Council needs to begin planning for a new building in the next three years and needs to construct the new Community Hub and Library within the current LTP cycle.
- e) Added strain on overall budget within this AMP will arise from the need to address earthquake prone building compliance, this will not affect the LOS of the individual assets themselves as all these assets are vacant. However, these assets may impact other assets through requirement for significant budget allocation. This will impact overall council financial resource within this portfolio.

Council owns five assets with earthquake prone building status. Four of these assets sit within this AMP. The remaining asset sits within the Parks and Facilities Activity Management Plan. A list of assets within this AMP that are earthquake prone are in Appendix C.

4.0 FUTURE DEMAND

This section covers the existing and forecast demand, growth and expectations, and the demand management strategies used by Council.

4.1 Demand Drivers

Drivers affecting demand include things such as population change, regulations, changes in demographics, seasonal factors, vehicle ownership rates, consumer preferences and expectations, technological changes, economic factors, agricultural practices, and environmental awareness. These are outlined in Section 2.10 Current and Future Demand.

4.2 Demand Forecasts

The present position and projections for demand drivers that may impact future service delivery and use of assets have been identified and documented.

4.3 Demand Impact and Demand Management Plan

The impact of demand drivers that may affect future service delivery and use of assets are shown in the table below.

Opportunities identified to date for demand management are shown in the table below. Further opportunities will be developed in future revisions of this AMP.

Figure 1158 - Demand Management Plan

Demand driver	Current position	Projection	Impact on services	Demand Management Plan
Demographics: Population growth Risk level: low	54,500	Increase to 60,419 by 2033	Assets capacity may be insufficient to accommodate numbers, particularly for those assets nearing capacity currently.	<ul style="list-style-type: none"> Strategic planning Appropriate budget response to planning
Aging population Risk level: medium	Aging rate 21%	Increase to 26% in 2033	Facilities will need to make up lack of resiliency with: extra lighting, improved signage, accessible accessways and parking, safety rails, acoustic control, efficient heating	<ul style="list-style-type: none"> Access building suitability to capture existing facility issues
Partnerships. Iwi Risk level: Medium	No official measure: Improving	Collaborative & inclusive	Visual appearance, services involved, project consultation processes	<ul style="list-style-type: none"> Focus on team (staff) cultural awareness. Develop / include Kaupapa guidelines Generate opportunity for inclusion & recognition
Climate change Risk level: medium	<ul style="list-style-type: none"> No official measure: Impacts felt Emissions targets (compliance) 	Increased severity, increased frequency	Service interruptions, unprogrammed budget, increased LTP budget forecast	<ul style="list-style-type: none"> Implementation of DAPP* Monitor updates Building location choices Building methods Co2 reduction projects
Natural disaster: Earthquake Risk level: High	Events all below critical magnitude	AF8 potential Local fault potential	Safety to people Destruction of buildings interruption of services	<ul style="list-style-type: none"> Progress EPB strengthening

Legislation changes Risk: low	Ongoing	Further changes anticipated. Local government, Plan Change 29 (Housing and Hazards)	<ul style="list-style-type: none"> Budget increases due to costs of upgrades and changes Compliance LOS 	<ul style="list-style-type: none"> Regular monitoring of developments and industry changes to gain advance warning Staff professional development
Financial; Inflation, rating changes, interest rates, insurance Risk level: low-medium	Ongoing, recession status lifted	Potential only	<ul style="list-style-type: none"> Changes in LOS Changes to LTP projects 	<ul style="list-style-type: none"> Follow council policy Prepare for LOS changes
Capital Projects	10% downward capital annual investment	Not provided	<ul style="list-style-type: none"> Delay in projects greater than 10% 	<ul style="list-style-type: none"> Maintain flexible programme
Earthquake prone buildings (EPB) Risk level: Medium	Four buildings with EPB status	No change confirmed	<ul style="list-style-type: none"> High cost to temporarily relocate Council staff out of Civic House Expensive penalties for failure to meet compliance deadlines impact of overall portfolio budget 	<ul style="list-style-type: none"> Initiate planning for strengthening
* DAPP Dynamic Adaptive Pathways Planning				

4.4 Asset Programs to Meet Demand

The new assets required to meet demand may be acquired, donated or constructed.

Acquiring new assets will commit the Council to ongoing operations, maintenance and renewal costs for the period that the service provided from the assets is required. These future costs are identified and considered in developing forecasts of future operations, maintenance and renewal costs for inclusion in the long-term financial plan.

4.5 Climate Change Adaptation

The impacts of climate change may have a significant impact on the assets we manage and the services they provide. In the context of the Asset Management Planning process climate change can be considered as both a future demand and a risk.

How climate change impacts on assets will vary depending on the location and the type of services provided, as will the way in which we respond and manage those impacts.

Additionally, the way in which we construct new assets should recognise that there is opportunity to build in resilience to climate change impacts. Building resilience can have the following benefits:

- Assets will withstand the impacts of climate change;
- Services can be sustained; and
- Assets that can endure may potentially lower the lifecycle cost and reduce their carbon footprint

The impact of climate change on assets is a new and complex discussion and further opportunities will be developed in future revisions of this AMP.

5.0 LIFECYCLE MANAGEMENT PLAN

The lifecycle management plan details how the Council plans to manage and operate the assets at the agreed levels of service (Refer to Section 3.0) while managing life cycle costs and service delivery.

5.1 Background

In keeping with the scope of this AMP the following section describes the management of libraries, heritage houses, Founders, community properties, strategic properties, and Civic House.

Council’s asset portfolio is characterised by a wide ranging diversity. It includes specialist systems and services. This complexity is what initiated the act to split the management of assets across the Council teams resulting in the formation of the Property AMP the Parks and Facilities AMP, and the Nelson Marina AMP. Essentially most of Councils building assets are within these documents, with linkages to the Climate Action Plan and to other AMPs from the Community Partnerships team and Arts and Heritage team.

This new AMP structure allows Council to spread its resources by focusing on critical and specialist needs. In the future Council may consider further splitting community activities, in particular the libraries, from the Property AMP. This would aim to give library facilities managers greater visibility of their services within our team portfolio, and a stronger (more direct) input into the services they provide. To pursue the option, consideration will need to be given to what modern libraries need to deliver for Whakatū Nelson and how the change in our AMP structure would appropriately reflect that libraries are themselves much more diverse in what they provide to communities than they used to be.

Refer to the Nelson Marina AMP for assets located and providing for services within the Marina. Assets that can be found in the Parks and Facilities Activity Management Plan include: events venues and centres, halls, swimming pools, campgrounds, cemeteries/crematorium, bridges, and parks structures.

5.1.1 Physical Parameters

Details regarding the assets covered by this AMP are provided in Appendix A and summarised in the table below.

Management of assets within the portfolio is centred around achieving LOS and the methods used to do this. Predominantly this sits with our maintenance and renewal programmes. However, life cycle management plans are increasingly having to have built in adaptability. They need to incorporate planned ways to respond to uncertain external impacts related to the effects of, and risks associated with, climate change.

Management also involves financial review, monitoring, and budgeting practices. The financial side of asset management adheres to Council wide policies and the frameworks directed by our finance team. Property asset management, from a financial perspective, is therefore in alignment across all AMPs and accountable to the LTP in the same way.

The other component of our management is asset capacity and performance. This represents management of the portfolio goals and ensures alignment with Council wide vision and priorities.

Figure 1169 - Assets covered by this Plan

Focus Area (Asset Category)	Specific Asset	Replacement Value
Libraries	<ul style="list-style-type: none"> Elma Turner Library Stoke Library Nightingale Library Memorial 	<ul style="list-style-type: none"> \$ 13,063,050.00 \$ 1,843,530.00 \$ 4,175,991.00
Heritage properties	Three Heritage Houses <ul style="list-style-type: none"> Isel House Melrose House Broadgreen House 	<ul style="list-style-type: none"> \$ 2,397,720.00 \$ 3,336,450.00 \$ 1,911,390.00
Museums	Founders Heritage Park <ul style="list-style-type: none"> 40 building assets 1 playground 	\$ 15,057,003.00 (total)

Corporate properties	<ul style="list-style-type: none"> • Civic House / Tower Block • Chambers (PO Savings Bank) 	<ul style="list-style-type: none"> • \$ 34,631,220.00 • \$ 7,385,430.00
Transport properties	<ul style="list-style-type: none"> • Millers Acre (North) • Millers Acre (South) 	<ul style="list-style-type: none"> • \$ 4,557,930.00 • \$ 2,465,580.00
Strategic properties	<ul style="list-style-type: none"> • 300 Wakefield Quay – NCC Electricity • 258 Wakefield Quay – Anchor Shipping • 236 Haven Road • 250 Haven Road • 101 Achilles Avenue • 81 Achilles Avenue • 42 Rutherford Street • 25-27 Bridge Street • 41 Halifax Street (deconstruction in progress) • Neale Park/Atawhai Drive – Nelmac Nursery • 19 Halifax Street • 1 Kinzett Terrace 	<ul style="list-style-type: none"> • \$ 3,924,570.00 • \$ 2,940,600.00 • \$ 6,107,400.00 • \$ 2,216,760.00 • \$ 1,606,020.00 • \$ 2,058,420.00 • \$ 1,489,810.00 • \$ 1,001,460.00 • \$ • \$ 572,917.00 • \$ 2,820,894.00
Community properties	<ul style="list-style-type: none"> • 548 Main Road Stoke - Stoke Community Youth • 3 Halifax Street • 7-9 Paru Paru Road – Citizen’s Advice Bureau • 70 Beach Road – Nelson Surf Life Saving • Neale Park - Woodturners Building • 55 Muritai Street • 70 Beach Road – Café only (excludes toilets) • 1 Tantragee Road • Pioneer Park, 11 Hastings Street - Youth Nelson 	<ul style="list-style-type: none"> • \$ • \$ 2,306,019.00 • \$ 248,820.00 • \$ 453,282.00 • \$ 946,421.00 • \$ 1,063,140.00 • \$ • \$ • \$ 1,099,366.00
Strategic Residential Properties	<ul style="list-style-type: none"> • 92 Beatson Road • 213 St Vincent Street 	<ul style="list-style-type: none"> • \$ • \$
TOTAL		\$ 121,681,193.00

All figure values are shown in current day dollars.

5.1.2 Asset Optimal Lifecycle Strategy

Council asset renewals in the future are expected to be influenced significantly by building age, most of Council’s assets are older or in later phases of their life cycle. Earthquake prone status also represents a significant impact on some of Council’s asset management plans.

An asset can be viewed as a whole building, or the by the components that combine to create a building. Council lifecycle works at both levels. Maintenance is carried out at a component level, but as a whole building, an asset life is determined by the sum of the maintenance.

Phases of maintenance vary across a building’s effective life. A new building requires little or no maintenance input, this transitions into a period of optimal maintenance. The next two phases become more strategic and involve the extension of an asset’s life. Most often maintenance will firstly include a period of rehabilitation maintenance (focused on optimising the life-period extension), followed by replacement intervention.

Within this AMP there are no buildings in the initial phases of maintenance lifecycle and there are three buildings with maintenance prevention predominantly in final-life phase. These buildings include Civic House, Elma Turner library, and 300 Wakefield Quay. For these three properties asset replacement intervention needs to be heightened, or decisions made to deconstruct, that is, to end life.

5.1.3 Asset Capacity and Performance

Usage and capacity vary considerably across the different Focus Areas with assets that have very different customer needs. For detailed information refer to the specific asset information in Section 7.0 Focus Area for Each Asset/Activity.

Figure 20 - Capacity and performance themes across asset portfolio

At capacity and not able to meet demand	Not at capacity	Successful performance	Poor performance
<ul style="list-style-type: none"> Floor area of asset Versatile spaces Asset Condition 	<ul style="list-style-type: none"> Constraints of asset / suitability of asset for use Lack of identified use / gap analysis Promotion and human resources 	<ul style="list-style-type: none"> Well maintained Suitability of asset for use Management framework 	<ul style="list-style-type: none"> Vacant / earthquake prone Building condition Lack of venues (available assets) Available management framework

Assets generally meet design standards where these are available. However, there is insufficient resources to address all known deficiencies. Routine condition assessment practices and building warrant of fitness checks (BWOFF) include up to date inspection on compliance matters. Anything identified is given a response urgency and level. All health and safety matters are addressed immediately.

5.1.4 Asset Condition

Council carries out scheduled condition assessments for property assets and budgets for this in the LTP. This is fully detailed in Appendix D.

Condition assessment data records are maintained and regularly form part of asset performance work. The system (INFOR) requires intensive user training and practice (with heavy reliance on external training provider to meet staff time and turnover). In addition, it does not interact sufficiently with Council's other database information and software systems. It is regarded as inefficient and not fit for purpose for the assets in this AMP.

As a result, increasingly condition assessment data use relies on manual review and manual scheduling within prescribed or routine processes. To advance current practices Council would need to invest in a more sophisticated and user-friendly asset support system designed for building assets. Council is looking into options.

Assets in the portfolio are maintained to IIMM level 3 or better. Millers Acre and public areas of Civic House are maintained to level 2.

Condition is measured using a 1 – 5 grading system to ensure a consistent approach is used to report asset performance. The grading enables effective decision support and is fully outlined in the Appendices.

Figure 2171 - IIMM Condition Grading System (in brief)

Condition Grading	Description of Condition
1	Very Good
2	Good (minor defects only)
3	Fair (maintenance required)
4	Poor (consider renewal)
5	Very Poor (approaching unserviceable)

Specialist equipment such as lifts and boilers are managed through an inspection and monitoring programme. These assessments are highly routine and well documented. Such equipment is most often linked to Building Warrant of Fitness (BWOFF) inspections and form part of mandatory compliance management practice. In the case of Civic House boiler, Council is also currently investigating longer term renewal options.

5.2 Operations and Maintenance Plan

Maintenance includes all actions necessary to retain an asset as near as practicable to an appropriate level of service condition. It includes all manner of work from exterior painting to full renewal of building components such as roof cladding.

Operations involves day-to-day regular activities to efficiently provide services. Examples of typical operational activities include cleaning, control of mechanical and electrical plant, energy use and supply, sweeping entry areas and accessways, and asset inspection and servicing.

When an asset is leased the responsibility for actioning operational maintenance often shifts in part to the tenant. Across the portfolio of assets this occurs to a varying degree because lease structures change depending on the type of activity. Commercial leases, for example, are different to community leases. The most common theme is that in some form (and under an agreed framework in the lease) most of the operational work carried out by the tenant relates to the asset's internal spaces and is regarded as affecting all building elements from the internal face of the wall. Council's operations maintenance plans therefore accommodate multiple stakeholder participation and action. An area of current improvement is establishing clearer communication and coordination for scheduled work, for example, external window cleaning by Council's contractor is aligned with tenant internal window cleaning schedule.

Maintenance budget levels for this AMP are considered to be adequate to meet projected service levels, which may be less than or equal to current service levels.

For most assets Council does not generate specifically written operational maintenance plans (as documents in their own right) that provide and establish expectation standards for the tenant's portion of the work. Instead, Council typically defaults to the lease arrangement and relevant clause instructions as the tool used by tenants to make appropriate maintenance decisions. It is an area of improvement that would obtain greater consistency across assets, greater level of understanding, and more stable asset condition outcomes. Any improvement strategy will take time to address and for some assets can only be implemented as the asset lease reaches a renewal and a review of the terms is permitted.

Alongside operational day-to-day maintenance carried out by tenants, Council has an external programme of maintenance for every asset. This work is regular and has performance standards that are identified, agreed to and measured. This work is contracted to a professional supplier through Council's procurement process. In 2022 the maintenance contract reached its expiry date and was re-tendered. The contract specifications were reviewed and is now in place and running smoothly.

Assessment and priority of reactive maintenance is undertaken by staff using experience and judgement and frequently involves input from Council's experienced facility maintenance contractors. Part of the maintenance contract is an obligation to inspect and report any change or concern. Reactive maintenance discovery is often by Council's professional contractors reflecting the high value in regular asset condition monitoring that comes from the programmed maintenance work. Reactive work is also commonly identified by the tenant and brought to the attention of the appropriate Council staff, and occasionally matters are raised by the public using the facility.

Summary of forecast operations and maintenance costs

Forecast operations and maintenance costs are expected to vary in relation to the total value of the asset portfolio. If additional assets are acquired, the future operations and maintenance costs are forecast to increase. If assets are disposed of the forecast operation and maintenance costs are expected to decrease.

This AMP has identified the need for an improvement strategy with regard to how council plans for and actions acquisition and disposal to better manage impacts on operation and maintenance budgets.

The other factor driving a degree of risk and uncertainty for operation and maintenance budgets is the prolonged deferred maintenance and requests by Council to prolong these further. Prudent use of budget is a current goal within this AMP, however, this introduces greater unpredictability of an asset's performance and ability to manage budget.

5.2.1 Operations Maintenance Strategy and Cost Forecasting

Operations strategy is a formal framework that Council uses for this portfolio of assets, refer to the table below. This framework has linkages to Council's financial budgets, both in how the maintenance is classified, and how maintenance is managed and planned for.

Figure 1822 - Operations and Maintenance Strategies

Strategy	Objective/ Description
Maintenance	
Programmed Maintenance (Preventative)	<p>A base level of maintenance, usually under an agreed contract for services and engaging professional organisation through Council’s procurement process, to supply and carry out work in terms of defined routine maintenance items and triggers.</p> <ul style="list-style-type: none"> • The objective is to maintain level of service for the activity. • Budget used is allowed for and sits in Councils OPEX codes. • Budget is forecast using condition assessment data and the facility maintenance contractor reporting.
Unprogrammed Maintenance (Reactive)	<p>Remedial maintenance will be undertaken as quickly and practically as possible to restore an asset to a satisfactory condition after a failure or other unsatisfactory condition has been detected. The decision on setting the level of reactive over preventative maintenance is measured against consequence and risk.</p> <ul style="list-style-type: none"> • The objective is to maintain day-to-day levels of service • Budget used is estimated and sits in Councils OPEX codes • Budget is set using the average of the past three years of actual expenditure.
Programmed Redesign and Modification (Predictive)	<p>Maintenance actioned because of condition or performance evaluations of asset components and structures. Redesign or modification of the asset may be necessary if an asset or system is at risk of not meeting operational performance targets.</p> <ul style="list-style-type: none"> • The objective is to avoid primary system failure. • Budget used is allowed for and can sit in OPEX or CAPEX depending on the type of work to be undertaken e.g. exterior painting is OPEX, replacing a heating system is CAPEX. • Budget is set using condition assessment data, historical analysis, age of asset data and facility maintenance contractor reporting.
Operations	
Operations	Operational activities are delivered by staff or contractors. Staff will be responsible for the determination and optimisation of planned and unplanned works, work methods and maintenance scheduling to achieve the target service standards.
Physical Works Monitoring	Audits of work by Council officers or independent contractors will be carried out to verify compliance with standards.
Incident management and monitoring	Systems under contract to monitor the incidents on location and report back to Council to inform maintenance plans if necessary.

5.2.2 Renewal Plan

Renewal is major capital work which does not significantly alter the original service provided by the asset, but restores, rehabilitates, replaces or renews an existing asset to its original service potential. Work over and above restoring an asset to original service potential is considered to be an acquisition resulting in additional future operations and maintenance costs. It does not increase the capacity of the asset.

The rate of asset renewal is intended to maintain the overall condition of the asset system at a standard that reflects its age profile and ensures that the community’s investment in assets is maintained.

Failure to maintain an adequate cyclic renewal programme will be reflected in a deterioration of services for Whakatū Nelson.

Individual asset replacement needs to be considered against facility redevelopment. Current examples of this consideration are Elma Turner Library.

Council identifies renewal using the condition modelling method and is based on staff judgement and average renewal expectations, relying on condition assessment. Next steps to improve Council management would be to expand this by applying renewal and replacement formula relating to acquisition date and useful life data for that material, arriving at recommended renewal dates that can then be compared to the results of the methods currently used.

5.2.3 Renewal Strategy

Nelson City Council’s renewal strategy is currently based on condition and age. Within the next 10 years it is expected that this will move to a strategy based on a combination of the following:

- asset performance (the ability of an asset to provide the required level of service to the stakeholder)
- asset criticality (using the business and extended asset risk schedules)
- ongoing maintenance needs
- condition of an asset (structural integrity of an asset)
- age (age data is used to estimate condition when condition data not held)
- emission reduction achieved (carbon footprint, carbon neutral)

The transition to the renewal strategy will take some time to implement as supporting evidence of the above is obtained. This will include:

- maintenance condition feedback
- asset failure records
- specific inspections and condition rating of assets.

The following table sets out cyclic renewal strategies.

Figure 2193 - Renewal Strategies

Strategy	Objective/ Description
Identification of Renewal Needs	<p>Council uses the Asset Improvement Register (AIR) that operations and asset planners contribute to as new issues arise.</p> <p>Renewal/replacement needs are identified by analysing condition reports, maintenance records (asset failure and expenditure history), request for service (RFS) records, and observations of public, staff and contractors.</p> <p>Renewal forecasts are based on an assessment of remaining asset lives (integrated with the valuation process).</p> <p>The short-term asset renewal programmes are prepared from specific renewal needs identified from the above information.</p> <p>Long-term asset renewal programmes are prepared from the remaining life profiles for the assets.</p> <p>A review of the renewal strategy is required to take into consideration criticality and earlier intervention requirements along with the preparation of an integrated condition assessment programme as an input to determining useful lives of assets.</p>
Prioritisation of Renewal Projects	<p>Decisions on renewal works consider the short and long-term effects on the operating and structural integrity of the system.</p>
Deferred Renewals	<p>The quantity and impact of deferred renewals (if any) is tracked.</p> <p>Council recognises that although the deferral of some items on cyclic renewal programmes will not impede the operation of many assets in the short term, the repeated deferral will create a future Council liability. As Council currently funds asset renewals from depreciation deferred renewals are not expected.</p>

5.3 Acquisition Plan

Selection Criteria

Proposed acquisition of new assets, and upgrade of existing assets, are identified from various sources such as community requests, proposals identified by strategic plans or partnerships with others. Potential upgrade and new works are reviewed to verify that they are essential to Council’s needs.

Council could improve analysis on the development of a ‘preliminary renewal estimate’ to ensure that the services are sustainable over the longer term. This would mean verified proposals could be ranked by priority and available funds and scheduled in future works programmes. The priority ranking criteria is detailed in the table below.

Figure 2204 - Acquisition and New Building/substantive Upgrade Priority (capital project)

Selection Criteria	
Primary Criteria	<ul style="list-style-type: none"> • Does the project relate to strategy, policy or plan objectives? • Does the project relate to community outcomes • Does the project respond to health and safety risk or requirement • Is there a legislative requirement • Is there existing Council obligation.
Secondary criteria	<ul style="list-style-type: none"> • Does the project relate to identified demand • Is there financial risk of deferring work • Does the project meet cost range budget • Does the project meet ongoing cost per annum budget
Asset Upgrade Strategies	
Upgrade needs are identified from the analysis of:	<ul style="list-style-type: none"> • demand forecast • asset performance needs • risk assessment • customer needs • prioritisation against other capital works for Council.

5.4 Disposal Plan

Disposal includes any activity associated with the disposal of a decommissioned asset including sale, deconstruction or relocation.

Disposal of property and facilities assets will be considered where these are not required to meet target LOS within this AMP. Council also owns several strategic properties that have building assets on them. Many of these buildings are vacant and were not of a standard for occupation and use. In this case LOS is not a consideration but future use in line with the strategic reason for purchase is.

In all cases disposal processes must comply with Council’s legal obligations under the Local Government Act 2002, Public Works Act 1981 and the Reserves Act 1977 and meet requirements to involve the public in significant decisions.

The sale of surplus assets can be beneficial to Council either by using proceeds to pay debt and reduce loan servicing costs, or by improving service and facilities by investing the sale proceeds in new projects which are of direct benefit to the community.

Any proposals for the disposal of significant assets will be referred to Council and the community for their consideration and comment and will consider Council’s Asset Disposal policy and Significance and Engagement policy.

Disposal of community assets is often difficult as the community has historic connections and emotional ties to the assets.

5.5 Asset Disposal Strategies

Figure 2215 - Asset Disposal Strategies

Strategy	Objective/ Description
Asset Disposal	Assess each proposal to dispose of surplus or redundant assets on an individual basis, subject to the requirements of the relevant legislation.
Residual Value	The residual value (if any) of assets, which are planned to be disposed of, will be identified and provided for in financial projections.

6.0 RISK MANAGEMENT PLANNING

This section describes the risk management procedures used with assets in the Property AMP.

Applying risk management procedures enables decisions about best use of limited resources to achieve Council’s objectives and to meet asset LOS.

Risk management is not simply about uncertain events with a downside (such as financial loss or legal proceedings). The process can also be used to identify uncertain situations and then to facilitate Council response to do things more innovatively, sustainably and effectively.

Risk Management is defined in ISO 31000:2018 as: ‘coordinated activities to direct and control with regard to risk’².

An assessment of risks associated with service delivery will identify risks that will result in loss or reduction in service, personal injury, environmental impacts, a ‘financial shock’, reputational impacts, or other consequences. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, and the consequences should the event occur. The risk assessment should also include the development of a risk rating, evaluation of the risks and development of a risk treatment plan for those risks that are deemed to be non-acceptable.

Council risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, development of a risk rating, evaluation of the risk and development of a risk treatment plan for non-acceptable risks.

6.1 Critical Assets

Critical assets are defined as those which have a high consequence of failure causing significant loss or reduction of service. Critical assets have been identified and along with their typical failure mode, and the impact on service delivery, are summarised in the table below. Failure modes may include physical failure, collapse or essential service interruption.

Figure 2226 - Critical Assets

Critical Asset	Impact	Management System
Fire Safety Systems	Asset closure	Building Warrant of Fitness (BWOF)
Structural performance	Asset closure or partial closure	Earthquake notice Strengthening repairs Condition assessments
Generator/Plant/Electrical failure	Asset closure or partial closure	Programmed maintenance and testing Back-up services supply
Health and Safety Plan	Reduced services	Health & safety plans for all staff and contractors

By identifying critical assets and failure modes, Council can ensure that investigative activities, condition inspection programs, maintenance and capital expenditure plans are targeted at critical assets.

Critical assets and Civic House

Civic House accommodates most Council staff, whose activity is essential as support to emergency operational responses. Civic House is identified as a secondary (or satellite) centre for the Civil Defence Emergency Management (CDEM) operations located in Richmond but is not recognised as an Emergency Operations Centre. The management systems in the table above are important for this building and form part of the strategic review that is underway to develop a comprehensive solution which will maintain the asset’s future ability to provide for Whakatū Nelson as a critical asset in itself.

² ISO 31000:2009, p 2

6.2 Risk Assessment

6.2.1 Approach for Assessing Risks

Council's Risk Management Policy provides for assessing risk, as follows.

- clearly identifying the objectives for which achievement may be uncertain
- identifying events which could make the achievement of one or more objectives uncertain
- for each event, using best available information, to estimate the scale of consequence for an objective if the event happened and estimating a corresponding likelihood. (This includes considering the quality of that information and the controls already in place to manage the risk.) Consequences and likelihood are estimated using the Council's agreed risk criteria. See each focus area for relevant risks
- Selecting the likelihood consequence combination from the Council's criteria based on the largest risk for the event.

As this AMP is further developed it will progressively apply the criteria required by the Council's updated Risk Management Policy to managing risks. These criteria follow principle (g) of the international standard codifying good risk management practice (ISO 31000:2009) and tailors this generic process to the Council's specific circumstances. It is the organisation's intention to progressively align the risk management practices used in asset management with Council's Policy and Criteria.

6.2.2 Property AMP Risks

The following table provides a summary of key risks and actions identified that impact buildings and structures. Risks to facilities results in impacts on building occupants, LOS/building condition, and Council costs.

Figure 2237 - Summary of Risks

Risk	Preparedness actions
Natural hazards <ul style="list-style-type: none"> • earthquake, tsunami, fire, flood, slip 	<ul style="list-style-type: none"> • Meet building legislative requirements • Have building emergency and evacuations up to date, work with Civil Defence • Maintain replacement insurance cover • Work to the Coastal Policy and NRMP (Plan)
Climate change <ul style="list-style-type: none"> • sea level rise, wind, flood, rain 	<ul style="list-style-type: none"> • Reduce CO2 emissions • Locate structures out of hazard zones • Build to or above building code requirements and use tested building design solutions
Customer safety at facilities and health and safety risks of workers	<ul style="list-style-type: none"> • Maintain safety systems - standards and all asset legislative compliance • Follow health and safety legislation and policies
Insufficient insurance cover	<ul style="list-style-type: none"> • Revalue assets for insurance yearly
Fragmented asset information for buildings and facilities	<ul style="list-style-type: none"> • The asset database INFOR needs to be developed to manage information appropriately
Asbestos	<ul style="list-style-type: none"> • Develop and review asbestos management plans as identified
Assets are fit for the demands of ageing population	<ul style="list-style-type: none"> • Use accessibility standards, review accessibility for priority facilities and services
Growth in Nelson increases demand beyond supply	<ul style="list-style-type: none"> • Frequent reviews of assets in medium term • Demand management and scheduling around peak demand
Project budgets	<ul style="list-style-type: none"> • resource contract phases well, delivery quality of project proposals and clear identified need

- scope variations, protracted planning/approval phase against market price shifts

Risk in this AMP is often physical, but it can also be a risk to business. Risks within the Property portfolio are managed by officers in the course of normal work. However, it may be escalated where the risk requires specific decisions as to whether that risk is 'tolerable' or whether an alternate plan is to be implemented and a more acceptable outcome achieved.

Residual risk is considered the risk remaining after the selected risk treatment plan is implemented. Elevating risk decisions can, and does, take residual risk into account.

6.3 Infrastructure Resilience Approach

The resilience of our critical infrastructure is vital to the ongoing provision of services to customers. To adapt to changing conditions we need to understand our capacity to withstand a given level of stress or demand, and to respond to possible disruptions to ensure continuity of service.

Resilience recovery planning, financial capacity, climate change risk assessment and health and Safety are areas that have specific focus within council teams, there are formal contributions from those teams that are incorporated into, or used as guidance, in the development of this AMP. Refer to Appendices J and K for Council's Risk Matrix and Risk Consequence Rating.

7.0 FOCUS AREA FOR EACH ASSET/ACTIVITY

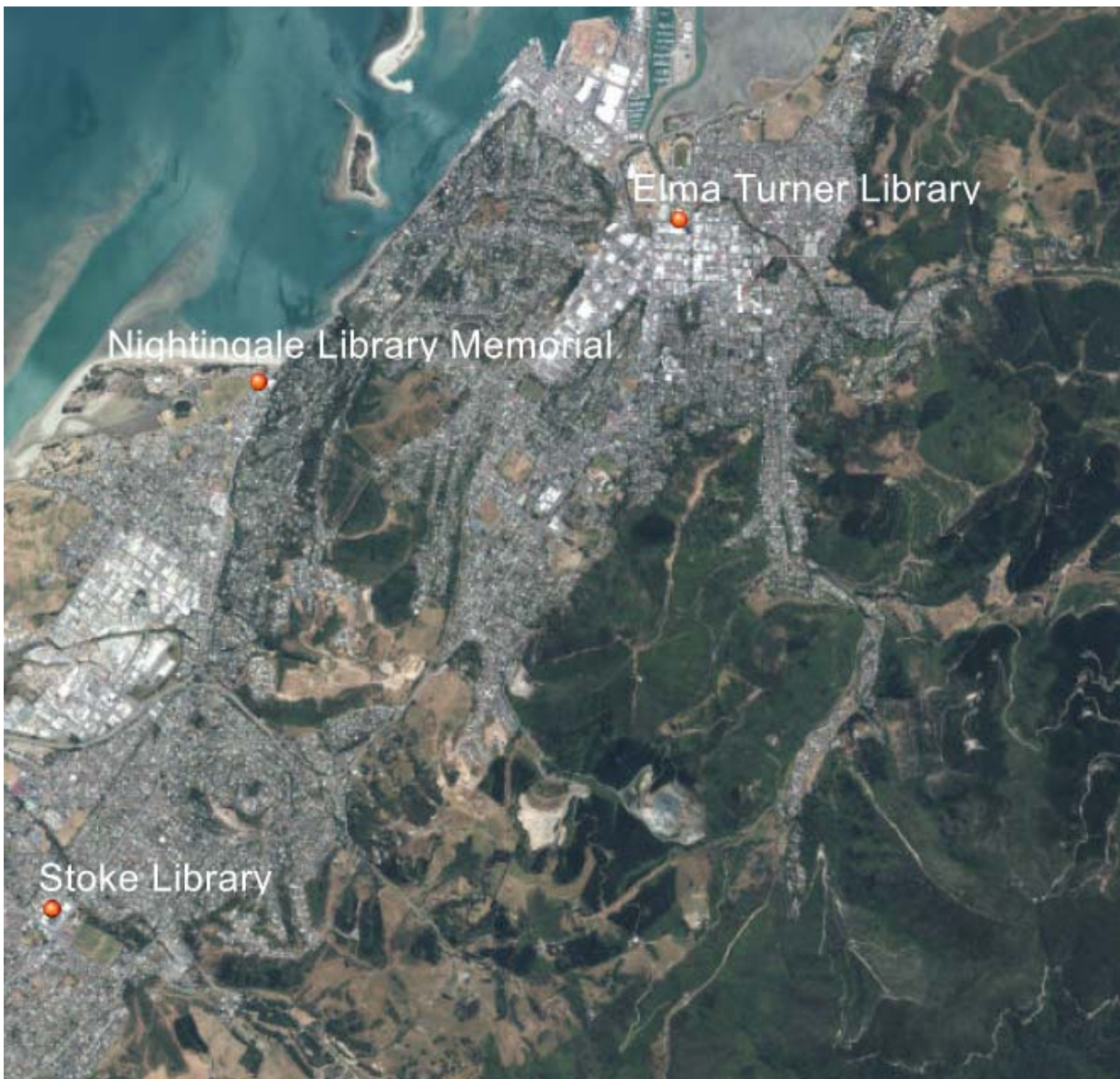
7.1 Buildings and Properties Generally

The following section discusses each group of buildings by Focus Area. The property team groups buildings relative to the use or purpose intended for the property. In this way the asset aligns with council's community outcomes and allows the property team to ensure the buildings are catering to the reasons why council owns them.

The grouping structure is also reflected in our financial management framework and database systems, which allows our work to measure and monitor expenditure and income relative to community demand and need.

Property Focus Areas include Libraries, Heritage Buildings and Founders, Corporate Property, Transport Property, Strategic Property and Community Properties. These are each described within this section and additional supporting detail including photographs are in the appendices.

7.2 Libraries



7.2.1 WHAT ARE LIBRARY PROPERTIES AND WHY DO WE HAVE THEM?

Council has three assets that are occupied by libraries. The ethos of Council’s public library is to serve the people and the community through provision of information, recreation, and culture.

This AMP covers library activities as well as the LOS achieved by the technical (i.e., physical) building asset.	
PROPERTY ASSET	LIBRARY ACTIVITY
The physical building or structure including chattels	The services conducted by the operation and offered to the community
The LOS the community receives from its library facility arises from the asset’s physical condition and attributes.	Library activity is run by Council with staff, including Facility Management, employed by Council.
Whakatū Nelson Library assets must provide for a wide demographic use and high public turnover. They need well-controlled internal environments that cater for user comfort and suitable protection of the contents.	Libraries offer a primary service to the community and are a significant contributor to community connection, culture, and prosperity.

For many reasons council takes a wholistic view of the library assets and library activity. Combining these into one AMP provides the opportunity to evaluate them closely. Other Focus Areas within this AMP do not have the same needs and do not follow this structure.

Not all councils take this position, some manage library activity as a standalone AMP. Other councils locate library activity within the AMP developed by the teams who facilitate community providers such as a Community Partnerships team, or Arts, Culture, and Heritage teams. Council has chosen to look at the physical library assets alongside library activity. The reasons are outlined below. However, this may not always be the model used, in the future there may be reasons to alter this framework.

Within the next LTP there is a great deal going on for Whakatū Nelson libraries where the asset and activity impact one another. Elma Turner Library is currently under construction to upgrade and re-open in early 2024. For the last year and a half the activity has run at varying levels and in varying locations within and around the staged work programme. To achieve this, contractors and library staff have planned and worked together.

The upgrade work was designed to a target of ten-years maximum use. Over the next LTP the day-to-day operations will be carried out through (and around) management of the assets physical end of life phase. It will need ongoing and full understanding between asset and activity teams to ensure this goes smoothly.

In addition, the end-of-life phase is to be conducted alongside development of a new facility and ultimate relocation of library services into a new venue, requiring further and very different co-ordination between asset and activity. Through the perspective of one AMP Council hopes to achieve greater consistency between the two aspects of the service, and through collaboration, achieve better outcomes.

The Stoke and Nellie Nightingale Memorial libraries are both scheduled for re-roof work within the first quarter of the LTP. Resources at these locations, including the library staff, do not work in isolation. The library activity spans across all the three assets. Impact on services from physical modifications to one asset is supported by the others to maintain the most effective service delivery possible. As Elma Turner reopens, Stoke Library will begin roof renewal work, it is intended that Nellie Nightingale roof work will follow.

7.2.2 LIBRARY ACTIVITY SUMMARY

In terms of the activity, the lending of reading materials remains the universally recognised trademark of the service, however, the scope of the public library encompasses a variety of activities. These activities include:

- acting as a communications, information and meeting centre
- providing a gateway to knowledge, information and literacy
- growing digital skills
- providing opportunities to exercise creativity and the imagination
- connecting, curating and showcasing culture and heritage
- providing spaces of respite, connection, fun and learning

7.2.3 WHAT LIBRARY ASSETS DO WE HAVE?

Whakatū Nelson has three public libraries. The Elma Turner Library on Halifax Street is the main library and is where most operational and managerial tasks occur. The Stoke Library, on the corner of Neale Avenue and Putaitai Street, is a busy community library. The Nightingale Library Memorial in Tāhunanui is the smallest community library in the network. From an activity perspective a fourth service point is the library website.

Asset Number	Address	Building Activity	Year Constructed	GFA(m2)
4005.1	27 Halifax Street	Elma Turner Library	1956 1989	2,402
4010.1		Stoke Library*	1994	364
4015.1		Tāhunanui Nightingale Library Memorial	1978	256

* Excludes external toilet block, refer to Parks and Facilities Activity Management Plan

7.2.4 WHAT IS OUR STRATEGY FOR LIBRARY ASSETS?

Long term planning for Council’s libraries responds to public demand and community outcomes, data collected consistently demonstrates that there is widespread use of library services in our community. Having library services delivered from locations other than the central city is important and remains part of the planning around both activity use and the assets themselves.

Council has identified that the central Nelson asset is end-of-life and a new facility is to be planned for. Currently the existing building is having only the necessary work done to enable the asset to provide services for up to ten years. This means that plans to provide new services are within the timeframe of the LTP, the financial graphing and discussion sections show budget has been allocated toward development costs, in anticipation of design and planning resources getting underway.

Council is working to ensure that Stoke Library level of service can be maintained, Council will be undertaking significant renewals to the building over the next three years. Information collected on the asset through condition assessments, inspections, and planning for renewal show that the assets economic life will be up to twenty years. However, the demand on useable space exceeds what the existing building can provide. Council has recognised that forecasting needs to begin to take into consideration that the assets ability to be fit for purpose is limited.

Nellie Nightingale was gifted to Council; the gifting criteria must be considered in any strategy associated with this asset. Council’s current strategy has been to recognise the age of the building and the need to maintain certain critical components such as the roof to ensure that the asset retains its current resilience and high level of service delivery. In terms of the activity, Council also recognises the contribution of this facility during the construction impacts on services at Elma Turner, a contribution that will continue through into 2024.

7.2.5 HOW ARE THE ASSETS MEETING COMMUNITY OUTCOMES?

Activity Alignment with Community Outcomes and Iwi partnership

The Libraries Business Unit supports the Council’s Community Outcomes and Iwi partnership. All activities outlined in this plan aim to contribute to one or more of the following outcomes:

Figure 2248 - Library activity alignment with community outcomes

Community Outcome	How our libraries contribute to this outcome
Our communities are healthy, safe, inclusive, and resilient. Kō ō tātou hapori e hauora ana	Providing welcoming safe spaces for all members of our community to come together. Proactive engagement with the more vulnerable members of our community and relevant community groups to assist in meeting these individual’s needs. This also includes outreach services.
Our communities have opportunities to celebrate and	The library provides a physical Heritage room (Research room) which provides access to items of cultural and historical significance.

<p>explore their heritage, identity, and creativity. Kei te whakanui te hapori i tō tātou taonga tuku iho, tuakiri, auahatanga hoki</p>	<p>It is also a partner of the online website 'The Prow' which provides free digital access to online histories of Te Taihū.</p>
<p>Our communities have access to a range of social, educational, and recreational facilities and activities. E āhei ana te hapori ki ngā hanganga ā-pāpori, ā-ahurea, ā-mātauranga, ā-rēhia hoki</p>	<p>The library provides a comprehensive and diverse collection of reading and information materials in a multitude of formats. Programmes and events are provided and continually adapted to meet the range of communities. Outreach is a key part of the library service.</p>
<p>Our Council provides leadership and fosters partnerships, including with iwi, fosters a regional perspective, and community engagement. Ka hautū te Kaunihera, ka whakatītina hoki i tē ngātahitanga ā-iwi, ā-takiwā, ā-hapori hoki</p>	<p>Providing freely accessible shared community spaces and equitable access to civic and local information which encourages social interaction and community cohesion.</p>
<p>Our region is supported by an innovative and sustainable economy Kei te tautokona te rohe e te ohaoha toitū, auaha hoki</p>	<p>The libraries provide resources and facilities which facilitate the development of new skills and lifelong learning for members of the community. They also partner with other organisations which promote innovation and sustainable thinking.</p>

With the proposal to redevelop the Elma Turner Library in the next ten years the Council can explore new and innovative ways of meeting these Community Outcomes and provide potential to contribute to the following outcomes which are currently not being addressed:

- our unique natural environment is healthy and protected.
- our urban and rural environments are people friendly, well planned, and sustainably managed.
- our infrastructure is efficient, cost effective and meets current and future needs.

Having a vision for Nelson Public Libraries

Nelson Public Libraries are a vibrant well used library network connecting the people of Whakatū Nelson to knowledge, heritage, and creativity by empowering life-long learning. Our library system grows and adapts to the community it serves and is a place of respite and enjoyment.

Figure 25 – Nelson Libraries vision through Te Taihū Strategies

Te Taihū Strategy	Achieved by
Kotahitanga	<ul style="list-style-type: none"> • We will live up to the principles of the Treaty of Waitangi, and partner with our local iwi, to deliver on Mātauranga Māori • We will provide access to a world-class heritage collection, focusing on resources relevant to Te Taihū • We welcome all visitors and new residents to our community • Sustainable practices within the library, promotion and education of our communities, and by working with partners towards the shared goal of a sustainable future
Mātauranga	<ul style="list-style-type: none"> • The library is a community gathering point, a space for creativity, collaboration and connection with opportunities to highlight our region's accomplishments on a local and global stage • Our collections provide opportunities for inspiration, enjoyment and knowledge • We are a space of well-being and respite, where people feel welcome and safe, regardless of their age, ethnicity, gender or anything else that forms their identity

	<ul style="list-style-type: none"> Lifelong learning and literacy are important functions of our library service and will be reflected in all that we do.
Mihiro	<ul style="list-style-type: none"> We take our library services out to the communities we serve, through proactive and strategic outreach Our online services deliver a comprehensive experience to our community beyond our opening hours and locations We will identify and connect with partners to deliver collaborative services and activities to meet shared outcomes We provide innovative, flexible and well-maintained spaces for imagination, learning, and relaxation
Manaakitanga	<ul style="list-style-type: none"> We work to achieve community trust, by keeping the promises we make, a responsible use of resources and a high level of professionalism at all times We value and invest in our staff By responding to the diverse needs of our communities, we will strengthen their place in Whakatū Nelson and the world Our services empower people to become active members of their community

Running an efficient and wide-reaching operation

Nelson Public Libraries provides a seven-day service across its physical locations. Nelson Public Libraries Online operates 24/7. In total the three libraries are open 116 hours per week.

Figure 30 - Library hours

	Number of items	Days open	Total hours open
Elma Turner Library	General 90,172	7	51
	Heritage Room 13,392		
Stoke Library	21,901	6 (Monday – Saturday)	42.5
Nightingale Library Memorial	4,318	6 (Sunday – Friday)	23

The key areas of library service provision are front of house service delivery, development and delivery of library events and programmes, outreach and community engagement, and collections and support functions. In total there are 33 staff at the three libraries (29.49 full-time equivalents). There are also 10 casual employees who cover Service Delivery roster gaps.

Literacy

The libraries have a key role in developing people’s skills at all levels and ages through encouraging literacy, supporting students’ study, promoting lifelong learning or enabling older people to embrace new technologies. Libraries promote literacy by providing free and equitable access to resources and activities that support the enjoyment of books and reading. The ability to read should be a fundamental right and libraries are in a unique position to facilitate that, along with digital and civic literacy. Digital literacy continues to grow in importance as society increasingly engages through online environments. Digital access and education play an integral role in Nelson’s library. Civic literacy occurs through the provision of information and education on national and community issues such as health, employment, and local history.

Collections (physical and e-collections)

The libraries have a strong and well used lending collection. Use of the physical collection is high when measured against national benchmarks. The library network provides access to a range of digital and electronic resources including two e-book and audiobook platforms in consortium with other South Island Libraries. These platforms have been very successful with steady increases and a substantial spike due to the COVID-19 lockdowns and restrictions. This enhances our collection and meets the growing customer demand for electronic materials, while enabling us to decrease the physical copies of titles.

Heritage

Nelson Libraries provide a comprehensive local history collection. Displays and programmes are developed and promoted often in partnership with different community groups and internal partners and through the development of The Prow, which is a website featuring historical and cultural stories from Te Taihū to which people can contribute stories. Interest in genealogy and family research is increasing nationwide. Due to Whakatū Nelson being a location of early European settlement, a number of people from outside Whakatū Nelson visit the libraries specifically to conduct genealogical research and discover the region's history.

Programmes and events

Programmes and events play a core role in library services. Children's and youth programmes are run regularly throughout the year, including story times and after school clubs. Special school holidays programmes are always popular. Adult programmes include book groups (e.g., dementia friendly and book chat sessions), craft groups, genealogy sessions, adult computer classes and device advice drop-in sessions. The library also hosts several events such as Nelson's Heritage Festival, specialist classes, author talks, book launches, live music shows and more. Library staff work collaboratively with businesses, schools, and community groups to make these programmes and events successful.

The library provides three bookable meeting and activity spaces; Rūma Mānuka which is a large activity room located in the Elma Turner Library; a meeting room at Nightingale Library Memorial which is available outside of library opening hours and the Library Learning Centre in Elma Turner Library. These spaces are well used by a wide range of community groups to hold community and library events, classes, presentations, workshops and regular meetings. Use of these spaces is in high demand.

Outreach

The library currently delivers a range of outreach services to the community. This includes visits to schools, early childhood centres, rest homes and community centres. These outreach services include such things as stories, crafts, the use of memory boxes and device advice. Our home delivery service to the elderly and housebound is especially valued by those members of the community unable to visit a library in person. We have a core group of volunteers to assist in the delivery of this service.

Service Delivery

Front of house staff continue to play an integral role in our service. Due to the physical layout of Elma Turner Library customer facing staff requirements are high. This is to ensure both the safety of staff and customers as well as to provide excellent customer service. The children's library is staffed during all opening hours. A second staff member works at Nightingale Library Memorial to alleviate the lone worker risk. Personalised customer service is still very much appreciated and often needed by the community. This is especially the case in our community libraries where there is a higher ratio of aging customers.

Online Services

Our online services are predominantly delivered through the library website www.nelsonpubliclibraries.co.nz. We provide access to several digital and online collection platforms, including research databases, platforms and apps for accessing ebooks, audiobooks, magazines, stories and comics for children, and movies. We also provide an app which allows customers to access membership information and catalogue functions conveniently from their smart phones. The libraries online services were especially important and well used during the COVID-19 lockdown and restrictions, of 2020-2022 and during the Elma Turner Library closure 2022-2023.

Staff

Staff remain the largest contributor to library services. They are the visible face of the library and are the conduit between customers and the library's resources. Staff training and development are an important part of providing excellent customer service and commitment to the library profession. A staff training programme has been developed and funded via training budgets. This takes place on a weekly basis and is working successfully. Appropriately skilled and trained staff provide the skills required to teach new members of staff.

Libraries Usage Summary

Figure 3261 - Libraries usage summary

Visitor numbers	2018/19	2019/20*	2020/21*	2021/22*	2022/23***
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Elma Turner Library	303,848	235,096	250,821	163,569	87,026
Stoke Library	111,222**	85,853	87,920	60,040	84,274
Nightingale Library Memorial	21,109	19,520	18,430	14,351	26,681
Checkouts	2018/19	2019/20	2020/21	2021/22	2022/23
Elma Turner Library	509,330	425,660	420,658	349,777	253,345
Stoke Library	150,636	113,886	167,079	147,812	144,521
Nightingale Library Memorial	12,903	9,721	8,572	9,337	15,603
E-collections	35,319	53,496	81,353	94,248	105,216
Website sessions	2018/19	2019/20	2020/21	2021/22	2022/23
Website, catalogue and Prow	298,555	346,237	406,612	367,161	399,420
Events and programmes	2018/19	2019/20	2020/21	2021/22	2022/23
Total events	641	526	646	341	444
Attendance	11,135	9,761	8,869	3,978	7,648
Benchmarking****	Visits per population (physical)	Visitor per population (electronic)	Issues per population		
National Average	3.73	6.37	11.45		
Nelson Libraries	4.41	4.86	8.57		
<p>* 2020-2022 Covid-19 lockdowns and restrictions, including vaccine pass mandates Library buildings closed 22 March 2020, and were not fully reopened until June 2020. Libraries were closed again from 17 August-7 September 2021.</p> <p>** Stoke Library pop up and structural work (short term closure of library building)</p> <p>*** Elma Turner Library closed June 2022 for ceiling tile remediation, reopened in phases. At 50% capacity June 2023</p> <p>**** Benchmarking averages supplied by PLNZ 2022-2023</p>					

7.2.6 WHAT CONDITION ARE THE LIBRARY ASSETS IN?

Stoke library and Nightingale Library Memorial are currently meeting level of service, Elma Turner Library has reduced services while construction work is completed.

The assets that provide for libraries have high public use and are open most days of the year to public. The newest asset is Stoke Library which was built in 1994 and is representative of a structure that has had twenty-nine years of heavy use. It also represents typical maintenance issues associated with buildings of this era. Typically, these buildings were complex designs with multiple claddings and junctions using weatherproofing design solutions that tested conservative building methods. Stoke Library has issues that fall into this category, and which will involve significant capital renewal within the next one to three years.

The oldest of the library assets is Nightingale Library Memorial in Tāhunanui. This is a solidly built structure with greater maintenance resilience, however, the age of the building requires capital investment to extend and renew the asset's overall life. Budget has been allowed for significant roof replacement in 2024-25.

Nelson Library (Elma Turner) is currently undergoing earthquake prone strengthening relating to ceiling tiles and as part of that work there are necessary upgrades to lighting. An area of the southern roof is being replaced, and as part of this is modifications being done to roof drainage. Decisions on capital renewal investment are based on the best fit to meet the ten-year desired extension to the life of the building. Unprogrammed maintenance is expected to increase through the LTP, some individual components within the building represent high risk of unpredictable and sudden failure. The heating system and electrical supply systems are the two main examples.

Levels of Service

All library assets are currently meeting required LOS levels, except for specific construction work impacts on Elma Turner which are temporary and intentional.

There is no change in the LOS for the period of this AMP. Budget reductions are not impacting Stoke Library, a programme to carry out priority repairs is progressing within the timeframe of this AMP. Nellie Nightingale roof repairs were deferred during the last annual plan review but are scheduled to be addressed within this AMP.

Detailed LOS are shown in the table below.

Figure 3272 - Libraries Customer Level of Service

Libraries			Performance Targets				Current performance (2022/23)	Notes on changes from 2021 AMP
Community Outcomes	Level of Service	Performance Measure	Year 1	Year 2	Year 3	Year 4-10		
Our communities have access to a range of social, educational, and recreational facilities and activities. E āhei ana te hapori ki ngā hanganga ā-pāpori, ā-ahurea, ā-mātauranga, ā-rēhia hoki	We provide library services, including literacy support and other programmes for all ages, to meet the community's recreational, social, and educational needs	Users are satisfied with Council's libraries, as measured by the regular residents' survey	60%*	60%	60%	80%**	Improved the wording on the LOS to be more customer focused and amended the measurements process for the collections measure (turnover to per capita issues)	LOS improves in year 4-10 after new Elma Turner Library is built
Our communities have opportunities to celebrate and explore their heritage, identity, and creativity. Kei te whakanui te hapori i tō tātou taonga tuku iho, tuakiri, auahatanga hoki		Collections (physical and online resources) are varied and well used as measured by checkouts per capita being above target	Check outs (both physical and ebooks/audio books) will meet or exceed 14 per year per capita	Check outs (both physical and ebooks/audio books) will meet or exceed 14 per year per capita	Check outs (both physical and ebooks/audio books) will meet or exceed 14 per year per capita	Check outs (both physical and ebooks/audio books) will meet or exceed 14 per year per capita		
Refer technical LOS in <i>Figure 15</i> * Reviewed LOS will be required upon completion of the Elma Turner Library redevelopment ** by year 10 after new library is built								

7.2.7 WHAT OBSTACLES AND VULNERABILITIES DO THE ASSETS HAVE?

The key issues in the library focus area of this AMP are covered in section 2.6 of this document. The following table outlines key issues around service delivery and community activity. The following table extends technical condition LOS to include the needs of this community activity.

This AMP also covers library activity and the key issues this faces. The following table outlines what these issues are and how they are and will be managed.

Figure 2833 - Key Issues for Nelson Public Libraries Activity

Issue 1	Elma Turner Library is an aging asset
	<p>Taskforce: Elma Turner Library Reopening Taskforce (Te Roopū Te Whare Pukapuka o Elma Turner)</p> <p>Library services are reduced until January 2024 when the full library opens again. Services are available within a reduced area of the existing building while construction is completed in the remaining space. The Taskforce is limited to the existing building and was not established to consider the new development.</p> <p>Strengthening work to Elma Turner library has been designed to provide for services to continue for up to 2032, a period of up to ten years. The asset will enter a phase of high need to sustain the current level of service and viability of the asset to perform, particularly in later phases of the LTP.</p> <p>Taskforce: Civic House Taskforce (Te Roopū Te Whare Kaunihera)</p> <p>A business case has been commissioned to decide on options for Civic House. One of the options within that business case will likely consider the strategic advantages and disadvantages of merging council staff accommodation facilities with a community hub and library facility, as a combined development. It should be noted for clarity that this Taskforce was established to resolve issues with Civic House, it does not have a core focus to solve the future of Elma Turner.</p> <p>The library's current floor area is 2,403m², the building is fully used and considered at capacity, any future options will need to confirm (and incorporate into planning the work) a clear vision for space Elma Turner will need in the future.</p> <p>Any new development will need to support the way Elma Turner library provides services. These services are evolving, the ways in which the community is now using the library has seen increased demand for learning spaces, meeting rooms, seating, technology spaces and community activity areas. There are location considerations, as well as climate change and environmental factors. This AMP looks at the asset and the activity with the aim to support understanding of the whole picture of this asset and its service to the community.</p>
Issue 2	The suitability of Stoke Library to provide for the activity long term is in question. In addition, structural and fabric surveys indicate that maintaining the building at current LOS will require significant budget.
	<p>Stoke Library is a well-used facility. Many of the regular user groups, including the elderly, local school children and their families, do not often travel outside of Stoke and are reliant on the services provided by this small community library.</p> <p>Planning for an extension of the Stoke Library was noted in the 2009 Nelson Community Plan. However, a refurbishment of the existing floor space was undertaken in 2011 instead, and the full extension was put forward to 2021.</p> <p>In the meantime, significant structural remediation was undertaken in a two-stage project in 2019 and early 2020 due to widespread weather-tightness failure. The failure related to poor design and construction techniques on the roof and wall cladding.</p>

	<p>Due to a planned renovation/extension of Stoke Library in the 2018-28 LTP, the structural remediation work that was carried out was a short-term solution focused primarily on asset condition. The short-term solution is due to expire in January 2024, a schedule of work involving further upgrades is in now progress to complete and extend the life of the building. Budget up to \$600,000 for the repair work has been brought forward to the 23/24 year, once completed the renewal work will provide a life expectancy of up to twenty years for the asset.</p> <p>The future of Stoke Library needs to be determined prior to the next LTP. Community engagement and a needs-based assessment through a commissioned report in 2025/26 is budgeted for. This will look at current library operations, community needs, demographics and library trends.</p>
Issue 3	Meeting the needs and requirements of an aging population needs to be reviewed on a regular basis against the suitability of the asset to provide for these services
	<p>One fifth of Whakatū Nelson are currently over 65. This is expected to increase over the next 20 years and will have implications for collections, programmes, and accessibility of services and resources.</p> <p>An increase in demand for outreach and housebound services as well as programmes and events designed for older people with specific social and health needs is also anticipated.</p> <p>The social hub role of libraries is highly valued by older people. This is especially the case for Stoke Library where many visitors are elderly. They often use the library as a place for interaction and connection. It is a source for information, and a place of respite.</p> <p>Meeting accessibility of library space needs to be considered along with continuing the development of relationships with our community partners such as Age Concern and Alzheimer's Nelson.</p>
Issue 4	Security concerns need to be assessed and addressed
	<p>Like many urban libraries, Whakatū Nelson's libraries are used by a diverse range of people and offer a warm welcoming environment where people can access computers, seek support, and pass the time.</p> <p>Libraries are especially important for the marginalised and vulnerable members of our community. Our populations of homeless, unemployed and those managing mental health and substance abuse issues often rely on the libraries as a source of warmth, belonging and point of access to the outside world.</p> <p>There is reliance on digital resources to connect to social programmes, employment, and training opportunities as well as messaging friends and family online and emailing tenancy agreements, loan agreements or similar.</p> <p>Library spaces can sometimes be vulnerable to customer conflict, there is trending increase in customers displaying aggressive behaviour towards staff and other customers. Library staff have been proactive in ensuring the library space is a safe and welcoming place for all. Library management practice has established clear behaviour expectations and maintains a closer relationship with the police. There is staff training on de-escalation techniques and a part time Safety Officer role at the Elma Turner Library.</p>

Vulnerability and obstacles are evaluated through key issues, they are also assessed through risks to the asset and activity. The following table considers these risks.

Figure 34– Library Risks

Risk Description	Group	Likelihood	Consequences	Existing Controls	Control Effectiveness	Risk Score	Current Risk Level	Response
All properties								
Damage from other building - earthquake collapse, fire	AMP Properties	Possible	Major	Earthquake legislation Fire protection	Moderate	10	H	Accept
Natural Hazards - Earthquake, tsunami, flood, fire	AMP Properties	Likely	Moderate	Meeting legislation controls Emergency evacuation controls Replacement insurance cover	Moderate	7	M	Accept
Asset is fit for demands of aging population	AMP Properties	Possible	Moderate	Continue upgrades to accessible standards	Moderate	5	M	Accept
Change in legislation leading to upgrade costs	AMP Properties	Possible	Moderate	Monitor	Deficient	10	H	Accept

Risk Description	Group	Likelihood	Consequences	Existing Controls	Control Effectiveness	Risk Score	Current Risk Level	Response
Libraries – Physical Asset								
Building collapse due to earthquake	Library	Rare	Severe	Insurance. Earthquake assessment.	Deficient	4	M	Reduce
Asbestos on location	Library	Possible	Major	Maintain asbestos management plan. Inform contractors of Asbestos Management Plans.	Moderate	10	H	Accept
Roof leaks	Library	Likely	Major	Maintenance work to address the issues.	Moderate	10	H	Accept
Libraries – Activity								
Legal action resulting from copyright or similar breach of statutory obligations	Library	Unlikely	Major	None.	Deficient	12	H	Manage
Injury to staff from violent customer	Library	Unlikely	Major	Alarm warning system in place, multiple exit routes, staff training	High	12	M	Accept
IT systems go down during business hours	Library	Possible	Severe	UPS system with 60 minutes backup	High	16	M	accept

7.2.8 CURRENT AND FUTURE DEMAND ON LIBRARIES

Council responds to public demand and measures this demand. Library use is high and varied. Nelson Libraries benchmarking against national statistical usage data (refer to Libraries usage summary table for PLNZ figures) shows that across the aspects measured, the library network is used above the national average.

7.2.9 HOW ARE THE COMMUNITY PROPERTIES PERFORMING FINANCIALLY?

Financial data included in this section was extracted from council’s database on 24 October 2023.

Valuations

Asset valuations for all properties in the Property AMP are in appendix G.

Funding Policy

The funding policy for the libraries is for between 90 and 100% of revenue to be from rates and 0-10% to be from user charges, donations, and fines. The below figures show how the library performs with these targets.

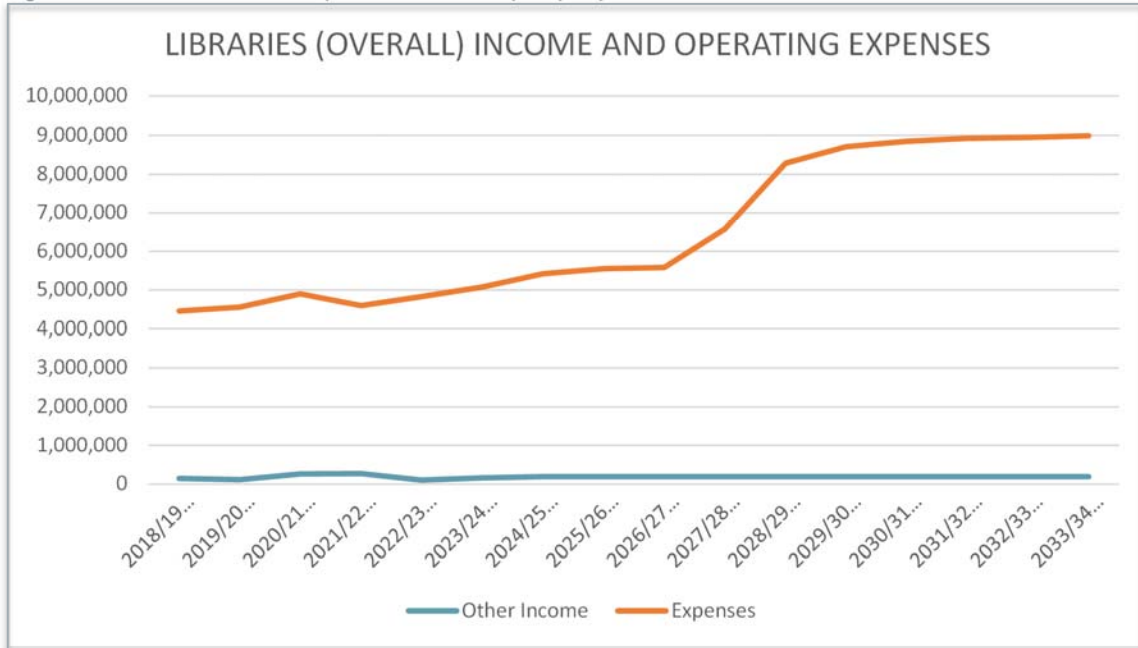
Asset renewal and increased capital growth

Figure 35: Significant Renewal or identified capital project over \$50,000.00*

Asset	Renewal
Elma Turner Library	Earthquake strengthening in progress, completion 2024
Stoke Library	Roof replacement 2024-2025
Nellie Nightingale Memorial library	Roof recladding 2024-2025

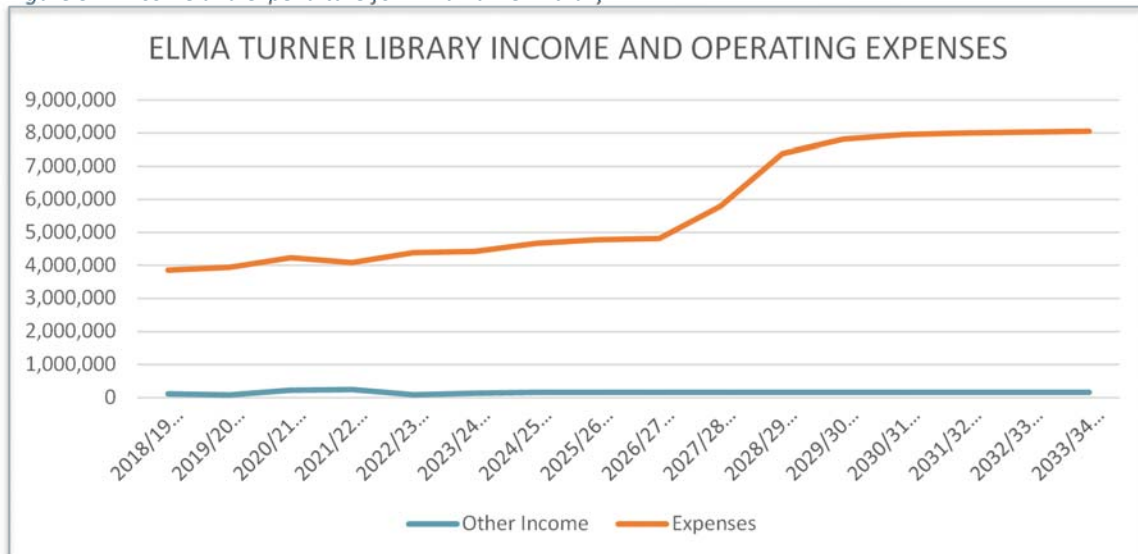
* \$50,000.00 aligns with Property Services team obligations to procurement processes, for example, maintenance contracts are limited to this value above which the physical work follows tendering processes outside of that contract

Figure 36: Overall income and expenditure for Library Property Focus Area



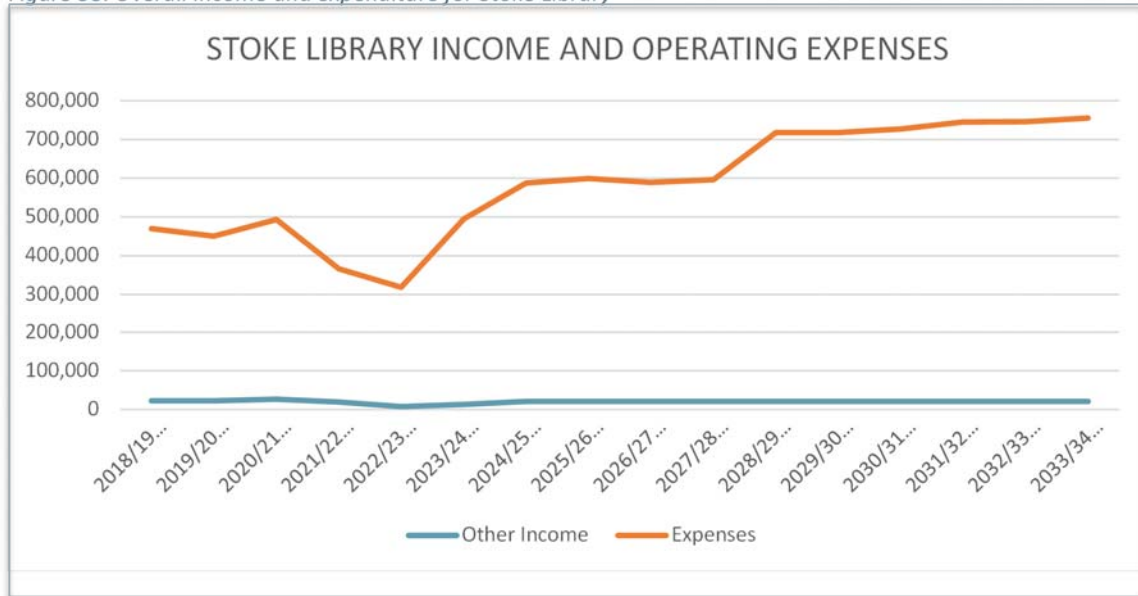
All library other income and expenses has been consolidated to combine Elma Turner, Nightingale, and Stoke altogether. The 2024-34 LTP budget has been included, which, at this stage is draft.

Figure 37: Income and expenditure for Elma Turner Library



Elma Turner library expenses increase from 2028/29 due to an increase in finance costs and depreciation.

Figure 38: Overall income and expenditure for Stoke Library



Stoke library expenses increase from 2028/29 due to providing \$105k of library services annually.

Figure 39 – Income and Expenditure Nellie Nightingale Library

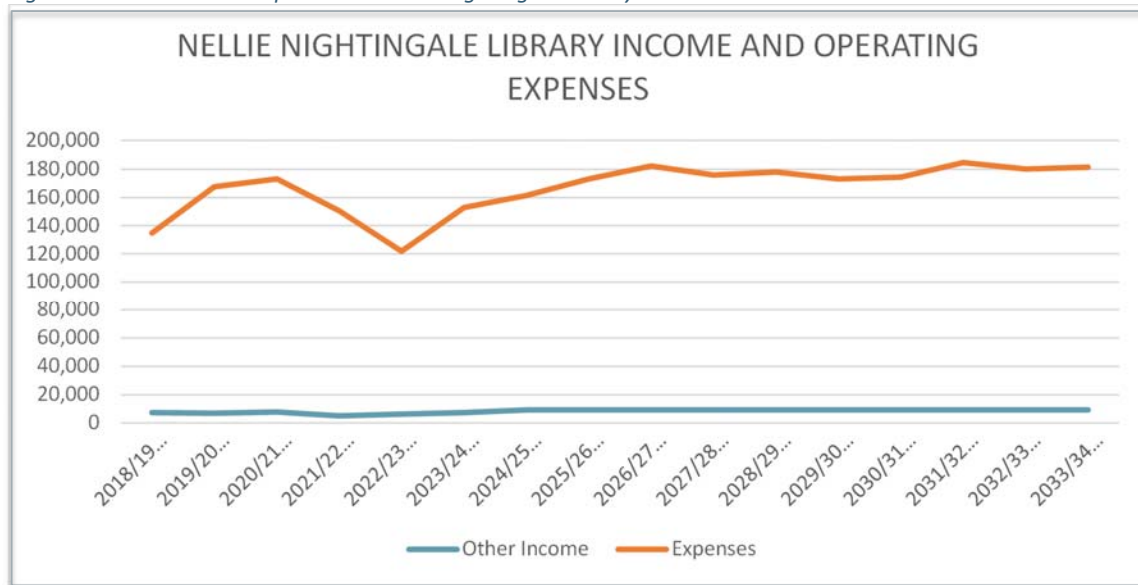


Figure 40 – Libraries: User pays

Libraries overall	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
% user pays	3%	3%	3%	5%	6%	2%
% user pays (excluding grants)	3%	3%	3%	3%	2%	1%

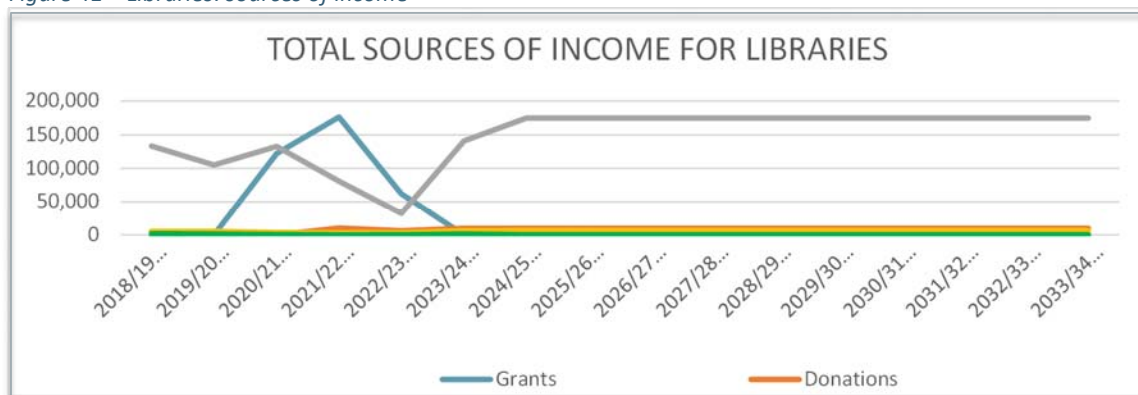
Nelson library	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
% user pays	2.9%	2.9%	2.2%	5.3%	6.0%	2.0%

Stoke library	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
% user pays	4.3%	4.8%	5.0%	5.4%	5.2%	2.3%

Nightingale Library Memorial	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
% user pays	2.4%	5.5%	4.2%	4.5%	3.3%	5.1%

Included in Elma Turner Library is Grants from DIA. This is \$122k in 2020/21, \$177k in 2021/22 and \$62k in 2022/23.

Figure 41 – Libraries: sources of income



The libraries received grant income from DIA; \$122k in 2020/21, \$177k in 2021/22 and \$62k in 2022/23. Late item fees were removed for all libraries in 2021/22 and reserve charges were removed in 2022/23 for the duration of the Elma Turner Library partial closure, to facilitate access to library collections for the community.

Figure 42 – Elma Turner Library: sources of income

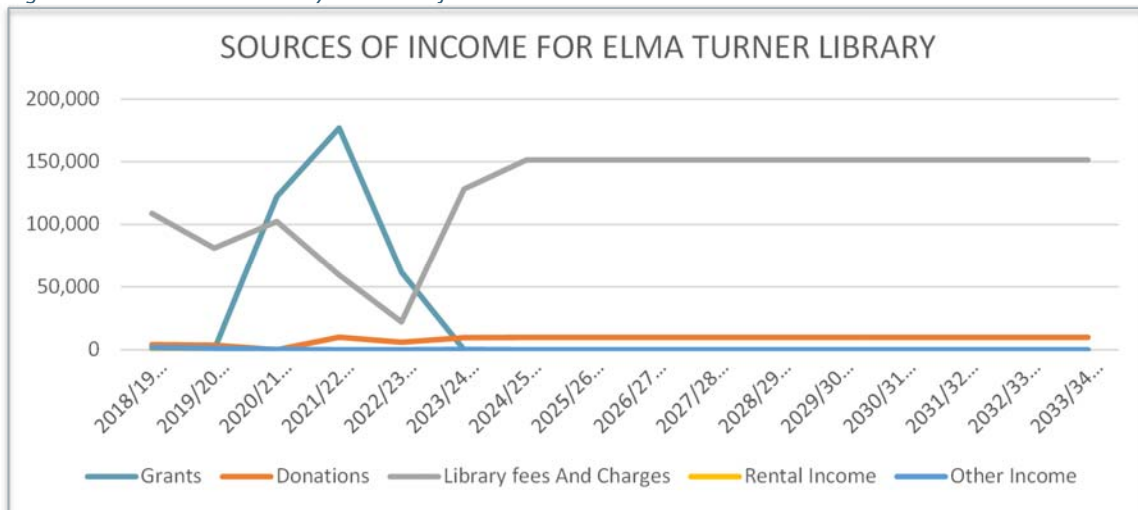


Figure 43 – Stoke Library: sources of income

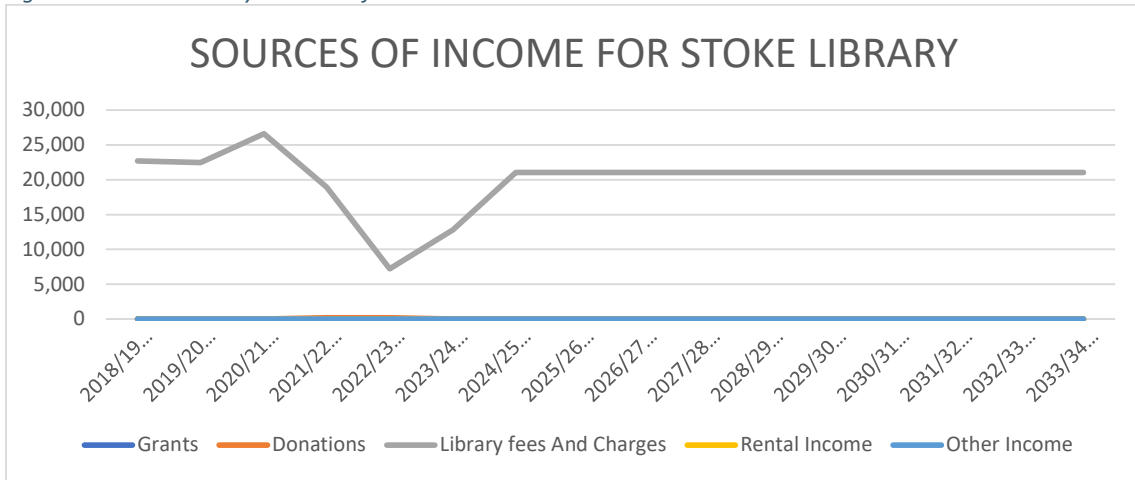


Figure 44 – Nellie Nightingale Library: sources of income

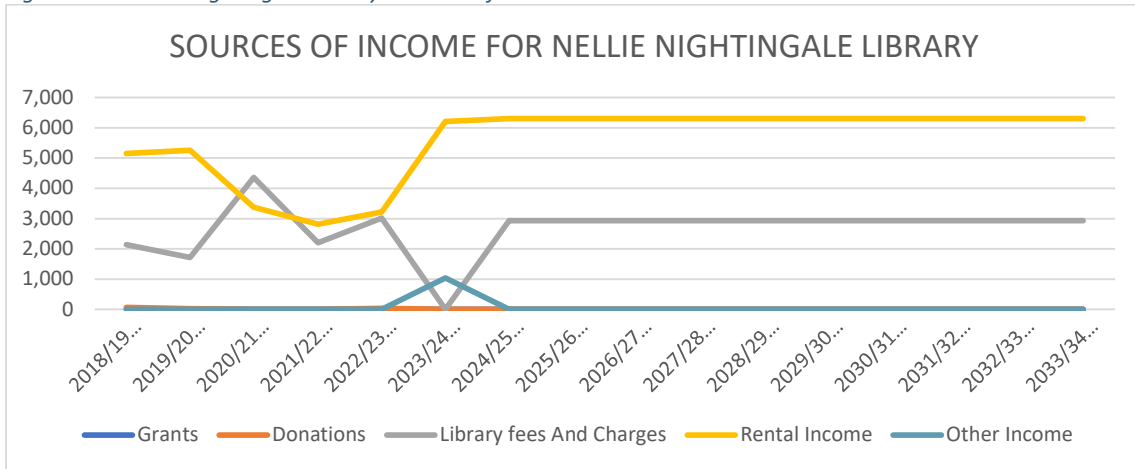
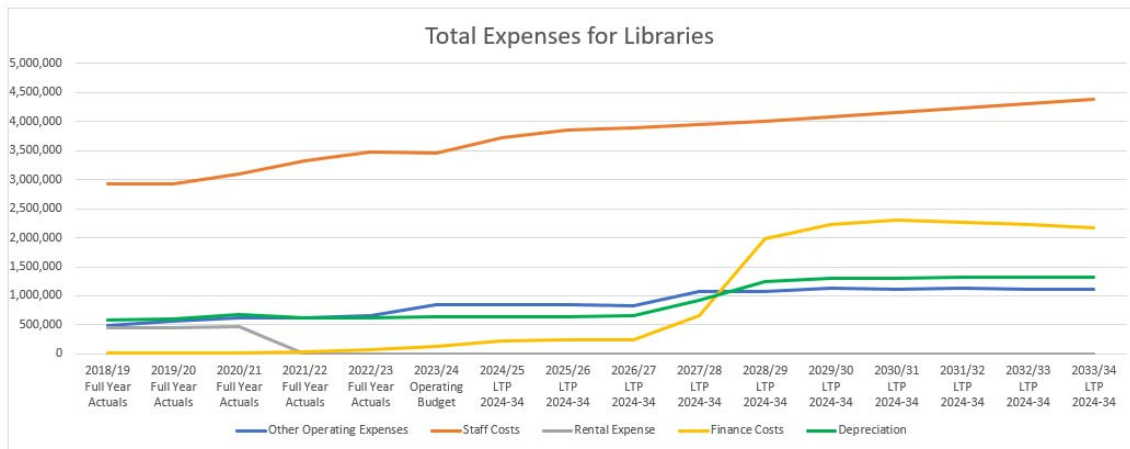
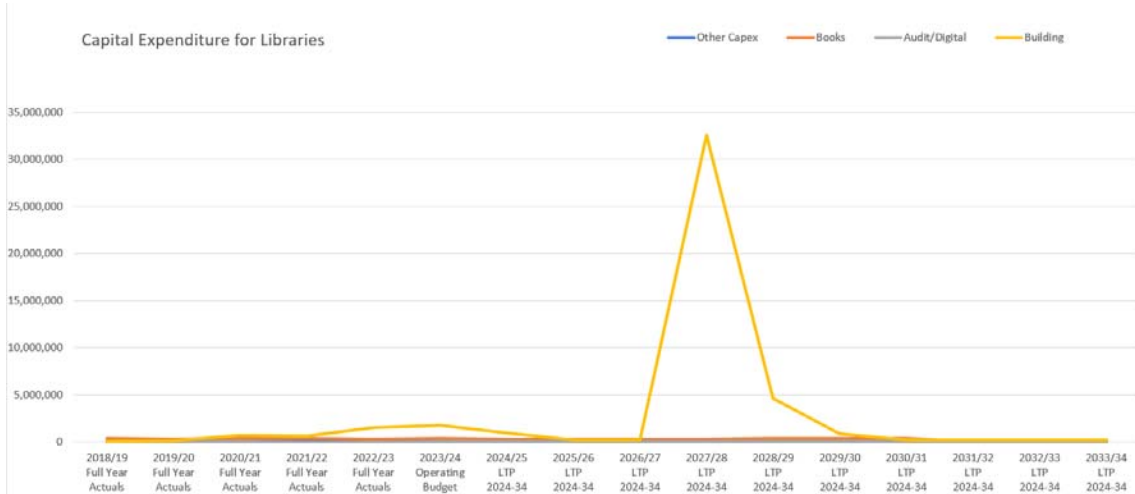


Figure 45 – Libraries: Expenses



Up until 2021/22 there was an annual rental expense of approximately \$460k for the libraries. Per the LTP budget, finance costs and depreciation increase inline with capital expenditure.

Figure 46 – Libraries: Capital Expenditure



Building expenses include; Stoke structural improvements in 2018/19 and 2019/20, and Elma Turner strengthening and extension expenses in 2020/21 to 2022/23. In the 2027/28 2024-34 LTP, there is \$36.0m of capital expenditure for a new Elma Turner library.

7.3 Heritage Properties

Heritage Houses



Founders



7.3.1 WHAT ARE HERITAGE HOUSES AND WHY DO WE HAVE THEM?

Heritage houses are buildings that Council owns and leases that were purchased because of their historic and cultural significance to Whakatū Nelson. Properties in the Heritage Houses group have a Heritage New Zealand Pouhere Taonga classification (HNZPT) and/or a Nelson Resource Management Plan (NRMP) Group classification. The HNZPT classification gives the properties a nationally recognised status and carries with it controls over what changes or impacts can be done to the building. The NRMP Group classification has regional rules that must be considered when occupying or modifying the building.

The buildings at Founders Heritage Park are recognised for their heritage connection but they do not have the formal HNZPT or NRMP classification. Council considers the buildings themselves as museum pieces and to this extent views Founders as a heritage park. Buildings at Founders are also leased, the Property assets include the Founders Park playground.

For clarity, within the Strategic Properties Focus Area Council has two additional buildings with heritage status. NCC Electricity building (300 Wakefield Quay) and the Anchor Shipping Building (258 Wakefield Quay). Both these structures are commercial buildings, their heritage status is recognised by Council but was not the reason for the Council acquiring them. For this reason they have a different purpose to the Heritage Houses and are not part of this Focus Area.

7.3.2 WHAT ASSETS DO WE HAVE?

HERITAGE PROPERTY*

Asset Number	Asset Key	Address	Building Activity	Year Constructed	GFA(m2)
3810.1	217415	16 Hilliard Street	Isele House and dry store	1880	478 + 21
3810		16 Hillard Street	Isele Cool Store		21
3811.1	217347	26 Brougham Street	Melrose House	1876	483
3811.2	277140	26 Brougham Street	Melrose Garage	1880	27
3812.1	217395	276 Nayland Road	Broadgreen House	1885	370

* Properties with Heritage New Zealand Pouhere Taonga (HNZPT) category status and NRMP Group A or B status

MUSEUMS

Asset Number	Asset Key	Address	Building Activity	Year Constructed	GFA(m2)
3820	Varies	Atawhai Drive	Founders Park*	varies	

*Founders is considered a 'living' museum and heritage park

7.3.3 WHAT IS OUR HERITAGE PROPERTY STRATEGY?

Heritage houses are governed by the legislation associated with their formal classification under HNZPT and the NRMP. These determine all parameters and therefore shape the strategy. Across the portfolio these buildings have some of the tightest constraints when it comes to physical maintenance and particularly to renewal maintenance.

Founders Heritage Park does not have to comply with such high-level determination. However, the structures play a leading role in the heritage component of the park and the purpose for which Council invested in these assets. Therefore, heritage principles (rather than rules) are frequently followed regarding heritage maintenance and renewal.

Assets in this portfolio are for the purpose of linking our community to histories and cultures of our region. The buildings are used as places to bring people and knowledge together, they are places to collect and record examples of items that have formed part of people's lives in New Zealand. The buildings support and provide opportunity for these aspects of life to be remembered, shared, and learned from.

The Heritage Houses contain various collections that are from similar time periods to the buildings. The buildings are leased to tenants who will enable the spaces to be open to public. Founders Park has tenants who work from the buildings, and who often continue to use the original equipment or items, or who work in ways that draw from the culture and histories of Whakatū Nelson's past. Where possible, Founders seeks tenants whose occupation of the asset will bring aspects of this past to life so that the community can see it in action.

7.3.4 WHAT CONDITION ARE THE ASSETS IN?

All three heritage houses and the assets at Founders Park that are occupied and available to public achieve the LOS grade required.

However, heritage houses are behind on maintenance renewal, many building components have deferred repair due to the complexity and cost of working with Heritage features. There have been inadequate staff resources to action the appropriate methodologies and insufficient budget to outsource the management to professional consultants. Work is underway to prioritise renewal and address some of the significant repairs on each of the houses.

Heritage Houses are also undergoing a shift in their programmed maintenance management. This is to enable more specific maintenance work, and to enable scheduling frequencies suited to the heritage materials and age of the buildings.

Activities associated and operating from the heritage houses are not covered by this AMP. Melrose House is leased, and the lease is managed by a Board including a café that operates all year round. Isel has a café lease through summer and the house is open to public through volunteer support run by Council's curator based at Broadgreen. Broadgreen is managed by volunteers who open the house to the public, Council's curator manages all the internal maintenance and running of both Isel and Broadgreen. The day-to-day activities are therefore not managed by the Property Services team but are the responsibility of the Community Partnerships and Arts and Heritage Teams.

7.3.5 WHAT OBSTACLES AND VULNERABILITIES DO THE ASSETS HAVE?

Assets face obstacles that can prevent them from performing well or economically. These obstacles are identified within this AMP as Key Issues. Section 2.6 covers all the assets in this portfolio and looks at key issues asset by asset. However, trends in key issues are important and the topic forms a substantial portion of councils asset management strategy. Key issues are presented together in section 2.6 to give overall portfolio perspective and response.

Assets in this Focus area work hard to optimise public utilisation, particularly through winter. They typically suffer from compliance interventions and upgrades that are modern in nature and necessary, but which are invasive on the heritage features of the buildings. Most buildings face further upgrades within the LTP that will have to be visually managed, such as LED lighting upgrades. Despite this, Founders is doing exceptionally well at decreasing emissions and for the size and numbers of people using the asset, it is outperforming some of Council's other large assets.

Maintenance and renewal costs are an ongoing obstacle with typical value of work being much higher than for other Focus areas due to the particular needs of the buildings, this is particularly the case for the three heritage houses.

Figure 47- Heritage Houses and Founders Risk Assessment

Risk Description	Group	Likelihood	Consequences	Existing Controls	Control Effectiveness	Risk Score	Current Risk Level	Response
All properties								
Damage from other building - earthquake collapse, fire	AMP Properties	Possible	Major	Earthquake legislation Fire protection	Moderate	10	H	Accept
Natural Hazards - Earthquake, tsunami, flood, fire	AMP Properties	Likely	Moderate	Meeting legislation controls Emergency evacuation controls Replacement insurance cover	Moderate	7	M	Accept
Asset is fit for demands of aging population	AMP Properties	Possible	Moderate	Continue upgrades to accessible standards	Moderate	5	M	Accept
Change in legislation leading to upgrade costs	AMP Properties	Possible	Moderate	Monitor	Deficient	10	H	Accept

Risk Description	Group	Likelihood	Consequences	Existing Controls	Control Effectiveness	Risk Score	Current Risk Level	Response
Heritage Property and Founders Park								
Interior of building deteriorate due to maintenance responsibility of the lessee, and they can't afford to maintain at Grade 3 standard	Heritage Houses	Likely	Moderate	Lease clearly outlines expectation, internal inspections.	Moderate	7	M	Accept
Asbestos on location	Heritage Houses	Possible	Major	Maintain asbestos management plan. Inform contractors of Asbestos Management Plans.	Moderate	10	H	Accept

7.3.6 HOW ARE THE ASSETS MEETING COMMUNITY OUTCOMES?

Utilisation

There is ongoing work to promote utilisation by the public. Café leases generally do well, but across all assets the demand is below the capacity available.

Levels of Service

All assets are currently meeting required LOS levels. There is no change in the LOS for the period of this AMP. Budget reductions can be managed within this AMP; however, the assets will not be able to sustain this pattern long term. Detailed LOS are shown in the table below.

Figure 48 – Heritage Houses Customer Level of Service

Heritage Houses			Performance Targets				Current performance	Notes on changes from 2021 AMP
Community Outcomes	Level of Service	Performance Target	Year 1	Year 2	Year 3	Year 4-10		
Our communities have opportunities to celebrate and explore their heritage, identity, and creativity. Kei te whakanui te hāpori i tō tātou taonga tuku iho, tuakiri, auahatanga hoki	The heritage integrity of the asset is maintained	Buildings maintained to ICOMOS* principles as measured by conservation architect audits of at least half the physical works undertaken during the year	90%	90%	90%	90%	Not achieved, conservation reporting indicates some areas of concern equating to score aligning to 90%	Founders removed from heritage houses because the buildings are not listed heritage buildings, ICOMOS is not an applicable standard. LOS and performance measures have been reworded, including outlining the measurement process and performance targets have been adjusted to enable flexibility and practical approach to maintaining heritage
<p>Refer technical LOS in <i>Figure 15</i> * Refer to document references for ICOMOS NZ (NZ National Committee of the International Council on Monuments and Sites)</p>								

Operating Costs

Heritage Houses

Operational costs of the activity are managed by the organisation leasing the properties. For the winter months Isele House is vacant and has no activity related operational costs. Remaining costs of asset management are managed by Council including programmed external maintenance and reactive or unprogrammed external maintenance.

Founders

This AMP does not cover the operational finances of Founders in detail, this is the responsibility of the staff who run the complex and is covered by the Arts, Heritage and Events AMP.

The following outlines the framework for context only. Operational costs are managed by Council employed staff responsible for overseeing the maintenance programmes. Some operational costs, for example power

use, are claimed back from the Lessee. Some of the buildings at Founders are bookable and do not have permanent leases, for these buildings operational costs are fully covered by Council and are offset by booking fees and door sales.

Sustainability

Council seeks to take sustainable action relating to elements of the physical structure and assets compliance. For the Heritage Houses, cleaning programmes are scheduled so that their frequency is determined by the materials and designed to protect the life of each material to extend its expectancy.

Cleaning programmes have evaluated chemical use to ensure the right chemical is used and that it is applied in the right way. All chemicals have been assessed for environmental impacts. Precautions are taken to ensure correct application.

Heritage work naturally involves increased focus on retaining and re-using materials, this is to align with heritage conservation approach to physical work programmes. However, it provides the bonus that issues with materials are given greater consideration to retaining through repair, this significantly reduces material consumption.

An example is the solution to the Melrose House external entry steps which had surface degradation of the decking timber and the boards were due for repainting. The normal approach would be to replace the decking boards with new and paint. However, to retain the original character and type of timber used, the decking boards are to be lifted and turned over, then prepared and painted. The pitted and splintered side will face down and the back of the boards will look as new.

Founders has run a renewal programme for its water heating system, electricity use has dropped and figures from the emissions audit show that Founders is performing as well as or even outperforming many of Council's other large facilities.

Iwi and Māori outcomes

Te Taihūtanga Identity

Our people are proud of their individual and shared identity and feel a strong sense of belonging.
We treat each other with kindness and respect.

Council recognises the historical significance of the heritage assets and supports the value in retaining assets that have both heritage status and recognised community history.

Te Taihūtanga can be achieved through Kaitiakitanga (guardianship) and Māori world view, where the responsibility to of stewardship acknowledges that preservation of these assets needs to address the legacies of colonialism and what this signifies to Māori.

Within the collections and the portrayal of the asset Council's is working to ensure that Māori are empowered through the methods by which the items and structures are displayed, presented, discussed, and interpreted.

As locations of public and international interest Council acknowledges that it is playing a role in public education and cultural awareness. Council sets out to break down barriers, create balance, and ensure that Māori are supported in the stories these assets share.

Council also recognises the heritage houses HNZPT heritage status with its own NRMP group rating. These classify the assets and impose controls on what and how work is carried out on the buildings to control and maintain their heritage features.

The Heritage Houses group and Founders contribute significantly to the property surrounding the building. They help define the natural landscapes and help provide security for the community using these spaces. Heritage Houses and Founders are places to experience and learn about our communities' past.

The assets represent parts of our communities’ history but are not presented as a symbol of our complete past. Founders Heritage Park is aiming to diversify what it presents to the community and is working with iwi to expand on what it can make available to public.

7.3.7 HOW ARE THE ASSETS PERFORMING FINANCIALLY?

Financial data included in this section was extracted from council’s database on 24 October 2023.

Valuations

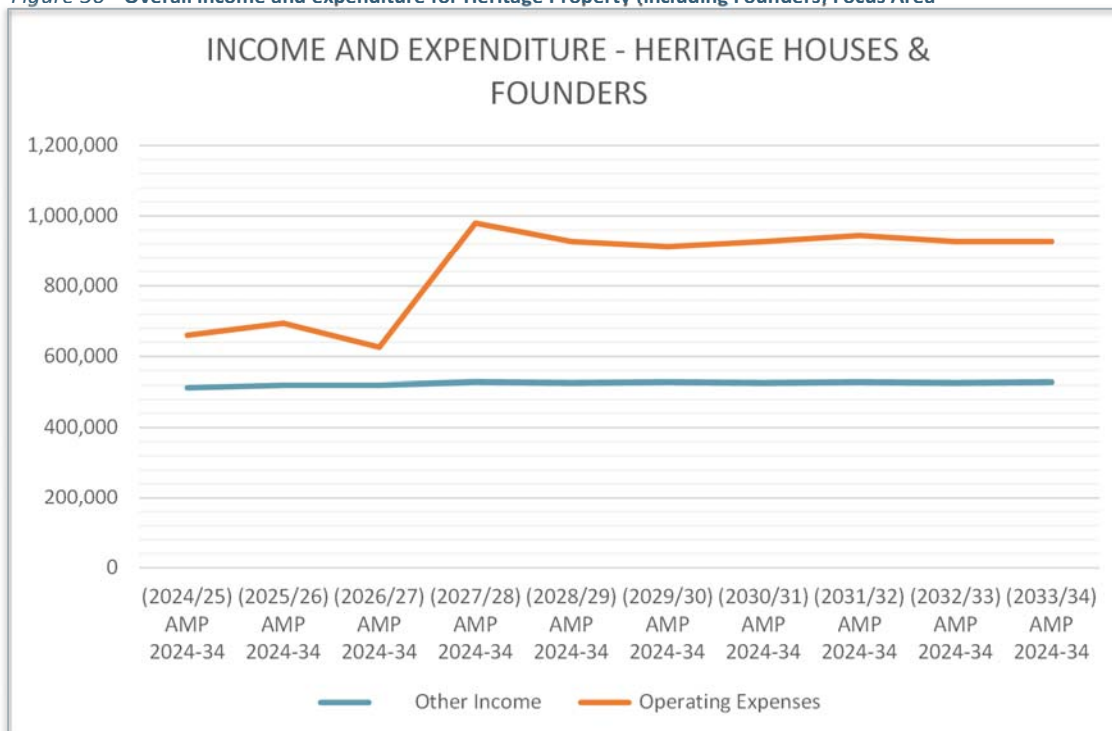
Asset valuations for all properties in the Property AMP are in appendix G.

Asset renewal and increased capital growth

Figure 49 - Significant renewal or identified capital project over \$50,000.00*

Asset	Renewal
Melrose House	Entry steps repair
Isel House	Fretwork repair, chimney repair
Broadgreen House	Conservatory repair, roof slate repair
Founders	Harvest Lands mezzanine

Figure 50 - Overall income and expenditure for Heritage Property (including Founders) Focus Area



Revenue discussion/funding policy

Rental income from Heritage Properties (when applicable) is in accordance with the Community Investment Policy which indicates rent for community properties should be set at 10% of market rates. Broadgreen House is not leased because the building the Society uses adjacent to the main house is not owned by Council.

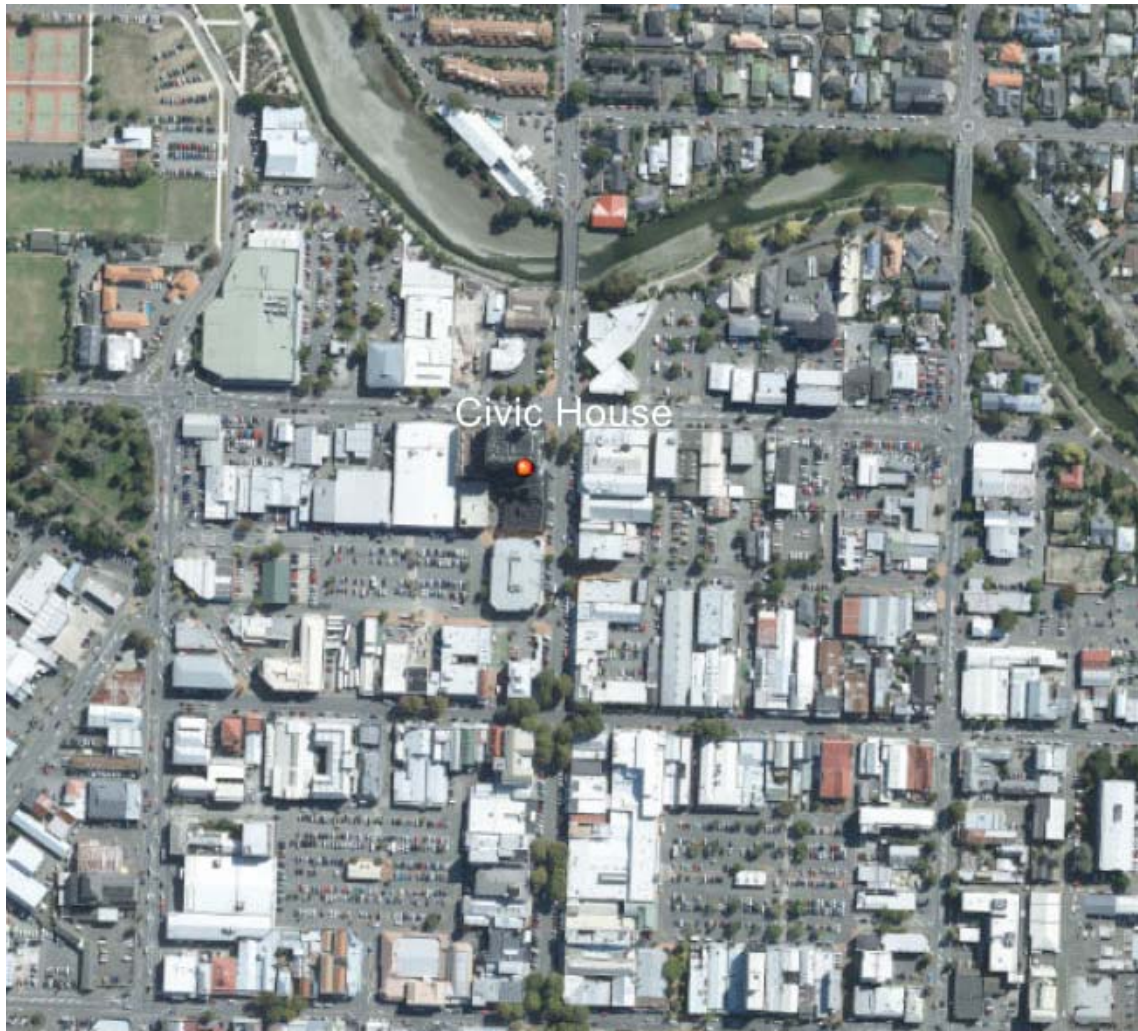
Founders has community tenants and commercial tenants and it also has spaces that are bookable.

What demand will there be for Heritage properties

Heritage properties are purchased or held to support the delivery of Council's priorities and objectives. Council is not looking to acquire any further heritage listed properties within the next LTP.

The assets ability to meet the activity demand for heritage property is higher over summer, Melrose House has bookable spaces for weddings, booking numbers are slowly trending upward. Isel is host to a market once a week, visitor numbers are high to the extent the building has recently begun to show signs that is suffering minor damage at those peak times.

7.4 Corporate Properties



7.4.1 WHAT ARE CORPORATE PROPERTIES AND WHY DO WE HAVE THEM?

Council's Corporate Property accommodates staff officers and since the 1980's has used Civic House as the location from which most Council services are initiated, managed, distributed, and communicated. In 1990 Council purchased Civic House and continued use of the building for this purpose, the building includes the Council Chambers and Mayor's office.

7.4.2 WHAT ASSETS DO WE HAVE?

CORPORATE PROPERTY

Asset Number	Asset Key	Address	Building Activity	Year Constructed	GFA(m2)
1504.1	373727	110 Trafalgar Street	Civic House / Tower Block	1983	5600
1504.2	373729	120 Trafalgar Street	Chambers (PO Savings Bank)	1964	1423

7.4.3 WHAT IS OUR CORPORATE PROPERTY STRATEGY?

The future of Civic House is currently being considered as part of an indicative business case. The review will evaluate the options and assist Council to make decisions about how Council facilities will operate and be supported in the future. The strategy is led by community outcomes and the ability to achieve an effective level of service in an economic manner.

On the 13th August 2020 Council considered the strategic plan for Civic House. Three options were included, one was for the strategic alignment between Civic House and the library redevelopment, the second was to refurbish the existing building, and the third was to relocate Civic House to another location within the central city.

Council resolved to retain and refurbish the existing building as this was understood to be the most cost-effective option. On 11 May 2021 Council approved a strategic business case to outline a scope of works for the refurbishment as a progressive (staged) redevelopment. In September 2021 project consultant teams concluded their review of the project proposal. The core findings were that the project scope defined by the business case was not technically able to be delivered and cost estimations indicated the work was significantly higher than what had been allowed in the LTP. By March 2022 a revised direction was presented to Council's senior leadership team in which it was confirmed a wider set of options needed to be considered. On 22 September 2022 Council agreed that the information provided to them did not support a staged development of Civic House as previously resolved at the Council meeting on 11 May 2021.

The Civic House Taskforce (Te Roopū Te Whare Kaunihera) was established to consider items relevant to the redevelopment of Nelson City Council staff accommodation. An indicative business case has been commissioned to decide on options for Civic House. One of the options within that business case will likely consider the strategic advantages and disadvantages of merging council staff accommodation facilities with a community hub and library facility, as a combined development.

The future strategic plan will need to take into consideration that office-based staff numbers have steadily approached pre-COVID levels, and a new management model is in place where staff have required numbers of office-based days per week. This model is well supported by staff who see efficiencies in being able to work collaboratively from an office.

The future strategic plan will need to take into consideration end-of-life building components and significant deferred maintenance, earthquake prone building elements, compliance upgrades, future climate change impacts, and the need to modernise the building to current day standards.

7.4.4 WHAT CONDITION ARE THE ASSETS IN?

The building known as Civic House was originally two separate buildings that have been connected internally. The Post Office Savings Bank contains the Council chambers, and the tower block is used as staff office space with Council's public customer service on the ground floor.

The asset is earthquake prone, achieving 20%NBS relating to ceiling tiles and roof structures on level 6 (the top floor). The Post Office Savings bank does not have an earthquake prone rating, however, it is known to have heavy ceiling tiles, and is listed on the earthquake prone register.

Documentation from 2017 onwards records deferred maintenance challenges and significant renewal needs, including the heating and ventilation system, security systems, energy supply upgrades (to meet emissions reduction compliance), failing lighting systems and fittings. The issues reported on have not been renewed pending decisions on the redevelopment of office accommodation.

The Earthquake prone notification resulted in the top floor of the building being vacated, and earthquake prone elements of the building identified for upgrade. Some work has been completed to reduce the risk to building occupants (involving ceiling tile bracing system). However, the top floor remains vacant until the earthquake prone work is completed.

7.4.5 WHAT OBSTACLES AND VULNERABILITIES DO THE ASSETS HAVE?

Assets face obstacles that prevent them from performing well or economically. These obstacles are identified within this AMP as Key issues. Section 2.6 covers all the assets in this portfolio. Recognising trends in key issues informs councils asset management strategy.

Civic House and the adjacent Post Office Savings Bank have had a period of prolonged deferred maintenance and lack of renewal investment. Components that make up the asset are typically in end-of-life phase and require complete renewal. In many cases the components are interdependent, consequently replacing one will render the other incapable of performing. This increases the frequency for multiple system end-phase scenarios and leads to a budget investment bulge, or insufficient budget preparedness, when any aspect of renewal is required.

The age and condition of the asset is a significant risk. When component failure occurs, repairs are complex and slow, in some cases the cost and timeframe has resulted in decommissioning of the component. Decommissioning parts of the building increases pressure on remaining components and increases vulnerability of the assets overall resilience.

Civic House must meet earthquake prone compliance for the roof elements by the final year of the LTP in 2034. Other elements of the building are due for remediation by 2047.

Civic house is at capacity and lacks floor space for the number of desks required by Council staff. Overflow of Council staff is taken up by Millers Acre and recently temporary space has been prepared in the newly acquired property at 27 Bridge Street (currently a multi-tenant shared space with the bus hub operation). Many council teams hot desk and all teams are incorporating working from home options to manage the lack of accommodation. Level 5 of the tower block will become available for staff accommodation in September 2024 which will enable teams currently housed in other locations to be rehomed into Civic House.

The outcome of the indicative business case will confirm what action and strategy needs to be applied to the condition and compliance matters these assets face. Although there will be requirement to take some form of action in this LTP, the options have widely variable budget outcomes.

From a technical perspective the services that operate from corporate property are exposed to risks from the failure of the physical asset’s performance. The following table shows identified risks.

Figure 51 - Focus Area Risk table

Risk Description	Group	Likelihood	Consequences	Existing Controls	Control Effectiveness	Risk Score	Current Risk Level	Response
All properties								
Damage from other building - earthquake collapse, fire	AMP Properties	Possible	Major	Earthquake legislation Fire protection	Moderate	10	H	Accept
Natural Hazards - Earthquake, tsunami, flood, fire	AMP Properties	Likely	Moderate	Meeting legislation controls Emergency evacuation controls Replacement insurance cover	Moderate	7	M	Accept
Asset is fit for demands of aging population	AMP Properties	Possible	Moderate	Continue upgrades to accessible standards	Moderate	5	M	Accept
Change in legislation leading to upgrade costs	AMP Properties	Possible	Moderate	Monitor	Deficient	10	H	Accept

Risk Description	Group	Likelihood	Consequences	Existing Controls	Control Effectiveness	Risk Score	Current Risk Level	Response
Corporate Property								
Asbestos on location	Civic House	Possible	Major	Maintain asbestos management plan. Inform contractors of Asbestos Management Plans.	Moderate	10	H	Accept
Damage to asset due to services fault (electrical, plumbing, etc.)	Strategic Properties	Possible	Major	Maintenance plan, condition assessments.	Moderate	10	H	Accept

7.4.6 HOW ARE THE ASSETS MEETING COMMUNITY OUTCOMES?

Utilisation

Council's corporate assets are well utilised. Customer services to the community are delivered from the ground floor, this space has high public use and remains the public point of contact with council.

Levels of Service

All assets are currently meeting required LOS levels where the asset is required to meet LOS, some assets are vacant and do not need LOS assessment. There will be no change in the LOS for the period of this AMP.

Detailed LOS are shown in the table below.

Figure 52 - Corporate Customer Level of Service

Corporate Property			Performance Targets				Current performance	Notes on changes from 2021 AMP
Community Outcomes	Level of Service	Performance Target	Year 1	Year 2	Year 3	Year 4-10		
<p>Our infrastructure is efficient, resilient, cost. Effective, and meets current and future needs. He pai te hanganga o nāianeī, o muri ake hoki</p>	Fit for intended purpose and well maintained	<p>. Building energy use intensity (EUI) is maintained between audits (expected to be annual) as measured by kWh/m2 consumed</p>	Maintain 2022/23 level	Maintain 2022/23 level	Maintain 2022/23 level	Maintain 2022/23 level	Not achieved	<p>Electricity was the measure, the previous AMP changed this to CO2 levels but did not set a target. Also, tCO2 is not an accurate measure because it does not account for variations in the renewable energy mix received from the national grid. The targets have been changed from a reducing tCO2 to a maintained kWh/m2 consumption.</p>
		<p>Staff satisfaction with workplace as measured through annual staff satisfaction survey</p>	50%	50%	50%	Maintained at 50%	Achieved 57%	No change
		<p>Minimum average condition rating of public areas at Civic House as measured by 3 yearly condition assessments and annual maintenance contract</p>	Grade 2	Grade 2	Grade 2	Grade 2	Grade 2	Achieved
<p>Refer technical levels of service in <i>Figure 15</i></p>								

Operating costs

Operational costs of the activity are managed by Council. Operational costs of running the asset are managed and covered by Council. Council leases the fifth floor of Civic House to Inland Revenue.

Sustainability

Council actively seeks to take sustainable action relating to elements of the physical structure and assets compliance. The corporate assets have reached end of economic life. Considerations around renewal of failed elements are continually resisted by the desire not to use new materials and components where those may become redundant by council decisions around the future of Civic House as a whole.

Energy audits have been carried out and resulted in electrical consumption increase. Over the last LTP incremental decrease was the target and this target was achieved. In the last two years that target should have stabilised but it has not. Investigation into the cause of this is underway to ensure Council can retain its goal to reduce emissions.

Community Outcomes and Iwi Māori outcomes

Rangatiratanga Leadership

Our decision-making is collaborative, courageous, inclusive, respectful and acts for the long term.
We uphold the values and rights of the people and taonga of our region.

Council recognises the importance of Te Tiriti O Waitangi / Treaty of Waitangi (Te Tiriti) partnership with Iwi and the need for inclusion in the decision-making process. Corporate assets represent large investment and use of physical resource, the asset supports the core of councils strategic planning and execution.

Within the next LTP decisions will need to be made on the future of Civic House, the Resource Management Act (RMA) will govern over, and direct decisions made which includes the principles of the Te Tiriti. In particular, Section 8 of the RMA which states:

In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi).

7.4.7 HOW ARE THE CORPORATE PROPERTIES PERFORMING FINANCIALLY?

Financial data included in this section was extracted from Council's database on 24 October 2023.

Valuations

Asset valuations for all properties in the Property AMP are in appendix G.

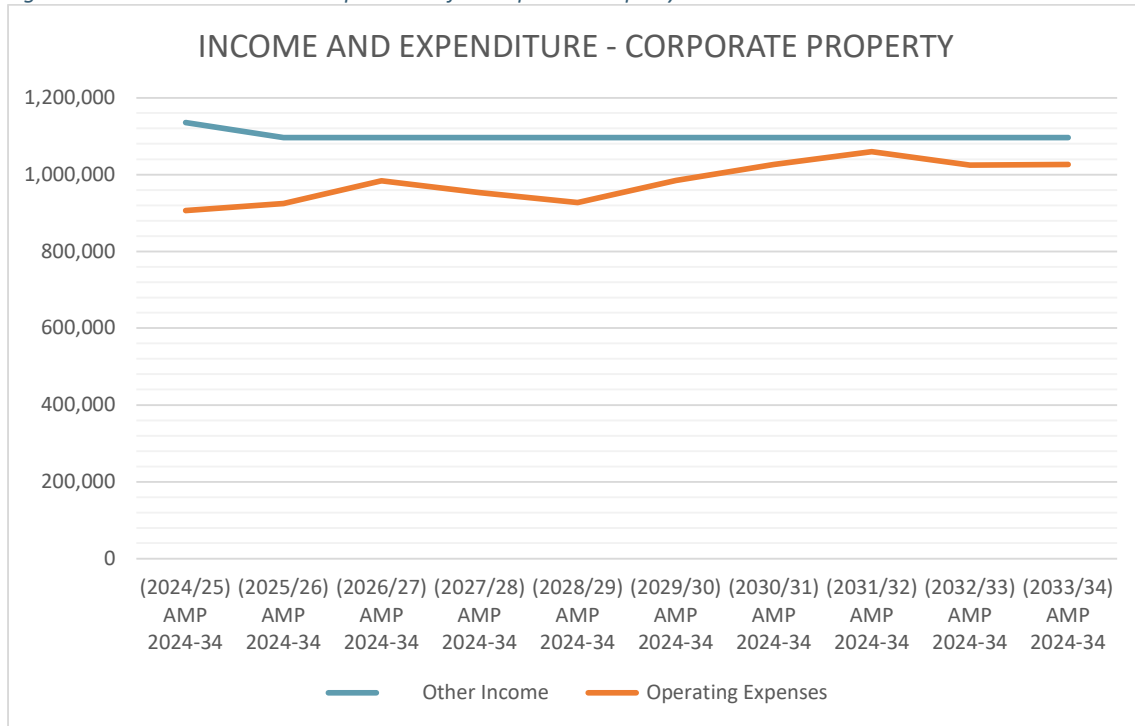
Asset renewal and increased capital growth

Figure 53 - Significant Renewal or identified capital project over \$50,000.00*

Asset	Renewal
101 Trafalgar Street	Ceiling tile bracing in level 3 cafeteria and other priority areas Kitchen facilities level 1
120 Trafalgar Street	Ceiling tile strengthening in priority areas

* \$50,000.00 aligns with Property Services team obligations to procurement processes, for example, maintenance contracts are limited to this value above which the physical work follows tendering processes outside of that contract

Figure 54 - Overall income and expenditure for Corporate Property Focus Area



An indicative business case has been commissioned to review Council’s corporate facilities. The outcome of the business case will be a series of options for Council to consider and decide on the future strategic plan for staff accommodation. Renewal programmes are currently being kept at minimum until the outcome of the indicative business case work is known.

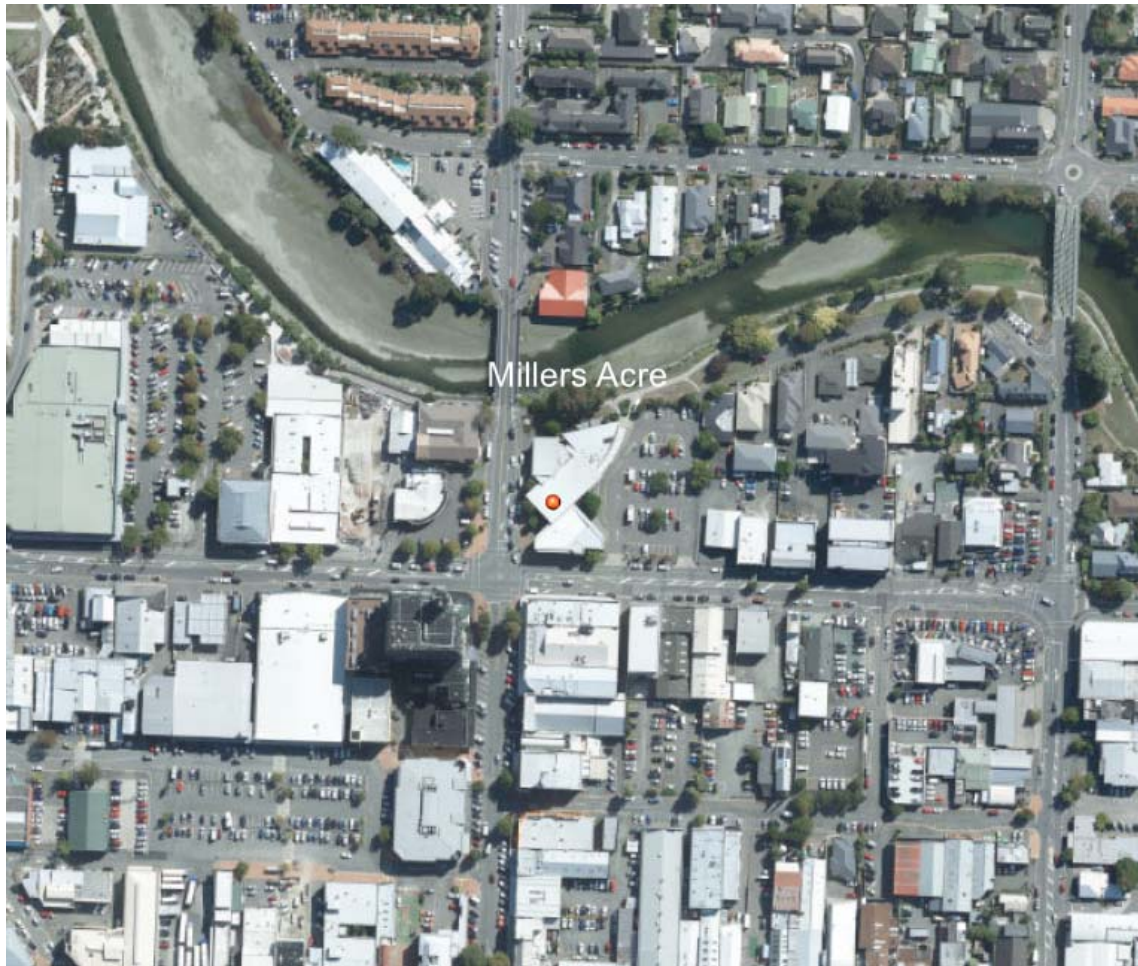
Revenue discussion/funding policy

Rental of corporate asset space is set at market rate. Council undertakes rental reviews in accordance with the tenancy agreement and the policy. The lease for the fifth floor with Inland Revenue expires in September 2024.

7.4.8 WHAT DEMAND WILL THERE BE FOR CORPORATE PROPERTY?

Corporate properties are purchased or held to support the delivery of Council’s priorities and objectives. Into the future this need is anticipated to remain consistent with the current situation. Corporate property accommodates council staff and includes the Council Chambers and Mayor’s office. Demand for corporate property is based on long term operational needs and delivery. It remains stable and predictable, however, the impact of COVID affected normal demand modelling. Asset use has since returned to full capacity.

7.5 Transport Properties



7.5.1 WHAT ARE TRANSPORT PROPERTIES AND WHY DO WE HAVE THEM?

Council’s transport properties are purchased for the specific purpose of developing and improving Whakatū Nelson’s roading and transport network. Acquisition of building assets is most often not part of the purpose and frequently the asset is demolished promptly to make way for the future need.

In 2023 Council purchased 41 Halifax Street as part of future plans for the Bus Hub development. The purchase was a strategic decision to support the needs of the Bus Hub which will occupy the space at Millers Acre. At this stage the asset has been placed under the Property Services team’s strategic property Focus Area, this will ensure that its intended purpose will be retained with the asset. In time when the intention is realised the asset will likely transition over to the transport portfolio where it will join Millers Acre.

7.5.2 WHAT ASSETS DO WE HAVE?

TRANSPORT PROPERTY

Asset Number	Asset Key	Address	Building Activity	Year Constructed	GFA(m2)
5511		75-81 Trafalgar Street	Millers Acre (north) Millers Acre (south)	2005 2005	1037 820

7.5.3 WHAT IS OUR TRANSPORT PROPERTY STRATEGY?

The transport property strategy aligns with the transport team objectives, buildings on transport property are either demolished to make way for temporary transport spaces, such as carparks, or they are leased. Leases for transport property are most often commercial.

7.5.4 WHAT CONDITION ARE THE ASSETS IN?

Millers Acre has been classified as needing to achieve Grade 2 LOS. Refer to appendix D for grading descriptions and criteria. Millers Acre has achieved this level since renewal work was completed in 2023. Prior to that the Grade 2 was consistently achieved, however, contractor impacts such as scaffold provided a temporary and defined drop in LOS through 2022-2023.

7.5.5 WHAT OBSTACLES AND VULNERABILITIES DO THE ASSETS HAVE?

Assets face obstacles that prevent them from performing well or economically. These obstacles are identified within this AMP as Key issues. Section 2.6 covers all the assets in this portfolio. Recognising trends in key issues informs councils asset management strategy.

Millers Acre is a complex building with multiple cladding types and junctions, and a flat roof design with services penetrations to manage. Recently Council has replaced the stucco cladding sections like for like due to significant weathertightness failure. The cladding material is high maintenance and has risk to future failure if maintenance regimes are not met. Complex warranty requirements govern maintenance schedules and frequencies.

Millers Acre has multiple tenancies which lends toward greater management complexity, however, the tenants are long term and have well established experience with the communication and reporting needs of Council. One tenancy space is currently occupied by Council staff overflow from Civic House.

Figure 55 - Focus Area Risk table

Risk Description	Group	Likelihood	Consequences	Existing Controls	Control Effectiveness	Risk Score	Current Risk Level	Response
All properties								
Damage from other building - earthquake collapse, fire	AMP Properties	Possible	Major	Earthquake legislation Fire protection	Moderate	10	H	Accept
Natural Hazards - Earthquake, tsunami, flood, fire	AMP Properties	Likely	Moderate	Meeting legislation controls Emergency evacuation controls Replacement insurance cover	Moderate	7	M	Accept
Asset is fit for demands of aging population	AMP Properties	Possible	Moderate	Continue upgrades to accessible standards	Moderate	5	M	Accept
Change in legislation leading to upgrade costs	AMP Properties	Possible	Moderate	Monitor	Deficient	10	H	Accept

7.5.6 HOW ARE THE ASSETS MEETING COMMUNITY OUTCOMES?

Utilisation

Council's transport assets are well utilized and are in high demand, they are often well located buildings and offer a high LOS option for leased premises.

Levels of Service

The asset is currently meeting required LOS levels. There will be no change in the LOS for the period of this AMP. Detailed LOS are shown in the table below.

Figure 29 – Transport Property Customer Level of Service

Transport Property			Performance Targets				Current performance	Notes on changes from 2021 AMP
Community Outcomes	Level of Service	Performance Target	Year 1	Year 2	Year 3	Year 4-10		
Our infrastructure is efficient, resilient, cost Effective, and meets current and future needs. He pai te hanganga o nāianeī, o muri ake hoki	Fit for intended purpose and well maintained	Minimum average condition rating of public areas at Millers Acre as measured by 3 yearly condition assessments and annual maintenance contract	Grade 2	Grade 2	Grade 2	Grade 2	Achieved	Millers Acre is a transport property and has been given its correct Focus Group classification. No change to LOS
Refer technical levels of service in <i>Figure 15</i>								

Operating costs

Operational costs of the activity such as electricity and cleaning are managed by the Leasee. Operational costs of running the asset, including all the exterior, are managed, and covered by Council. Leases are set at commercial rates and account for the exterior management provided. Council occupies one of the tenancy spaces and is responsible for the internal operating costs of this space.

Sustainability

Council actively seeks to take sustainable action relating to elements of the physical structure and assets compliance. Maintenance schedules are designed around extending and maximising the life of the building components.

Energy audits have been carried out and resulted in electrical consumption increase. Millers Acre is performing well for an asset of its size.

Iwi and Māori outcomes

Pūtea Economy

Our resilient economy allows our people, places, communities and businesses to thrive.

Council is committed to responsibilities under Te Tiriti o Waitangi and broader legal obligations to Māori. Management of transport property is focused on efficiency and economic optimisation. The buildings acquired as part of the transport focus area are most often more acquired by default of the larger strategic purpose and intension for that property. This efficient asset management aligns with the intergenerational strategy of Pūtea and the obligation Council has to enhance economic resilience. Millers Acre is a commercially leased property with multiple tenants, including home to the Department of Conservation who are a long term tenant in the building.

7.5.7 HOW ARE THE CORPORATE PROPERTIES PERFORMING FINANCIALLY?

Financial data included in this section was extracted from council's database on 24 October 2023.

Valuations

Asset valuations for all properties in the Property AMP are in appendix G.

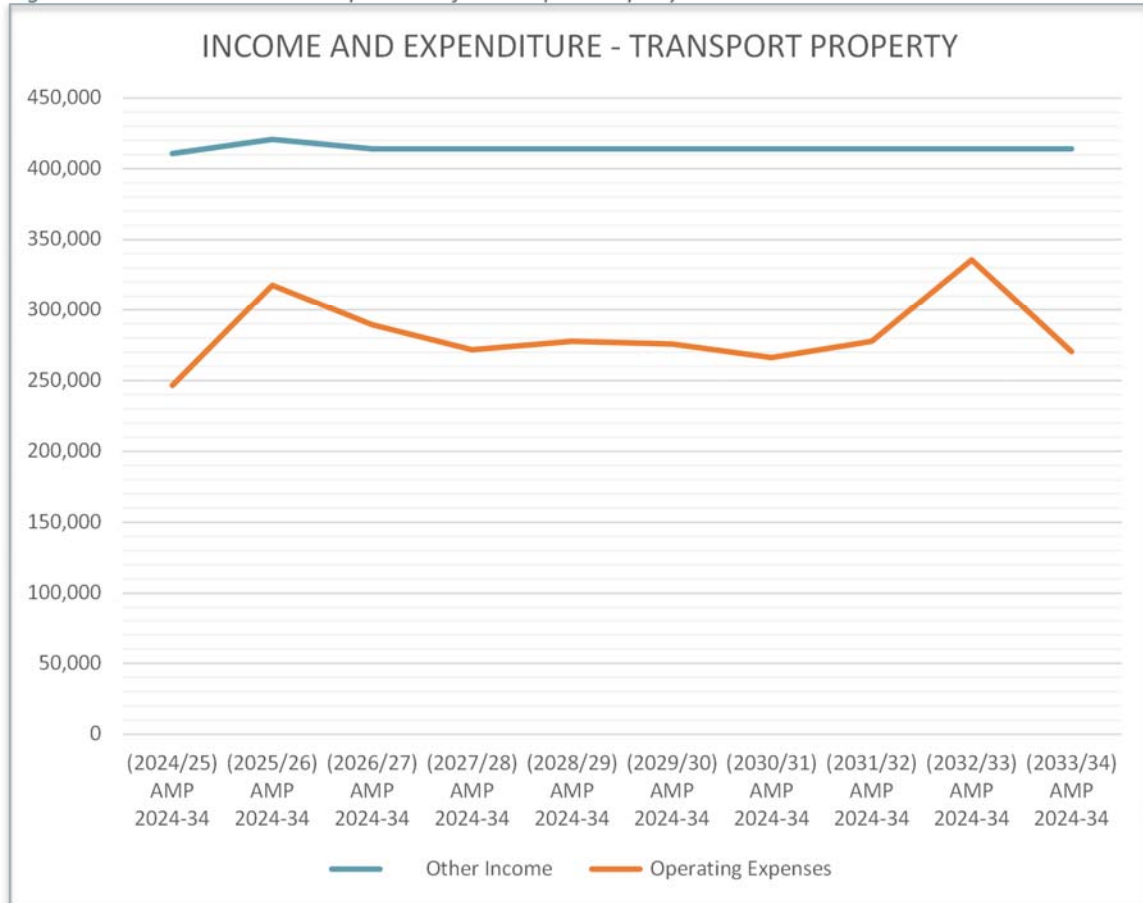
Asset renewal and increased capital growth

Figure 56 - Significant Renewal or identified capital project over \$50,000.00*

Asset	Renewal
Trafalgar Street	None planned
* \$50,000.00 aligns with Property Services team obligations to procurement processes, for example, maintenance contracts are limited to this value above which the physical work follows tendering processes outside of that contract	

In 2023 the Department of Conservation tenancy moved to the southern ground floor wing as a space swap with the tenant. The internal areas underwent a new fitout. There is a vacant tenancy on the ground floor which is intended to become the service area for the Bus Hub.

Figure 57 - Overall income and expenditure for Transport Property Focus Area



Revenue discussion/funding policy

Rental of transport property is set at market rate. Council undertakes rental reviews in accordance with the tenancy agreement and the policy.

7.5.8 WHAT DEMAND WILL THERE BE FOR TRANSPORT PROPERTY?

Transport property has had significant acquisition of new assets as part of the Bus Hub. All assets acquired during this process have been occupied.

7.6 Strategic Properties



7.6.1 WHAT ARE STRATEGIC PROPERTIES AND WHY DO WE HAVE THEM?

Strategic Properties are buildings that Council owns that were purchased for strategic purposes.

Strategic buildings are sometimes acquired as part of wider Council strategies involving factors such as land location or potential land use decisions reflect community objectives and goals, often containing some of Council's ensuing direction. Property purchased for Land Transport activities is a typical example of a strategic purchase. As a result, strategic properties vary greatly in size, structure, location, and potential to support community activities.

Where assets are for longer term strategic purpose and are in an occupiable condition, Council will lease out the property. Strategic properties are leased to a range of community and commercial organisations. The lease type is typically driven by the land use and zoning that applies that property, and it must be set to timeframes for renewal that align with the strategic intent.

A small number of strategic properties are leased as a community facility and run community activity. These assets remain in the strategic focus area to protect and maintain the intention for which they were purchased.

Leases for strategic property used by community groups and organisations are based on 10% of market rates, in accordance with the Council's Community Assistance Policy. Council's Property Services team officers manage the buildings including inspections and maintenance of the asset under the framework of the lease agreement. Tenants are usually responsible for the internal building maintenance, while Council is responsible for the external and structural maintenance. The rents for the properties leased to commercial tenants align with market rates.

7.6.2 WHAT ASSETS DO WE HAVE?

STRATEGIC PROPERTY

Asset Number	Address	Building Activity	Year Constructed	GFA(m2)
1514	300 Wakefield Quay	Vacant	1923 1937 1978	829 (footprint)
1514.5	258 & 262 Wakefield Quay	Vacant	1929 1998	
1514.3	236 Haven Road	Part Menzshed community lease, part storage	1980	1525
1514	250 Haven Road	Vacant	1965	516
1530.7	101 Achilles Avenue	Four Seasons commercial lease	1960	709
1530.6	81 Achilles Avenue	Community Artworks community lease	1980	490
1514.1	42 Rutherford St	Zumo Café commercial lease	1964	
1514	25-27 Bridge Street	Ebus/Council staff accommodation	1997	
1514	23 Halifax	Vacant, Farmers market licence to occupy		
1514	41 Halifax Street	Vacant to be deconstructed	1962	246
1514	Neale Park/Atawhai Drive	Nelmac Nursery: shade structure, sheds, office		
1514	19 Halifax Street	AWF Commercial lease	1973	104
4055.6	1 Kinzett Terrace	Various commercial and community leases	1999	290

7.6.3 WHAT IS OUR STRATEGIC PROPERTY STRATEGY?

Assets in this portfolio are often acquired as part of some wider purpose or obligation of Council. When the building can be used the maintenance requirements need to be evaluated to find the appropriate management framework.

Strategic property is purchased and retained as a council asset in support of community outcomes. This means they have wide ranging purpose from supporting the natural environment to providing for infrastructure needs. The purpose for which the asset was acquired is retained with the asset, ensuring that planning for the asset over time considers the original intentions, builds in transparency about what the investment is for, and ensures that over time changes that occur are consistent with the strategy.

7.6.4 WHAT CONDITION ARE THE ASSETS IN?

All strategic assets that are occupied under a long-term lease agreement achieved the technical LOS level required. Some strategic property is not able to be occupied, or the condition of the building is not suitable for occupation. LOS levels are not evaluated for these assets.

Deferral rates leading into this AMP have been typically longer and more widespread than condition maintenance modelling would desire. This tends to impact vacant properties the most within this AMP’s portfolio because Council prioritises expenditure on buildings that are in use, some assets are greatly affected when Council is not able to secure a community or commercial use, this is an identified risk to strategic property.

Of all the Focus Areas, Councils group of strategic property has the widest variation in condition score with corresponding and prominent differences in management, maintenance, and monitoring. This situation is understandable considering buildings range from providing a high-level service delivery like Millers Acre, to being vacant and intended for demolition like the newly acquired 41 Halifax Street.

7.6.5 WHAT OBSTACLES AND VULNERABILITIES DO THE ASSETS HAVE?

Assets face obstacles that prevent them from performing well or economically. These obstacles are identified within this AMP as Key issues. Section 2.6 covers all the assets in this portfolio and looks at key issues asset by asset. However, trends in key issues are important and the topic forms a substantial portion of councils asset management strategy. Keys issues are presented together in section 2.6 to give overall portfolio perspective and response.

Figure 58 - Focus Area Risk table

Risk Description	Group	Likelihood	Consequences	Existing Controls	Control Effectiveness	Risk Score	Current Risk Level	Response
All properties								
Damage from other building - earthquake collapse, fire	AMP Properties	Possible	Major	Earthquake legislation Fire protection	Moderate	10	H	Accept
Natural Hazards - Earthquake, tsunami, flood, fire	AMP Properties	Likely	Moderate	Meeting legislation controls Emergency evacuation controls Replacement insurance cover	Moderate	7	M	Accept
Asset is fit for demands of aging population	AMP Properties	Possible	Moderate	Continue upgrades to accessible standards	Moderate	5	M	Accept
Change in legislation leading to upgrade costs	AMP Properties	Possible	Moderate	Monitor	Deficient	10	H	Accept

Risk Description	Group	Likelihood	Consequences	Existing Controls	Control Effectiveness	Risk Score	Current Risk Level	Response
Strategic Property								
Asbestos on location	Strategic Properties	Possible	Major	Maintain asbestos management plan. Inform contractors of Asbestos Management Plans.	Moderate	10	H	Accept
Health of users affected due to hazards	Strategic Properties	Possible	Major	Maintenance plan. Earthquake notices in place where required.	Moderate	10	H	Accept
Damage to asset due to services fault (electrical, plumbing, etc.)	Strategic Properties	Possible	Major	Maintenance plan, condition assessments.	Moderate	10	H	Accept

7.6.6 HOW ARE THE ASSETS MEETING COMMUNITY OUTCOMES?

Utilisation

There is ongoing lack of utilisation of the Haven Road properties, some of which are also categorised as earthquake prone. Workshops and site visits have assisted Council awareness and updated understanding through staff and Elected Member focused review of these properties. The review acknowledges previous AMP identification of key issues relating to cost of maintenance and the need to initiate earthquake prone strengthening. It also has acknowledged the previous investigation work and conclusions and a need to address the economic and community impact these assets have.

Inner city strategic property continues to align with the strategic intended use and City Centre Spatial Plan (Te Ara o Whakatū). Most spaces available are in use, some have temporary lease structures which are considered necessary to maintain the flexibility of their strategic needs.

Levels of Service

The asset is currently meeting required LOS levels. There will be no change in the LOS for the period of this AMP. Detailed LOS are shown in the table below.

Figure 59 - Strategic Property Customer Level of Service

Strategic Property			Performance Targets				Current performance	Notes on changes from 2021 AMP
Community Outcomes	Level of Service	Current Performance	Year 1	Year 2	Year 3	Year 4-10		
Our infrastructure is efficient, resilient, cost effective, and meets current and future needs. He pai te hanganga o nāianeī, o muri ake hoki	Lease agreements matched strategic needs	Lease term is aligned with strategic purpose and all leases transfer to short term basis at renewal as needed.	100%	100%	100%	100%	Achieved	Two performance measures have been amalgamated and one has been removed. Targets and LOS have remained the same.
Refer technical levels of service in <i>Figure 15</i>								

Operating costs

Operational costs of the activity are managed by the organisation leasing the properties, or the asset is vacant and has no activity related operational costs. Remaining costs of asset management are managed by Council.

Sustainability

Council actively seeks to take sustainable action relating to elements of the physical structure and asset compliance. Strategic properties are frequently at or nearing end of economic life and may have been purchased with intention to remove the asset. Council follows industry practices for removal through deconstruction methodology and is actively eliminating demolition principles.

Sustainability is also considered in relation to an asset's economic life. Decisions around expenditure on strategic property components is assessed to align with the strategic plan for that overall building. This can sometimes involve difficult decisions such as the deferral of repairs and maintenance on buildings that are awaiting a suitable tenant. For example, 300 Wakefield Quay had insurance income from a burst water pipe relocated to community wide flood recovery as priority expenditure. Among the repairs was a water damaged switchboard, this decision resulted in decommissioning of the damaged electrical equipment and termination of power to the asset.

Energy audits have been carried out on a number of strategic properties and are being used to inform decisions for future maintenance and renewal work.

Iwi and Māori outcomes

Rangatiratanga Leadership

Our decision-making is collaborative, courageous, inclusive, respectful and acts for the long term. We uphold the values and rights of the people and taonga of our region

Council is committed to responsibilities under Te Tiriti o Waitangi and broader legal obligations to Māori. Council has a specific set of outcomes for Māori: Te Taihū Strategies. Valuing Te Taihū principles in strategic properties is important, iwi have communicated the importance of Rangatiratanga (leadership) in relation to the strategic property group. The principle of Rangatiratanga involves our Council working alongside iwi to ensure that our decision-making is collaborative, courageous, inclusive, respectful and acts for the long term to uphold the values and rights of the people and taonga of our region. The Property Services team can action Rangatiratanga through:

- Actively engaging and consulting to ensure the planning, development, and operations of facilities consider Māori needs and aspirations.
- Providing visual representations of commitment to Māori to tell stories of their connections to the place (artwork and signage) and honouring Tikanga (linkages to Te Taihūtanga)
- Ensure that, in any development, or investigation into potential facilities includes consideration of Māori views to protect our natural environment through Council's Kotahitanga mō te Taiao strategy.

7.6.7 HOW ARE THE STRATEGIC PROPERTIES PERFORMING FINANCIALLY?

Financial data included in this section was extracted from council's database on 24 October 2023.

Valuations

Asset valuations for all properties in the Property AMP are in appendix G.

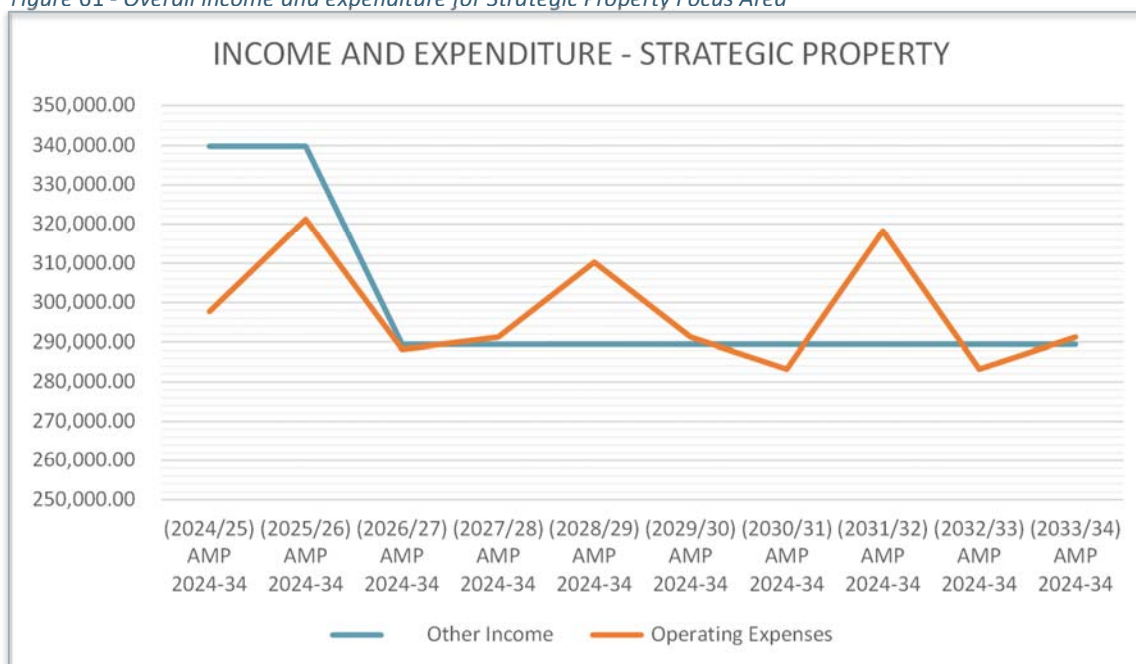
Asset renewal and increased capital growth

Figure 60 - Significant Renewal or identified capital project over \$50,000.00*

Asset	Renewal
NCC Electricity - 300 Wakefield Quay	Earthquake prone, strengthening by 2034
Anchor Shipping - 258 & 262 Wakefield Quay	Earthquake prone, strengthening by 2027
236 Haven Road	Strategic plan is for deconstruction, to be confirmed by Council resolution
250 Haven Road	Strategic plan is for deconstruction, to be confirmed by Council resolution
101 Achilles Avenue	None, potential Kāinga Ora development
81 Achilles Avenue	None, potential Kāinga Ora development
42 Rutherford St	None, potential Kāinga Ora development
25-27 Bridge Street	None
23 Halifax	None
41 Halifax Street	Deconstruction in progress
Nelmac Nursery - Neale Park/Atawhai Drive	Shade structure upgrade in progress
19 Halifax Street	None
1 Kinzett Terrace	None

* \$50,000.00 aligns with Property Services team obligations to procurement processes, for example, maintenance contracts are limited to this value above which the physical work follows tendering processes outside of that contract

Figure 61 - Overall income and expenditure for Strategic Property Focus Area



Revenue discussion/funding policy

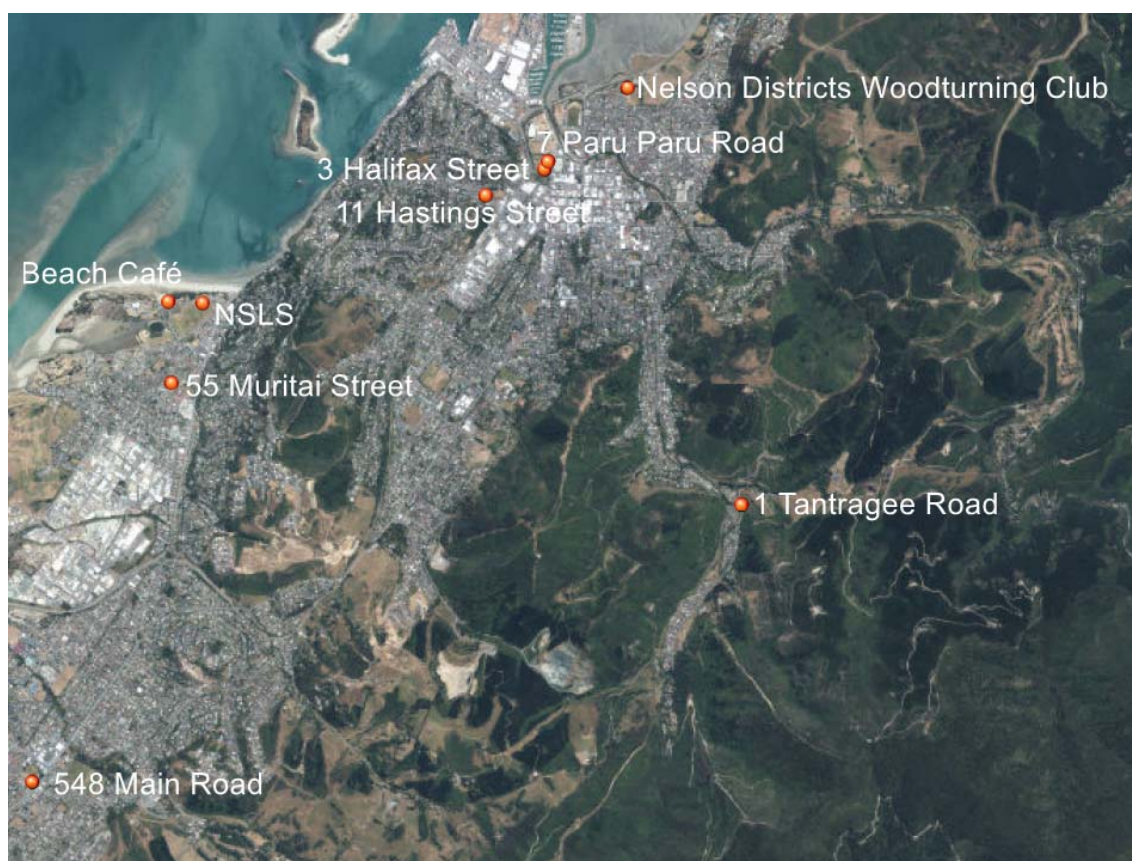
Rentals from Strategic Properties are in accordance with the Community Assistance Policy which indicates rent for community properties should be set at 10% of market rates or at full market rate dependant on the form of lease. Council undertakes rental reviews in accordance with the tenancy agreement and the policy.

7.6.8 HOW DO WE EVALUATE DEMAND FOR STRATEGIC PROPERTY?

Strategic properties are purchased or held to support the delivery of Council’s priorities and objectives; evaluation is against these factors.

Demand for strategic property is based on needs arising from projects, programmes, and long-term operational needs. Demand is typically developed over time because its purpose is to fulfil longer term vision.

7.7 Community Properties



7.7.1 WHAT ARE COMMUNITY PROPERTIES AND WHY DO WE HAVE THEM?

Community Properties are leased buildings that Council owns that are located on reserve land.

Community Properties do not include the buildings owned by other organisations that have been built or located on Council owned land. The status of these buildings is a 'ground lease'. Council does not carry out asset management for Ground Lease properties and is only involved in the lease agreement business. Council does not cover any operational or maintenance costs and does not involve itself in the activity or services.

Community properties are leased to a range of community organisations to support and provide social services and community activities. The properties provide community groups, associations, and clubs subsidised leases and a high degree of financial relief and certainty.

A small number of the properties are leased commercially, as this has been identified historically as the best use for the building and/or land.

The rents for community properties are based on 10% of market rates, in accordance with the Council's Community Assistance Policy. Council property officers manage the buildings including inspections and maintenance of them under the framework of the lease agreement. Tenants are usually responsible for the internal building maintenance, while Council is responsible for the external and structural maintenance. The rents for the properties leased to commercial tenants align with market rates.

7.7.2 WHAT ASSETS DO WE HAVE?

COMMUNITY PROPERTY

Asset GL	Asset Key	Address	Building Activity	Year Constructed	GFA(m2)
4055	217429	548 Main Road Stoke	Whanake Youth	1930	138
4055	373747	3 Halifax	Vacant	1933	
4055	370230 373800 375604	7-9 Paru Paru Rd	Citizens Advice Bureau	1960	
4055	373736	70 Beach Road Tahunanui	Nelson Surf Lifesaving	1950	44
4055.2	373166	Sovereign Street, Neale Park	Woodturners	1950	255
4055.7	217353	55 Muritai St	Tahunanui Community Centre	1974	290
4055	362839	70 Beach Road*	Tahunanui Beach Café		
4055	277173	1 Tantragee Road	Vacant		105
4055		11 Hastings Street (club house)	Nelson Youth - Rangatahi o Whakatū		

* Excludes the public toilets at rear, refer to Parks and Facilities Activity Management Plan

7.7.3 WHAT IS OUR COMMUNITY PROPERTY STRATEGY?

The properties were (and are) acquired through a variety of circumstances and channels. Most often, the actual buildings that are part of this group were not the reason for the strategic or planned purchase, they came with land that was strategically or purposely purchased, such as for the creation of a reserve.

Leasing buildings as Community Properties helps contribute to a healthy and active community and encourages social participation. Council's strategy is focused on community outcomes and the benefits the services provide for Whakatū Nelson.

Community properties are on Council parks or reserves and are required to be managed within the reserve setting. This imposes constraints on decisions about the use of the buildings and a requirement to ensure reserve land-use is met. The use of and development of the reserve is prioritised ahead of the use and development of the building. The building should complement the reserve and its activity including decisions about changing leases.

7.7.4 WHAT CONDITION ARE THE ASSETS IN?

All assets within this Focus Area achieved the technical LOS level required. Deferral rates leading into this AMP have been typically longer and more widespread than condition maintenance modelling would desire. Despite this, maintenance carried out will ensure that the condition grading above is anticipated to remain though the current annual plan and into year 1 of the LTP.

In response to external pressures on rating funding (e.g., flood recovery) Council has requested that across the property portfolio and across all asset management budgets that a zero increase in budgets is achieved. At the time of writing this request is being followed through and the consequence evaluated.

There is some uncertainty around LOS level impacts of this action. Zero budget increase will mean less maintenance is carried out and prolonged deferral will occur. This will be necessary to meet the demands of cost increases (such as living wage impacts). Community properties generally confidently achieved their condition grading, which places this group of assets in a stronger position to manage this situation than some other asset focus groups.

7.7.5 WHAT OBSTACLES AND VULNERABILITIES DO THE ASSETS HAVE?

Assets face obstacles that prevent them from performing well or economically. These obstacles are identified within this AMP as Key Issues. Section 2.6 covers all the assets in this portfolio and looks at key issues asset by asset. However, trends in key issues are important and the topic forms a substantial portion of councils asset management strategy. Refer to section 2.6 for overall portfolio perspective and response to key issues.

Overall, community properties are showing resilience to their key issues. Typically, external impacts are the prevalent vulnerability of this asset group. This includes factors such as earthquake prone compliance regulations, hazardous ground conditions, adjacent buildings causing detrimental effect; as well as the complexity and limitation of the Reserves ground use criteria on leasing and activity use. The result is a positive understanding that these assets maintenance management and investment is satisfying those in the community using the group of community buildings.

Key issues and trends across the focus groups translate to risk management when those key issues are identified as having potential to impact the services provided by those assets. Refer to Appendix J and K for risk data assessments across the whole asset portfolio, the table below provides the specific risk evaluation for this asset group.

Figure 62 - Focus Area Risk table

Risk Description	Group	Likelihood	Consequences	Existing Controls	Control Effectiveness	Risk Score	Current Risk Level	Response
All properties								
Damage from other building - earthquake collapse, fire	AMP Properties	Possible	Major	Earthquake legislation Fire protection	Moderate	10	H	Accept
Natural Hazards - Earthquake, tsunami, flood, fire	AMP Properties	Likely	Moderate	Meeting legislation controls Emergency evacuation controls Replacement insurance cover	Moderate	7	M	Accept
Asset is fit for demands of aging population	AMP Properties	Possible	Moderate	Continue upgrades to accessible standards	Moderate	5	M	Accept
Change in legislation leading to upgrade costs	AMP Properties	Possible	Moderate	Monitor	Deficient	10	H	Accept

Risk Description	Group	Likelihood	Consequences	Existing Controls	Control Effectiveness	Risk Score	Current Risk Level	Response
Community Property								
Assets do not meet customer needs in the most cost-effective manner	Community Properties	Likely	Moderate	None	Deficient	14	H	Reduce
Asbestos on location	Community Properties	Possible	Major	Maintain asbestos management plan. Inform contractors of Asbestos Management Plans.	Moderate	10	H	Accept

7.7.6 HOW ARE THE ASSETS MEETING COMMUNITY OUTCOMES?

Utilisation

Demand for subsidised Council owned community accommodation is ongoing. Groups may have been displaced or grown beyond their current accommodation or are a completely new activity. There are no planned changes to the activities operating from the current Community Properties in this AMP.

Before a community lease is granted, it is a requirement that Council considers the building's purpose, including the land use status (reserve) to ensure that they are fit for purpose. The constraints can be complex, requests from and potential tenants are often made by organisations or groups that do not meet the qualifications.

Of the nine community properties available seven are occupied. Vacant buildings have reasons why they cannot be used, often there is a health and safety issue. For example, 3 Halifax Street was served an earthquake prone notice and the building is unsafe. This asset is designated within Open Space Recreation: Rutherford Park (regional reserve) and by council resolution is for the use of supporting community arts. Refinery Artspace leased the building at the time of the earthquake prone notice delivery and had to vacate. This was intended as a temporary measure to allow Council plans to strengthen this building. These plans were progressed and building consent obtained. The plans were not able to be realised because the Refinery Artspace decided that it no longer wanted to return and no replacement occupant for the building has been identified.

Council is re-investigating community gaps (needs) and potential tenants who meet the criteria of the site and the community arts activity. Strengthening work is on hold until a suitable tenant can be confirmed. Strengthening work will require suitable fitout of the space to suit the activity, funding for the fitout has not been budgeted and remains a key issue to regain an occupied status for this asset.

7.7.7 WHAT LEVEL OF SERVICE DO THE ASSETS PROVIDE?

All assets are currently meeting required LOS levels. There is no change in the LOS for the period of this AMP. Budget reductions can be managed within this AMP; however, the assets will not be able to sustain this pattern long term. Detailed LOS are shown in the table below.

Figure 63 - Focus Area: Level of Service

Community Property			Performance Targets				Current performance	Notes on changes from 2021 AMP
Community Outcomes	Level of Service	Performance Target	Year 1	Year 2	Year 3	Year 4-10		
Our infrastructure is efficient, resilient, cost effective, and meets current and future needs. He pai te hanganga o nāianeī, o muri ake hoki	Fit for intended purpose and well maintained	Minimum average condition rating of Council Buildings as measured by 3 yearly condition assessments and annual maintenance contract	Grade 3	Grade 3	Grade 3	Grade 3	Achieved	No change
Refer technical LOS in <i>Figure 15</i>								

Operating costs

Operational costs of the activity are managed by the organisation leasing the properties. Remaining costs of asset management are managed by council.

Financial data and information is presented in Section 8.0 Financial Information and Reporting

Sustainability

Council actively seeks to take sustainable action relating to elements of the physical structure and assets compliance. Examples would be upgrading an existing buildings insulation or installing double glazing. These types of installation often improve the asset long term, and usually increase LOS short term.

Council supports investment into less tangible asset sustainability through initiatives carried out, or paid for, by the activity organisation. This would include items such as new heat pumps or solar panels. These types of installation frequently maintain or increase LOS short term. They have a direct benefit to the organisation (tenant), such as reduced power consumption. Lease agreements will frequently determine that the organisation pays for the upgrade, in which case Council performs a supporting role contributing resource and guidance rather than as purchaser of the products being used.

Whanake Youth building had new insulation installed as part of a re-roof project. Previously the roof was uninsulated. Energy readings for the organisation showed a consistent and long-term drop in power consumption through winter after the installation was completed.

Energy audits have been carried out on a number of community buildings and are being used to inform decisions for future maintenance and renewal work.

Community Outcomes and Iwi Māori outcomes



Council is committed to responsibilities under Te Tiriti o Waitangi and broader legal obligations to Māori. Council has a specific set of outcomes for Māori: Te Tauihu Strategies. Valuing Te Tauihu principles in community properties is important to Council. The strategy of Tangata (above) is recognised in the following actions:

- Community facilities provide places of inclusion and support for Māori.
- Community facilities include a range of activities that recognise the importance of Te Tauihutanga - individual and shared identity and belonging.

Each community asset is required to have a community lease when that building is occupied. The activities held in the building are the responsibility of the organisation running the activity. To place a community group or organisation in a council asset they must also meet the criteria for the use of the reserves land.

The Community Assistance Policy governs how Council sets rental rates. Leases are agreed using standard templates to ensure the general lease conditions are consistent. Some additional conditions have been made for some lease arrangements. Rent reviews are completed as per lease agreements.

As a landlord the Council is responsible for annual tenancy checks and monitoring safety aspects of the building. Tenants are generally responsible for the fit out of the interior and are requested to report general building maintenance issues to Council.

Community properties benefit the community organisation directly. They indirectly benefit the occupants, their families, support people, and local businesses. Council ensures that a number of the organisation's benefiting from community assets provide services with established and strong inclusive frameworks and that have capacity and knowledge to actively support Māori.

7.7.8 HOW ARE THE COMMUNITY PROPERTIES PERFORMING FINANCIALLY?

Financial data included in this section was extracted from council’s database on 24 October 2023.

Valuations

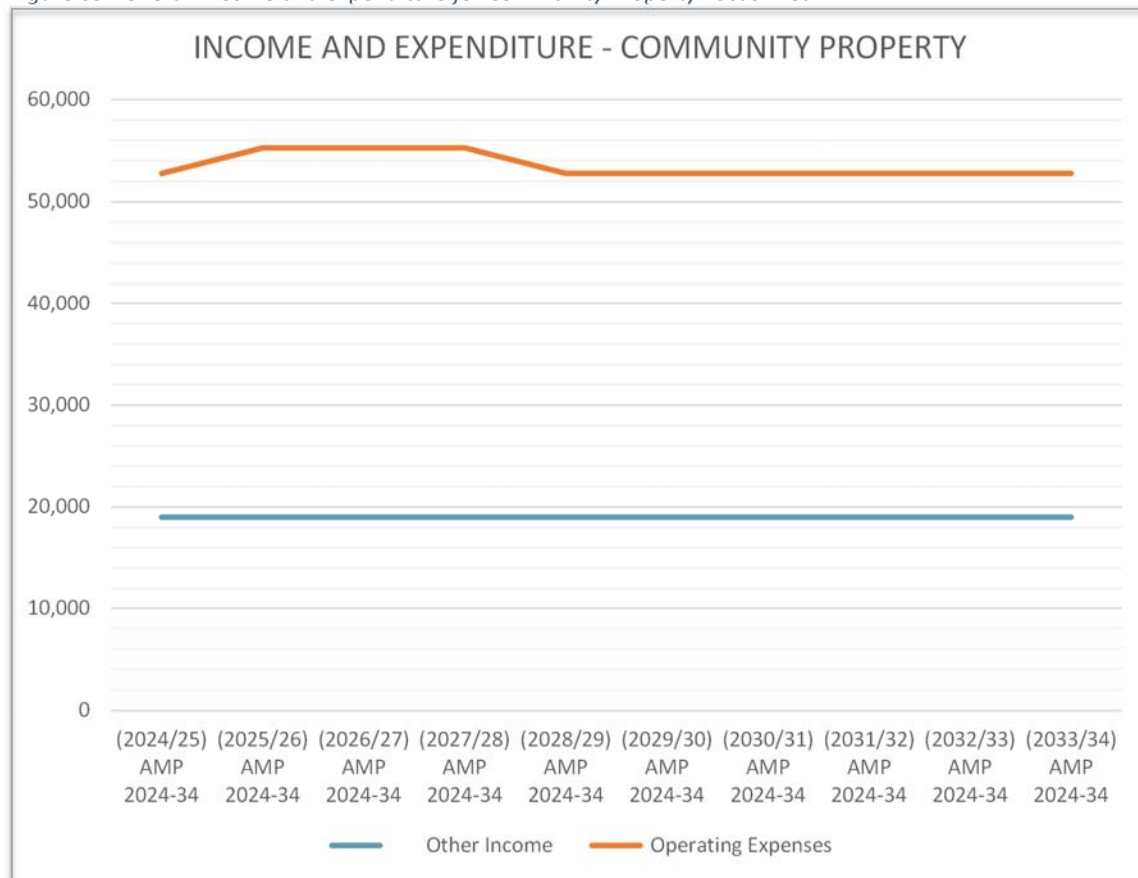
Asset valuations for all properties in the Property AMP are in Appendix G.

Asset renewal and increased capital growth

Figure 64 - Renewal

Asset	Renewal
548 Main Road Stoke	Underwent complete roof renewal completed July 2023
3 Halifax Street, Nelson	Earthquake prone strengthening on hold
7-9 Paru Paru Rd, Nelson	Potential building relocation
70 Beach Road Tahunanui – Nelson Surf Life Saving	Proposal under investigation (feasibility) to move the activity as part of Tahunanui sport hub development. LTP feasibility required.
70 Beach Road Tahunanui - Cafe	None
55 Muritai St, Tahunanui	None
50 Sovereign Street, Neale Park, Nelson	None
1 Tantragee Road	None

Figure 65 - Overall income and expenditure for Community Property Focus Area



Revenue discussion/funding policy

Rentals from Community Properties are in accordance with the Community Investment Policy which indicates rent for community properties should be set at 10% of market rates. Council undertakes rental reviews in accordance with the tenancy agreement and the policy.

7.7.9 WHAT DEMAND WILL THERE BE FOR COMMUNITY PROPERTIES IN THE FUTURE?

Demand for subsidised Council owned community accommodation is ongoing. Demand arises from groups that may have been displaced or grown beyond their current accommodation or are a completely new activity. Bookable community space is available in the Nellie Nightingale Library at Tahunanui, Melrose house in Nelson, Founders Park, and some community halls.

In the future the new Elma Turner Library may be able to offer bookable community space for social services and volunteer groups (although the scope is still to be confirmed).

8.0 FINANCIAL PLANNING AND REPORTING

This section contains the financial requirements that support this AMP and the activities it provides for. Life-cycle costing occurs through all phases of an asset's life. Operational expenses (OPEX), and capital expenses (CAPEX) such as asset renewals, are provided in detail below.

Financial data included in this section was extracted from council's database on 24 October 2023.

8.1 Priority Capital investment

Priority projects in the first years of this AMP include planning for and confirming the budget outcomes of the indicative business case for staff accommodation. Priority investment will also include determining budget outcomes for the Elma Turner library to address the end of life of that asset expected by 2032.

There is expected budget to address earthquake prone building compliance, firstly in 2027 for Anchor shipping in Haven Road (or alternatively disposal of this asset) and by 2032 for the NCC Electricity property on Wakefield Quay (or alternatively disposal/deconstruction of this asset).

Other CAPEX items that are smaller in scale but are also of financial significance to specifically mention in this AMP:

- a) Broadgreen house has long-term subsidence issues relating to ground impacts and foundation type, limited to but effecting an external supporting wall of the garden conservatory. There are no similar concerns for the main building which has different foundations. In July 2023 it was decided that rotational effects to the external walls were causing a level of concern and although the movement is slow (over many years) it was decided to close the conservatory for safety reasons. As this represents a reduced level of service this structure meets renewal criteria under the AMP management. Planning is underway to carry out repair including funding from the Broadgreen CAPEX budget specifically carried over from 2023/2024 financial year to help cover the costs of this work.
- b) Nellie Nightingale Library Memorial has had sequential condition assessments confirming sections of roof covered by membrane are end of life and are at high risk of leaking. To prevent damage to other structural elements and impacts on services it is planned to replace the roofing, this will be in new materials like for like. Budget is allowed for in the LTP.
- c) Stoke Library has had a temporary consent status on some parts of the building pending decisions around the future intentions for this asset. Decisions reflect customer demand levels that have been at peak capacity for many years, and consequently this asset's suitability has been in review. Subsequent AMP evaluation will take this into consideration, but as an interim plan the existing asset is going to have roof upgrade work to remove the temporary status of those components. This will gain time to plan and budget for a longer-term solution.

The following tables are graphical representations of expenditure within this AMP.

8.2 Life Cycle Summary: Key Renewals (Priority Capital Investment)

Figure 66 – Expenditure: Base expenditure, unprogrammed expenses, and programmed expenses across the LTP

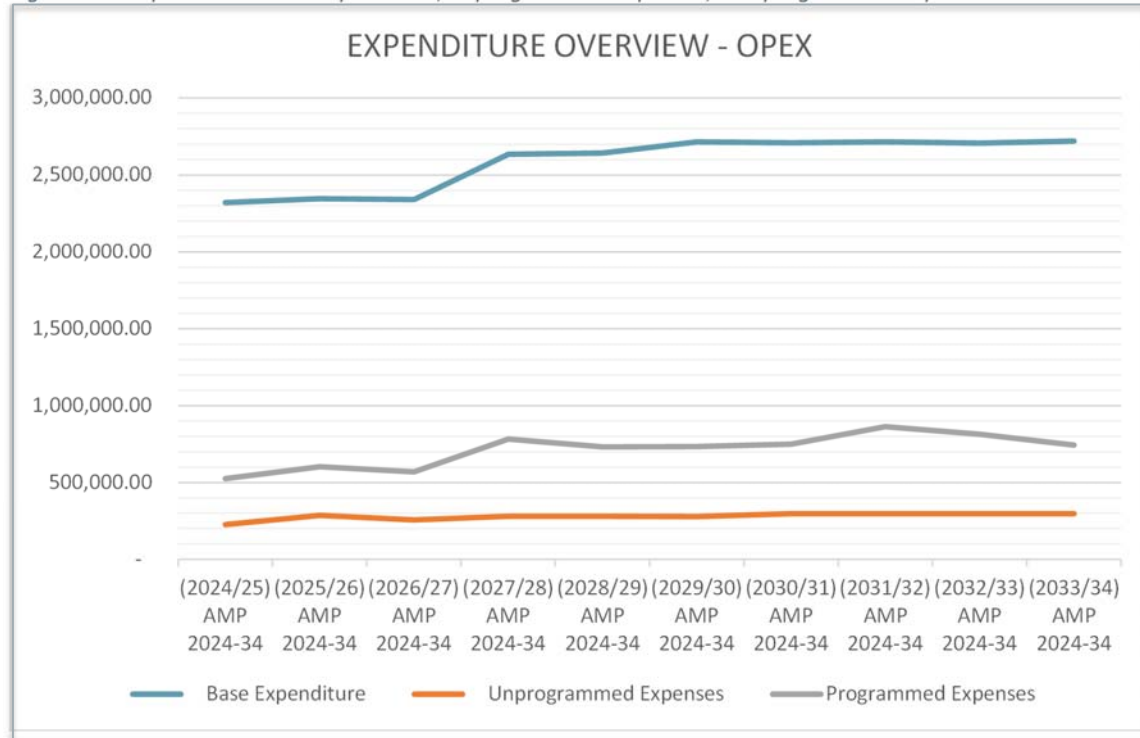
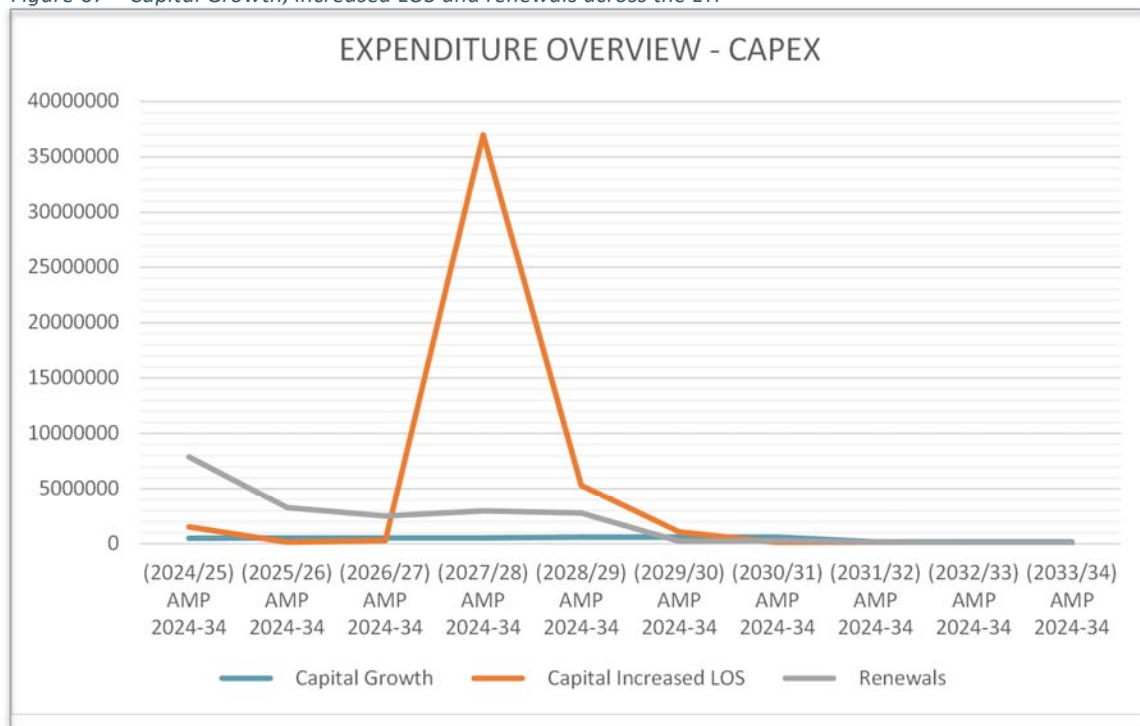


Figure 67 – Capital Growth, increased LOS and renewals across the LTP

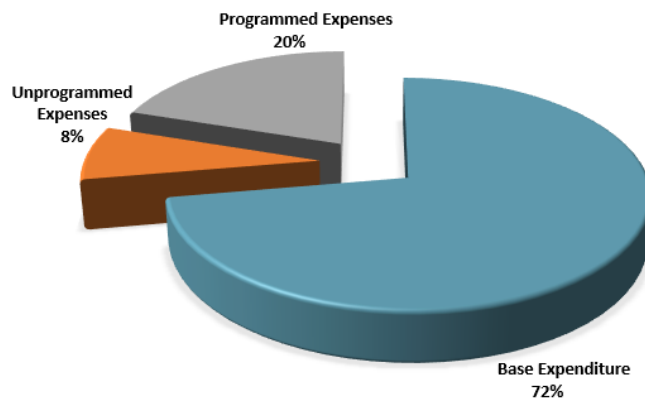


8.3 Life Cycle Summary: Operating Expenditure

Base expenditure accounts for nearly three quarters of the total expenditure. Base expenditure are costs that will be incurred every year, programmed expenditure is planned costs and programmed work, unprogrammed costs are reactive and unplanned in nature. Over the course of the LTP there is a desire for increased programmed maintenance and decreased unprogrammed maintenance.

The figure below shows that programmed maintenance costs are more than double unprogrammed maintenance costs. A small shift to programmed costs has occurred since the previous AMP, however, this trend will be fully confirmed by the next AMP in three years' time.

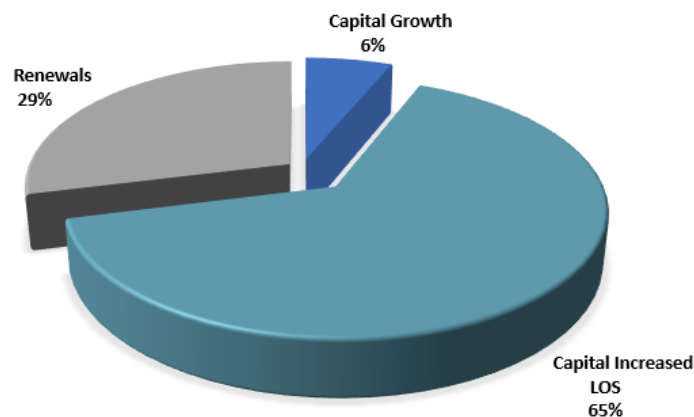
Figure 68 - Total operating expenditure over life of the AMP 2024-2034 (excludes staff costs, finance costs, depreciation)



8.4 Life Cycle Summary: Overall Capital Expenditure

The figure below shows the greater proportion of expenditure is for increased level of service. This represents projects that will increase the level of service above the current level provided. Renewals that support existing level of service will make up approximately one third of spending. Renewals involve replacing aging building elements with new, like for like or close to it. Capital growth, that is expenditure on new assets, is expected to be less than half what it was in the previous AMP.

Figure 69 - Total capital expenditure over life of AMP 2024-2034 (excludes staff costs)



The infrastructure reality is that only what is funded in the long-term financial plan can be provided. The Informed decision making depends on the AMP emphasising the consequences of planned budgets on the

service levels provided and risks. The following in table format shows the total expenditure by AMP group account:

Figure 70 - Total expenditure by account group across the LTP period*

Expenditure	% of Total AMP	AMP Total	AMP 2024-34 (2024/25)	AMP 2024-34 (2025/26)	AMP 2024-34 (2026/27)	AMP 2024-34 (2027/28)	AMP 2024-34 (2028/29)	AMP 2024-34 (2029/30)	AMP 2024-34 (2030/31)	AMP 2024-34 (2031/32)	AMP 2024-34 (2032/33)	AMP 2024-34 (2033/34)
Income		(25,545,636.01)	(2,614,897.52)	(2,593,316.06)	(2,536,199.00)	(2,544,102.25)	(2,541,603.53)	(2,544,103.53)	(2,541,603.53)	(2,544,103.53)	(2,541,603.53)	(2,544,103.53)
Other Income		(25,545,636.01)	(2,614,897.52)	(2,593,316.06)	(2,536,199.00)	(2,544,102.25)	(2,541,603.53)	(2,544,103.53)	(2,541,603.53)	(2,544,103.53)	(2,541,603.53)	(2,544,103.53)
Expenses (excl Staff, finance & depreciation)		35,751,517.42	3,072,981.76	3,234,948.69	3,105,524.59	3,696,358.15	3,653,242.18	3,725,501.88	3,752,747.28	3,873,665.28	3,816,665.28	3,759,882.33
Base Expenditure	72%	25,852,359.30	2,322,053.42	2,346,622.09	2,341,865.09	2,634,379.85	2,643,397.90	2,714,397.90	2,708,168.00	2,714,586.00	2,706,586.00	2,720,303.05
Unprogrammed Expenses	8%	2,778,284.64	225,005.42	284,525.42	254,525.42	278,403.28	278,402.85	276,030.85	295,347.85	295,347.85	295,347.85	295,347.85
Programmed Expenses	20%	7,120,873.48	525,922.92	603,801.18	569,134.08	783,575.02	731,441.43	735,073.13	749,231.43	863,731.43	814,731.43	744,231.43
Capital Expenditure (excl staff costs)		70,133,388.10	9,940,018.63	3,927,240.34	3,324,214.37	40,488,242.16	8,690,336.86	1,885,842.46	977,673.46	324,598.14	287,610.84	287,610.84
Capital Growth	6%	4,376,257.47	509,493.81	523,323.04	519,653.26	519,653.26	600,662.25	600,662.25	600,662.25	167,382.45	167,382.45	167,382.45
Capital Investment LGR	65%	45,485,485.69	1,536,789.74	131,393.23	286,566.19	36,385,877.24	5,306,003.19	1,069,300.19	110,371.19	19,729.24	19,729.24	19,729.24
Penalties	29%	20,271,641.94	7,893,735.08	3,272,524.07	2,517,994.92	2,982,711.66	2,783,671.42	215,880.02	266,640.02	137,486.45	100,499.13	100,499.13

* Date of data extraction: 24 October 2023

The full and total expenditure for each asset across the AMP period, in table format, is in Appendix L.

8.5 Funding Strategy

The proposed funding for assets is outlined in Councils budget and LTP and through our funding strategy outlined in council's Revenue and Financing Policy.

The financial strategy of Council determines how funding will be provided, whereas the AMP communicates how and when this will be spent, along with the service and risk consequences of various service alternatives.

The degree to which Council is willing to fund activities is based on several principles as follows:

Figure 71 - Funding Principles

Funder	Criteria
Beneficiary Pays	Those that directly benefit should pay the larger degree
Public Good	Where there is overall public benefit Council should pay to a greater degree
Intergenerational Equity	Council should recover costs of the provision of services from the generation that receives the benefit of each service or activity
Exacerbator Pays	Where costs are incurred due to the negative effects of peoples or organisations actions (or inaction) then these people or organisations should pay

8.6 Revenue and Financing Policy

The degree of funding Council provides for community facility assets is dependent upon the public benefits that accrue from the use of the facilities for example health, well-being, environmental benefits, and it takes into account the complexity, cost difficulty of charging users. The activities covered by this plan are funded as follows:

Figure 72 - Financing and Revenue Policy 2024-2034

Activity	Funding Policy
Libraries	Libraries 0-10% users
Heritage properties: Isel House, Melrose House, Broadgreen House Founders Heritage Park	Arts and Heritage 0-20% users Founders 20-40% users
Community Properties	Community Properties 0-20% users

Activity	Funding Policy
Civic House	Corporate 100% Council
Strategic Properties	Investment management 100% grants and other revenue e.g. commercial leases

Council's Revenue and Financing Policy 2024-34 review is complete. These figures are the proposed figures following Council's public consultation. The policy has been updated to the 2024-2034 version for inclusion in the Long Term Plan 2024-34.

Capital expenditure is funded by way of loan with Council's treasury management policy providing clear overall debt/rates ratio limits.

Revenue

Rates are the primary source of funds for Council to provide facilities for the community. There are other sources of revenue such as rents, concessions, user charges, grants, donations and other sundry income.

Council assesses what alternative funding streams are available in relation to project developments to reduce the costs to ratepayers for new facilities. Options for alternative sources such as regional development opportunities and grants change overtime. Council actively seeks up to date information on what is available.

Non-Revenue Contributions

Clubs and organisations contribute a significant amount of time and resources to sport and recreation facilities, including financial contributions for projects. The value of this work is often under-estimated.

8.7 Valuation Information

8.7.1 Asset valuations

Asset valuations are provided in Appendix G.

Additional assets will generally add to the operations and maintenance needs in the longer term. Additional assets will also require additional costs due to future renewals. Any additional assets will also add to future depreciation forecasts.

8.8 Key Assumptions Made in Financial Forecasts

In compiling this AMP, it was necessary to make some assumptions. This section details the key assumptions made in the development of this AMP and should provide an understanding of the level of confidence in the data behind the financial forecasts.

Key assumptions made in this AMP are:

- Outcomes of the indicative business case for a community hub and library plus staff accommodation will meet council resources
- Planning for earthquake prone buildings will resolve in cost neutral solutions relating to lease pay-back framework/agreements

8.9 Forecast Reliability and Confidence

The forecast costs, proposed budgets, and valuation projections in this AMP are based on the best available data. For effective asset and financial management, it is critical that the information is current and accurate.

Based on International Infrastructure Management Manual (IIMM) the overall data confidence for this AMP is no less than level C (medium). Improvement areas are identified, and some areas are also performing better. The IIMM classification scale is as follows:

Figure 73 - Data Confidence Grading System

Confidence Grade	Description
A. Very High	Data based on sound records, procedures, investigations and analysis, documented properly and agreed as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$
B. High	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$
C. Medium	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated $\pm 25\%$
D. Low	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete, and most data is estimated or extrapolated. Accuracy $\pm 40\%$
E. Very Low	None or very little data held

9.0 PLAN IMPROVEMENT AND MONITORING

9.1 Status of Asset Management Practices

This AMP utilises accounting and financial data. The source of the data is Council's MagiQ Cloud database.

9.2 Asset Management Improvement Plan

Through the development of this AMP the next steps to improvement are:

Figure 74 - Asset Management Improvement Plan

Area of Practice	Improvement strategy	Priority 1 - 3	Resources	Status
Strategic Direction	Policy development			
	<ul style="list-style-type: none"> Asset renewal is based on a 'staff judgment' model drawn from condition assessment review. Although this is a valid process, it has built in risk of omission and/or surprise. It is a high resource process. This could be improved by implementing a secondary evaluation, based on standardised component life expectancy modelling, that would prompt and monitor anticipated renewals. The strategy is to improve financial forecasting and reduce unprogrammed maintenance costs. This improvement relies on implementing other improvements listed under information management and cannot be effective without that support. Develop a property acquisition strategy. <ul style="list-style-type: none"> Current purchase activity is reactive/responsive and opportunistic, for correct asset management acquisition must be based on councils' ability to assess the potential against a sound financial understanding of future costs and resource capacity. Develop controls that predetermine and direct asset ownership & balance aligned with strategic goals, and supported by a systematic approach. <p>Improve future demand forecast modelling to assist with longer-term certainty and budget control</p>	2	Staff hours	Identified
Level of Service	Asset performance and condition monitoring			
	<ul style="list-style-type: none"> Develop a planned approach to Earthquake Prone Building (EPB) strengthening. The identified obstacle is the future building use and Council reluctance to undertake EPB strengthening unless the asset has an identified community outcomes Improve stakeholder maintenance management This issue affects assets with shared management. Internal (tenant) and external (council) maintenance programmes need to align. Sequence programme 	1 3	Staff hours	

	<p>work schedules where there is an advantage to the level of service, building function, or cost savings e.g. window cleaning inside and out to be done at same time.</p> <ul style="list-style-type: none"> • Currently lease agreements are relied on for maintenance establishment and give direction to tenants regarding internal maintenance. Leases therefore control internal condition levels and when repair is a requirement. Council must develop specific schedules, as lease attachments, that outline standards and expectations and clearly document the tenants' responsibilities, work frequency, inspection and reporting requirements. These schedules should be reviewed against each asset and the type of tenancy to adequately remove confusion and clarify scope. • Due to imposed prolonged renewal deferral and maintenance schedule reductions, identify and extract this information for monitoring purposes 	2		
Forecasting and Future demand	Develop a renewal programme			
	<ul style="list-style-type: none"> • Due to prolonged renewal deferral and maintenance schedule reductions, imposed by prudent budget control, identify and extract impact information for monitoring purposes (linkages to condition assessment monitoring) 	2		
Resources	Information management			
	<ul style="list-style-type: none"> • Identify and plan for data management system. 	1	Budget Staff hours	
External Impacts				
	<ul style="list-style-type: none"> • Climate Change Track and measure climate change improvements, use the tracking to set advances on current practices • Cultural competency Meet council wide goals to increase cultural competency with whole team meeting minimum or better levels • Te Tiriti o Waitangi and Iwi Environmental Management Plans Increase visibility through next AMP cycle through Councils review of Asset Management Policy due in 2024/25 	2 2 3	Budget Staff hours	

9.3 Monitoring and Review Procedures

This AMP will be reviewed during the annual budget planning process and revised to show any material changes in service levels, risks, forecast costs and proposed budgets as a result of budget decisions.

As part of Council's annual plan process the AMP will be reviewed and updated annually to ensure it represents the current service level, asset values, forecast operations, maintenance, renewals, acquisition and asset disposal costs and planned budgets. These forecast costs and proposed budget are incorporated into the Long-Term Financial Plan or will be incorporated into the Long-Term Financial Plan once completed.

This AMP has a maximum life of 3 years and is due for complete revision and updating by 2027.

9.4 Performance Measures

The effectiveness of this AMP can be measured in the following ways:

- The degree to which the required forecast costs identified in this AMP are incorporated into the long-term financial plan
- The degree to which the 1-5 year detailed works programs and budgets reflect trends provided by the AMP
- The degree to which the existing and projected service levels and service consequences, risks and residual risks are incorporated into the Strategic Planning documents and associated plans,

9.5 Monitoring and Asset Improvement

Our goal for managing infrastructure assets is to meet the defined level of service (as amended from time to time) in the most cost effective manner for present and future. The key elements of infrastructure asset management are:

- Providing a defined level of service and monitoring performance
- Managing the impact of growth through demand management and asset expenditure
- Taking a lifecycle approach to developing cost-effective management strategies for the long-term that meet the defined level of service
- Identifying, assessing and appropriately controlling risks, and
- Linking to a LTP which identifies required affordable forecast costs and how these will be allocated

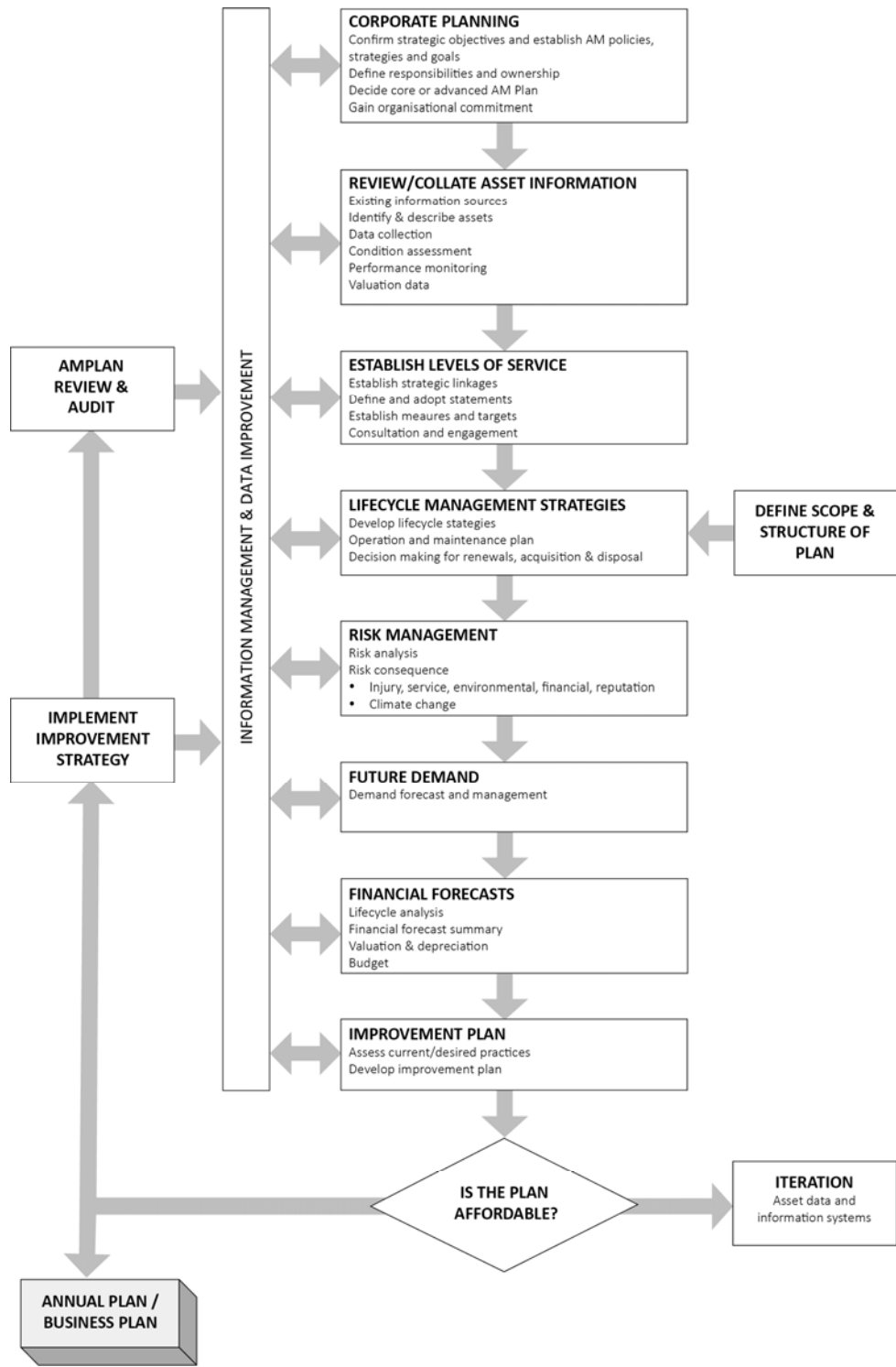
Key elements of the planning framework are:

- Levels of service – specifies the services and levels of service to be provided,
- Risk Management,
- Future demand – how this will impact on future service delivery and how this is to be met,
- Lifecycle management – how to manage its existing and future assets to provide defined levels of service,
- Financial summary – what funds are required to provide the defined services,
- Asset management practices – how we manage provision of the services,
- Monitoring – how the plan will be monitored to ensure objectives are met,
- Asset management improvement plan – how we increase asset management maturity.

Other references to the benefits, fundamentals principles and objectives of asset management are:

- International Infrastructure Management Manual 2015 and ISO 55000, outlined in the following figure:

Figure 75 - Road Map for preparing an Asset Management Plan



Source: IPWEA, 2006, IIMM, Fig 1.5.1, p 1.11

10.0 REFERENCES

- IPWEA, 2015, 3rd edn., 'International Infrastructure Management Manual', Institute of Public Works Engineering Australasia, Sydney, www.ipwea.org/IIMM
- ICOMOS NZ (NZ National Committee of the International Council on Monuments and Sites) Charter 2010: for the conservation of places of cultural heritage from https://www.icomos.org/images/DOCUMENTS/Charters/ICOMOS_NZ_Charter_2010_FINAL_11_Oct_2010.pdf
- ISO, 2014, ISO 55000:2014, Overview, principles, and terminology
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- Nelson City Council, *Long Term Plan 2021 – 2031* from <https://www.nelson.govt.nz/assets/Our-council/Images/plans-strategies-policies/long-term-plans/ltp-2021-31/Long-Term-Plan-2021-31-FINAL-FOR-WEB-04-August-2021-updated23March22.pdf>
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GLOSSARY OF TERMS

Term	Definition or meaning
Activity	The work that is undertaken in relation to an asset or group of assets to achieve the desired outcome.
Advanced Asset Management	Asset management employs predictive modelling, risk management, and optimised renewal decision-making techniques to establish asset life cycle treatment options and related long term cashflow predictions. (See Basic Asset Management)
Annual Plan	The Annual Plan provides a statement of the direction of Council and ensures consistency and co-ordination in both making policies and decisions concerning the use of Council resources. It is a reference document for monitoring and measuring performance for the community as well as the Council itself.
Annual Report	The audited report published annually (by 30 November) provides information on how the Local Authority has performed concerning its policies, objectives, activities, targets, budgets, and funding proposals.
Asset	A physical facility of value which enables services to be provided and has an economic life greater than 12 months.
Asset Management	The combination of asset management, financial, economic, and engineering and other practices applied to physical assets providing the required level of service in the most cost-effective manner.
Activity Management Plan	A plan developed for the management of one or more assets that combines multi-disciplinary management techniques (including technical and financial) over the lifecycle of the asset in the most cost-effective manner to provide a specified level of service. A significant component of the plan is a long term cash flow projection for the activities.
Asset Management Strategy	A strategy for asset management covering the development and implementation of plans and programmes for asset creation, operation, maintenance, renewal, disposal, and performance monitoring to ensure that the desired levels of service and other operational objectives are achieved at optimum cost.
Asset Management System	A system (usually computerised) for collecting, analysing, and reporting data on the utilisation, performance, life cycle management, and funding of existing assets.
Asset Management Team	The team is appointed by an organisation to review and monitor the corporate asset management improvement programme and ensure the development of integrated asset management systems and plans consistent with organisational goals and objectives.
Asset Register	A record of asset information considered worthy of separate identification including inventory, historical, financial, condition, construction, technical, and financial information about each.
Benefit Cost Ratio (B/C)	The sum of the present values of all benefits (including residual value, if any) over a specified period, or the life cycle of the asset or facility, divided by the sum of the present value of all costs.
Building Warrant of Fitness (BWF)	A BWF is a statement supplied by a building owner confirming that the systems in the compliance schedule for the building have been maintained and checked following the compliance schedule for the previous 12 months and that they will continue to perform as required.
Business Plan	A plan produced by an organisation (or business units within it) which translates the objectives contained in an Annual Plan into detailed work plans for a particular, or range of, business activities. Activities may include marketing, development, operations, management, personnel, technology, and financial planning.

Term	Definition or meaning
Cash Flow	The stream of costs and/or benefits over time resulting from a project investment or ownership of an asset.
Components	Specific parts of an asset having independent physical or functional identity and having specific attributes such as different life expectancy, maintenance regimes, risk, or criticality.
Condition	Continuous or periodic inspection, assessment, measurement, and interpretation of resulting data, to indicate the condition of a specific component so as to determine the need for some preventive or remedial action.
Consequence	The outcome of an event expressed qualitatively or quantitatively, being a loss, injury, disadvantage, or gain. There may be a range of possible outcomes associated with an event.
Critical Assets	An asset where failure would have significant consequences, either in the ability of the system to provide service to customers or the effect on the environment.
Current Replacement Cost	The cost of replacing the service potential of an existing asset, by reference to some measure of capacity, with an appropriate modern equivalent asset.
Deferred Maintenance	The shortfall in rehabilitation work is required to maintain the service potential of an asset.
Demand Management	The active intervention in the market to influence demand for services and assets with forecast consequences, usually to avoid or defer CAPEX expenditure. Demand management is based on the notion that as needs are satisfied expectations rise automatically and almost every action taken to satisfy demand will stimulate further demand.
Depreciated Replacement Cost (DRC)	The replacement cost of an existing asset after deducting an allowance for wear or consumption to reflect the remaining economic life of the existing asset.
Depreciation	The wearing out, consumption, or other loss of value of an asset whether arising from use, passing of time, or obsolescence through technology and market changes. It is accounted for by the allocation of the historical cost (or revalued amount) of the asset less its residual value over its useful life.
Economic Life	The period from the acquisition of the asset to the time when the asset, while physically able to provide a service, ceases to be the lowest cost alternative to satisfy a particular level of service. The economic life is at the maximum when equal to physical life however obsolescence will often ensure that the economic life is less than the physical life.
Facility	A complex comprising many assets (e.g. a recreation complex.) which represents a single management unit for financial, operational, maintenance, or other purposes.
Frequency	A measure of the rate of occurrence of an event is expressed as the number of occurrences of an event in a given time.
Geographic Information System (GIS)	Software which provides a means of spatially viewing, searching, manipulating, and analysing an electronic database.
Graphical User Interface (GUI)	A particular case of a user interface for interacting with a computer which employs graphical images in addition to text to represent the information and actions available to the user.

Term	Definition or meaning
Information Management System (IMS)	Hansen IMS software — Asset Management software product purchased as a result of PAMS project. Council's current system is referred to as Infor.
Infrastructure Assets	Stationary systems forming a network and serving whole communities, where the system as a whole is intended to be maintained indefinitely at a particular level of service potential by the continuing replacement and refurbishment of its components. The network may include normally recognised 'ordinary' assets as components.
Level of Service (LOS)	The defined quality of service for a particular activity or service area against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability, and cost. LOS are differentiated by technical aspects (e.g., compliance and physical condition) and how the customer receives the service.
Life	A measure of the anticipated life of an asset or component such as time, number of cycles, distance intervals, etc.
Lifecycle Cost	The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation, and disposal costs.
Maintenance	All actions necessary for retaining an asset as near as practicable to its original condition, excluding rehabilitation or renewal.
Maintenance Plan	Collated information, policies, and procedures for the optimum maintenance of an asset, or group of assets.
Maintenance Standards	The standards set for the maintenance service, usually contained in preventive maintenance schedules, operation and maintenance manuals, codes of practice, estimating criteria, statutory regulations, and mandatory requirements, following maintenance quality objectives.
Multi-Criteria Analysis	Analysis technique that takes a range of criteria into account which is both qualitative and quantitative and reflect the social, cultural, economic, and environmental characteristic of the project outcomes.
Operation	The active process of utilising an asset which will consume resources such as manpower, energy, chemicals, and materials. Operation costs are part of the life cycle costs of an asset.
Operations & Maintenance Expenditure	The cost of operating and maintaining assets. Operations and Maintenance Strategies expenditure does not alter the value of an asset and is not included in the asset valuation.
Objective	An objective is a general statement of intention relating to a specific output or activity. They are generally longer-term aims and are not necessarily outcomes that managers can control.
ODRC - Optimised Depreciated Replacement Cost	The Optimised Replacement Cost after deducting an allowance for usage to reflect the remaining life of the asset.
Optimised Renewal Decision Making	An optimisation process for considering and prioritising all options to rectify the performance failures of assets. The process encompasses Net Present Value analysis and risk assessment.

Term	Definition or meaning
Optimised Replacement Cost	The minimum cost of replacing an existing asset by another asset offering the same utility most efficiently. The optimisation process adjusts the value for technical and functional obsolescence, surplus assets, or over-design.
Outcome	The result for the community which Council hopes to achieve.
Output	Services, activities, or goods produced by Council contribute to achieving an outcome.
Performance Measure	A qualitative or quantitative measure of a service or activity is used to compare actual performance against a standard or other target. Performance indicators commonly relate to statutory limits, safety, responsiveness, cost, comfort, asset performance, reliability, efficiency, environmental protection, and customer satisfaction.
Performance Monitoring	Continuous or periodic quantitative and qualitative assessments of the actual performance compared with specific objectives, targets, or standards.
Rehabilitation	Works to rebuild or replace parts or components of an asset, to restore it to a required functional condition and extend its life, which may incorporate some modification. Generally involves repairing the asset using available techniques and standards to deliver its original level of service (i.e. re-lagging pipework.) without resorting to significant upgrading or replacement.
Renewal	Works to upgrade, refurbish, rehabilitate, or replace existing facilities with facilities of equivalent capacity or performance capability.
Renewal Accounting	A method of infrastructure asset accounting which recognises that infrastructure assets are maintained at an agreed service level through regular planned maintenance, rehabilitation, and renewal programmes contained in an asset management plan. The system as a whole is maintained in perpetuity and therefore does not need to be depreciated. The relevant rehabilitation and renewal costs are treated as operational rather than capital expenditure and any loss in service potential is recognised as deferred maintenance.
Repair	Action to restore an item to its previous condition after failure or damage.
Replacement	The complete replacement of an asset that has reached the end of its life, to provide a similar, or agreed on alternative, level of service.
Risk	The chance of something happening that will have an impact upon objectives. It is measured in terms of consequences and the likelihood of a particular risk.
Risk Assessment	The overall process of risk analysis and risk evaluation.
Risk Management	Risk Management is the systematic application of management policies, procedures, and practices to the tasks of identifying, analysing, evaluating, and monitoring those risks that could prevent a Local Authority from achieving its strategic or operational objectives or Plans or from complying with its legal obligations.
Routine Maintenance	Day to day operational activities to keep the asset operating (replacement of light bulbs, cleaning of drains, repairing leaks, etc.) and which form part of the annual operating budget, including preventative maintenance.
Service Potential	The total future service capacity of an asset. It is normally determined by reference to the operating capacity and economic life of an asset.

Term	Definition or meaning
Strategic Plan	Strategic planning involves making decisions about the long-term goals and strategies of an organisation. Strategic plans have a strong external focus, cover major portions of the organisation, and identify major targets, actions, and resource allocations relating to the long-term survival, value, and growth of the organisation.
Te Taihu Intergenerational Strategy	“The Te Taihu Intergenerational Strategy (the Strategy) is a new approach to regional development from Mohua (Golden Bay) in the west to Kapara Te Hau (Lake Grassmere) in the east. It has a life span not of years, but of generations.”
Te Taihu	Top of the South Island region
Unprogrammed (unplanned) Maintenance	Corrective work required in the short term to restore an asset to working conditions so it can continue to deliver the required service or to maintain its level of security and integrity.
Upgrading	The replacement of an asset or addition/ replacement of an asset component which materially improves the original service potential of the asset.
Valuation	Estimated asset value which may depend on the purpose for which the valuation is required, i.e. replacement value for determining maintenance levels or market value for life cycle costing.
Waka	Canoe
Te Waka a Māui	South Island of New Zealand

11.0 APPENDICES

APPENDIX A: ASSET PORTFOLIO BY FOCUS AREA (ACTIVITY)

LIBRARIES

Asset Number	Asset Key	Address	Building Activity	Year Constructed	GFA(m2)
4005.1	217309	27 Halifax Street	Elma Turner Library	1956 1989	2402
4010.1	217406	35 Putaitai Street, Stoke	Stoke Library*	1994	364
4015.1	217329	2 Bisley Walk	Tahunanui Nightingale Library	1978	256

* Excludes external toilet block, refer to Parks and Facilities Activity Management Plan

HERITAGE PROPERTY*

Asset Number	Asset Key	Address	Building Activity	Year Constructed	GFA(m2)
3810.1	217415	16 Hilliard Street	Isel House and dry store	1880	478 + 21
3810		16 Hillard Street	Isel Cool Store		21
3811.1	217347	26 Brougham Street	Melrose House	1876	483
3811.2	277140	26 Brougham Street	Melrose garage	1880	27
3812.1	217395	276 Nayland Road	Broadgreen House	1885	370

* Properties with Heritage New Zealand Pouhere Taonga (HNZPT) category status and NRMP Group A or B status

MUSEUMS

Asset Number	Asset Key	Address	Building Activity	Year Constructed	GFA(m2)
3820	Varies	Atawhai Drive	Founders Park*	varies	

*Founders is considered a living museum and heritage park

CORPORATE PROPERTY

Asset Number	Asset Key	Address	Building Activity	Year Constructed	GFA(m2)
1504.1	373727	110 Trafalgar Street	Civic House / Tower Block	1983	5600
1504.2	373729	120 Trafalgar Street	Chambers (PO Savings Bank)	1964	1423

TRANSPORT PROPERTY

Asset Number	Asset Key	Address	Building Activity	Year Constructed	GFA(m2)
5511		75-81 Trafalgar Street	Millers Acre (north) Millers Acre (south)	2005 2005	1037 820

STRATEGIC PROPERTY

Asset Number	Asset Key	Address	Building Activity	Year Constructed	GFA(m2)
3532.18		300 Wakefield Quay	Vacant	1923 1937 1976	829 (footprint)
1514.5		258 & 262 Wakefield Quay	Vacant	1929	
1514.3		236 Haven Road	Menzshed	1980	1525
1514.4		250 Haven Road	Vacant	1965	516
1530.7		101 Achilles Avenue	Four Seasons	1960	709
1530.6		81 Achilles Avenue	Community Artworks	1980	490
1514.1		42 Rutherford St	Zumo Café	1964	

1514		25-27 Bridge Street	Ebus/Council accommodation	2004	
1514		23 Halifax	Vacant		
1514		41 Halifax Street	Vacant		
1514		Neale Park/Atawhai Drive	Nelmac Nursery: shade structure, sheds, office		
1514		19 Halifax Street	AWF	1973	104
4055.6	217285	1 Kinzett Terrace	Leased	1999	290

COMMUNITY PROPERTY

Asset Number	Asset Key	Address	Building Activity	Year Constructed	GFA(m2)
4055	217429	548 Main Road Stoke	Whanake Youth	1930	138
4055.1	373747	3 Halifax	Vacant	1933	
3590.15	370230 373800 375604	7-9 Paru Paru Rd	Citizens Advice Bureau	1960	
3590.10	373736	70 Beach Road Tahunanui	Nelson Surf Lifesaving	1950	44
4055.2	373166	Neale Park	Woodturners	1950	255
4055.7	217353	55 Muritai St	Tahunanui Community Centre	1974	290
4055	362839	70 Beach Road*	Tahunanui Beach Café		
4055	277173	1 Tantragee Road	Vacant		105
4055.3		11 Hastings Street (club house)	Nelson Youth - Rangatahi o Whakatū	1950	

* Excludes the public toilets at rear, refer to Parks and Facilities Activity Management Plan











STRATEGIC RESIDENTIAL PROPERTIES

Asset Number	Asset Key	Address	Building Activity	Year Constructed	GFA(m2)
5030.3		92 Beatson Road			
5030.2		213 St Vincent Street			

Property AMP total number of buildings	36
Property AMP total estimate replacement cost	\$ 121,681,193.00

APPENDIX B: ASSET PHOTOS BY FOCUS AREA

The following is representative of the asset portfolio:

Libraries		
		
27 Halifax Street	35 Putaitai Street, Stoke	2 Bisley Walk
Heritage Houses		
		
16 Hilliard Street	26 Brougham Street	276 Nayland Road
Founders Heritage Park		
		
87 Atawhai Drive		
Corporate		
		
110 Trafalgar Street	120 Trafalgar Street	
Transport		
		
75-81 Trafalgar Street		

Strategic



300 Wakefield Quay



250 Haven Road



236 Haven Road



81 Achilles Avenue



101 Achilles Avenue



42 Rutherford Street



19 Halifax Street



258-262 Wakefield Quay

Community Property



3 Halifax Street



7-9 Paru Paru Road



1 Kinzett Terrace



70 Beach Road - NSLS



1 Tanragee Road



70 Beach Road – Café



Sovereign Street Neale Park



55 Muritai Street



548 Main Road Stoke

APPENDIX C: ASSETS COVERED BY THIS AMP THAT ARE EARTHQUAKE PRONE

Asset	EPB NBS%*	Other considerations	Remediate by	Strengthening Budgeted in LTP
258 Wakefield Quay Anchor Shipping	22% NBS	Heritage Building <ul style="list-style-type: none"> Group B Cat. 2 	2027	Yes
300 Wakefield Quay NCC Electricity Building	30% NBS	Heritage Building <ul style="list-style-type: none"> Group B + Mural Building footprint partially in Coastal Marine Area Site complexity will require strengthening work to begin immediately in next LTP Significant degradation of no-earthquake prone elements 	2034	No
3 Halifax Street Nelson Tobacco Company	15% NBS		2032	Yes
110 Trafalgar Street Civic House	20% NBS	Age of non-earthquake prone elements is the time driver	2034 for priority seismic work, remainder 2047	No**

*NBS% = New Building Standard, a measurement tool & comparison of the building performance against a new building by current standard

** At time of writing the indicative business case is underway. EPB budget has not been allowed for on advice that the recommendations should be awaited. The business case is likely to include options which may not involve EPB strengthening, examples would be disposal or deconstruction, both of which are possible but equally may not be the findings of the indicative business case. With this uncertainty council has anticipated need to allow budget for Civic house in general but has chosen not to allocate anything to addressing the EPB work in the LTP.

APPENDIX D: ASSET CONDITION, GRADING & PHYSICAL WORKS IDENTIFICATION

Asset Condition

Council makes sure assets are maintained to appropriate condition. This is achieved by:

- a) An agreed condition level to maintain an asset at
- b) A programme of condition assessments
- c) Additional assessment strategies, where identified
- d) A regular programme of inspections (Maintenance Management Planning)
- e) Data collection/management

This assists Council to:

- a) Manage risks when an asset has failed
- b) Monitor depreciation/performance of an asset
- c) Understand where the asset is in its lifecycle
- d) Determine the risk of failure of an asset
- e) Predict future expenditure requirements

Condition Grading

- a) The grading level is agreed to through the Property Activity Plan Levels of Service
- b) Council uses the IIMM condition grading model.

The table below shows the grading model used to assess all property and facilities assets.

GRADE	CONDITION	DEFINITION DESCRIPTION
<i>Based on IIMM condition grading model Tables 2.4.5.1-8</i>		
Grade 0	Non-existent	Asset absent or no longer exists
Grade 1	Excellent	Asset in very good physical condition <ul style="list-style-type: none"> • Asset is sound, safe, and secure • Asset is recently new or of modern standard • No maintenance required
Grade 2	Good	Asset in acceptable physical condition <ul style="list-style-type: none"> • Minimal short-term failure risk but potential for deterioration • Building is being maintained • Minor work (normal wear and tear), if any, required
Grade 3	Fair	Asset in fair to moderate condition <ul style="list-style-type: none"> • Maintenance is required to return to accepted level of service, but asset is still serviceable • Functionally sound, appearance affected e.g. peeling paint, staining, overgrowth • Significant deterioration is evident and likely to continue e.g. decay • Maintenance work required to prevent failure
Grade 4	Poor	Asset in poor condition <ul style="list-style-type: none"> • Failure likely in near future • Asset barely serviceable and having difficulty functioning e.g. leaking, rising damp or mould, rot, building not secure • Structural integrity affected • Immediate maintenance work required, and or consider renewal
Grade 5	Very Poor	Asset in very poor condition <ul style="list-style-type: none"> • Approaching unserviceable or unserviceable • Safety risk or potential for risk

		<ul style="list-style-type: none"> Failed or failure immanent Replacement or renewal needed
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Asset grading translates as an indication of an assets anticipated life cycle and expectancy.

Grade	1	2	3	4	5
Proportion of asset life expended	0-20%	21-40%	41-65%	66-90%	91-100%

Each asset category within this AMP is managed to an individual target condition performance. The table below shows the grading selection, this is also discussed in the relevant section of the Activity Management Plan.

Asset Type	Grade Maintained
Community Centres	Grade 3
Libraries	Grade 3
Heritage Houses: Isel House, Melrose House, Broadgreen House, and Founders Heritage Park	Grade 3
Community Properties	Grade 3
Civic House	Grade 2 – Chamber and public areas Grade 3 – Remainder
Strategic Properties	Grade 3
Millers Acre	Grade 2

Condition assessments is by component. The average is the grading applied to the full building. Condition assessments are used to identify components below the required grading and which require maintenance.

Condition Assessment Programme

Council carries out condition assessments for building assets to determine the current physical condition of the asset and to schedule appropriate maintenance and renewals.

The level of detail for each assessment depends on several factors:

- Level of Service (LOS) / criticality / use
- Level of risk
- Asset size / built complexity / investment
- Known issues / impacts

Some assets require a relatively intensive programme of assessment and assessment may involve external independent consultants who are suitably experienced or qualified for the work. Less significant assets may rely on a maintenance contractor to complete the assessment.

Condition assessments are usually over the full building but can be over part of the building. Elements that can be assessed are:

Element Group	Element Type
Building structure	foundations, columns, wall frame, roof frame
Building fabric	floors, walls (claddings and linings), roof (roof cladding, spouting and downpipes), external joinery, finishes and painting
Internal and fittings (fixed)	finishes and painting, fixed chattels e.g. cabinetry
Services	Electrical, heating/ventilation, plumbing, drainage, security, communications
External building elements	steps, decks, handrails

The assessment considers condition factors ranging from:

- Visual appearance
- Performance criteria required of the element

- c) Compliance e.g., health and safety, building warrant of fitness
- d) Financial demand i.e., long-term economic performance

Results of condition assessment informs physical work programmes, renewals, replacements, and ongoing programmed maintenance to be managed through the Council’s asset management software Infor.

Condition assessments need to:

- a) Confirm the assets current physical standard and grade score
- b) Record changes from the previous condition assessment
- c) Record new information about the building (e.g. maintenance completed)
- d) Identify any issues, defects (reactive work), exposure impacts
- e) Identify any compliance breach
- f) Identify any health and safety breach

General policy is for each asset to have a condition assessment every three years. In some cases more regular assessment may be necessary. In addition, compliance inspections are also required for some buildings. These inspections are determined by regulatory requirement and are at a different frequency, e.g. Building Warrant of Fitness inspection programmes.

The frequency of the Council’s condition assessments is shown below. The table is arranged by asset group, and shows how regular the assessments are, when the next assessment is due.

Condition assessments are scheduled for the first year of the Activity Management Plan to ensure that condition data is up to date and aligned with planning needs. Asset grouping may change as the programme is revised.

Asset type	Frequency (years)	Additional	Scheduled last	Scheduled next
Libraries	3	Maintenance contractor, BWOFF	2023	2026
Heritage Houses	3	Maintenance contractor, Lease inspections, BWOFF	2023	2026
Founders	3		varies	varies
Community Properties	3	Maintenance contractor, Lease inspections	Varies 2021 / 2023	Varies 2024/2026
Civic House	3	Maintenance Contractor, Lease inspections, BWOFF	2020 (plant) 2021 (buildings)	
Strategic Property	3	Maintenance Contractor, Lease inspections, BWOFF	Varies 2021 / 2023	Varies 2024 / 2026
Millers Acre	3	Maintenance contractor, Cladding inspection, BWOFF	n/a under construction renewal	2024

Programme Maintenance – condition inspections

Where a building or facility is managed by a maintenance contract, the contract can specify that inspections of the asset can be carried out by the contractor, and the contractor is to let Council know of any issues they identify.

Where a building or facility is leased, the lease agreement specifies that there will be annual property inspections and that the tenant is to let Council know of any issues.

Data capture

At all stages of the asset life data is captured. Condition assessments record in the asset management system:

- a) Date of last condition assessment
- b) Date of next condition assessment
- c) Results of last condition assessment
- d) Any items needing further assessment
- e) Maintenance carried out

- f) Maintenance identified as needed
- g) Any complaints or issues with the building or asset

The asset management system and data management of property assets has been identified as an asset improvement action in the Asset Improvement Plan.

APPENDIX E: PROPERTY SERVICES TEAM ASSETS WITH BWOFF STATUS

Building Name	Address	CS	BWOFF Expiry
236 Haven Road Nelson	236 Haven Road Stepneyville Nelson 7010	090020	16/06/2023
Civic House	106-110 Trafalgar Street Nelson 7010	940005	30/06/2023
Elma Turner Library	27 Halifax Street Nelson	940120	30/06/2023
Melrose House	26 Brougham Street Nelson South Nelson 7010	980006	4/09/2023
Millers Acre Centre	75-81 Trafalgar Street Nelson 7010	050005	14/09/2023
Isel House	16 Hilliard Street Stoke Nelson 7011	990016	16/09/2023
Broadgreen House	276 Nayland Road Stoke Nelson 7011	140032	30/10/2023
1 Kinzett Terrace Nelson	1 Kinzett Terrace Nelson	950070	30/11/2023
Stoke Library	35 Putaitai Street Stoke Nelson 7011	950006	5/01/2024
Founders Park	87 Atawhai Drive Nelson	990001	21/02/2024
Nightingale Library	2 Bisley Walk Tahunanui Nelson 7011	010033	29/05/2024
Tahunanui Community Centre	55 Muritai Street Tahunanui Nelson 7011	180039	27/06/2024
List excludes assets in other AMPs			

APPENDIX F: CONTRACTS AND MAINTENANCE

The following are the key maintenance and management contracts in place relating to the assets included in this AMP.

Contract	Contract Number	Expiry date
Cleaning and maintenance of community facilities	3678	2025, with options for renewal.
General Maintenance & Minor Physical Works	79456	2023, 3 years 2026 2+2+2 years subject to performance renewal term
Security Services for Council Facilities	4038	31 July 2025, +5 years renewal term
Professional services panel	Various	2028, reviewed annually
Asset condition assessment on panel	Various	2025, with options for renewal

APPENDIX G: ASSET VALUATIONS AS AT 30 JUNE 2023

Component		Reinstatement		Indemnification			Demolition
Asset	Description	Cost Estimate	Inflation Provision	DRC* Estimate	Indemnity for FENZ Levy	Inflation Provision	Cost Estimate
1504.1	100 Trafalgar St - Civic House	\$28,900,000	\$3,700,000	\$8,900,000	\$8,900,000	\$0	\$2,100,000
1504.2	120 Trafalgar Street - Savings Bank Building	\$6,140,000	\$650,000	\$1,570,000	\$1,570,000	\$0	\$340,000
1514.1	42 Rutherford St - Zumo	\$0	\$5,000	\$120,000	\$120,000	\$0	\$100,000
1514.3	236 Haven Rd	\$0	\$15,000	\$0	\$0	\$0	\$245,000
1514.4	250-252 Haven Rd	\$0	\$5,000	\$0	\$0	\$0	\$105,000
1514.5	258 Wakefield Quay - Anchor Shipping	\$0	\$15,000	\$0	\$0	\$0	\$190,000
3520.7	36 Cable Bay- Dwelling	\$0	\$2,000	\$380,000	\$380,000	\$10,000	\$30,000
3520.7	36 Cable Bay Garage/Sleepout	\$0	\$1,000	\$100,000	\$100,000	\$0	\$15,000
3532.18	300 Wakefield Quay – NCC electricity	\$5,400,000	\$600,000	\$705,000	\$705,000	\$0	\$605,000
3590.10	70 Beach Road Surf Life Saving Club	\$0	\$1,000	\$50,000	\$50,000	\$1,000	\$7,000
3590.14	9 Paru Paru Rd – CAB offices	\$225,000	\$20,000	\$80,000	\$80,000	\$0	\$10,000
3590.15	Plunket Garage & Offices - 9 Paru Paru Rd	\$50,000	\$5,000	\$20,000	\$20,000	\$0	\$5,000
3810.1	16 Hilliard St - Isel House	\$2,075,000	\$205,000	\$625,000	\$625,000	\$15,000	\$50,000
3811.1	26 Brougham St – Melrose House	\$2,830,000	\$280,000	\$880,000	\$880,000	\$20,000	\$50,000
3811.2	Garage - Melrose House	\$50,000	\$5,000	\$15,000	\$15,000	\$0	\$4,000
3812.1	276 Nayland Road- Broadgreen House	\$1,440,000	\$145,000	\$490,000	\$490,000	\$15,000	\$35,000
3820.1	Founders - Anchor Inn	\$775,000	\$75,000	\$300,000	\$300,000	\$0	\$35,000
3820.2	Founders - The Granary & Toilets	\$1,035,000	\$100,000	\$395,000	\$395,000	\$0	\$60,000
3820.3	Founders - Energy Centre	\$875,000	\$80,000	\$320,000	\$320,000	\$0	\$55,000
3820.4	Founders - Fire Station	\$110,000	\$10,000	\$40,000	\$40,000	\$0	\$7,000
3820.5	Founders - School House	\$480,000	\$45,000	\$170,000	\$170,000	\$0	\$30,000
3820.6	Founders - Windmill/Shop	\$700,000	\$65,000	\$245,000	\$245,000	\$0	\$25,000
3820.7	Founders – Cottage Hospital	\$175,000	\$1,000	\$55,000	\$55,000	\$0	\$10,000
3820.8	Founders - Port Museum	\$230,000	\$20,000	\$75,000	\$75,000	\$0	\$15,000
3820.9	Founders - Goodman Bakery	\$210,000	\$20,000	\$75,000	\$75,000	\$0	\$10,000
3820.10	Founders – Bank of New South Wales	\$265,000	\$25,000	\$95,000	\$95,000	\$0	\$15,000

Component		Reinstatement		Indemnification			Demolition
Asset	Description	Cost Estimate	Inflation Provision	DRC* Estimate	Indemnity for FENZ Levy	Inflation Provision	Cost Estimate
3820.1 1	Founders - Old St Peters & Town Clock	\$370,000	\$35,000	\$135,000	\$135,000	\$0	\$10,000
3820.1 2	Founders - Warehouse & Museum	\$575,000	\$55,000	\$205,000	\$205,000	\$0	\$65,000
3820.1 3	Founders – Harvestland	\$1,040,000	\$95,000	\$510,000	\$510,000	\$0	\$75,000
3820.1 4	Founders - Crown Livery	\$380,000	\$35,000	\$130,000	\$130,000	\$0	\$33,000
3820.1 5	Founders - Nelson Mail Printery	\$355,000	\$35,000	\$130,000	\$130,000	\$0	\$25,000
3820.1 6	Founders - General Store	\$100,000	\$10,000	\$35,000	\$35,000	\$0	\$7,000
3820.1 7	Founders - Maritime Building	\$180,000	\$15,000	\$55,000	\$55,000	\$0	\$15,000
3820.1 8	Founders - Telephone House	\$115,000	\$10,000	\$55,000	\$55,000	\$0	\$10,000
3820.1 9	Founders - Railway Station	\$220,000	\$20,000	\$75,000	\$75,000	\$0	\$12,000
3820.2 0	Founders - Duncan House	\$815,000	\$75,000	\$310,000	\$310,000	\$0	\$25,000
3820.2 1	Founders - Universal Woodworking	\$200,000	\$20,000	\$70,000	\$70,000	\$0	\$11,000
3820.2 2	Founders Jaycee Building	\$555,000	\$55,000	\$225,000	\$225,000	\$0	\$33,000
3820.2 4	Founders Rutherford Cottage	\$105,000	\$10,000	\$40,000	\$40,000	\$0	\$6,000
3820.2 5	Founders Hop Museum	\$165,000	\$15,000	\$70,000	\$70,000	\$0	\$11,000
3820.2 6	Founders – Railway Cottage	\$140,000	\$15,000	\$110,000	\$110,000	\$2,000	\$6,000
3820.2 7	Founders - Railway Workshop Building	\$715,000	\$70,000	\$430,000	\$430,000	\$2,000	\$70,000
3820.2 8	Founders Railway Carriage Shed	\$180,000	\$15,000	\$165,000	\$165,000	\$3,000	\$20,000
4005.1	27 Halifax St - Elma Turner Library	\$10,900,000	\$1,200,000	\$5,900,000	\$5,900,000	\$10,000	\$325,000
4010.1	35 Putaitai St - Stoke Library	\$1,345,000	\$135,000	\$645,000	\$645,000	\$0	\$45,000
4015.1	Nellie Nightingale Library	\$0	\$2,000	\$385,000	\$385,000	\$0	\$30,000
4052.2	548 Main Rd Stoke Whanake Youth	\$365,000	\$35,000	\$60,000	\$60,000	\$0	\$12,000
4055.1	3 Halifax St	\$0	\$5,000	\$230,000	\$230,000	\$0	\$80,000
4055.2	Neale Park Woodturning Building	\$0	\$2,000	\$105,000	\$105,000	\$0	\$23,000
4055.3	11 Hastings Street Youth Nelson	\$0	\$1,000	\$110,000	\$110,000	\$0	\$15,000
4055.6	1 Kinzett Terrace	\$0	\$15,000	\$1,720,000	\$1,720,000	\$2,000	\$240,000
4055.7	55 Muritai St	\$875,000	\$80,000	\$375,000	\$375,000	\$5,000	\$40,000

Component		Reinstatement		Indemnification			Demolition
Asset	Description	Cost Estimate	Inflation Provision	DRC* Estimate	Indemnity for FENZ Levy	Inflation Provision	Cost Estimate
	Tahunanui Community Hub						
5030.2	213 St Vincent St - Dwelling	\$295,000	\$25,000	\$85,000	\$85,000	\$0	\$10,000
5030.3	92 Beatson Rd - Dwelling	\$365,000	\$35,000	\$105,000	\$105,000	\$0	\$15,000
5030.6	81 Achilles Ave	\$0	\$5,000	\$0	\$0	\$0	\$75,000
5030.7	101 Achilles Ave	\$1,725,000	\$165,000	\$520,000	\$520,000	\$0	\$100,000
5511.1	Millers Acre - North Building	\$3,650,000	\$390,000	\$2,550,000	\$2,550,000	\$25,000	\$160,000
5511.2	Millers Acre - South Building	\$1,950,000	\$210,000	\$1,350,000	\$1,350,000	\$15,000	\$115,000
6015.2	Enner Glynn Rd - Dwelling	\$685,000	\$65,000	\$435,000	\$435,000	\$10,000	\$40,000
7005.1	Veneer Forestry House - Maitai Valley	\$290,000	\$30,000	\$155,000	\$155,000	\$3,000	\$15,000
* DRC=Depreciated Replacement Cost							

APPENDIX H: RESOURCE CONSENTS ASSOCIATED WITH ASSETS

Focus area	Consent #	Description	Expiry/lapse
Civic House	065441	Discharge to air from a new emergency generator (320kW) at Nelson City Council.	2022
Civic House	105183	To advertise Council sponsored events, community projects and sporting events on the Clocktower of Civic House	
300 Wakefield Quay	235040	Coastal Permit	2043 (min) under review for extension

APPENDIX I: RISK REGISTER

Risk Description	Group	Likelihood	Consequences	Existing Controls	Control Effectiveness	Risk Score	Current Risk Level	Response
All properties								
Damage from other building - earthquake collapse, fire	AMP Properties	Possible	Major	Earthquake legislation Fire protection	Moderate	10	H	Accept
Natural Hazards - Earthquake, tsunami, flood, fire	AMP Properties	Likely	Moderate	Meeting legislation controls Emergency evacuation controls Replacement insurance cover	Moderate	7	M	Accept
Asset is fit for demands of aging population	AMP Properties	Possible	Moderate	Continue upgrades to accessible standards	Moderate	5	M	Accept
Change in legislation leading to upgrade costs	AMP Properties	Possible	Moderate	Monitor	Deficient	10	H	Accept

Risk Description	Group	Likelihood	Consequences	Existing Controls	Control Effectiveness	Risk Score	Current Risk Level	Response
Libraries – Physical Asset								
Building collapse due to earthquake	Library	Rare	Severe	Insurance. Earthquake assessment.	Deficient	4	M	Reduce
Asbestos on location	Library	Possible	Major	Maintain asbestos management plan. Inform contractors of Asbestos Management Plans.	Moderate	10	H	Accept
Roof leaks	Library	Likely	Major	Maintenance work to address the issues.	Moderate	10	H	Accept
Libraries – Activity								
Legal action resulting from copyright or similar breach of statutory obligations	Library	Unlikely	Major	None.	Deficient	12	H	Manage
Injury to staff from violent customer	Library	Unlikely	Major	Alarm warning system in place, multiple exit routes, staff training	High	12	M	Accept
IT systems go down during business hours	Library	Possible	Severe	UPS system with 60 minutes backup	High	16	M	accept

Risk Description	Group	Likelihood	Consequences	Existing Controls	Control Effectiveness	Risk Score	Current Risk Level	Response
Heritage Property and Founders Park								
Interior of building deteriorate due to maintenance responsibility of the lessee, and they can't afford to maintain at Grade 3 standard	Heritage Houses	Likely	Moderate	Lease clearly outlines expectation, internal inspections.	Moderate	7	M	Accept
Asbestos on location	Heritage Houses	Possible	Major	Maintain asbestos management plan. Inform contractors of Asbestos Management Plans.	Moderate	10	H	Accept

Risk Description	Group	Likelihood	Consequences	Existing Controls	Control Effectiveness	Risk Score	Current Risk Level	Response
Corporate Property								
Asbestos on location	Civic House	Possible	Major	Maintain asbestos management plan. Inform contractors of Asbestos Management Plans.	Moderate	10	H	Accept
Damage to asset due to services fault (electrical, plumbing, etc.)	Strategic Properties	Possible	Major	Maintenance plan, condition assessments.	Moderate	10	H	Accept

Risk Description	Group	Likelihood	Consequences	Existing Controls	Control Effectiveness	Risk Score	Current Risk Level	Response
Strategic Property								
Asbestos on location	Strategic Properties	Possible	Major	Maintain asbestos management plan. Inform contractors of Asbestos Management Plans.	Moderate	10	H	Accept
Health of users affected due to hazards	Strategic Properties	Possible	Major	Maintenance plan. Earthquake notices in place where required.	Moderate	10	H	Accept
Damage to asset due to services fault (electrical, plumbing, etc.)	Strategic Properties	Possible	Major	Maintenance plan, condition assessments.	Moderate	10	H	Accept

Risk Description	Group	Likelihood	Consequences	Existing Controls	Control Effectiveness	Risk Score	Current Risk Level	Response
Community Property								
Assets do not meet customer needs in the most cost-effective manner	Community Properties	Likely	Moderate	None	Deficient	14	H	Reduce
Asbestos on location	Community Properties	Possible	Major	Maintain asbestos management plan. Inform contractors of Asbestos Management Plans.	Moderate	10	H	Accept

APPENDIX J: RISK MANAGEMENT – RISK MATRIX: CONSEQUENCES V’S LIKELIHOOD

CONSEQUENCES					LIKELIHOOD of the given consequence occurring			
<i>Minor injury requiring only first aid or less</i>	<i>Serious injury on one person requiring medical treatment</i>	<i>Notifiable injury of workers or public</i>	<i>Single fatality of workers or public</i>	<i>Multiple fatalities of workers or public</i>				
Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Extreme (5)	Descriptor	Qualitative guidance statement	Indicative Probability range %	Indicative frequency range (years)
Medium (5)	Medium (10)	High (15)	Very High (20)	Very High (25)	Almost certain (5)	<i>The consequence can be expected in most circumstances OR A very low level of confidence/information</i>	>90%	>1 occurrence per year
Medium (4)	Medium (8)	High (12)	High (16)	Very High (20)	Likely (4)	<i>The consequence will quite commonly occur OR A low level of confidence/information</i>	20% - 90%	Once per 1-5 years
Low (3)	Medium (6)	Medium (9)	High (12)	High (15)	Possible (3)	<i>The consequence may occur occasionally A moderate level of confidence/information</i>	10% - 20%	Once per 5-10 years
Very Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)	Unlikely (2)	<i>The consequence may occur only infrequently A high level of confidence/information</i>	2% - 10%	Once per 10 - 50 years
Very Low (1)	Very Low (2)	Low (3)	Medium (4)	Medium (5)	Rare (1)	<i>The consequence may occur only in exceptional circumstances A very high level of confidence/information</i>	<2%	Less than once per 50 years

Source: Council risk criteria Feb2022 - NDOCS-839498445-13152

APPENDIX K: RISK MANAGEMENT – CONSEQUENCE RATING IMPACT

Rating	Political / Community/ Reputational	Asset Performance/ Service Delivery	Relationship with Iwi	Legal risk	Safety	Health	Financial	Information/ decision support	Environmental/ Historical/cultural
Extreme (5)	Major loss of public confidence in Council (>2000 opponents via social media or other mediums) Negative international mainstream media coverage; shareholder or key stakeholder outrage; or loss of a key customer	At least 2 of the 3 outcomes apply: (i) cannot be delivered by alternative means, (ii) 20+ vulnerable persons significantly impacted, (iii) neighbouring businesses annual revenue falls > 20%	Major breakdown of relationship affecting multiple areas. Refusal to resolve without one or more major concessions from council	Adverse findings against council by court or government/regulatory agency resulting in any of the following: (i) Extreme financial penalty or liability imposed; (ii) Imprisonment of officer; (iii) Extreme harm to achieving objectives	Multiple notifiable fatalities of workers or public (MF)	Significant loss of life expectancy for multiple persons or incapacity for more than 1000 person days	Overspend, loss (i.e. spend without result) or income loss of > \$7.5m OR >100% of business unit budget	Multiple errors in information and analysis and presentation misleading (intentionally or not) or not understandable by non-specialists	Permanent environmental damage on a nationally significant scale and/or permanent loss of nationally significant building, artwork, or other valued entity
Major (4)	Significant negative public reaction likely (200-2000 opponents via social media or other mediums) Negative national mainstream media coverage; significant negative perception by shareholder or key stakeholder; or a customer disruption	Only 1 of the 3 outcomes apply: (i) cannot be delivered by alternative means, (ii) 20+ vulnerable persons significantly impacted, (iii) neighbouring businesses annual revenue falls > 20%	Significant breakdown of relationship largely in one area. Some concessions from council sought before substantive issue considered by iwi grouping affected	Adverse findings against council by court or government/regulatory agency resulting in any of the following: (i) Major financial penalty or liability imposed; (ii) Major harm to achieving objectives, e.g., directed by court to re-make decision.	Single notifiable fatality of workers or public (SF)	Single loss of life expectancy or incapacity for between 100 and 1000 person days	Overspend, loss (i.e. spend without result) or income loss of > \$1.5m and <\$7.5m OR between 70% and 100% of business unit budget	One major error in information, analysis incomplete and presentation ambiguous	Major environmental damage with long-term recovery requiring significant investment and/or loss or permanent damage to a registered historical, cultural or archaeological site or object(s)
Moderate (3)	Some negative public reaction likely (30-200 opponents via social media or other mediums) Repeated complaints; Regulatory notification; or negative stakeholder, local media attention	At least 2 of the 3 outcomes apply: (i) partial delivery by alternative means possible, (ii) <20 vulnerable persons significantly impacted, (iii) neighbouring businesses annual revenue falls 10% to 20%	Major relationship damaged in a single area but amenable to negotiation	Risk of court action or investigation by government/regulatory agency resulting in any of the following: (i) Moderate penalty or liability exposure; (ii) Moderate harm to achieving objectives, e.g., legal challenge unsuccessful but results in moderate delay.	Notifiable injury of workers or public.	Incapacity for between 20 and 100 person days	Overspend, loss (i.e. spend without result) or income loss of > \$0.75m and <\$1.5m OR between 30% and 70% of business unit budget	Information correct but presentation/ analysis insufficient to support decision on the day	Measurable environmental harm on a nationally significant scale. Some costs in terms of money and/or loss of public access or conservation value of the site and/or restorable damage to historical, cultural or archaeological site or object(s)
Minor (2)	Minor public reaction likely (<30 active opponents via social media or other mediums) Workforce attention; limited external attention;	At least 2 of the 3 outcomes apply: (i) full delivery by alternative means possible, (i) <20 vulnerable persons moderately impacted, (i) neighbouring businesses annual revenue falls < 10%	Relationship damage resolvable through normal communication/ consultation mechanisms	Risk of court action or investigation by government/regulatory agency resulting in any of the following: (ii) Formal warning; (i) Non-binding recommendations; (iii) Minor harm to achieving objectives, e.g., minor delay while legal dispute resolved.	Serious injury on one person requiring medical treatment (MA)	Incapacity for between 1 and 20 person days	Overspend, loss (i.e. spend without result) or income loss of > \$150k and <\$750k OR between 10% and 30% of business unit budget	Information correct, analysis complete but presented in a way which could be misinterpreted	Medium term environmental impact at a local level and/or development compromise to the integrity of a registered historical, cultural or archaeological site
Insignificant (1)	Very limited negative reaction (1 or 2 active opponents via social media or other mediums) Internal attention only from staff directly working on the matter.	All of the following outcomes apply: (i) full delivery by alternative means possible, (ii) <20 vulnerable persons moderately impacted, (iii) neighbouring businesses annual revenue falls < 10%	Iwi/ tribe/ hapu public dissatisfaction resolvable through routine communication	No penalty or liability exposure and no harm to achieving objectives	Minor injury requiring only first aid or less (FA)	Incapacity for less than 1 person day	Overspend, loss (i.e. spend without result) or income loss of > \$15k and <\$150k OR between 5% and 10% of business unit budget	Small errors in information or presentation - no effect on decision	Short term and temporary impact requiring no remedial action and/or restorable loss damage to historical/ cultural record

Source: Council risk criteria Feb2022 - NDOCS-839498445-1315

APPENDIX L: FINANCIAL OPEX/CAPEX BREAKDOWN BY ASSET ACROSS LTP

Account	AMP 2024-34 (2024/25)	AMP 2024-34 (2025/26)	AMP 2024-34 (2026/27)	AMP 2024-34 (2027/28)	AMP 2024-34 (2028/29)	AMP 2024-34 (2029/30)	AMP 2024-34 (2030/31)	AMP 2024-34 (2031/32)	AMP 2024-34 (2032/33)	AMP 2024-34 (2033/34)
1504 Civic House	6,726,259	2,755,883	2,600,691	2,723,575	2,522,935	12,337	53,832	34,939	(37,048)	(35,466)
Other Income	(1,135,251)	(1,096,437)	(1,096,437)	(1,096,437)	(1,096,437)	(1,096,437)	(1,096,437)	(1,096,437)	(1,096,437)	(1,096,437)
Base Expenditure	745,995	744,413	744,413	745,995	744,413	744,413	745,995	744,413	744,413	745,995
Unprogrammed Expenses	87,561	93,081	93,081	93,081	93,081	93,081	93,081	93,081	93,081	93,081
Programmed Expenses	73,175	86,890	146,225	114,143	89,605	146,981	186,895	221,895	186,895	186,895
Capital Growth	57,271	57,271	57,271	57,271	57,271	57,271	57,271	16,000	15,000	15,000
150474401198. Capital: Plant & Equipment	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
150474501198. Capital: Furniture & Fittings: New	42,271	42,271	42,271	42,271	42,271	42,271	42,271	0	0	0
Capital Increased LOS	224,492	21,664	266,837	105,678	2,642	2,642	2,642	0	0	0
150477403068. Chamber Sound System Upgrade	0	0	264,195	0	0	0	0	0	0	0
150477403440. Security System Upgrades	26,420	21,664	2,642	105,678	2,642	2,642	2,642	0	0	0
150477403442. Back Alleyway - Cycle Compound Shelter	198,072	0	0	0	0	0	0	0	0	0
Renewals	6,673,017	2,849,000	2,389,301	2,703,843	2,632,360	64,385	64,385	56,987	20,000	20,000
150471201195. Civic House Refurbishment	5,427,692	2,324,916	2,324,916	2,324,916	2,324,916	0	0	0	0	0
150471203316. Civic House Roof Cladding	711,124	0	0	0	0	0	0	0	0	0
150471400299. Meeting Room Projectors and Sound	0	36,987	0	0	36,987	0	0	36,987	0	0
150471401198. Capital: Plant & Equipment: Renewals	20,000	20,000	20,000	250,000	20,000	20,000	20,000	20,000	20,000	20,000
150471401199. Civic House Renewal Program	221,924	422,712	0	84,542	206,072	0	0	0	0	0
150471401217. Civic House Ceiling Tiles	247,892	0	0	0	0	0	0	0	0	0
150471501198. Capital: Furniture & Fittings: Renewals	44,385	44,385	44,385	44,385	44,385	44,385	44,385	0	0	0
1514 Rental Properties	17,117	258,600	13,777	16,777	35,777	16,777	8,777	43,777	8,777	16,777
Other Income	(339,827)	(339,827)	(289,450)	(289,450)	(289,449)	(289,449)	(289,449)	(289,449)	(289,449)	(289,449)
Base Expenditure	236,718	246,226	238,226	246,226	238,226	246,226	238,226	246,226	238,226	246,226
Unprogrammed Expenses	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Programmed Expenses	51,000	65,000	40,000	35,000	62,000	35,000	35,000	62,000	35,000	35,000
Capital Growth	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
151474203181. Strategic Properties renewal programme	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Renewals	44,226	262,200	0	0	0	0	0	0	0	0
151471203393. Anchor building strengthening	44,226	262,200	0	0	0	0	0	0	0	0
3810 IseI House	109,476	98,582	107,059	90,485	112,292	80,476	89,249	82,292	73,292	73,292
Other Income	(5,634)	(5,634)	(5,634)	(5,634)	(5,634)	(5,634)	(5,634)	(5,634)	(5,634)	(5,634)
Base Expenditure	28,809	28,809	28,809	36,996	36,996	36,996	36,996	36,996	36,996	36,996
Unprogrammed Expenses	8,862	8,862	8,862	10,930	10,930	10,930	10,930	10,930	10,930	10,930
Programmed Expenses	29,600	40,000	61,000	31,000	40,000	31,000	36,000	40,000	31,000	31,000
Renewals	47,838	26,544	14,021	17,192	30,000	7,184	10,957	0	0	0
38107120. Renewal: structures	47,838	26,544	14,021	17,192	30,000	7,184	10,957	0	0	0
3811 Melrose House	74,865	69,968	39,010	165,162	55,205	46,205	46,205	49,567	40,567	40,567
Other Income	(210)	(210)	(210)	(210)	(210)	(210)	(210)	(210)	(210)	(210)
Base Expenditure	26,801	27,816	27,816	28,372	28,372	28,372	28,372	28,372	28,372	28,372
Unprogrammed Expenses	2,000	2,000	2,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000

Programmed Expenses	5,275	34,863	6,405	91,000	15,405	6,405	6,405	15,405	6,405	6,405
Renewals	41,000	5,500	3,000	40,000	5,638	5,638	5,638	0	0	0
38117120. Renewal: structures	41,000	5,500	3,000	40,000	5,638	5,638	5,638	0	0	0
3812 Broadgreen House	160,633	100,283	54,102	162,149	148,149	142,777	201,594	147,594	141,594	139,094
Other Income	(7,029)	(7,029)	(7,029)	(8,556)	(6,056)	(8,556)	(6,056)	(8,556)	(6,056)	(8,556)
Base Expenditure	37,798	37,798	37,798	52,401	52,402	52,402	52,402	52,402	52,402	52,402
Unprogrammed Expenses	6,250	6,250	6,250	12,553	12,553	10,181	29,498	29,498	29,498	29,498
Programmed Expenses	43,614	50,583	12,083	35,750	74,250	65,750	65,750	74,250	65,750	65,750
Renewals	80,000	12,681	5,000	70,000	15,000	23,000	60,000	0	0	0
38127210. Renewal:Structures	80,000	12,681	5,000	70,000	15,000	23,000	60,000	0	0	0
3820 Founders Park	156,567	135,156	43,733	1,146,546	463,811	588,566	330,311	242,311	242,311	242,311
Other Income	(505,604)	(512,837)	(512,837)	(519,213)	(519,214)	(519,214)	(519,214)	(519,214)	(519,214)	(519,214)
Base Expenditure	324,286	326,008	326,008	391,377	376,377	376,377	376,377	376,377	376,377	376,377
Unprogrammed Expenses	38,000	38,000	38,000	50,826	50,826	50,826	50,826	50,826	50,826	50,826
Programmed Expenses	176,077	171,177	169,754	311,514	311,514	316,769	311,514	311,514	311,514	311,514
Capital Increased LOS	112,275	101,275	11,275	884,505	232,775	352,275	99,275	11,275	11,275	11,275
382077203397. Collection Store	0	0	0	656,980	0	0	0	0	0	0
382077203398. Energy centre venue development	101,000	0	0	0	62,000	313,500	88,000	0	0	0
382077203399. Granary venue development	0	90,000	0	0	55,000	0	0	0	0	0
382077203400. Church venue development	0	0	0	0	0	27,500	0	0	0	0
382078252902. LOS: accessibility improvement items	11,275	11,275	11,275	11,275	11,275	11,275	11,275	11,275	11,275	11,275
382078903071. Cultural space development	0	0	0	216,250	104,500	0	0	0	0	0
Renewals	11,533	11,533	11,533	27,537	11,533	11,533	11,533	11,533	11,533	11,533
382071408118. IT hardware renewals	0	0	0	16,004	0	0	0	0	0	0
38207210. Renewal: programmed renewal	11,533	11,533	11,533	11,533	11,533	11,533	11,533	11,533	11,533	11,533
4005 Nelson Library	1,153,203	1,039,072	1,022,402	37,259,642	6,305,543	2,024,340	1,303,599	915,590	912,590	912,590
Other Income	(161,265)	(161,265)	(161,265)	(161,265)	(161,265)	(161,265)	(161,265)	(161,265)	(161,265)	(161,265)
Base Expenditure	608,999	608,999	608,999	808,999	745,999	808,999	809,187	809,187	809,187	809,187
Unprogrammed Expenses	19,053	19,053	19,053	19,053	19,053	19,053	19,053	19,053	19,053	19,053
Programmed Expenses	75,918	73,403	60,403	110,403	63,403	75,403	60,403	63,403	60,403	60,403
Capital Growth	437,223	451,052	447,382	447,382	528,391	528,391	528,391	137,382	137,382	137,382
40057440. Capital: Specialised Lib Equip	13,000	23,159	23,159	23,159	23,159	23,159	23,159	23,159	23,159	23,159
40057450. Capital: Furniture & Equipment	11,276	11,276	11,276	11,276	11,276	11,276	11,276	11,276	11,276	11,276
40057460. Book Purchases	310,000	310,000	310,000	310,000	391,009	391,009	391,009	0	0	0
400574600105. Books: Donated	26,330	30,000	26,330	26,330	26,331	26,331	26,331	26,331	26,331	26,331
400574600801. Book Purchases: Periodicals	41,214	41,214	41,214	41,214	41,214	41,214	41,214	41,214	41,214	41,214
400574600804. Capital: Audio/Digital	33,817	33,817	33,817	33,817	33,817	33,817	33,817	33,817	33,817	33,817
400574600824. Microfilm	1,585	1,585	1,585	1,585	1,585	1,585	1,585	1,585	1,585	1,585
Capital Increased LOS	0	0	0	35,987,240	5,062,132	705,929	0	0	0	0
400577202226. Elma Turner Library Extension/ Relocation	0	0	0	35,987,240	4,956,454	705,929	0	0	0	0
400577402386. RFID circulation (Radio Frequency ID)	0	0	0	0	105,678	0	0	0	0	0
Renewals	173,276	47,831	47,831	47,831	47,831	47,831	47,831	47,831	47,831	47,831

40057140. Renewals: Specialised Lib Equip	160,000	12,555	12,555	12,555	12,555	12,555	12,555	12,555	12,555	12,555
40057150. Renewals: Furniture & Equipment	13,276	35,276	35,276	35,276	35,276	35,276	35,276	35,276	35,276	35,276
4010 Stoke Library	672,780	88,576	73,456	73,456	187,056	178,556	178,556	185,365	176,865	176,865
Other Income	(21,020)	(21,020)	(21,020)	(21,020)	(21,020)	(21,020)	(21,020)	(21,020)	(21,020)	(21,020)
Base Expenditure	64,750	70,155	70,155	70,155	175,255	175,255	175,255	175,255	175,255	175,255
Unprogrammed Expenses	4,767	4,767	4,767	4,767	4,767	4,767	4,767	4,767	4,767	4,767
Programmed Expenses	41,362	32,982	17,862	17,862	26,362	17,862	17,862	26,362	17,862	17,862
Renewals	582,920	1,691	1,691	1,691	1,692	1,692	1,692	0	0	0
401071203302. Stoke Library structural improvements	581,229	0	0	0	0	0	0	0	0	0
40107150. Furniture & Fittings renewal	1,691	1,691	1,691	1,691	1,692	1,692	1,692	0	0	0
4015 Nellie Nightingale Library Memorial	224,461	28,080	41,080	33,080	28,080	36,080	20,080	25,825	18,825	17,825
Other Income	(9,231)	(9,231)	(9,231)	(9,231)	(9,231)	(9,231)	(9,231)	(9,231)	(9,231)	(9,231)
Base Expenditure	18,651	18,651	18,651	18,651	18,651	18,651	18,651	18,651	18,651	18,651
Unprogrammed Expenses	1,703	1,703	1,703	1,703	1,703	1,703	1,703	1,703	1,703	1,703
Programmed Expenses	6,703	14,703	22,703	14,703	14,703	7,703	6,703	14,703	7,703	6,703
Renewals	206,636	2,255	7,255	7,255	2,255	17,255	2,255	0	0	0
40157120. Building renewals	0	0	5,000	5,000	0	15,000	0	0	0	0
401571201396. Nightingale roof repair	204,381	0	0	0	0	0	0	0	0	0
40157150. Capital : Furniture & Fittings	2,255	2,255	2,255	2,255	2,255	2,255	2,255	0	0	0
4055 Community Properties	1,233,270	44,201	49,275	78,275	45,775	45,775	70,763	33,775	33,775	33,775
Other Income	(19,000)	(19,000)	(19,000)	(19,000)	(19,000)	(19,000)	(19,000)	(19,000)	(19,000)	(19,000)
Base Expenditure	41,965	44,465	44,465	44,465	41,965	41,965	41,965	41,965	41,965	41,965
Unprogrammed Expenses	10,810	10,810	10,810	10,810	10,810	10,810	10,810	10,810	10,810	10,810
Capital Increased LOS	1,191,569	0	0	0	0	0	0	0	0	0
405577202602. Refinery Gallery EQ strengthening	1,191,569	0	0	0	0	0	0	0	0	0
Renewals	7,926	7,926	13,000	42,000	12,000	12,000	36,987	0	0	0
405571202915. Building renewals	7,926	7,926	13,000	42,000	12,000	12,000	36,987	0	0	0
5030 Roading Properties	12,409	97,609	41,909	20,090	20,290	14,090	14,590	16,063	9,863	14,498
Other Income	(31,820)	(31,820)	(31,820)	(31,820)	(31,820)	(31,820)	(31,820)	(31,820)	(31,820)	(31,820)
Base Expenditure	33,002	39,002	39,002	39,002	33,002	33,002	33,002	33,002	33,002	37,137
Unprogrammed Expenses	6,000	60,000	30,000	8,681	8,680	8,680	8,680	8,680	8,680	8,680
Programmed Expenses	1,000	6,200	500	0	6,200	0	500	6,200	0	500
Renewals	4,227	24,227	4,227	4,227	4,227	4,227	4,227	0	0	0
503071200200. Renewals - 213 St Vincent St	2,114	2,114	2,114	2,114	2,114	2,114	2,114	0	0	0
503071200202. Renewals - 92 Beatson	2,114	22,114	2,114	2,114	2,114	2,114	2,114	0	0	0
5511 Millers Acre Centre	(142,938)	(147,138)	(132,955)	(128,739)	(122,939)	(118,739)	(128,739)	(122,939)	(58,739)	(128,739)
Other Income	(379,007)	(389,007)	(382,267)	(382,267)	(382,267)	(382,267)	(382,267)	(382,267)	(382,267)	(382,267)
Base Expenditure	154,279	154,279	157,522	151,739	151,739	151,739	151,739	151,739	151,739	151,739
Unprogrammed Expenses	30,000	30,000	30,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Programmed Expenses	22,200	26,000	32,200	22,200	28,000	32,200	22,200	28,000	92,200	22,200
Capital Increased LOS	8,454	8,454	8,454	8,454	8,454	8,454	8,454	8,454	8,454	8,454
55117740. Plant & Equipment	8,454	8,454	8,454	8,454	8,454	8,454	8,454	8,454	8,454	8,454

Renewals	21,136	21,136	21,136	21,136	21,136	21,136	21,136	21,136	21,136	21,136
55117140. Renewals Plant and Equipment	21,136	21,136	21,136	21,136	21,136	21,136	21,136	21,136	21,136	21,136