Aquatic Centre

Activity Management Plan

2015 - 2025

Draft

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Quality Assurance Statement

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For full Quality Assurance Statement, Refer Appendix Z

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EXECUTIVE SUMMARY

This activity management plan (AMP) describes the strategies and works programmes for the Aquatic Centre activity so as to meet the objective of delivering the required level of service to existing and future users in an efficient and cost effective way. This AMP informs the Council's Long Term Plan (LTP) and contributes to the goals and objectives Council aims to achieve in order to achieve community outcomes. The AMP covers:

- A description of the activity, including the rationale for Council involvement and any significant negative effects of the activity.
- The strategic environment (Council's vision and goals and future demand drivers) for the activity, the key activity management policies and strategies adopted within this environment and the main risk issues identified for the activity.
- A statement of the intended levels of service and performance targets.
- Information on the scope of assets involved in delivering services, and statements on:
    - the estimated cost for achieving and maintaining the target levels of service
    - how Council will assess and manage the implications of demand and service levels and standards, the estimated costs of the provision of additional asset capacity and how these costs will be met
    - how the maintenance, renewal and replacement of assets will be undertaken, and how they will be funded
    - how expenses will be met and the estimated revenue levels and other source of funds.

1 KEY ISSUES FOR THE AQUATIC CENTRE ACTIVITY

The most important issues relating to the Aquatic Centre activity are shown in Table 1-1.

Table 1-1: Key Issues for the Aquatic Centre Activity

Key Issue	Council Approach
Level of subsidy	Council has considered options for reducing the general rate requirement for the Aquatic Centre and accepts that the facility must continue to be subsidised. Opportunities to reduce the level of subsidy will continue to be considered and include: · Increasing income from sponsorship. · Innovative processes which may reduce operating costs. · Consideration, if necessary, of lower levels of service.
Rates and water costs	Council currently pays the rates and water consumption for the facility. There will be a substantial increase to the cost of water if the Waimea Community Dam proceeds, which will increase the amount of subsidy paid to the facility.
Maintenance and renewals	Facility is 10 years old and plant and equipment maintenance and renewals are increasing, which will have a flow on effect for the budget.
Pool atmosphere	Council has considered Ultra Violet treatment of pool water to improve the pools atmosphere. Capital costs are estimated at $120,000 with ongoing costs of $7,500 per annum
Debt	Council prioritises the use of Reserve Fund Contributions (RFCs) and may choose to use these to reduce the debt of the Aquatic Centre.
Review the naming rights sponsorship	The Council's current naming rights sponsorship agreement with the ASB Bank has expired. The sponsorship funding helps offset operating expenditure for the Aquatic Centre. A new sponsorship arrangement needs to be entered into.

2 ACTIVITY DESCRIPTION

2.1 What We Do

The Aquatic Centre activity encompasses the provision and maintenance of a modern Aquatic Centre located in Richmond, which is an all year operation. Its facilities includes a 25 metre 8 lane pool, 20m 5 lane teaching pool, wave pool, lazy river, hydrotherapy pool, toddlers pool, family & adult spas, fitness gym, café and aquatic shop.

A complete description of the assets included in the Aquatic Centre is in Appendix B.

2.2 Why We Do It

The Aquatic Centre has a public value, Council's ownership and management ensures the assets are available for the community's use. Public swimming pool provision provides recreation facilities with wide ranging benefits, such as:

- Learn to swim programmes, which are considered a vital public service given our coastal and river environment and high rate of accidental drowning in New Zealand.
- Physical recreation activity to promote health and wellbeing.
- Sports and competitive activity.
- Leisure and play activity beneficial to families and children.
- A recreation activity available to all ages, genders and abilities.

3 COMMUNITY OUTCOMES AND OUR GOAL

The community outcomes that the Aquatic Centre activity contributes to most are shown in Table 3-1.

Table 3-1: Community Outcomes

Community Outcomes	How Our Activity Contributes to the Community Outcome
Our communities are healthy, safe, inclusive and resilient.	The Aquatic Centre is designed and managed to ensure users safety and to cater for the needs of the whole community. The Aquatic Centre supports specific social needs.
Our communities have opportunities to celebrate and explore their heritage, identity and creativity.	We provide an aquatic centre facility that caters for and promotes healthy communities and active lifestyles through social and recreation activity.
Our communities have access to a range of social, educational and recreational facilities and activities.	We provide a high quality community and recreation facility that provides a range of leisure opportunities.

3.1 Our Goal

We aim to provide an aquatic centre facility that assists in meeting the community demand for aquatic activities and provides the level of service that the customer wants and is prepared to pay for.

4 OPERATIONS, MAINTENANCE AND RENEWALS STRATEGY

4.1 Operations and Maintenance

Council's strategy is to maintain the Aquatic Centre to provide aquatic and fitness facilities to the community in an efficient and cost effective manner.

The complex is operated under contract by Community Leisure Management Limited which is responsible for ensuring the facilities are adequately maintained and safely operated.

Operation and maintenance is discussed in detail in Appendix E.

4.2 Renewals

Renewal expenditure is major work that does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original capacity. Work over and above restoring an asset to original capacity is new works expenditure and may lead to improvements in the level of service provided.

Assets are considered for renewal as they near the end of their effective working life, or where the cost of maintenance becomes uneconomical and when the risk of failure of critical assets is sufficiently high.

The renewal programme has been developed by the following.

- Taking the asset age and remaining life predictions from the valuation database, calculating when the remaining life expires, field validation of the current condition, and converting that into a programme of replacements based on current unit rates.
- Reviewing and justifying the renewals forecasts using the accumulated knowledge and experience of asset operations and asset management staff.

The renewal programme is reviewed in detail during each Activity Management Plan (AMP) update (i.e. three yearly), and every year the annual renewal programme is reviewed and planned with the input of the maintenance contractor and consultant.

The Council proposes to maintain the existing level of service provided to the Aquatic Centre users to meet at least the existing needs.

A condition assessment of the assets at the Aquatic Centre was completed in 2014 which has identified renewal expenditure for building components. Renewals are discussed in detail in Appendix I.

5 EFFECTS OF GROWTH, DEMAND AND SUSTAINABILITY

5.1 Population Growth

A comprehensive Growth Demand and Supply Model (GDSM or growth model) has been developed for Tasman District. The growth model is a long term planning tool, providing population and economic projections district wide. The supply potential is assessed as well as demand, and a development rollout for each settlement is then examined. The development rollout from the Growth Model informs capital budgets (new growth causes a demand for network services) which feed into the AMPs and in turn underpin the Long Term Plan and supporting policies e.g. Development Contributions Policy. The 2014 growth model is a fourth generation growth model with previous versions being completed in 2005, 2008 and 2011.

The link between population growth and the demand for the Aquatic Centre is not as direct as it is for say water supply or transportation; hence the Growth Demand and Supply Model outputs are not directly relevant to this activity. However, population growth generally leads to intensification of the use of existing facilities.

For the Aquatic Centre activity, the key drivers influencing growth and the demand are:

- community expectations (levels of service); and
- an increasing and ageing population.

The changing pattern of the demographics, particularly the aging population, along with community expectations will impact on use and management of the Aquatic Centre. The demand for informal recreation opportunities is likely to increase over time. With regards to aquatic activities, this may result in more emphasis on leisure and fun activities compared to traditional lane swimming. Additional infrastructure may be required to cater for the ageing population (i.e. improve accessibility by replacing stairs with ramps/hoists). Affordability is also an issue: the entry price is already at the top end of the scale compared to other similar public aquatic facilities provided by Councils across New Zealand. Council's target is to stay within 10% of national average entry fee (as measured by Yardstick Leisure Check).

It is intended to manage the facilities at the Aquatic Centre within the capability of the existing assets rather than cater for the population growth. There are no growth related projects included in the 20 year forecast.

5.2 Implications of Legislative Change

Council strives to meet the legislative standards that apply to the Aquatic Centre. Increased expenditure may be required to ensure compliance with any change to the regulations surrounding water quality standards or health and safety legislation.

Growth and demand for the Aquatic Centre activity is discussed in detail in Appendix F.

5.3 Sustainability

Sustainability is about ensuring that all resources are wisely used and managed to achieve balanced environmental, social, cultural and economic outcomes. Sustainable development is a fundamental philosophy that is embraced in Council's Vision, Mission and Objectives, and that shapes the community outcomes. The levels of service and the performance measures that flow from these inherently incorporate the achievement of sustainable outcomes.

Many of the Council's cross-organisational initiatives are shaped around community well-being (economic, social, cultural and environmental) and take into consideration the well-being of future generations. This is demonstrated in:

- Council's Integrated Risk Management approach which analyses risks and particularly risk consequences in terms of community well-being.
- Council's Growth Demand and Supply Model which seeks to forecast how and where urban growth should occur taking into account opportunities and risks associated with community well-being.
- Council adopting a 20 year forecast in the Activity Management Plans to ensure the long term financial implications of decisions made now are considered.

At the Aquatic Centre activity level, a sustainable development approach is demonstrated by the following:

- continuing to provide the facility for the health and wellbeing of our community;
- ensuring minimal impact on the environment by the activity; and
- ensuring that likely future maintenance requirements for ongoing operation of an aquatic facility are identified at an early stage and that they, and the financial risks and shocks, are competently managed over the long term without the Council having to resort to disruptive revenue or expenditure measures.

6 LEVEL OF SERVICE AND PERFORMANCE MEASURES

The following table summarises the levels of service and performance measures for the Aquatic Centre activity. Development of the levels of service is discussed in detail in Appendix R. Shaded rows are the levels of service and performance measures to be included in the Long Term Plan.

Table 6-1: Levels of Service

ID	**Levels of Service** (We provide …)	**Performance Measure** (We will know we are meeting the level of service if…)	**Current Performance** (as at end Yr 2 2013/14)	**Future Performance**			**Future Performance (targets) in Years 4 - 10**
				Year 1	**Year 2**	**Year 3**	
Community Outcome: Our communities are healthy, safe, inclusive and resilient.							
1	The aquatic centre is a safe environment for staff and the public to use.	H&S - target zero serious harm incidents per year	Reported monthly. During 2013/2014 year 3 incidents.	0 serious harm incidents	0	0	0
Community Outcome: Our communities have access to a range of social, educational and recreational facilities and activities.							
2	Swimming pools that meet the needs of users and provide opportunity for aquatic based recreation activities and learn to swim programmes.	Admissions to the Aquatic Centre per m^2 of swimming pool per annum is not lower than 10% below the peer group average, as measured by Yardstick (once every three years).	2013 results: 204 swims/m^2 of swimming pool (vs. 174 swims/m^2 in 2012). The 2013 peer group average was 177 swims/m^2.	*Not measured*	*Not measured*	205 swims/m^2	205 swims/m^2 (measured in 2020 and 2023)
3		At least 85% of respondents rate their satisfaction with Aquatic Centre facilities as fairly satisfied or better, in annual surveys of customers.	New measure	85%	85%	85%	90%
4		Operation cost/m^3 of water volume is within 10% of industry average, as measured by Yardstick (once every three years).	Operation cost/m3 of water volume is $1,560 which is within 10% of industry average	Not measured	Not measured	Operation cost/m^3 of water volume is within 10% of industry average.	Operation cost/m^3 of water volume is within 10% of industry average. Measured in 2020 and 2023
5		Increase admissions by 1000 per year	284,230	285,230	286,230	287,230	294,230 by 2024

7 CHANGES MADE TO ACTIVITY OR SERVICE

Previously this AMP was part of the Property and Community Facilities AMPs. Due to the range of plant and equipment associated with this asset, Council considered it appropriate that the Aquatic Centre has its own AMP. Also, a more detailed asset register and renewals programme has been developed since the 2012 AMP, which has provided an improved level of information and asset data for this AMP and the Long Term Plan 2015-2025 budgets.

Table 7-1: Key Changes

Key Change	Reason for Change
Council has improved its knowledge of the assets at the Aquatic Centre, including more detailed asset identification and condition assessments, and better identification of maintenance and renewals requirements for the Centre and its associated plant and equipment.	The Aquatic Centre is now over 10 years old and as such some of its plant and equipment is ageing and in need of greater maintenance and renewal. It is, therefore, important that Council has a greater understanding of the assets and their condition in order to better plan for and fund maintenance and renewals work.
Introduction of a new major project to install a new UV treatment plant.	Council has been receiving complaints about the chlorine smell at the Centre. The UV treatment plant is designed to reduce the use of chlorine and the chlorine smell, so as to improve the experience for users.
Introduction of a new major project to install photovoltaic cells.	This project will provide solar power for the facility to reduce operating cost of facility and provide the opportunity to sell any excess electricity produced to national grid.

8 KEY PROJECTS

Table 8-1 details the key capital and renewal work programmed for years 2015 to 2025.

Table 8-1: Significant Projects

Project Name	Description	Year 1 ($)	Year 2 ($)	Year 3 ($)	Year 4 to 10 ($)	Project Driver[1]
Upper plant room	Heating pump	23,000	23,000	0	0	R
Swim pool	Main ventilation duct hanging system	0	0	0	75,000	R
Central offices	Heat pump	0	0	6,000	6,000	R
Changing rooms	Heating	0	0	3,000	10,000	R
Fitness Centre	Air conditioning	0	0	0	15,000	R
Wave machine	Component replacement	3,000		10,000	15,000	R
Spa controllers	replacement	3,000	3,000	3,000		R
Balance tank valves	replacement	2,000	5,000	1,500	5,000	R
Chlorine Tank and bund	replacement				9,100	R
Water treatment to reduce chloramines	Installation of new UV treatment plant		120,000			I
Water heaters	Replacement				3,000	R

[1] LoS = Levels of Service, R = Renewal, I = Improvement

Hot water cylinder	Replacement				3,000	R
Lighting		37,600	17,580	30,500	65,200	R
Controllers and switchboards		0	6,300	28,400	80,300	R
Other Electrical	PA system, heating, auto door, driers	3,400	3,300	19,000	24,000	R
Tiles and floor coverings	Pools and floors			50,000	50,500	R
Installation of photovoltaic cells	Solar power for the facility (to generate electricity and reduce operating cost of facility and sell excess electricity produced to national grid)				200,000	I

Note:

1. See Appendix F for a full detailed list of new capital works projects driven by renewals and/or an increase in level of service.
2. See Appendix I for a full detailed list of renewal projects.

9 MANAGEMENT OF THE ACTIVITY

9.1 Management

The Aquatic Centre is managed under contract to the Tasman District Council by Community Leisure Management Limited (CLM). CLM employs staff to meet the required levels of service and are required to report against those levels of service.

The reports and recommendations to Council are made through the Community Development Committee. These include but are not restricted to: operations and maintenance works; hours of operation; occupancy; and fees and other charges.

The Community Partnerships Coordinator manages the operations component of the management contract with CLM and the Property Services Manager manages the physical assets.

9.2 Significant Effects

The significant negative and significant positive effects are listed below in Table 9-1 and Table 9-2 respectively.

Table 9-1: Significant Negative Effects

There are no significant negative effects from this activity, however, there are some negative effects which are outlined in the table below.

Effect	Council's Mitigation Measure
Level of admission costs (currently at high end of spectrum)	Work with contractor to reduce costs and continue to subsidise contractor.
Increasing operation and maintenance costs, due to age of plant and equipment	Adopt a renewals programme. Condition reports reviewed regularly.
Pool odour, caused excessive chloramines	Investigate and install UV treatment of water.

Table 9-2: Significant Positive Effects

Effect	Description
Social benefits	Provides opportunities for social engagement and interaction.
Health outcomes	Health and wellbeing / therapeutic benefits - provide opportunities for people of varying physical abilities to improve their health and wellbeing and fitness levels.
Community value	The provision of learn to swim and fitness facilities.

9.3 Assumptions

Council has made a number of assumptions in preparing the AMP. These are discussed in detail in Appendix Q. Table 9-3 lists the most significant assumptions and briefly outlines the impacts of them.

Table 9-3: Significant Assumptions

Assumption Type	Assumption	Discussion
Financial assumptions	That all expenditure has been stated in 1 July 2014 dollar values and no allowance has been made for inflation.	The LTP will incorporate inflation factors. This could have a significant impact on the affordability of the plans if inflation is higher than allowed for, but Council is using the best information practically available from Business and Economic Research Limited (BERL).
Asset data knowledge	That Council has sufficient knowledge of the assets and their condition so that the planned renewal work will allow Council to meet its levels of service.	There are several areas where Council needs to improve its knowledge and assessments but there is a low risk that the improved knowledge will cause a significant change to the level of expenditure required.
Funding sources	That the Aquatic Centre will continue to be subsidised from rates.	Council acknowledges that the Aquatic Centre will require an ongoing subsidy to ensure that the facilities are available for public use at fees which are competitive with other like facilities.
Changes in legislation and policy	That there will be no significant changes in legislation or policy.	The risk of major change is moderate due to the changing nature of the government and politics. If major changes occur it is likely to have an impact on the required expenditure. Council has not mitigated the effect of this.

There are no major capital projects identified.

9.4 Risk Management

Council's risk management approach is described in detail in Appendix Q.

This approach includes risk management at an organisational level (Level 1). The treatment measures and outcomes of the organisational level risk management are included within the Long Term Plan.

The asset group level (Level 2) risk assessment was carried out at the same time as the Level 1 assessment due to the small number of assets managed within the activity. Risks associated with users of the Aquatic Centre are mitigated through compliance with standards and regular inspections and assessment. The Council's risk management strategy in relation to the Aquatic Centre is:

- to maintain and ensure compliance with up to date Health and Safety Plans for all staff and contractors and manage the contractors response to new Health & Safety issues.
- to monitor the condition of the aquatic centre plant on a regular basis and maintain compliance with water quality standards.
- that a regular maintenance programme is maintained.

- to monitor potential hazards on a regular basis, and to take appropriate action to reduce possible risks by eliminating, mitigating or isolating the hazard as soon as any potential hazard is identified.
- to monitor the structural aspects of the facility and ensure that they are maintained in a safe and sound condition that complies with the Building Act where required.
- to monitor the contractors performance against the operations contract.

Council has also identified and assessed critical assets (Level 3), the physical risks to these assets and the measures in place to address the risks to the asset. There are no specific risk management related projects required for the Aquatic Centre activity, as this facility is not classified as a critical asset.

9.5 Improvement Plan

This Activity Management Plan document was subject to a peer review in its Draft format by .... in (date 2015). The document was reviewed for compliance with the requirements of the LGA 2002. The findings and suggestions were assessed and prioritised by the asset management team and either implemented for the final version of the document or added to the Improvement Plan.

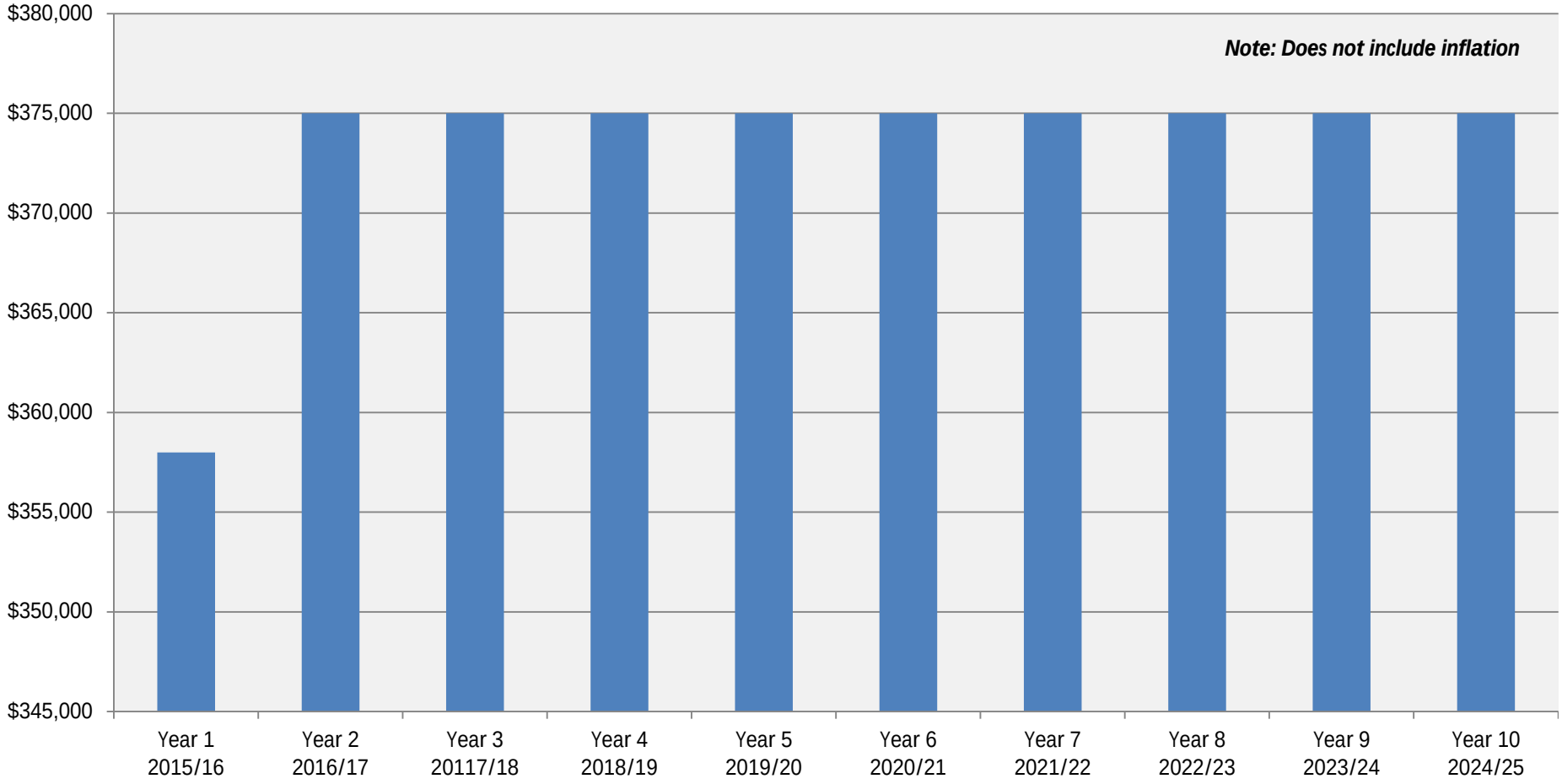
Development of the improvement plan is discussed in Appendix V. It includes a table (Table V-3) of planned improvements that are still to be implemented and information on how they have been budgeted. It is a snapshot of the improvement plan as at February 2015 and includes ..... It is intended that the Improvement Plan is continually updated and monitored as a live document.

Version (#) of this document and the Improvement Plan was then reviewed a final time by .... in (date 2015). The report produced has been included in Appendix V along with key improvements that have been achieved since the 2012 AMP.

10 SUMMARY OF COST FOR ACTIVITY

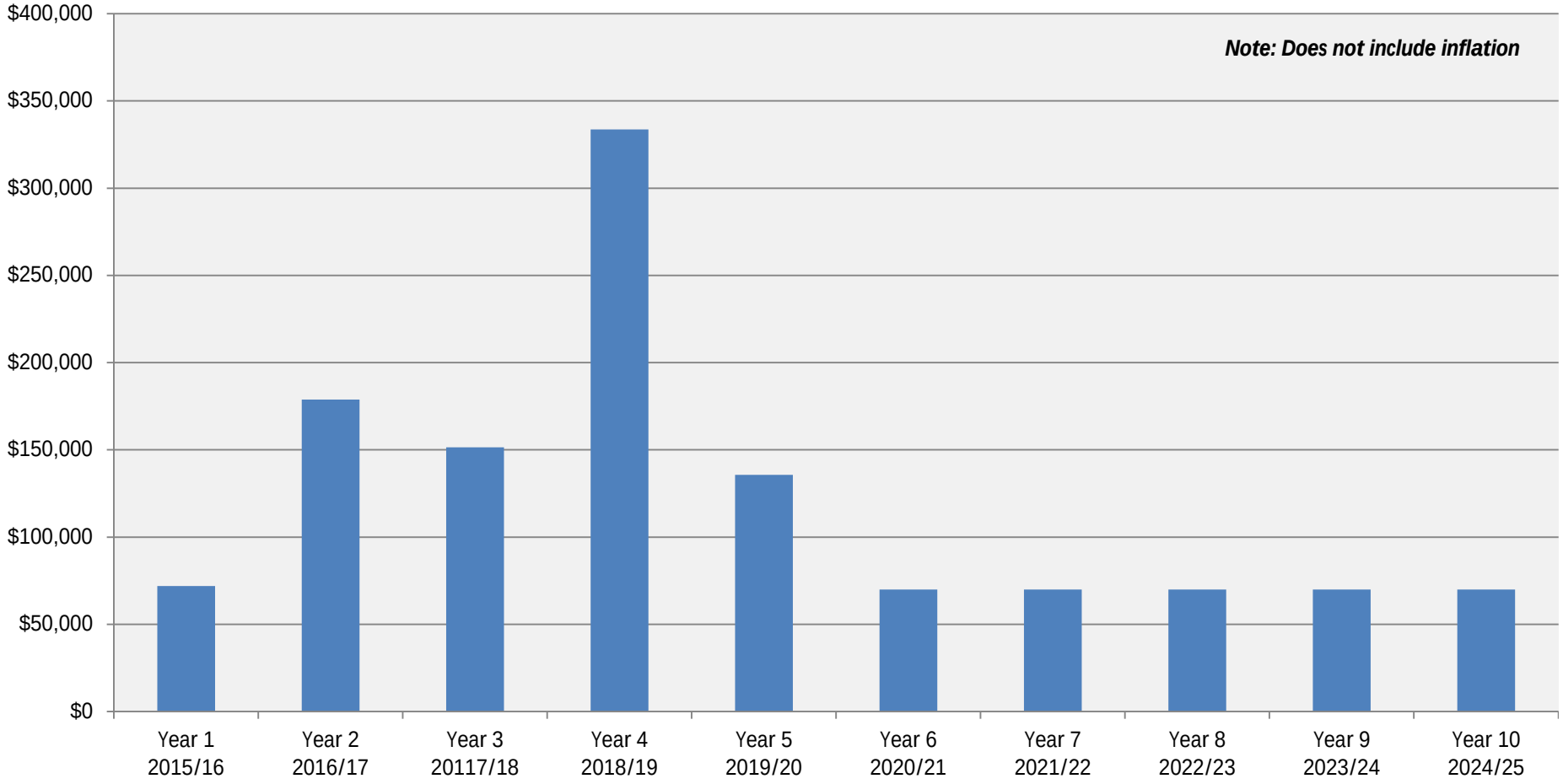
The following figures show the total operating and capital expenditure for the Aquatic Centre, for the years 2015-2025. Further detail is held in Appendix E, F and I for operation and maintenance, new capital and renewal costs respectively. Both of the following graphs exclude inflation.

Figure 10-1: Operational Expenditure



Operating expenditure increases from $360,000 to $375,000 over the next 10 year period.

Figure 10-2: Capital Expenditure



The capital programme provides for Chloramines treatment in year two and installation of photovoltaic cells in year 4 of the AMP. If the installation of Photovoltaic cells proceeds there will be a reduction in operating expenses as a result. This has not yet been calculated and will form part of any business case to support the works.

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APPENDIX A. LEGISLATIVE AND OTHER REQUIREMENTS AND RELATIONSHIPS WITH OTHER PLANNING DOCUMENTS

A.1 Introduction

The purpose of this Activity Management Plan (AMP) is to outline the Council's strategic long-term approach to the provision and maintenance of the Aquatic Centre in Richmond.

The AMP demonstrates responsible management of the Aquatic Centre on behalf of customers and stakeholders. It assists with the achievement of strategic goals and statutory compliance and ensures that the levels of service required by customers are provided in an efficient and cost effective manner to the community.

The target audience of the front section of this AMP document is Council staff, Councillors and the community. The appendices provide more in-depth information for the management of the activity and are therefore targeted at the Activity Managers. The entire document is available within the public domain.

In preparing this AMP the project team has taken account of:

- national drivers – e.g. the drivers for improving AMPs through the Local Government Act 2002
- regional and local drivers – community desire for increased level of service balanced against the affordability
- linkages – the need to ensure this AMP is consistent with all other relevant plans and policies
- constraints – the legal constraints and obligations Council has to comply with in undertaking this activity.

Key activity drivers include the following factors:

- recreation and leisure demand
- population growth
- ageing population
- sports demand
- physical activity and health benefits.

A.2 Key Legislation and Industry Standards

Key legislation relating to the management of the Aquatic Centre:

- Building Act 2004
- Bylaws Act 1910
- Civil Defence and Emergency Management Act 2002
- Climate Change Response Act 2002
- Fire Safety and Evacuation of Buildings Regulations 1992
- Fire Service Act 1975
- Health and Safety in Employment Act 1992
- Local Government Act 2002
- Occupiers Liability Act 1962
- Public Works Act 1981
- Resource Management Act 1991

Industry standards and guidelines affecting this activity:

- NZS 5826:2010 Pool Water Quality
- NZRA/ACC Pool Safe Scheme
- NZS 3910:2003 Conditions of Contract for Building and Civil Engineering Construction
- NZ 4241:1999 Public Toilets guidelines for service standards and design
- NZRA Swimming Pool Guidelines 1999

A.3 Links with Strategic Plans and Policies

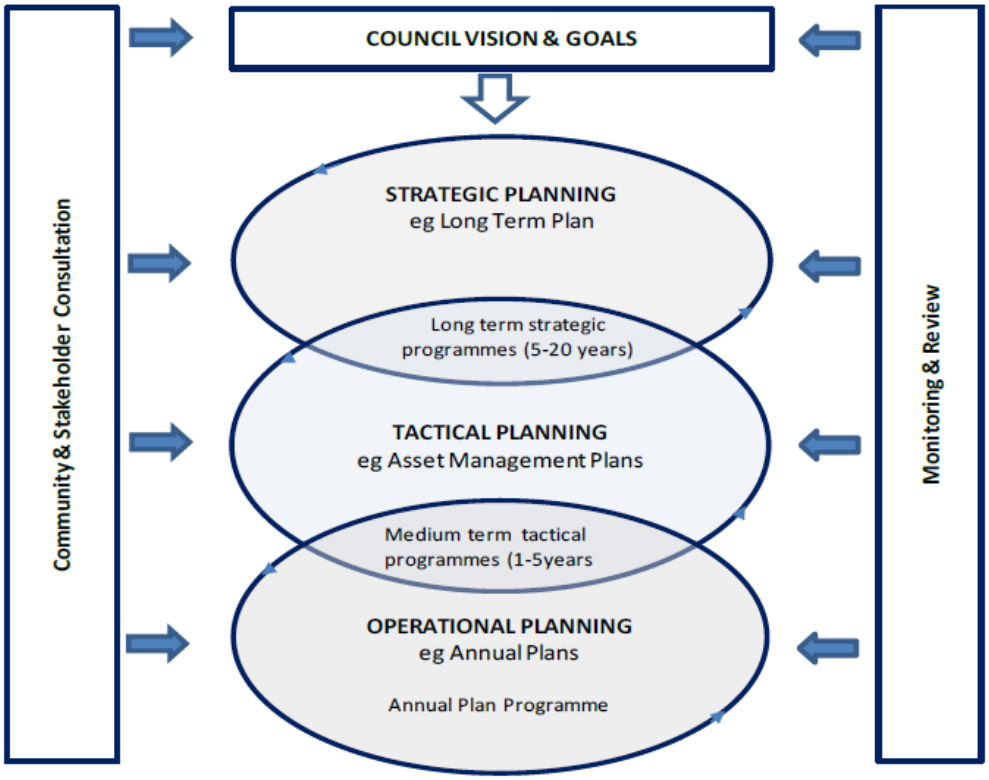
This AMP is a key component in the Council's strategic planning function. Among other things, this plan supports and justifies the financial forecasts and the objectives laid out in the Long Term Plan. It also provides a guide for the preparation of each Annual Plan and other forward work programmes. Table A-1 describes the key Council plans and policies with linkages to the Aquatic Centre activity.

Table A-1: Council plans and policies affecting the Aquatic Centre AMP

Long Term Plan (LTP)	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 District; identifies the desired community outcomes; describes the activities the Council will undertake to support those outcomes; and outlines the means of measuring progress.
Activity Management Plans (AMPs)	AMPs describe the infrastructural assets and the activities undertaken by Council and 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. Other AMPs with linkages to the community facilities activity include the Community Facilities AMP and various infrastructure AMPs.
Annual Plan	A detailed action plan on the Council's projects and finances for each financial year. The works identified in the AMP form the basis on which annual plans are prepared. With the adoption of the LTP, the Annual Plan mainly updates the budget and sources of funding for each of the years between the LTP.
Annual Report	The Annual Report identifies the prior year's achievements against Long Term Plan/Annual Plan targets.
Annual Work Programme	The expenditure projections for the annual work programme will be taken directly from the financial forecasts in the AMP.
Contracts and agreements	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.
Operational plans	Operating and maintenance guidelines to ensure that the asset operates reliably and is maintained in a condition that will maximise useful service life of assets within the network.
Corporate information	Quality asset management is dependent on suitable information and data and the availability of sophisticated asset management systems which are fully integrated with the wider corporate information systems (eg. financial, property, GIS, customer service, etc). Council's goal is to work towards such a fully integrated system.
Council bylaws, standards and policies	These tools for asset creation and subsequent management are needed to support activity management tactics and delivery of service.
Growth Supply and Demand Model	The Growth Supply and Demand Model predicts the population increases for the district over the coming 20+ years. These predictions influence the likely demand on Council activities, infrastructure and services.
Tasman Regional Policy Statement	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 have to comply.
Tasman Resource Management Plan	This plan sets objectives, policies and methods for addressing the District's resource management issues.
Significance and Engagement Policy	This policy informs and determines the relationship the Council and community share with regard to engagement.
Settlement Area Reports	An analysis of individual settlement areas to identify development opportunities and constraints and associated infrastructure needs.

The following figure depicts the relationship between the various processes and levels of planning within the Council required to deliver on Council's vision and goals.

Figure A-1: Relationship between corporate planning processes and AMPs



A.4 How the Aquatic Centre contributes the Community Outcomes

Table A-2 summarises how the Aquatic Centre activity contributes to the achievement of the Council's Community Outcomes.

Table A-2: How the Aquatic Centre activity contributes to Community Outcomes

Community Outcomes	How Our Activity Contributes to the Community Outcome
Our communities are healthy, safe, inclusive and resilient.	The Richmond Aquatic Centre is designed and managed to ensure users safety and cater for the needs of the whole community. The Richmond Aquatic Centre supports specific social needs.
Our communities have opportunities to celebrate and explore their heritage, identity and creativity.	We provide recreation facilities that caters for and promotes healthy communities and active lifestyles through social and recreation activity.
Our communities have access to a range of social, educational and recreational facilities and activities.	We provide high quality community and recreation facilities that provide a range of leisure opportunities.

APPENDIX B. AN OVERVIEW OF THE AQUATIC CENTRE ASSET

B.1 Overview

Description of Activity

Provision of swimming pools in Tasman District, that provide opportunity for good quality aquatic based recreation activities and learn to swim programmes.

Asset Inventory and Description

Building Name	Aquatic Centre
Size m^2	2370 m^2
Description	A multipurpose indoor pool operating year round. It consists of a 25 metre 8 lane pool, 30 metre wave pool, a hydrotherapy pool, a 20x12m learn to swim pool, two spa pools, two toddler pools and a cafeteria.
Management	Operated under contract by CLM Ltd
Condition	Very good
Demand Issues	Meeting current demand
Maintenance / operation Issues	A long-term maintenance and renewal plan has been prepared. The exterior paint surfaces are covered by a maintenance contract
Strategic Objectives	Continue to operate under contract to CLM.

Rationale for Provision

Swimming pools are provided to deliver a range of benefits including:

- Recreation and sport opportunities
- Health (resulting from physical activity)
- Learn to swim (safety)

Due to limited commercial opportunity, the private sector or other organisations, do not provide swimming pools that meet the wider community need. Therefore provision by Council, as a public good, is required.

Asset Summary

The Council operates one major aquatic facility at Richmond, which is a modern, all year operation. Its facilities includes a 25 metre 8 lane pool, 20m teaching pool, wave pool, lazy river, hydrotherapy pool, toddlers pool, family & adult spas, fitness gym, and café and aquatic shop.

Performance

Provision

Due to the high cost of constructing and operating pools, the strategy for provision is based on providing indoor/all year facilities only in the major population centres. The current facility is located in Richmond and this is likely to remain as the main regional facility.

Usage

The usage of the Aquatic Centre is achieving higher than the industry average benchmark based on Yardstick results over the last three years.

Table B-1 Total annual admissions 2009-2013

Year	Aquatic Centre total annual admissions	Admissions per m2 of water area	Industry average for peer group (indoor pools)
2009	169,822	190	167
2010	198,216	216	181
2011	200,578	173	-
2012	201,768	174	195
2013	217,938	204	177
Average	**197,664**	**191**	**180**

Note: The lower per m^2 result for 2011 is due to the additional learn to swim pool, increasing the total water area by 240 m^2 to 1,157m^2.

Chart 1 – Total annual admissions 2009-2013

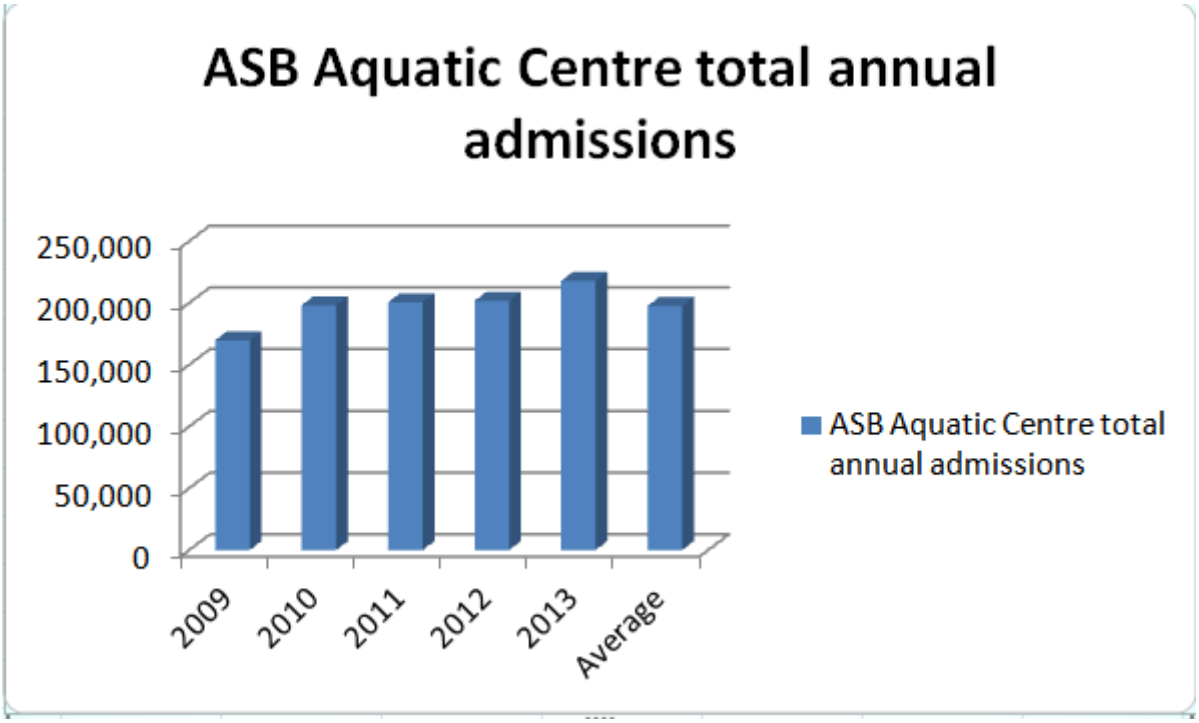
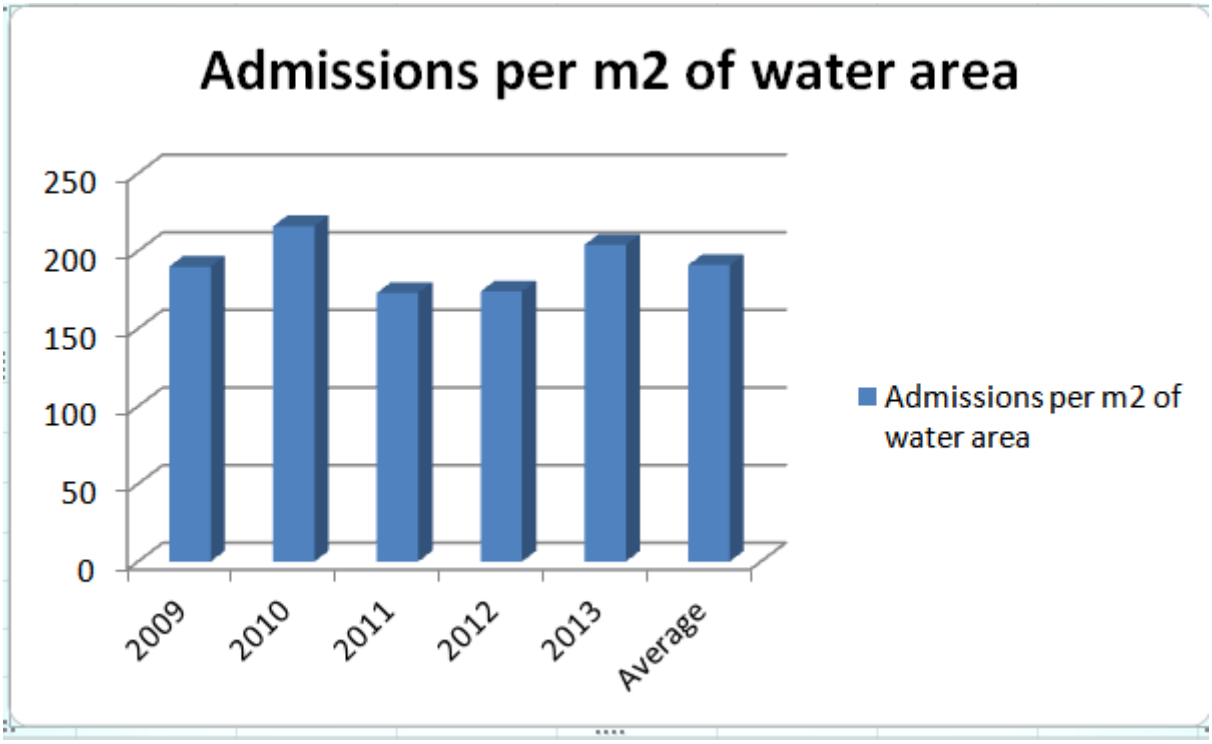


Chart 2 – Admissions per m^2 of water 2009-2013



Financial

The net cost per admission is regarded as the most useful indicator of financial efficiency and performance.

The net cost per admission for the Aquatic Centre is achieving significantly lower costs than the industry average benchmark based on Yardstick results over the last two years. This is considered to be due to a number of factors:

- Well located with a very large regional catchment from both Nelson City and Tasman District
- A modern attractive multi use facility
- Minimal competition from other aquatic facilities
- Operation of a very successful learn to swim programme
- Active promotion of the facility and programmes
- Effective and efficient, market tested management and operation

Table 2 Net cost per admission 2010-2013

Year	Aquatic Centre net cost per year	Industry average for peer group (indoor pools)
2010	$0.83	
2011	$0.82	
2012	-$0.30	
2013	$0.05	
Average	**$0.35**	**$4.69**

Chart 3 Net cost per admission 2010-2013

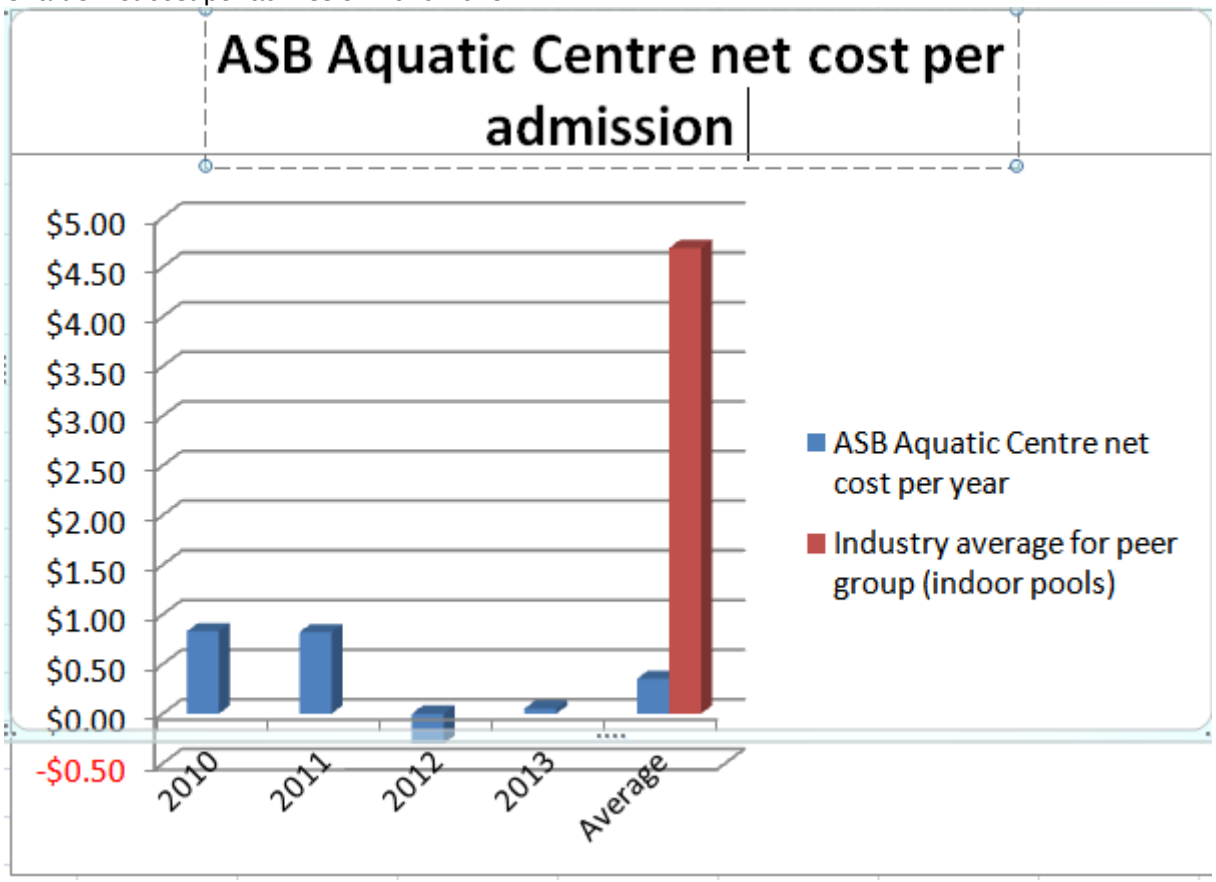
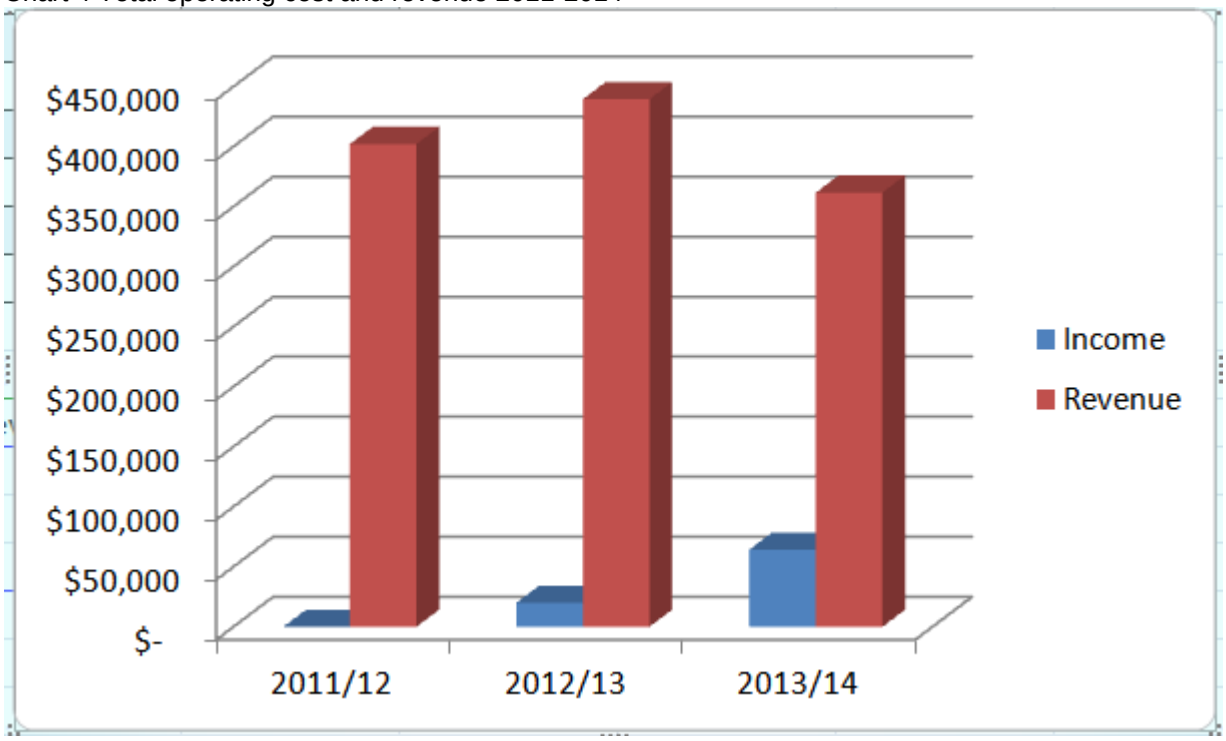


Chart 4 Total operating cost and revenue 2011-2014

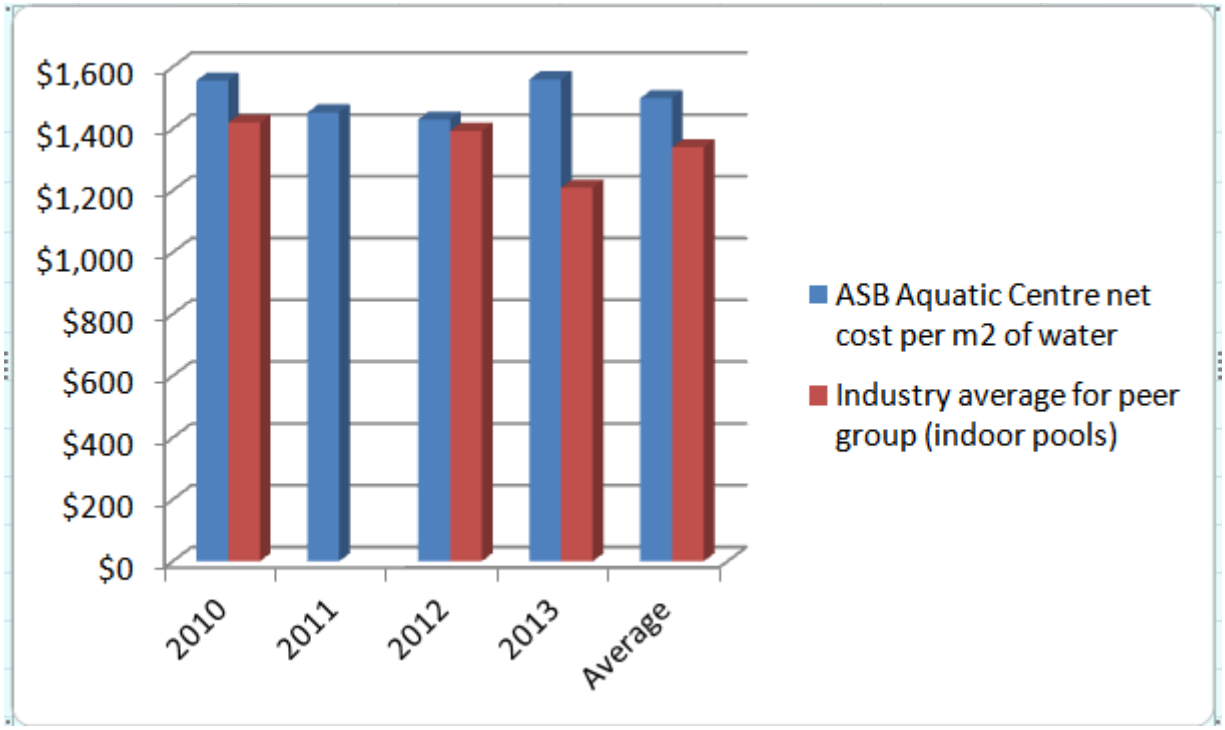


The annual operating cost per m2 of water area is also a useful indicator for comparing direct operating cost efficiency, however this result is widely affected by the pool and plant design as much as management actions.

Table 7 Annual total operating cost per m2 of water 2010-2013

Year	Aquatic Centre net cost per m2 of water	Industry average for peer group (indoor pools)
2010	$1,556	$1,420
2011	$1,453	
2012	$1,430	$1,393
2013	$1,560	$1,209
Average	**$1,499**	**$1,340**

Chart 5 Annual total cost per m2 of water 2010-2013



B.2 Strategic Management Approach

The Richmond Aquatic Centre is managed under contract to the Tasman District Council by Community Leisure Management Limited (CLM). CLM employ staff to meet the required levels of service and are required to report against those levels of service.

The reports and recommendations to Council are made through the Community Development Committee. These include but are not restricted to: operations and maintenance works; hours of operation; occupancy; and fees and other charges.

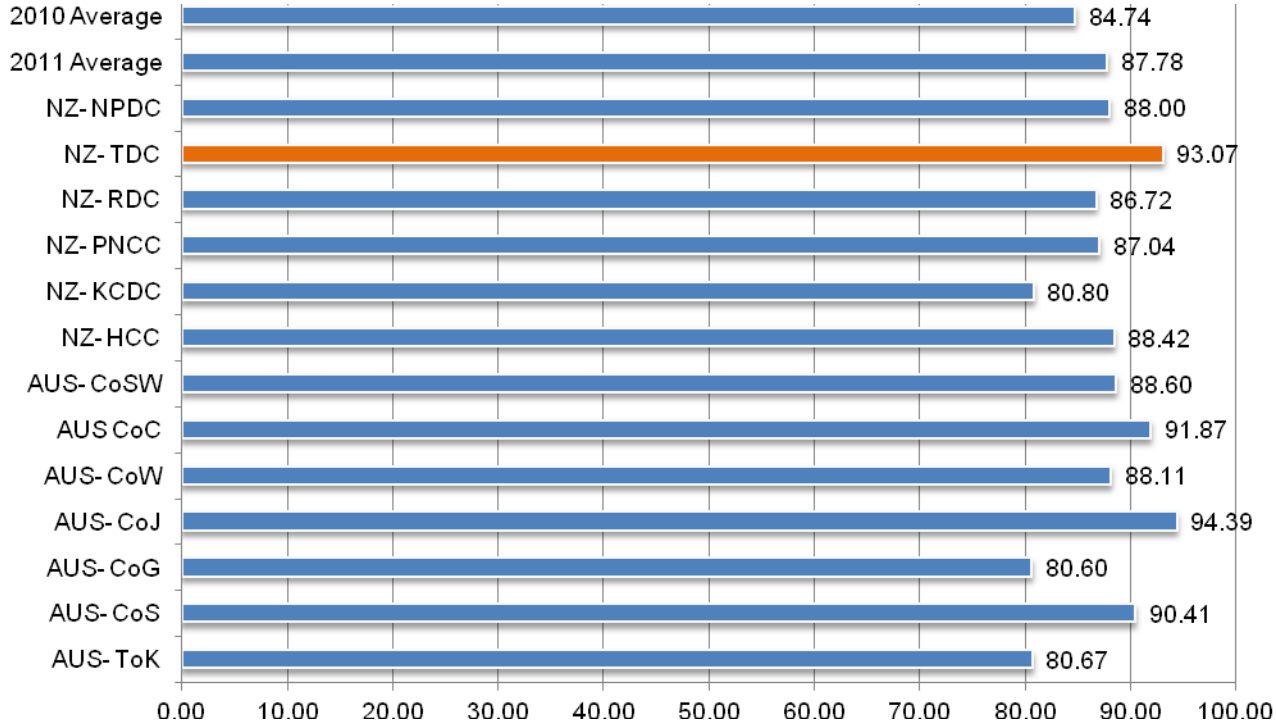
The Community Partnerships Coordinator manages the operations component of the management contract with CLM and the Property Services Manager manages the physical assets.

B.3 Asset Quality

Quality

In 2009 to 2011 the Aquatic Centre participated in the Leisurecheck Visitor Measures project, which identifies overall customer satisfaction with the Aquatic Centre (2011 is the last time Council participated in the Leisurecheck Visitor Measures project). The results are based on an intercept survey of Aquatic Centre users in January each year. The Aquatic Centre achieved a satisfaction score of 93% compared to the average of 88%. This was the second highest score of the 13 participating facilities. Previous years results were 88% in 2009 and 88% in 2010.

Chart 6 – Yardstick customer satisfaction scores 2011



Asset Management

An assessment of asset and other management and planning practices can be compared nationally using the Yardstick KPI Management score.

In 2011 Tasman scored 67% compared to an average result of 58% (2010).

B.4 Asset Condition

As the Aquatic Centre is a relatively new facility, a condition survey and maintenance plan was not included with the work undertaken in 2008 on the other building assets.

An assessment of the building and plant to establish an asset register and prepare a maintenance plan for the next ten years was undertaken in 2011/12.

B.5 Future Development & Demand

The demand for the future development of the facility is customer driven and based on the ability of the users or contractor to pay for the costs involved. The Aquatic Centre space is presently fully allocated.

Potential future developments include:

- Additional space for “spin class”.
- Hydroslide.
- Pool extension of 25 metres.

APPENDIX C. NOT APPLICABLE TO THIS ACTIVITY

APPENDIX D. ASSET VALUATIONS

D.1 Background

The Local Government Act 1974 and subsequent amendments contain a general requirement for local authorities to comply with Generally Accepted Accounting Practice ("GAAP").

The Financial Reporting Act 1993 sets out a process by which GAAP is established for all reporting entities and groups, the Crown and all departments, Offices of Parliament and Crown entities and all local authorities. Compliance with the New Zealand International Public Sector Accounting Standard 17; Property, Plant and Equipment (PBE IPSAS 17) and PBE IPSAS 21 (Impairment of Non Cash Generating Assets) is the one of the current requirements of meeting GAAP.

The purpose of the valuations is for reporting asset values in the financial statements of Tasman District Council.

Council requires its infrastructure asset register and valuation to be updated in accordance with Financial Reporting Standards and the AMP improvement plan.

The valuations summarised below have been completed in accordance with the following standards and are suitable for inclusion in the financial statements for the year ending June 2009.

- NAMS Group Infrastructure Asset Valuation Guidelines – Edition 2.0.
- New Zealand International Public Sector Accounting Standard 17; Property, Plant and Equipment (PBE IPSAS 17) and PBE IPSAS 21 (Impairment of Non Cash Generating Assets)

D1.1 Depreciation

Depreciation of assets must be charged over their useful life.

- *Depreciated Replacement Cost* is the current replacement cost less allowance for physical deterioration and optimisation for obsolescence and relevant surplus capacity. The *Depreciated Replacement Cost* has been calculated as:

$$\frac{\text{Remaining useful life}}{\text{Total useful life}} \times \text{replacement cost}$$

- *Depreciation* is a measure of the consumption of the economic benefits embodied in an asset. It distributes the cost or value of an asset over its estimated useful life. Straight-line depreciation is used in this valuation.

- *Total Depreciation to Date* is the total amount of the asset's economic benefits consumed since the asset was constructed or installed.

- The *Annual Depreciation* is the amount the asset depreciates in a year. It is defined as the replacement cost minus the residual value divided by the estimated total useful life for the asset.

- The *Minimum Remaining Useful Life* is applied to assets which are older than their useful life. It recognises that although an asset is older than its useful life it may still be in service and therefore have some value. Where an asset is older than its standard useful life, the minimum remaining useful life is added to the standard useful life and used in the calculation of the depreciated replacement value.

D1.2 Revaluation

The revaluations are based on accurate and substantially complete asset registers and appropriate replacement costs and effective lives.

a) The lives are generally based upon NZ Infrastructure Asset Valuation and Depreciation Guidelines – Edition 2. In specific cases these have been modified where in our, and Council's opinion a different life is appropriate. The changes are justified in the valuation report.
b) The component level of the data used for the valuation is sufficient to calculate depreciation separately for those assets that have different useful lives.

D.2 Overview of Asset Valuations

Assets are revalued every three years. Historic asset valuations reports are held with Council.

D2.1 2013 Valuation – Aquatic Centre

The Aquatic Centre assets were last re-valued in June 2013 and are reported under separate cover[1]. Key assumptions in assessing the asset valuations are described in detail in the valuation report.

D2.2 Asset Data

The information for valuing the assets was obtained from Council's asset registers[2], based on excel spreadsheets. The data confidence is detailed in Table D-1 below. The confidence grades are based on the following: A - Highly reliable; B – Reliable; C – Uncertain; and D - Very uncertain.

Table D-1: Confidence Grades – Financial Data

	Confidence grade	Comments
Swimming Pools	A	A > Operation of the Aquatic centre by contract and a consistent history of other costs means the cost estimates are considered to be highly reliable for the next 3 years.
Development	A to D	Generally very reliable for the first 1 to 2 years, then drops to B for years 3 & 4 and then to C for years 5 to 6 and to D for years 7 to 10. While there has been some work put into future growth and demand planning which identify future works, accurate long term development planning is extremely difficult to achieve due to changing demands, issues and priorities.
Disposal	A	Disposal of assets unlikely.
Valuation	A	A > Building assets have been appropriately identified and valued

Based on NZ Infrastructure Asset Valuation and Depreciation Guidelines – Edition 2, Table 4.3.1: Data confidence grading system.

D2.3 Asset Lives

Economic lives and residual lives have been defined for all properties. As structures near the end of their theoretical lives, minimum residual lives have been adopted to reflect the remaining base value still existing prior to any renovation or upgrading. Lives used in the valuation are presented in Table D-2 below.

[1] '*Tasman District Council Property Portfolio Asset Valuation for Financial Reporting Purposes - Valuation Report as at 30 June 2013'*: report prepared by QV Valuations.
[2] Asset data is held within the 'Building Improvements' asset register, a copy of which is available here: P:\LTCCP\LTP 2015\Building Assets 2013-14 as at 31 May 2014 (with filters).xlsx

D2.4 Asset Valuation

The current valuation information is based on the property valuation undertaken during 2013. The asset depreciated value (as at 30 June 2014) and annual depreciation applying to the Aquatic Centre assets is summarised in Table D-2 below.

Table D-2: Aquatic Centre Asset Lives and Asset Valuation (as at 30 June 2014)

Asset	Life of structure (years)	Minimum remaining life of structure (years)	Asset Depreciated Value	Annual Depreciation Requirement	Land Value
Aquatic Centre	80	71	$8,981,075	$618,325	$2,758,000

APPENDIX E. MAINTENANCE AND OPERATING ISSUES

E.1 Maintenance Contract

The Aquatic Centre is operated under contract by Community Leisure Management (CLM). The contract was renewed on 1 December 2010 for five years until Nov 30, 2015 with two five-year rights of renewal, expiring on November 30, 2025. Additional costs such as grounds maintenance around the Aquatic centre are included within general reserves maintenance budgets.

Reactive, routine and planned maintenance are carried out for the Aquatic Centre facility.

E1.1 Reactive and Routine Maintenance:

Repair of assets required to correct faults identified by routine inspections and notification from users of the buildings. Reactive maintenance works are scheduled in accordance with the following priorities:

1. Safety or health of building users
2. Service to the users of the building is compromised or affected
3. It is likely that the area of repair may expand or the method of repair change such that the cost of any repair may increase

For the Aquatic Centre, minor repairs and operational servicing of the plant, cleaning and other minor maintenance is the responsibility of the contractor.

E1.2 Planned Maintenance:

Planned maintenance may also be defined as preventative or programmed maintenance. Typical work includes repainting of external surfaces, repainting and redecoration of interiors, sanding and recoating of wooden floors, minor repairs and replacement of plant and building components that are failing or will fail but do not require immediate repair.

The programme and priority for work is based on condition inspections and reporting to monitor asset condition, identify emerging risks, and identify the need for maintenance and repair work, both current and predicted future failure. The priority of work is based on the consequences of asset failure on levels of service, costs, safety or corporate image.

The planned maintenance programme will be reviewed and updated every three years based on condition inspections, maintenance trends and risks.

A survey of the buildings in 2012 has established an asset inventory to component level that is stored in the Confirm AM system. The survey also identified the asset condition and required maintenance work through until to 2020. At the next review the asset condition will be assessed for at least 10 years.

E1.3 Inspection and Reporting

An inspection and reporting programme is a critical aspect of ensuring that managers are aware of the condition of assets and services are provided to the required standard on a reliable basis. Three general categories of inspection and reporting apply to the Aquatic Centre facility:

- Routine maintenance inspections.
- Safety systems inspections and issue of Building WOF (where required) by independent contractors.
- Formal periodic condition inspections and report.

As buildings generally do not deteriorate rapidly other than from vandalism or storm damage, and the only service issue is likely to relate to cleanliness following use, the need for frequent or formal routine inspections is not considered necessary.

For the Aquatic Centre, the routine maintenance inspections are the responsibility of the contractor who may subcontract the regular servicing and inspections of equipment to specialist contractors.

Buildings with safety systems identified under their Building Warrant of Fitness require the systems to be inspected and checked monthly so that they are operating as designed, and if not, repairs must be affected. In addition to the monthly checks, a formal inspection by a registered IQP must be undertaken and an annual Building Warrant of Fitness issued.

The formal periodic condition inspections should be undertaken every three years by qualified personnel with expertise in building structures and maintenance, the development of long-term building maintenance programmes and an understanding of buildings service requirements.

Inspection Programme

Inspection Type	Frequency	Inspector	Checks
Routine maintenance	As required	Contractor Council Staff	Damage / breakage Cleanliness Other failures/problems
Building WOF inspections	Monthly Annual	Pool Contractor Registered IQP	Emergency systems
Formal periodic condition and long term maintenance plan	Annual Five yearly	Structural and maintenance Engineer/ Asset Management planner	Structural issues Plant condition Water tightness Cladding condition Paint surfaces Defects/problems – current Predictive failure/defects

E.2 Maintenance Standards

The following are a summary of the main service standards identified in the Pool operation contract with CLM:

6.1 MANAGEMENT

(a) The Contractor shall manage and operate the Aquatic Centre so as to provide a high quality, efficient and effective service to the Council.

(b) The Contractor shall have in place and implement a system of ongoing customer feedback. The Contractor shall record and respond in a timely manner to comments, complaints and queries relating to the Aquatic Centre and its operation.

(e) The Contractor shall provide the Council with monthly and annual reports that meet the requirements of Clause 14 of this Agreement.

9.1 OPERATIONS

(a) The Contractor shall ensure that appropriate levels of staffing are provided in order to meet the standards of supervision recommended in the *NZRA Swimming Pool Guidelines 1999*. All lifeguards shall hold a minimum qualification of a current first aid certificate and a current National Lifeguard Award (Pools).

(b) The Contractor shall maintain water quality in all pools to the standards prescribed in *NZS 5826:2000 Pool Water Quality*. The Contractor shall arrange and provide to the Council on a weekly basis results of water testing completed by an independent registered laboratory approved by the Council, in order to demonstrate compliance.

(c) The Contractor shall maintain environmental conditions to ensure the comfort of pool patrons and this shall include satisfactory levels of relative humidity and air temperature appropriate for the season. Water temperatures shall be maintained as follows:

25 m lap pool	26°C ± 1°C
Tots pool	32° C ± 1°C
Wave pool	32°C ± 1°C
Hydrotherapy pool	32°C ± 1°C
Spa pools	38°C ± 1°C

(d) The Contractor shall maintain a high standard of cleanliness to ensure the Aquatic Centre is maintained in a hygienic condition and is presented to a high standard.

(e) The Contractor shall disclose to the Council, and keep detailed records of, all revenues received from admissions, charges and other sources together with details of all expenses.

(f) The Contractor shall meet all the costs of operation of the Aquatic Centre. The Contractor shall disclose to the Council, and keep detailed records of all such costs.

10.1 MAINTENANCE Standards

(a) The Contractor shall maintain the interior of the Building in the same clean order repair and condition as it is in at practical completion of the Building, accidents and damage from fire, flood, lightening storm, earthquake and fair wear and tear (all without neglect or default of the Contractor) expected. "Practical completion" has the meaning given to those words by NZIA Standard Conditions of Contract 1 Second Edition 2000.

(c) The Contractor shall operate and maintain all Plant in good repair and working order, and in accordance with manufacturer's recommendations.

(d) The Contractor shall inspect and provide to the Council annually in December of each year a detailed evaluation of the condition of Plant together with recommended revisions to the Council's asset renewal programme. The inspection shall be carried out by an appropriately qualified person having expertise in the Plant being assessed.

(e) The Contractor shall take all practicable steps to ensure no breakdowns in Plant occur that result in closure of the Aquatic Centre.

E.3 Schedule of Fees and Charges

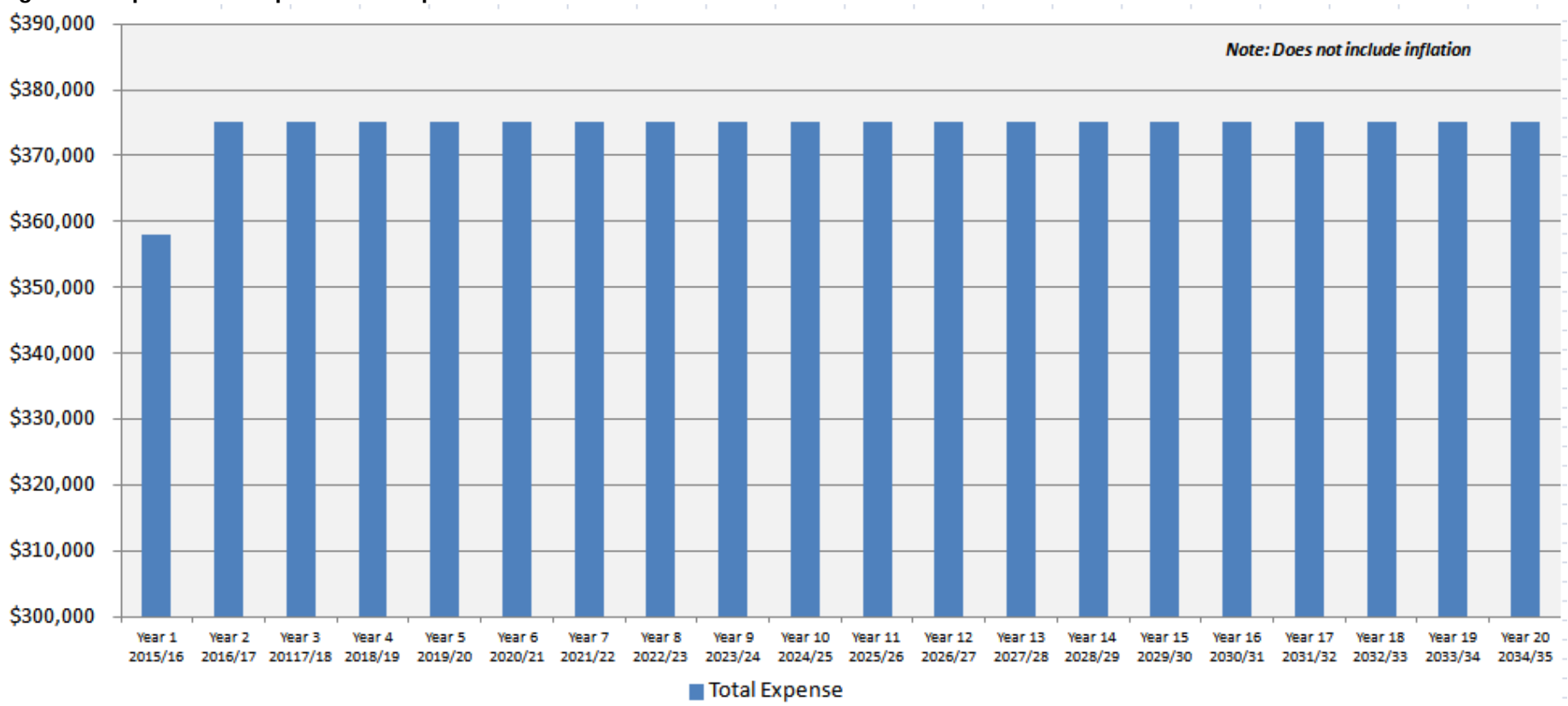
Category	Charge (as at 2015)
Adult swim	$7.00
Child swim	$5.00
Child under five	$3.00
Community service card holder/Senior	$5.00
Learn to swim (per lesson)	$12.00
Lane hire per hour	$25.00

E.4 Projected Operations and Maintenance Costs

Swimming Pools	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Operating Expenditure										
Aquatic Centre	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Aquatic Centre Management Contract	258,000	275,000	275,000	275,000	275,000	275,000	275,000	275,000	275,000	275,000
Aquatic Centre Rates	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
TOTAL EXPENSES	**358,000**	**375,000**	**375,000**	**375,000**	**375,000**	**375,000**	**375,000**	**375,000**	**375,000**	**375,000**

Swimming Pools	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Operating Expenditure										
Aquatic Centre	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Aquatic Centre Management Contract	275,000	275,000	275,000	275,000	275,000	275,000	275,000	275,000	275,000	275,000
Aquatic Centre Rates	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
TOTAL EXPENSES	**375,000**	**375,000**	**375,000**	**375,000**	**375,000**	**375,000**	**375,000**	**375,000**	**375,000**	**375,000**

Figure E.1 Operational Expenditure Requirements



APPENDIX F. DEMAND AND FUTURE NEW CAPITAL REQUIREMENTS

F.1 Growth Supply – Demand Model

F.1.1 Model Summary

A comprehensive Growth Demand and Supply Model (GDSM or growth model) has been developed for Tasman District. The growth model is a long term planning tool, providing population and economic projections district wide. The supply potential is assessed as well as demand, and a development rollout for each settlement is then examined. The development rollout from the Growth Model informs capital budgets (new growth causes a demand for network services) which feed into the AMPs and in turn underpin the Long Term Plan and supporting policies e.g. Development Contributions Policy.

This 2014 growth model is a fourth generation growth model with previous versions being completed in 2005, 2008 and 2011. In order to understand how and where growth will occur, the growth model is built up of a series of Settlement Areas which contain Development Areas. A Settlement Area (SA) is defined for each of the main towns and communities in the district. There are 17 Settlement Areas for the present version of the growth model. Each Settlement Area is sub-divided into a number of Development Areas. Each Development Area is defined as one continuous polygon within a Settlement Area that if assessed as developable, is expected to contain a common end-use and density for built development.

The growth model organises and integrates the assessments of demand and supply of built development. The development is categorised as residential or business demand and supply, with business including all industrial, commercial and retail uses. For residential demand and supply:

- the 'demand' for residential buildings (dwellings) is assessed from population and household growth forecasts based on Statistics New Zealand's latest release.
- the 'supply' of lots for future dwellings is assessed from analysis of the Development Areas in each Settlement Area and how many lots could feasibly be developed for residential end use over a twenty year time period, after accounting for a number of existing characteristics of the Development Area.

For business demand and supply:

- the 'demand' for business premises is assessed from economic and employment growth forecasts, and associated land requirements.
- the 'supply' of lots for future business premises is assessed from analysis of the Development Areas in each Settlement Area over time in a similar way as that for future dwellings.

The Development Areas and Settlement Areas are the building blocks that allow the growth model to spread demand for new dwellings and business premises, and assess where there is capacity to supply that demand.

The growth model is not just an isolated tool that calculates a development forecast. It is a number of linked processes that involve assessment of base data, expert interpretation and assessment, calculation and forecasting. The key input data, assessment and computational processes, and outputs of the growth model are captured in a database called the Growth Model Database.

The outputs of the growth model are located on a shared browser site that all Council staff have access to. The browser contains:

- all the various input data sets and calculated outputs;
- maps defining the Settlement Areas and Development Areas within those; and
- an updated model description describing the model working in detail, assumptions and planned improvements.

The review process is also mapped in ProMapp.

F.1.2 Overall Population Growth and Trends

Richmond is the largest and fastest growing town in the District with an estimated 13,606 residents, as at 2014. Motueka is the next largest town, with 6,687 residents. Another five settlements are relatively small,

with populations ranging from 1239 in Takaka up to 2,498 in the Coastal Tasman area. Nine have populations of less than 500 people.

Tasman District is a popular destination for older age group or "retirees". A high proportion of population growth results from people moving to the Tasman District from elsewhere, rather than from current residents having children. The growth modelling shows that older people moving to the Tasman district are choosing to live in larger centres with easier access to services, hence the larger settlements are growing and the smaller ones are not. As shown in Table F-1, Richmond, Brightwater and Wakefield are predicted to grow by 500 people or more over the next 25 years. Overall, Tasman's population is expected to increase by 7,700 people by 2039. Council's planning also takes into consideration the decrease in the number of persons per household and provides for an increase in the number of holiday homes. The latter is particularly important for holiday settlements such as Kaiteriteri and Pohara/Ligar Bay.

The population projection in the growth model has been taken from Statistics New Zealand population projections derived from the 2013 census data, using a "medium" growth rate projection for all settlement areas (refer Table F-1). The population projections are used to determine a demand for new dwellings in each settlement area.

Table F-1: Population projections used in the Growth Model

Settlement Area	**Population in 2014**	**Population projection for 2039**	**Increase or decrease in people by 2039**
Brightwater	1835	2412	577
Coastal Tasman Area	2498	2903	405
Collingwood	232	250	18
Kaiteriteri	377	382	5
Mapua/Ruby Bay	2028	2506	478
Marahau	119	120	1
Motueka	6687	6810	123
Murchison	413	365	-48
Pohara/Ligar/Tata	543	583	40
Richmond	13606	16396	2790
Riwaka	591	636	45
St Arnaud	101	93	-8
Takaka	1239	1056	-183
Tapawera	284	320	36
Tasman	189	210	21
Upper Moutere	148	177	29
Wakefield	1939	2471	532
Ward Remainder (Area Outside Ward Balance)	282	303	19
Ward Remainder Golden Bay	3023	3248	225
Ward Remainder Lakes Murchison	2418	2722	304
Ward Remainder Motueka	3096	3597	501
Ward Remainder Moutere Waimea	4248	4937	689
Ward Remainder Richmond	1612	2704	1092
Total for District	**47508**	**55201**	**7693**

Projected Population data derived from Statistics NZ 2013 Census Data (adjusted for Growth Model). Base projection series applied = medium

Table F-2 summarises some key statistics for Tasman's population, based on Statistics New Zealand medium growth projections (2006 base, updated in June 2013).

Table F-2: Population change in Tasman District

Key Statistics	2006	2013	2031
Population	**45,800**	**48,800**	**53,900**
Median age (years)	**40.3**	**44.2**	**47.3**
Proportion of population aged over 65	**13.6%**	**17.9%**	**29.1%**
Number of households	**17,900**	**18,261**	**23,500**
Working age population	**29,810**	**30,500**	**29,170**

Additional information from the 2013 census about Tasman District:

- Tasman's population is 1.1% of New Zealand's total population
- 93.1% of population is European
- 7.6% of population is Māori
- 20% of population aged under 15 years
- 75% of households in occupied private dwellings owned the dwelling or held it in a family trust (this is the highest rate of home ownership in New Zealand)

As shown in Table F-2, Tasman's population is expected to be about 53,900 by 2031. Like the rest of New Zealand, the median age of Tasman's population is also increasing. The first of the baby boomers (those born between 1946 and 1964) commenced retiring in 2011 and fertility rates have also decreased over the last 20 years. The median age is projected to increase from 44.2 in 2013 to 47.3 in 2031. By 2031, the number of people aged over 65 in Tasman is projected to comprise 29.1 percent of the population, compared to 17.9 percent in 2013. Twenty years ago the figure was less than 10 percent. These demographic changes raise a number of challenges for Council.

As Tasman's population increases, Council needs to provide more services. However, many of the retired population will be on fixed incomes and unable to pay for increases in services (rates are a tax on property, not income, and if a property value is high the rates can take a significant portion of this fixed income payment). Council's Growth Strategy considers whether our community can afford to support growth in all 17 settlements and what form this growth will take.

Communities with an older population are likely to have different aspirations to the communities with a younger median age. This may include:

- where they wish to live, possibly closer to main settlement areas where medical and social services are more readily available.
- an increase in the demand for smaller properties and a decrease in the demand for lifestyle or larger properties, particularly given the projected increase in the number of single households.
- the type of facilities and the levels of service requested, including more informal recreation facilities and the increased demand for "free" or low cost services such as libraries.
- their ability and willingness to pay for services and facilities may be lower, given that incomes are expected to be lower.

Council has taken these factors into account in the development of this AMP and the LTP.

F.2 Future New Capital Requirements

Future new capital works will be considered on the ability to reduce operating expenditure for the Aquatic Centre or enhance user experiences. Two main projects have been identified. The first is the installation of new ultraviolet treatment plant to treat the water in order to reduce chloramines and to make the atmosphere more pleasant for users. The second is installation of photovoltaic cells to generate solar power electricity for the facility and to reduce the operating cost of facility. Any excess electricity produced will be sold to national grid). There are also a number of renewal projects to replace existing plant and equipment that is wearing out.

F.3 Development of New Capital Requirement Forecasts

Any future proposed works will be analysed against the criteria set out in F.2. There is an expectation that future capital works will not be funded from rates. This means that they should be self funding or by contributions from other sources.

APPENDIX G. DEVELOPMENT CONTRIBUTIONS / FINANCIAL CONTRIBUTIONS

Not applicable to this AMP

APPENDIX H. RESOURCE CONSENTS AND PROPERTY DESIGNATIONS

H.1 Introduction

The statutory framework defining what activities require resource consents is the Resource Management Act (RMA) 1991. The RMA deals with the control of use of land. The RMA is administered locally by Tasman District Council, a unitary authority through the Tasman Resource Management Plan (TRMP) which sets out policies, objectives and rules controlling activities to ensure they meet the purpose and principles of the RMA.

Examples of resource consents that may be required in association with the Aquatic Centre activity include land use consents.

H.2 Resource Consents

The current resource consents specific to the Aquatic Centre activity are detailed in Table H-1 below.

H.3 Property Designations

Designations are provided for by the RMA to identify and protect lands for existing and proposed public works. Designation D120 – State Highway 6 (New Zealand Transport Agency) applies to part of the land where the Aquatic Centre is located. The small area of vacant land affected by this designation is adjacent to the existing formed section of State Highway 6 (i.e. the Richmond Deviation), north of the Aquatic Centre building and car park area.

Table H-1: Register of active resource consents as at 1 September 2014

CONSENT No	APPLICANT	LOCATION	TYPE	USE	Effective Date	Expiry Date
100971	Tasman District Council	141 Salisbury Rd, Richmond	Land use	To construct ASB fitness Centre whereby one side of new building exceeds permitted 15m length by	03/02/2011	
100969	Tasman District Council	141 Salisbury Rd, Richmond	Discharge to water	To discharge rainwater from roof of new ASB fitness facility to Reservior Creek.	07/01/2011	
070273	Tasman District Council	141 Salisbury Rd, Richmond	Land use	Erect an indoor sports centre and extend existing onsite parking.	11/05/2007	
050168	Tasman District Council	Lot 3 DP 18824, Richmond	Land use	Erect a directional sign for Aquatic Centre	16/01/2006	
NN020306	Tasman District Council	141 Salisbury Rd, Richmond	Land use - hazardous facility	Store hazardous goods at Leisure Pool site.	16/09/2002	23/08/2022
020337	Tasman District Council	141 Salisbury Rd, Richmond	Land use	Regional leisure pool	19/07/2002	

APPENDIX I. CAPITAL REQUIREMENTS FOR FUTURE RENEWALS

I.1 Introduction

The renewals programme has been developed to ensure that the Aquatic Centre facilities continue to meet the requirements of users.

I.2 Forecast of Renewals Expenditure for Next 20 years

The forecast of renewal expenditure is based on the condition assessments completed in 2012. These have only been forecasted to 2020 and further work will be undertaken in 2017 to extend the condition report for up to 20 years.

I.3 Renewal Standards

Renewals are based on the life expectancy of plant and components, the asset manager and contractor's knowledge of the assets and best practice. Some assets are critical for the continued operation of the Aquatic Centre and therefore have to be replaced before they are redundant. Approximately $70,000 per annum has been allocated for the renewal programme.

I.4 Deferred Renewals

Deferred renewals is the shortfall in renewals required to maintain the service potential of the assets.

This can include:

- Renewal work that is scheduled but not performed when it should have been and which has been put off for a later date. This is often due to cost or affordability reasons.
- An overall lack of investment in renewals that allows the asset to be consumed or run down, causing increasing maintenance and replacement expenditure for future communities.

When renewal work is deferred the impact of the deferral on economic inefficiencies and the system's ability to achieve the required service will be assessed. Although the deferral of some renewal works may not impact significantly on the operation of the assets. Repeated deferral will create a liability in the longer term.

There has been an underinvestment of renewals in recent years and a programme to catch up with them has been incorporated with the renewal programme.

APPENDIX J. DEPRECIATION AND DECLINE IN SERVICE POTENTIAL

J.1 Depreciation of Infrastructural Assets

Depreciation is provided on a straight line basis on all infrastructural assets at rates which will write off the cost (or valuation) of the assets to their estimated residual values, over their useful lives.

The remaining useful lives and associated rates for the Aquatic Centre infrastructure are detailed in Appendix D – Asset Valuations.

J.2 Decline in Service Potential

The decline in service potential is a decline in the future economic benefits (service potential) embodied in an asset.

It is Council policy to operate the Aquatic Centre activity to meet a desired level of service. Council will monitor and assess the state of the Aquatic Centre and upgrade or replace components over time to counter the decline in service potential at the optimum times.

J.3 Council's Borrowing Policy

Council's borrowing policy was that it only funds capital and renewal expenditure through borrowing, normally for 20 years, but shorter terms are used for some assets depending on how long they are expected to last before they need to be replaced. However, the loans for the Aquatic Centre, the Learn to Swim Pool and the Fitness Centre were taken out as 40 year loans.

Council has now made a decision to start to phase in the funding of depreciation, effectively this will create a reserve to fund the replacement of assets. This method means that debt will not be raised to fund asset replacement. This is being phased in over ten years and is more fully explained in the Financial Strategy which is part of Supporting Information associated with the LTP 2015-2025.

This method of funding capital expenditure provides intergenerational equity, this means that those people that receive the benefit from the asset generally pay for the asset.

APPENDIX K. PUBLIC DEBT AND ANNUAL LOAN SERVICING COSTS

K.1 General Policy

The Council borrows as it considers prudent and appropriate and exercises its flexible and diversified funding powers pursuant to the Local Government Act 2002. The Council approves, by resolution, the borrowing requirement for each financial year during the annual planning process. The arrangement of precise terms and conditions of borrowing is delegated to the Corporate Services Manager.

The Council has significant infrastructural assets with long economic lives yielding long-term benefits. The Council also has a significant strategic investment holding. The use of debt is seen as an appropriate and efficient mechanism for promoting intergenerational equity between current and future ratepayers in relation to the Council's assets and investments. Debt in the context of this policy refers to the Council's net external public debt, which is derived from the Council's gross external public debt adjusted for reserves as recorded in the Council's general ledger.

Generally, the Council's capital expenditure projects with their long-term benefits are debt funded. The Council's other district responsibilities have policy and social objectives and are generally revenue funded.

The Council raises debt for the following primary purposes:

- capital to fund development of infrastructural assets
- short term debt to manage timing differences between cash inflows and outflows and to maintain the Council's liquidity
- debt associated with specific projects as approved in the Annual Plan or LTP. The specific debt can also result from finance which has been packaged into a particular project.

In approving new debt, the Council considers the impact on its borrowing limits as well as the size and the economic life of the asset that is being funded and its consistency with the Council's long term financial strategy.

The Borrowing Policy is found in Volume 2 of the Council's LTP.

K.2 Loans

Loans to fund capital projects over the next 10 years add up to the following detailed in Table K-1.

Table K-1: Projected Capital Works Funded by Loan for Next 10 years ($000 excluding inflation)

Aquatic Centre activity	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Loans Raised	74	188	163	369	154	82	85	87	90	94
Opening Loan Balance	3,343	3,299	3,362	3,392	3,614	3,609	3,525	3,440	3,354	3,266
Closing Loan Balance	3,299	3,362	3,392	3,614	3,609	3,525	3,440	3,354	3,266	3,176

The original Aquatic Centre loan matures in 2043 and has a current balance of approximately $1.4 million.

The Learn to Swim Pool loan matures in 2051 and has a current balance of approximately $2 million.

The Fitness Centre loan matures in 2051 and has a current balance of approximately $95,000.

K.3 Cost of Loans

The Council funds the principal and interest costs of past loans and these are added to the projected loan costs for the next 10 years as shown in Table K-2.

Table K-2: Projected Annual Loan Repayment Costs for Next 10 Years ($000 excluding inflation)

Aquatic Centre Activity	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Loans Interest	191	193	196	193	208	205	200	204	199	193
Loan Principal	118	124	133	147	160	165	170	174	178	183

APPENDIX L. SUMMARY OF FUTURE OVERALL FINANCIAL REQUIREMENTS

The Aquatic Centre is part of the 'Community Facilities and Parks' group of activities. The funding impact statement for this group of activities is presented below.

Funding Impact Statement - Community Facilities and Parks	2014/15 Budget $000	2015/16 Budget $000	2016/17 Budget $000	2017/18 Budget $000	2018/19 Budget $000	2019/20 Budget $000	2020/21 Budget $000	2021/22 Budget $000	2022/23 Budget $000	2023/24 Budget $000	2024/25 Budget $000
SOURCES OF OPERATING FUNDING											
General rates, uniform annual general charges, rates penalties	8,530	8,947	9,267	9,469	9,747	10,060	10,516	10,908	11,301	11,639	12,051
Targeted rates (other than a targeted rate for water supply)	3,322	3,306	3,476	3,502	3,612	3,793	3,926	4,058	4,231	4,349	4,400
Subsidies and grants for operating purposes	112	116	119	123	126	131	135	140	145	150	156
Fees, charges and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	1,744	1,312	1,363	1,433	1,504	1,574	1,682	1,734	1,780	1,826	1,874
TOTAL OPERATING FUNDING	13,708	13,681	14,224	14,527	14,989	15,557	16,258	16,839	17,457	17,964	18,481
APPLICATIONS OF OPERATING FUNDING											
Payments to staff and suppliers	8,363	8,091	8,313	8,792	8,928	9,098	10,208	10,145	10,195	10,476	11,040
Finance costs	1,483	1,614	1,608	1,533	1,396	1,396	1,352	1,291	1,237	1,110	970
Internal charges and overheads applied	3,070	2,493	2,617	2,725	2,794	2,841	2,916	2,983	3,065	3,155	3,186
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
TOTAL APPLICATIONS OF OPERATING FUNDING	12,915	12,197	12,538	13,050	13,118	13,336	14,475	14,419	14,497	14,741	15,196
SURPLUS (DEFICIT) OF OPERATING FUNDING	793	1,483	1,686	1,477	1,871	2,222	1,783	2,421	2,960	3,223	3,285
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	1,301	1,834	1,936	1,811	1,962	2,027	2,096	1,970	2,041	2,116	2,154

Funding Impact Statement - Community Facilities and Parks	2014/15 Budget $000	2015/16 Budget $000	2016/17 Budget $000	2017/18 Budget $000	2018/19 Budget $000	2019/20 Budget $000	2020/21 Budget $000	2021/22 Budget $000	2022/23 Budget $000	2023/24 Budget $000	2024/25 Budget $000
Increase (decrease) in debt	433	755	(1,443)	(1,153)	(950)	(1,237)	(323)	(1,789)	(1,893)	(2,331)	(2,334)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
TOTAL SOURCES OF CAPITAL FUNDING	1,733	2,589	493	658	1,012	790	1,773	181	148	(215)	(180)
APPLICATIONS OF CAPITAL FUNDING											
Capital expenditure											
- to meet additional demand	926	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	1,007	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	524	3,996	1,945	1,839	1,974	1,821	3,118	1,419	1,578	1,778	1,666
Increase (decrease) in reserves	70	77	234	296	909	1,191	437	1,182	1,530	1,230	1,438
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
TOTAL APPLICATIONS OF CAPITAL FUNDING	2,526	4,072	2,179	2,135	2,883	3,012	3,556	2,602	3,108	3,008	3,105
SURPLUS (DEFICIT) OF CAPITAL FUNDING	(793)	(1,483)	(1,686)	(1,477)	(1,871)	(2,222)	(1,783)	(2,421)	(2,960)	(3,223)	(3,285)
FUNDING BALANCE	0	0	0	(0)	0	0	(0)	0	0	0	0

The following graphs provide a summary of the overall future financial requirements for the Aquatic Centre activity for 2015-2025:

Figure L.1 Operational Expenditure Requirements

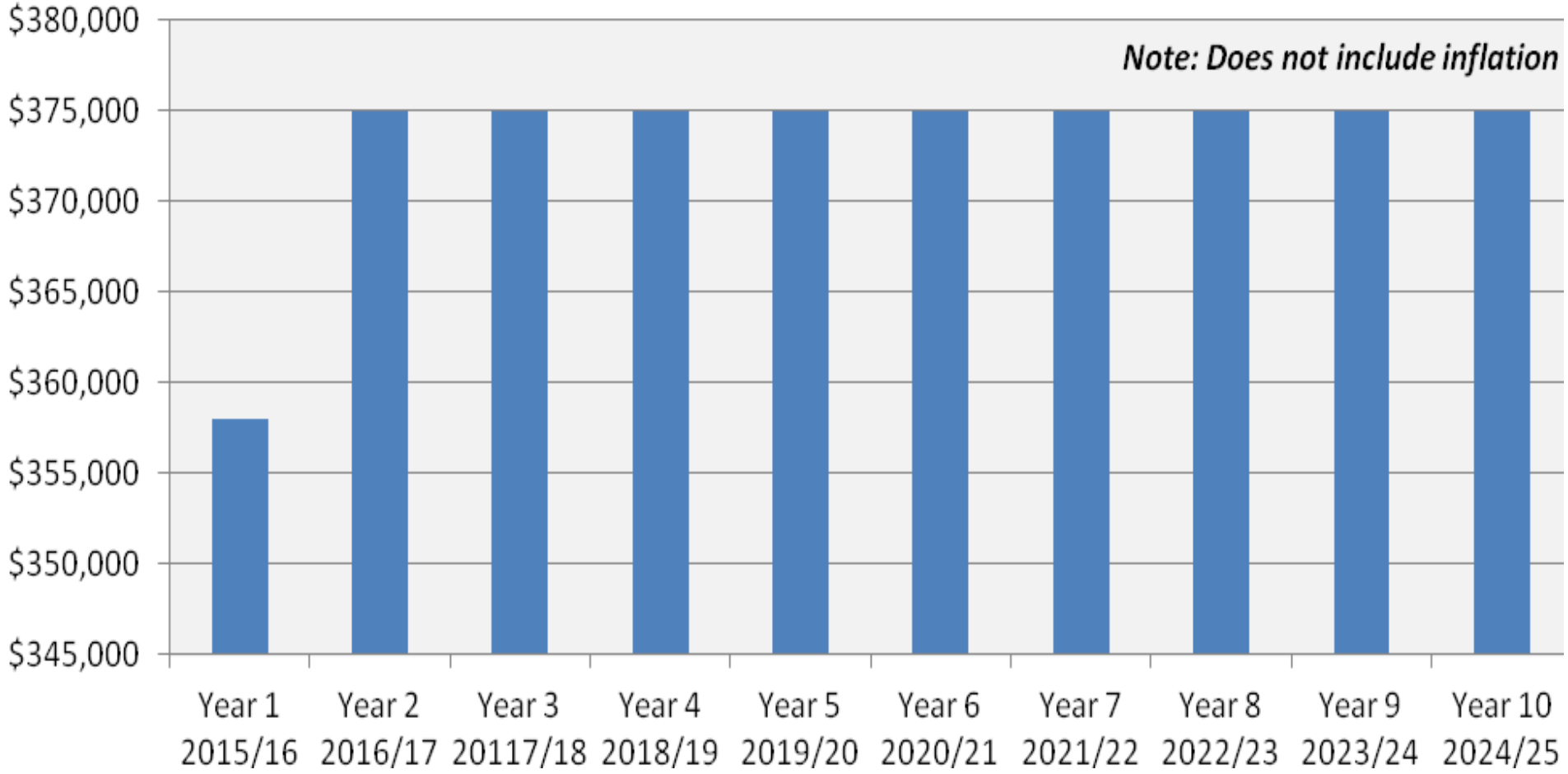
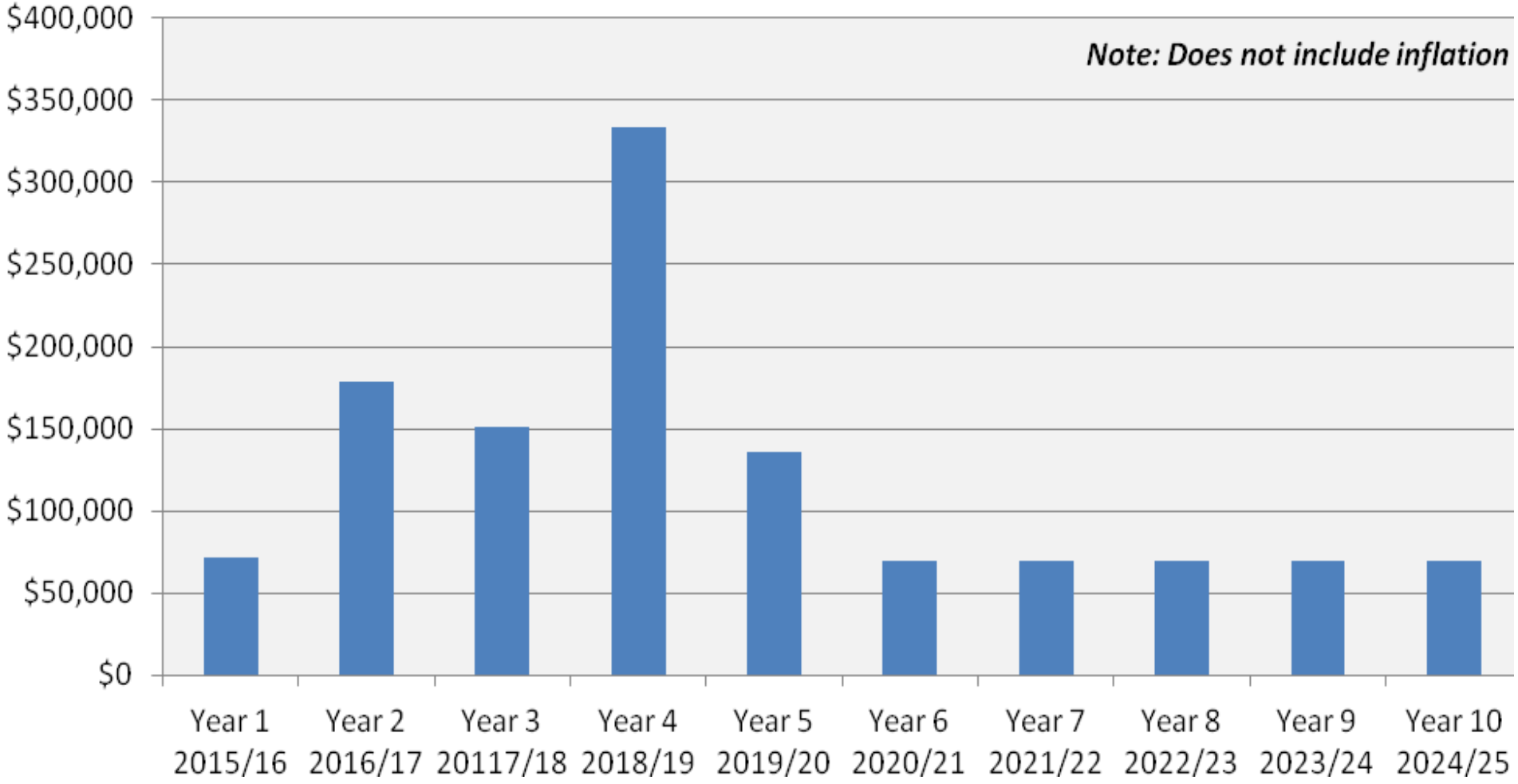


Figure L.2 Total Capital Expenditure Requirements



APPENDIX M. FUNDING POLICY, FEES AND CHARGES

The completion of this section has been included in the improvement programme.

APPENDIX N. DEMAND MANAGEMENT

N.1 Introduction to Demand Management

The objective of demand management (sometimes called non-asset solutions) is to actively seek to modify customer demands for services in order to:

- optimise utilisation/performance of existing assets
- reduce or defer the need for new assets
- meet the organisation's strategic objectives (including social, environmental and political)
- deliver a more sustainable service
- respond to customer needs.
- provide a facility that will meet user's requirements.

The future growth and demand projections are discussed in Appendix F – Demand and Future Capital Requirements.

N.2 Council's Approach to Demand Management

Council will implement the following demand management strategies for the provision and rationalisation of community facilities:

Community involvement: Involve the community in future development of the Aquatic Centre facility through consultation using the LTP process.

Strategic planning: The Council will monitor and assess changes in population structure and recreation preferences to enable provision to be related to varied and changing needs.

Multiple use: The Council will actively promote the development of flexible, multi-use facilities and open spaces.

Fees and charges: Consider options to recover costs through user charges, taking into account the ability to pay, assessment of public and private benefit, and Council's objectives with respect to community participation in recreational activity. Consider discount incentives to promote the use of the facilities (to encourage and spread demand).

Promotion: Encourage participation in a range of recreational experiences actively promoting opportunities for all levels of age, ability and gender.

Generally, at present, capacity exceeds current demand for Aquatic Centre facilities.

N.3 Climate Change

The RMA 1991 states, in Section 7, that a local authority shall take account of the effects of climate change when developing and managing its resources. The Local Government Act 2002 also contains requirements to "to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses". "Good quality" means infrastructure, services, and performance that are efficient and effective and appropriate to present and anticipated future circumstances".

This appendix summarises climate change information available to Council for asset and activity planning. Key information sources include:

- Climate Change Effects and Impacts Assessment: A Guidance Manual for Local Government in NZ, MfE (2008)
- Climate Change and Variability in the Tasman District, NIWA (2008)
- Mean High Water Springs report, NIWA (2013)
- Fifth Assessment Report, IPCC (2013)
- Extreme sea-level elevations from storm-tides and waves: Tasman and Golden Bay coastlines, NIWA (2014).

N3.1 Changing Climatic Patterns

To assist local authorities, the Ministry for the Environment (MfE) prepared a report[3] to support councils' assessing expected effects of climate change, and to help them prepare appropriate responses when necessary.

In 2008, Tasman District Council commissioned NIWA to provide local interpretation[4]. The report examined the impacts of expected climate changes for the Tasman-Nelson region.

Subsequently, the Intergovernmental Panel on Climate Change (IPCC) has produced its fifth assessment report AR5 (2013). The AR5 is a result of substantial collective international science over the past five years, and has synthesised the current physical science basis for climate change understanding. The report covers the scope and significance of expected impacts, vulnerabilities and adaptation challenges arising at an international level, and national level.

AR5 does not fundamentally change our understanding of how global climate impacts will manifest themselves locally in Tasman, however Council will undertake a similar exercise to that of 2008 to commission NIWA to produce a Climate Change and Variability report specific to the Tasman District.

N3.2 Temperature Change

Table N-1 shows that the mean annual temperatures in Tasman-Nelson are expected to increase in the future.

Table N-1: Projected mean temperature change (upper and lower limits) in Tasman-Nelson, in °C

	Summer	Autumn	Winter	Spring	Annual
Projected changes 1990-2040	0.2 – 2.2	0.2 – 2.3	0.2 – 2.0	0.1 – 1.8	0.2 – 2.0
Projected changes 1990-2090	0.9 – 5.6	0.6 – 5.1	0.5 – 4.9	0.3 – 4.6	0.6 – 5.0

Source: Climate Change and Variability – Tasman District (NIWA, June 2008)

It is the opinion of NIWA[5] scientists that the actual temperature increase this century is very likely to be more than the 'low' scenario given here. Under the mid-range scenario for 2090, an increase in mean temperature of 2.0°C would represent annual average temperature in coastal Tasman in 2090.

N3.3 Rainfall Patterns

Table N-2 shows an expected increase in mean annual precipitation in Tasman-Nelson from 1990 to 2090.

Table N-2: Projected mean precipitation change (upper and lower limits) in Tasman-Nelson, in %

	Summer	Autumn	Winter	Spring	Annual

[3] Climate Change Effects and Impacts Assessment A Guidance Manual for Local Government in NZ (MfE, May 2008)
[4] Climate Change and Variability – Tasman District (NIWA, June 2008)
[5] Climate Change and Variability – Tasman District (NIWA, June 2008)

Projected changes 1990-2040	-14, 27	-2, 19	-4, 9	-8,9	-3,9
Projected changes 1990-2090	-13, 30	-4, 18	-2, 19	-20, 19	-3, 14

Source: Climate Change and Variability – Tasman District (NIWA, June 2008)

N3.4 Heavy Rainfall

A warmer atmosphere can hold more moisture (about 8% more for every 1^{o}C increase in temperature), so there is an obvious potential for heavier extreme rainfall under climate change. More recent climate model simulations confirm the likelihood that heavy rainfall events will become more frequent.

N3.5 Evaporation, Soil Moisture and Drought

From their report, NIWA conclude that there is a risk that the frequency of drought (in terms of low soil moisture conditions) could increase as the century progresses, for the main agriculturally productive parts of Tasman district.

N3.6 Climate Change and Sea Level

The MfE Report provides guidance for local government on coastal hazards and climate change. The report recommends:

For planning and decision timeframes out to the 2090s (2090–2099):

1) a base value sea-level rise of 0.5 m relative to the 1980–1999 average should be used, along with

2) an assessment of the potential consequences from a range of possible higher sea-level rises (particularly where impacts are likely to have high consequence or where additional future adaptation options are limited). At the very least, all assessments should consider the consequences of a mean sea-level rise of at least 0.8 m relative to the 1980–1999 average. Guidance on potential sea-level rise uncertainties and values at the time (2008) is provided within the Guidance Manual to aid this assessment.

For planning and decision timeframes beyond the 2090s where, as a result of the particular decision, future adaptation options will be limited, an allowance for sea-level rise of 10 mm per year beyond 2100 is recommended.

Since the MfE guidance was published in 2008, the NZ Coastal Policy Statement has been updated, requiring identification of areas in the coastal environment that are potentially affected by coastal hazards over at least 100 years, taking into account the effects of climate change (Policy 24).

The two values of sea-level rise to be considered as a minimum number of rises for assessing risk of 0.5 m and 0.8 m by the 2090s in the 2008 MfE guidance are equivalent to rises of 0.7 m and 1.0 m extended out to 2115, which is “at least 100 years” from the present. These projections are for mean sea levels.

In 2013 Council commissioned NIWA to prepare a report on mean high water springs (MHWS) for Tasman District, and includes a range of sea level rise scenarios[6]. Ongoing sea-level rise will require updates of the MHWS levels and for projecting MHWS levels into the future, whereby the appropriate sea-level rise is simply added to the ‘present day’ MHWS levels. The report includes worked examples for sea-level rise magnitudes of 0.7 m and 1.0 m, which extend the equivalent

[6] NIWA Report: Mean High Water Spring (MHWS) levels including sea-level rise scenarios: Envirolink Small Advice Grant (1289-TSDC95), 4 September 2013 (revised 30 April 2014)

tie-point values for the 2090s (0.5 m and 0.8 m) in the Ministry for the Environment (2008) guidance out to 2115 to cover at least a 100-year period.

Subsequently, Tasman District Council was granted an Envirolink medium advice grant (1413-TSDC99)[7] for NIWA to develop defensible coastal inundation elevations and likelihoods as a result of combinations of elevated storm-tide, wave setup and wave run-up, along the "open coast" of the Tasman Bay and Golden Bay coastlines. The study excludes inlets and the west coast of Tasman District. The report includes an interactive 'calculator' which allows council to accommodate various predicted sea level rise scenarios and different beach profiles.

The extent of coastal inundation in Motueka is being modelled at the time of writing this AMP (2014). The model is an extension of the modelling work undertaken on the movement of the Motueka Sandspit and impacts on Jackett Island. The Motueka modelling is expected to show the depth and extent of land affected by sea water inundation.

Mapua and Ruby Bay have also been subject to inundation modelling as a result of TRMP Plan Change 22. Future urban locations for inundation modelling have yet to be determined.

A wider coastal hazard assessment project for Tasman District is underway in 2014. The project will consider options for risk mitigation and adaptation. The results will be integrated into land use and infrastructure planning.

N3.7 Potential Impacts on Council's Infrastructure and Services

Table N-3: Local government functions and possible negative climate change outcomes

Function	**Affected Assets of Activities**	**Key Climate Influences**	**Possible Effects**
Water supply and irrigation	Infrastructure	Reduced rainfall, extreme rainfall events and increased temperature. Sea level rise.	Reduced security of supply (depending on water source). Contamination of water supply. Saltwater intrusion into coastal wells.
Wastewater	Infrastructure	Increased rainfall. Sea level rise.	More intense rainfall (extreme events) will cause more inflow and infiltration into the wastewater network. Wet weather overflow events will increase in frequency and volume. Longer dry spells will increase the likelihood of blockages and related dry weather overflows. Disruption of WWTPs due to coastal inundation or erosion impacts.
Stormwater	Reticulation Stopbanks	Increased rainfall Sea-level rise	Increased frequency and/or volume of system flooding. Increased peak flows in streams and related erosion. Groundwater level changes. Saltwater intrusion in coastal zones. Changing flood plains and

[7] NIWA Report: Extreme sea-level elevations from storm-tides and waves: Tasman and Golden Bay coastlines, March 2014.

			greater likelihood of damage to properties and infrastructure.
Roading	Road network and associated infrastructure (power, telecommunications, drainage).	Extreme rainfall events, extreme winds, high temperatures. Sea-level rise.	Disruption due to flooding, landslides, falling trees and lines. Direct effects of wind exposure on heavy vehicles. Melting of tar. Increased coastal erosion or storm induced damage.
Planning/policy development	Management of development in the private sector. Expansion of urban areas. Infrastructure and communications planning.	All	Inappropriate location of urban expansion areas. Inadequate or inappropriate infrastructure, costly retro-fitting of systems.
Land management	Rural land management	Changes in rainfall, wind and temperature.	Enhanced erosion, Changes in type/distribution of pest species. Increased fire risk. Reduction in water availability for irrigation. Changes in appropriate land use. Changes in evapotranspiration. Increase in crop pests.
Water management	Management of watercourses/lakes/ wetlands	Changes in rainfall and temperature.	More variation in water volumes possible. Reduced water quality. Sedimentation and weed growth. Changes in type/distribution of pest species.
Coastal management	Infrastructure. Management of coastal development.	Temperature changes leading to sea-level changes. Extreme storm events.	Coastal erosion and flooding. Disruption in roading, communications. Loss of private property and community assets. Effects on water quality.
Civil defence and emergency management.	Emergency planning and response, and recovery operations.	Extreme events	Greater risks to public safety, and resources needed to manage flood, rural fire, landslip and storm events.
Biosecurity	Pest management	Temperature and rainfall changes	Changes in the range and density of pest species
Open space and community facilities management	Planning and management of parks, playing fields and urban open spaces.	Temperature and rainfall changes. Extreme wind and rainfall events.	Changes/reduction in water availability. Changes in biodiversity. Changes in type/distribution of pest species. Groundwater changes. Saltwater intrusion in coastal zones.

			Need for more shelter in urban spaces.
Transport	Management of public transport. Provision of footpaths, cycleways etc.	Changes in temperatures, wind and rainfall.	Changed maintenance needs for public transport infrastructure. Disruption due to extreme events.
Waste management	Transfer stations and landfills	Changes in rainfall and temperature	Increased surface flooding risk. Biosecurity changes. Changes in ground water level and leaching.
Water supply and irrigation	Infrastructure	Reduced rainfall, extreme rainfall events and increased temperature.	Reduced security of supply (depending on water source). Contamination of water supply.

Source: Climate Change Effects and Impacts Assessment (MfE, May 2008)

Council have incorporated the potential impacts of climate change in the Engineering Standards and Policies.

APPENDIX O. Not relevant to this activity

APPENDIX P. SIGNIFICANT NEGATIVE AND POSITIVE EFFECTS ARISING FROM THIS ACTIVITY

There are no significant negative effects from this activity, however, there are some negative effects which are outlined in the table below.

Effect	Council's Mitigation Measure
Level of admission costs (currently at high end of spectrum)	Work with contractor to reduce costs and continue to subsidise contractor.
Increasing operation and maintenance costs, due to age of plant and equipment	Adopt a renewals programme. Condition reports reviewed regularly.
Pool odour, caused excessive chloromines	Investigate and install UV treatment of water.

The positive effects of the activity are outlined in the table below.

Effect	Description
Social benefits	Provides opportunities for social engagement and interaction.
Health outcomes	Health and wellbeing / therapeutic benefits - provide opportunities for people of varying physical abilities to improve their health and wellbeing and fitness levels.
Community value	The provision of learn to swim and fitness facilities.

APPENDIX Q. SIGNIFICANT ASSUMPTIONS, UNCERTAINTIES, AND RISK MANAGEMENT

Q.1 Assumptions and Uncertainties

This AMP and the financial forecasts within it have been developed from information that has varying degrees of completeness and accuracy. In order to make decisions in the face of these uncertainties, assumptions have to be made. This section documents the uncertainties and assumptions that the Council considers could have a significant effect on the financial forecasts, and discusses the potential risks that this creates.

Q1.1 Financial Assumptions

The following assumptions have been made:

- all expenditure is stated in dollar values as at 1 July 2014, with no allowance made for inflation;
- all costs and financial projections are GST exclusive;
- operational budget projections are based largely on historical unit costs and levels of expenditure
- capital development budgets are based on estimates for known projects.

Funding to undertake the tasks identified in Appendix V (the improvement programme) have been incorporated in the operating expenditure forecasts from 2017/18:

- review asset condition assessments and extend for 20 years.

Q1.2 Asset Data Knowledge

While the Council has asset registers and many digital systems, processes and records, the Council does not have complete knowledge of the assets it owns. To varying degrees the Council has incomplete knowledge of asset location, asset condition, remaining useful life and asset capacities. This requires assumptions to be made on the total value of the assets owned, the time at which assets will need to be replaced and when new assets will need to be constructed to provide better service.

The Council considers these assumptions and uncertainties constitute only a small risk to the financial forecasts because:

- significant amounts of asset data is known; and
- asset performance is well known from experience.

Q1.3 Growth Forecasts

Growth forecasts are inherently uncertain and involve many assumptions. The growth forecasts also have a very strong influence on the financial forecasts, especially in Tasman district where population growth is higher than the national average. The growth forecasts underpin and drive:

- the asset creation programme;
- the Council's income forecasts including rates and development contributions; and
- funding strategies.

Thus the financial forecasts are sensitive to the assumptions made in the growth forecasts. If the growth is significantly different it will have a significant impact. If higher, the Council may need to advance capital projects. If it is lower, the Council may need to defer planned works.

Q1.4 Timing of Projects

The timing of many projects can be well-defined and accurately forecast because there are few limitations on the implementation other than the community approval through the LTP/Annual Plan processes. However, the timing of some projects is highly dependent on some factors which are beyond the Council's ability to fully control.

These include factors like:

- obtaining resource consent, especially where community input is necessary;
- obtaining community support;
- obtaining a subsidy from central government;
- securing land purchase and / or land entry agreements;
- the timing of large private developments;
- the rate of population growth.

Where these issues may become a factor, allowances have been made to complete in a reasonable timeframe. However these plans are not always achieved and projects may be deferred as a consequence.

Q1.5 Funding of Projects

When forecasting projects that will not occur for a number of years, a number of assumptions have to be made about how the project will be funded.

Funding assumptions are made about:

- whether projects will qualify for subsidies;
- whether major beneficiaries of the work will contribute to the project, and if so, how much will they pay;
- whether a project should be funded from development contributions or reserve financial contributions, and if so, how much is appropriate; and
- whether the Council will subsidise the development of the project.

The correctness of these assumptions has major consequences especially on the affordability of new projects. The Council has considered each new project and concluded for each a funding strategy. The funding strategy will form one part of the consultation process as these projects are advanced toward construction.

Q1.6 Accuracy of Project Cost Estimates

The financial forecasts have been estimated from the best available knowledge. The level of uncertainty inherent in each project is different depending on how much work has been done in defining the problem and determining a solution. In many cases, only a rough order cost estimate is possible because little or no preliminary investigation has been carried out. It is not feasible to have all projects in the next 30 years advanced to a high level of accuracy. It is general practice for all projects in the first three years and projects over $500,000 in the first 10 years to be advanced to a level that provides reasonable confidence with the estimate.

To get consistency and formality in cost estimating, the following practices have been followed:

- all expenditure is stated in dollar values as at 1 July 2014, with no allowance made for inflation;
- all costs and financial projections are GST exclusive;
- a project estimating template has been developed that provides a consistent means of preparing estimates;
- where practical, a common set of rates has been determined;

- specific provisions have been included to deal with non-construction costs like contract preliminary and general costs, engineering costs, Council staff costs, resource consenting costs and land acquisition costs;

Q1.7 Significant Assumptions and Uncertainties for Projects Assigned over the Next Three Years

Table Q-1 details significant uncertainties and percentage accuracies for all major projects due in the next three years of the AMP.

Table Q-1: Major Projects for Year 1 to Year 3

Project	Project Stage and Estimate Accuracy	Project Value in Year 1 to 3	Factors that could Affect Estimate Accuracy
Photovoltaic cells	$200,000	$0	Cost of equipment and electricity costs.
Improved air quality	$120,000	$120,000	Equipment costs

Q1.8 Future Changes in Legislation and Policy

The legal and planning framework under which local government operates frequently changes. This can significantly affect the feasibility of projects, how they are designed, constructed and funded. The Council has assumed that there will be no major changes in legislation or policy. The risk of significant changes remains high owing to the nature of Government policy formulation. If major changes occur it will impact on required expenditure and the Council has not provided mitigation for this effect.

Q1.9 Resource Consents

The assumption has been made that Council has sufficient knowledge of discharge quality and receiving environments to apply for resource consents and that it will be granted resource consents for key projects, water take and wastewater discharges.

Q1.10 Resource Consent Monitoring

The assumption has been made that the costs identified in this AMP for the monitoring of resource consents is sufficient. Until new resource consents have been applied for, the conditions requiring monitoring are unknown. Once this information is understood, Council may need to allocate additional costs for monitoring compliance against consent conditions.

Q.2 Risk Management

Q2.1 Why do we do Risk Management

Risk management is the systematic process of identifying, analysing, evaluating, treating and monitoring risk events so that they are mitigated as far as possible, refer to Figure Q-1.

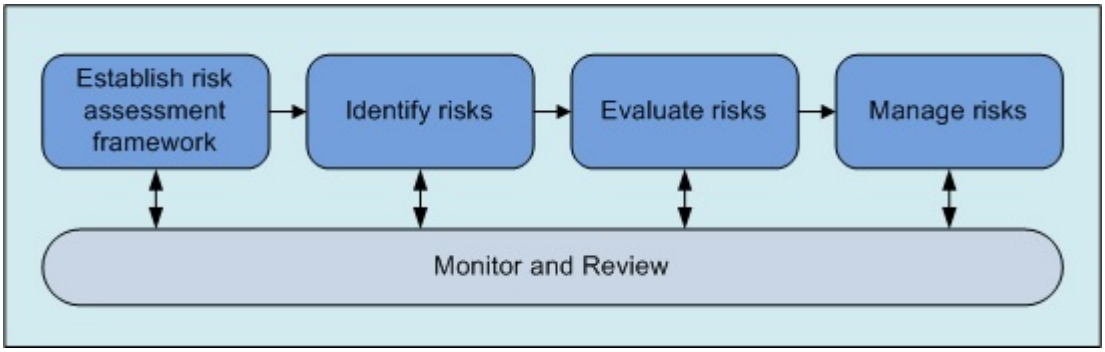


Figure Q-1: Risk Management Process

Risk management involves assessing each risk event and identifying an appropriate treatment. Treatments are identified to try and manage or reduce the risk. There are some risk events for which it is near impossible or not feasible to reduce the likelihood of the event occurring, or to mitigate the effects of the risk event if it occurs e.g. extreme natural hazards. In this situation the most appropriate response may be to accept the risk as is, to obtain insurance, and to prepare response plans and consider system resilience.

Well managed risks can help reduce:

- disruption to infrastructure assets and services
- financial loss
- damage to the environment
- injury and harm
- legal obligation failures.

Q2.2 Our Approach to Risk Management

Q.2.2.1 Risk Assessment Framework

The Council's risk assessment framework was developed in 2011 to be consistent with *AS/NZS IS 4360:2004 Risk Management.* It assesses risk exposure by considering the consequence and likelihood of each risk event. Risk exposure is managed at three levels within the Council organisation, refer to Figure Q-2:

- Level 1 – Corporate Risks
- Level 2 – Activity Risks
- Level 3 – Operational Risks.

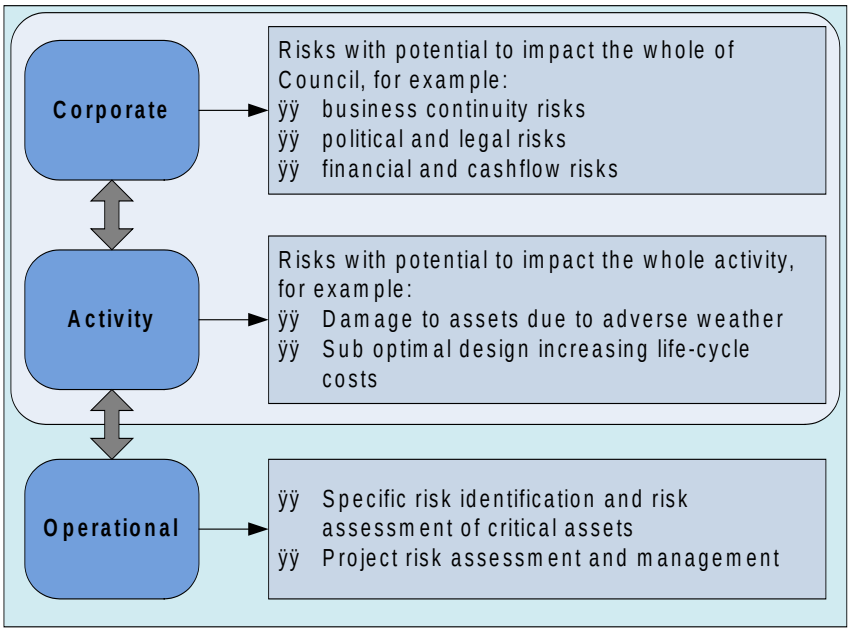


Figure Q-2: Levels of Risk Assessment

The risk assessment framework discussed in Section Q.2.2.1 and Q.2.2.2 is applied to corporate and activity specific risks. There are some risk events which could be interpreted as either corporate or activity level risks. For example, a risk event may have the potential to impact the Council organisation as a whole or many parts of the organisation if it was to occur. In the first instance this type of risk would be classified as a corporate risk. There is however a secondary

consideration that needs to be given, that is, "is the risk best managed in different ways within the separate activities?" For example, a large seismic event will likely impact the Council organisation as a whole however each activity will prepare for and manage these risks differently; e.g. water reservoirs may be strengthened to minimise the risk of collapse, or Corporate Services may prepare a business continuity plan.

The Council is yet to implement consistent risk management processes at the operational risk level. Development of the critical asset framework is discussed in Section Q.2.5. The Council plans to develop a framework for assessing maintenance and project risks in 2015.

Q.2.2.2 Risk Identification and Evaluation

The risk management framework requires the activity management team to identify activity risks and to then assess the risk, likelihood and consequence for each individual event. The definitions of risk, likelihood and consequence are defined Figure 3.

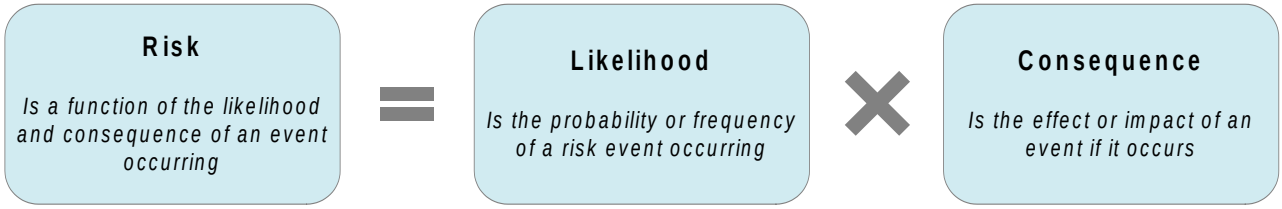


Figure Q-3: Risk Assessment Definitions

The Council has developed objective based scales to assist asset managers when determining the likelihood and consequence scores for all risk events. The consequence of each risk event is assessed on a scale of one to 100 for all of the consequence categories listed in Table Q-2 and the respective consequence rating score (Table Q-3) is selected. The detailed objective scale used to assess the consequence rating of the risk event against the risk is attached to this appendix.

Table Q-2: Risk Consequence Categories

	Category	Sub Category	Description
Consequence Categories	Service Delivery	N/A	Asset's compliance with Performance Measures and value in relation to outcomes and resource usage.
	Social / Cultural	Health and Safety	Impact as it relates to death, injury, illness, life expectancy and health.
		Community Safety and Security	Impact on perceived safety and reported levels of crime.
		Community / Social / Cultural	Damage and disruption to community services and structures, and effect on social quality of life and cultural relationships.
		Compliance / Governance	Effect on the Council's governance and statutory compliance.
		Reputation / Perception of Council	Public perception of the Council and media coverage in relation to the Council.
	Environment	Natural Environment	Effect on the physical and ecological environment, open space and productive land.
		Built Environment	Effect on amenity, character, heritage, cultural, and economic aspects of the built environment.
	Economic	Direct Cost	Cost to the Council.

		Indirect Cost	Cost to the wider community.

Table Q-3: Consequence Ratings

Consequence Rating					
Description	Extreme	Major	Medium	Minor	Negligible
Rating	100	70	40	10	1

Table Q-4 provides a summary of the likelihood assessment criteria.

Table Q-4: Likelihood Ratings

Likelihood Rating			
Description	**Frequency**	**Criteria**	**Rating**
Almost certain	Greater than every 2 years	The threat can be expected to occur or A very poor state of knowledge has been established on the threat	5
Likely	Once per 2-5 years	The threat will quite commonly occur or A poor state of knowledge has been established on the threat	4
Possible	Once per 5-10 years	The threat may occur occasionally or A moderate state of knowledge has been established on the threat	3
Unlikely	Once per 10-50 years	The threat could infrequently occur or A good state of knowledge has been established on the threat	2
Very Unlikely	Less than once per 50 years	The threat may occur in exceptional circumstances or A very good state of knowledge has been established on the threat	1

Using the existing risk management framework summarised in Table Q-5, the risk score is calculated by multiplying the likelihood of the risk event with the highest rated individual consequence category for that risk event to generate a risk score, as shown in Figure Q-4.

Table Q-5: Risk Scores

Risk Scoring Matrix		**Consequence**				
		Negligible	Minor	Medium	Major	Extreme
Likelihood	Almost Certain	5	50	200	350	500
	Likely	4	40	160	280	400
	Possible	3	30	120	210	300
	Unlikely	2	20	80	140	200
	Very Unlikely	1	10	40	70	100

Risk Score
Extreme
Very High
High
Moderate
Low
Negligible

An example of how the risk score is calculated is below.

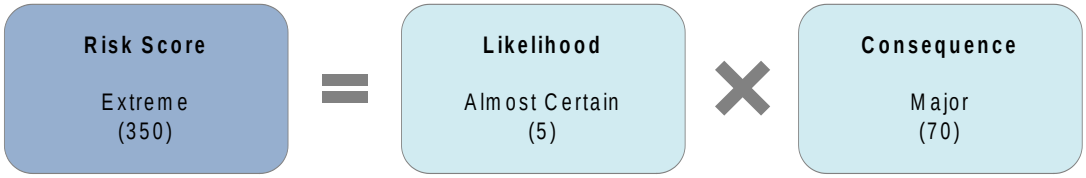


Figure Q-4: Risk Score Calculation

Risk scores are generated for inherent risk, current risk and target risk.

- Inherent risk is the raw risk score without taking into consideration any current or future controls.
- Current risk the level of risk to the Council after considering the effect of existing risk management controls.
- Target risk is the level of risk the Council expects and wants to achieve after applying the proposed risk management controls.

In some cases it is not feasible to reduce the inherent risk and in this case the Council would accept the inherent risk level as the current and target risk levels.

Q.2.2.3 Limitations

The processes outlined above form a conservative approach to evaluating risk and could been seen as representing the worst case scenario. They also provide limited ability to differentiate the priority of risks due to the potential to score highly in at least one of the consequence categories; this tends to create a smaller range of results. For example two events with a likelihood of "Almost Certain (5)" have been compared below:

- **Event A** – scores "Major (70)" for one consequence category and "Negligible (1)" in all the remaining consequence categories, this will generate an inherent risk score of "Extreme (350)".
- **Event B** – scores "Medium (40)" in all 10 consequence categories, this will generate an inherent risk score of "Very High (200)".
- **Event C** – scores "Major (70)" in all 10 consequence categories, this will generate an inherent risk score of "Extreme (350)".

These examples show that there are limitations for the Council when prioritising risk events, especially those that may have a wider impact on the activity eg, Event B or C. Consequently, the Council acknowledges that there are some downfalls in its existing framework and it has proposed to undertake a full review of its risk management framework during 2015.

Q2.3 Corporate Risk Mitigation Measures

Q.2.3.1 Asset Insurance

Tasman District Council has various mechanisms to insure assets against damage. These include:

- Tasman District Council insures above ground assets, like buildings, through private insurance which is arranged as a shared service with Nelson City and Marlborough District Councils.
- Tasman District Council is a member of the Local Authority Protection Programme (LAPP) which is a mutual pool created by local authorities to cater for the replacement of some types of infrastructure assets following catastrophic damage by natural disasters like earthquake, storms, floods, cyclones, tornados, volcanic eruption, tsunami. These infrastructure assets are largely stopbanks along rivers and underground assets like water and wastewater pipes and stormwater drainage.

- Taman District Council has a Classified Rivers Protection Fund, which is a form of self-insurance. The fund is used to pay the excess on the LAPP insurance, when an event occurs that affects rivers and stopbank assets.
- Tasman District Council has a General Disaster Fund, which is also a form of self-insurance. Some assets, like roads and bridges, are very difficult to obtain insurance for or it is prohibitively expensive if it can be obtained. For these reasons the Council has a fund that it can tap into when events occur which damage Council assets that are not covered by other forms of insurance. Some of the cost of damage to these assets is covered by central government, for example the New Zealand Transport Agency covers around half the cost of damage to local roads and bridges (as set out in the co-investment rate/financial assistance rate).

Q.2.3.2 Civil Defence Emergency Management

The Civil Defence Emergency Management Act 2002 was developed to ensure that the community is in the best possible position to prepare for, deal with, and recover from local, regional and national emergencies. The Act requires that a risk management approach be taken when dealing with hazards including natural hazards. In identifying and analyzing these risks the Act dictates that consideration is given to both the likelihood of the event occurring and its consequences. The Act sets out the responsibilities for Local Authorities. These are:

- ensure you are able to function to the fullest possible extent, even though this may be at a reduced level, during and after an emergency;
- plan and provide for civil defence emergency management within your own district.

Tasman District Council and Nelson City Council jointly deliver civil defence as the Nelson Tasman Civil Defence Emergency Management (CDEM) Group. The vision of the CDEM Group is to build “A resilient Nelson Tasman community”.

Civil Defence services are provided by the Nelson Tasman Emergency Management Office. Other council staff are also heavily involved in preparing for and responding to civil defence events. For example, Council monitors river flows and rainfall, and has a major role in alleviating the effects of flooding.

Nelson Tasman Civil Defence Emergency Management Group developed Regional Plan in 2012. The Plan sets out how Civil Defence is organised in the region and describes how the region prepares for, responds to and recovers from emergency events. It is available online here: http://www.nelsontasmancivildefence.co.nz/plans-publications/cdem-group-plan/ A review is scheduled in 2016/2017.

Q.2.3.3 Engineering Lifelines

The Nelson Tasman Engineering Lifelines (NTEL) project commenced in 2002. The NTEL Group formed in 2003. Its report *Limiting the Impact* was reviewed in 2009. The purpose of the report was:

- to help the Nelson Tasman region reduce its infrastructure vulnerability and improve resilience through working collaboratively
- to assist Lifeline Utilities with their risk reduction programmes and in their preparedness for response and recovery
- to provide a mechanism for information flow during and after an emergency event.

The NTEL Group are in the process of applying for funding to hold a further review to begin in 2015.

The project was supported and funded by the two controlling authorities, Nelson City Council and Tasman District Council. Following the initial start-up forum in 2002, a Project Steering Group was formed and initial project work was completed. The initial work to investigate risks and assess vulnerabilities from natural hazard disaster events was divided amongst five task groups:

- Hazards Task Group

- Civil Task Group
- Communications Task Group
- Energy Task Group
- Transportation Task Group.

These groups were then tasked with assessing the risk and vulnerability of segments of their own networks against the impacts of major natural hazard disaster events. These natural hazards included:

- earthquake
- landslide
- coastal / flooding.

The Nelson Tasman region is geotechnically complex with high probabilities of earthquake, river flooding and landslides.

By identifying impacts that these hazards may have on the local communities, the NTEL Group aim to have processes in place to allow the community to return to normal functionality as quickly as possible after a major natural disaster event.

To date the project has identified the impacts of natural hazards and the critical lifelines of the regions service networks including communication, transportation, power and fuel supply, water, sewerage, and stormwater networks.

The initial NTEL assessment work is the first stage of an on-going process to gain a more comprehensive understanding of the impacts of natural hazards in the Nelson Tasman region.

The review date of the NTEL assessments is 2015.

Q.2.3.4 Recovery Plans

These plans are designed to come into effect in the aftermath of an event causing widespread damage and guide the restoration of full service.

The Recovery Plan for the Nelson Tasman Civil Defence and Emergency Management Group (June 2008) identifies recovery principles and key tasks, defines recovery organisation, specifies the role of the Recovery Manager, and outlines specific resources and how funds are to be managed.

Information about welfare provision in the Nelson-Tasman region is contained in a Welfare Plan (December 2005), which gives an overview of how welfare will be delivered during the response and recovery phases of an emergency.

The plan is a coordinated approach to welfare services for both people and animals in the Nelson Tasman region following an emergency event.

Q.2.3.5 Business Continuance

The Council has a number of processes and procedures in place to ensure minimum impact to transportation services in the event of a major emergency or natural hazard event.

- The Council has limited business continuity plans that were developed around influenza pandemic planning in 2014.
- The Council's transportation contractors have up to date Health and Safety Plans in place.

Q2.4 Richmond Aquatic Centre Risks

In order to identify the key activity risks the asset management team has applied a secondary filter to the outcomes of the risk management framework. This is necessary to overcome the limitations of the framework. To apply this secondary filter the asset management team have used their professional knowledge and judgement to identify the key activity risks. The key risks relevant to the activity are summarised in Table Q-6.

Table Q-6: Key Risks

Risk Event	Mitigation Measures
Long term unavailability of replacement equipment / spares for Aquatic Centre.	*Current* · Redundancy. · Contract conditions. · Monitoring. · Benchmarking · External auditing. · Condition assessments *Proposed* · Extend condition assessments to 20 years
Earthquake (1:400) causes significant damage to aquatic centre.	*Current* · Design Standards. · Seismic testing and strengthening. · Business Continuity Planning (BCP). · Evacuation plans. *Proposed* · Review BCP
Failure of utilities servicing aquatic centre.	*Current* · Loss of power · Loss of water · Loss of sewage disposal *Proposed* · Could retrofit aquatic centre to allow for a standby generator.

An asset management improvement item included in Appendix V is to review all inherent, current and target risk scores following the adoption of the amended framework.

Q2.5 Projects to address Risk shortfalls

The specific risk mitigation measures that have been planned within the 20 year Aquatic Centre programme include:

- an allowance for emergency funds
- a preventative maintenance programme
- an allowance for routine maintenance of structures
- routine structural inspections.
- maintain and ensure compliance with up to date Health and Safety Plans for all staff and contractors and manage the contractors' response to new Health & Safety issues
- ensure compliance with NZS 5826:2010 Pool Water Quality
- monitor structures so that they are maintained in a safe and sound condition that complies with the Building Act, where required

Other projects to address risk shortfalls include the following:

Health and Safety

- A Health and Safety plan is in place for the Council, which details the requirements for staff and the management of contractors working for the Council.
- Building warrants of fitness are in place for all buildings used by the public, ensuring emergency evacuation systems and procedures are in place.

Service Standards

- The specifications for all regular maintenance and operation activities have been defined and documented in the maintenance contracts.

Contracts Supervision

- Maintenance contractors are supervised directly by staff from Property Services. In some cases the Architect or other specialist consultant may supervise contractors on development projects.

Resources

- Sufficient staff resources of a suitably skilled nature are in place to manage and operate this activity.

Unforeseen Events

- The current Council approach is to deal with events as or if they arise. For minor events the costs will be accommodated within existing budgets if possible. If additional costs over budget are incurred, this will be reported to Council.

Attention to Repairs

- Faults or request for service reported by the public are dealt with by the customer services staff and referred to Property Services or the contractor for action if required, for action. Inspection and remedial work is carried out within a response time that is considered appropriate to the issue within the following response times:
    - Urgent (public safety issues) – 2 hours
    - Priority – 24 hours
    - Standard – 5 working days
    - Non urgent – 15 working days

- Minor faults or request for service received after hours are referred direct to the appropriate contractor, who has authority to take the appropriate action required (within limits specified in their contract).

Delegations

- Financial authority delegations are in place for all staff with purchasing authority.

Responsibility Allocated to Ensure Completion of Work

- Individual responsibilities are defined in their job description and annual work programmes
- Progress against annual work programmes are monitored on a quarterly basis through staff meetings and other communication.
- A formal review of performance is undertaken at the end of each financial year, areas for improvement (if any) identified, and the work programme for the coming year is agreed.

Council Policies

- The Council has a Corporate Policy manual in which are recorded all council policies.

Monitoring and Reporting

- The Community Services Manger formally reports to the Community Services Committee every month on progress towards achieving the outcomes identified in the LTP.

Cost 'Blowouts'

- Operational and capital expenditure is monitored monthly to ensure expenditure is achieved within budget targets.

Q.3 Critical Assets

Aquatic centre assets are considered to be non-critical.

APPENDIX R. LEVELS OF SERVICE, PERFORMANCE MEASURES, AND RELATIONSHIP TO COMMUNITY OUTCOMES

R.1 Introduction

A key objective of this AMP is to match the level of service provided by the Aquatic Centre activity with agreed expectations of customers and their willingness to pay for that level of service. The levels of service provide the basis for the works programmes identified in the AMP.

The levels of service for the Aquatic Centre have been developed to contribute to the achievement of the Council's Community Outcomes, but taking into account:

- the Council's statutory and legal obligations
- the Council's policies and objectives
- the Council's understanding of what the community is able to fund.

R.2 Levels of Service

Levels of service are attributes that Tasman District Council expects of its assets to deliver the required services to stakeholders.

A key objective of this AMP is to clarify and define the levels of service for the Aquatic Centre assets, and then identify and cost future operations, maintenance, renewal and development works required of these assets to deliver that service level. This requires converting user's needs, expectations and preferences into meaningful levels of service.

Levels of service can be strategic, tactical or operational, should reflect the current industry standards, and should be based on:

- *Customer Research and Expectations*: Information gained from stakeholders on expected types and quality of service provided.
- *Statutory Requirements*: Legislation, regulations, environmental standards and Council by-laws that impact on the way assets are managed (i.e. resource consents, building regulations, health and safety legislation). These requirements set the minimum level of service to be provided.
- *Strategic and Corporate Goals*: Provide guidelines for the scope of current and future services offered and manner of service delivery and define specific levels of service that the organisation wishes to achieve.
- *Best Practices and Standards*: Specify the design and construction requirements to meet the levels of service and needs of stakeholders.

R.2.1. Defining Levels of Services

Levels of service are defined by identifying the needs of stakeholders and the aspects of asset service that contribute to the Council in meeting its objectives under the Long Term Plan. These can be split into condition factors, design factors or operational factors as outlined in Figure R-2.

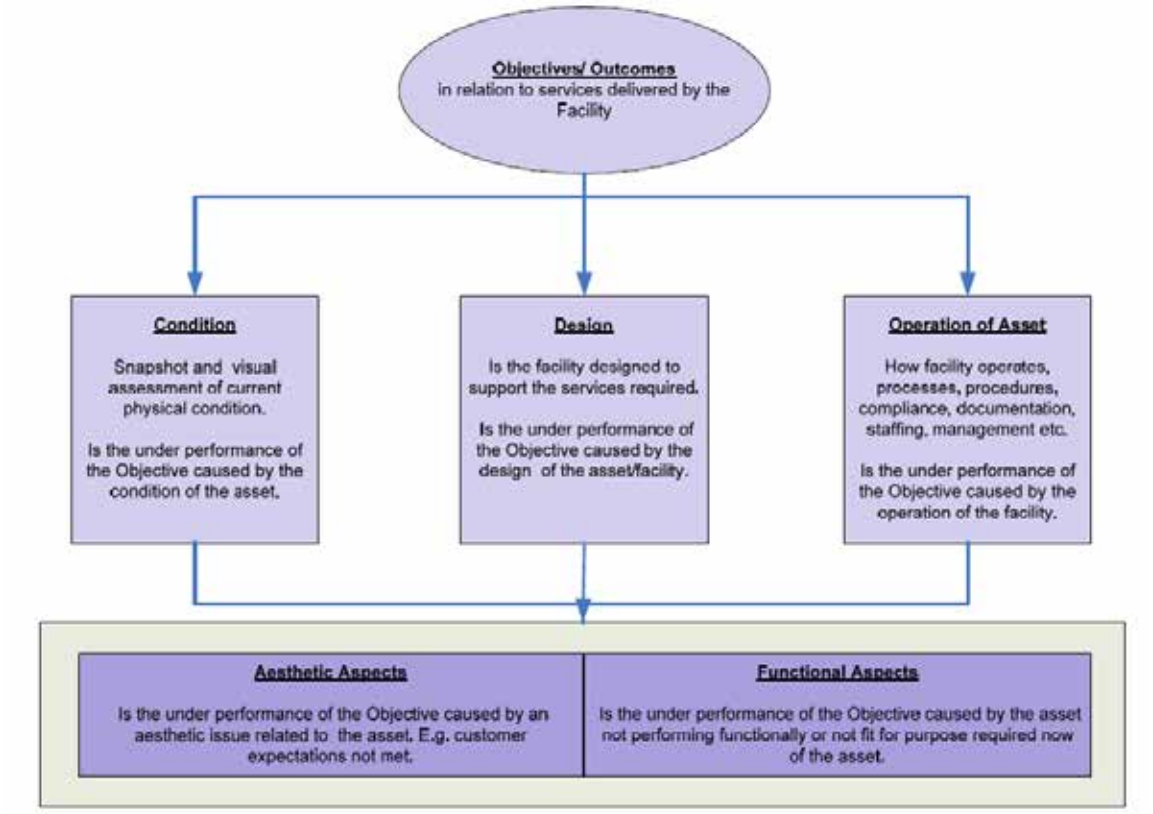


Figure R-1: Levels of Service

Critical success factors define the important areas for achieving the levels of service within a Key Performance Area. Performance measures are then developed to assess the performance of the activity against the service levels.

The asset management process requires that Council:

- clearly defines the levels of service for each activity
- assess stakeholders input into the levels of service
- assess information on users expectations of service level and service cost
- reviews the levels of service regularly.

Levels of service and performance measures are established from:

- users expectations of service levels and service costs
- Council and Community direction
- industry standards and best practice
- legislative requirements including resource consents
- prioritisation related to available resources.

Some levels of service identified will be contiguous across all asset groups.

R.2.1.1 Industry Standards and Best Practice

The AMP acknowledges Council's responsibility to act in accordance with the legislative requirements that impact on Council's Aquatic Centre assets. A variety of legislation affects the operation of these assets, as detailed in Appendix A.

R.2.1.2 Prioritisation related to available resources

With Aquatic Centre assets, there are often higher levels of maintenance and renewal requirements proposed (increased levels of service etc) than the resources allow for. Tradeoffs

then have to be made as to what impacts on the ability of an asset to provide a service against the nice to have aspects.

R.3 What Level of Service do we seek to achieve?

The operational service level framework presents the fundamentals required to meet customer satisfaction levels relating to operation of the Aquatic Centre facility.

The Levels of Service are intended:

- to inform lessees and customers using the Aquatic Centre of the proposed type and level of service to be offered (now and in the future)
- as a focus for the work required to deliver the agreed level of service
- to enable Aquatic Centre users to assess suitability, affordability and equity of the services offered.

There are many factors that need to be considered when deciding what level of service the Council will aim to provide. These factors include:

- Council needs to aim to understand and meet the needs and expectations of the lessees and customers using the Aquatic Centre assets and services
- Council must meet its statutory obligations
- the services must be operated within Council policy and objectives and
- the community must be able to fund the level of service provided.

Two tiers of levels of service are outlined: Customer-focused and Operational.

R.3.1. Customer-focused LOS

Only customer focused levels of service and performance measures are reported in the LTP; they are consulted on and adopted as part of the LTP consultation process. The AMP extends the levels of service and performance measures to include the more technical measures associated with the management of the activity (refer section R.3.2).

Table R-1 details the customer-focused levels of service and associated performance measures for the Aquatic Centre activity. The table sets out Councils' current performance and the targets they aim to achieve within the next three years and by the end of the next 10 year period.

Table R-1: Customer-focused LOS and performance measures (shaded measures are included in LTP)

ID	**Levels of Service** (We provide …)	**Performance Measure** (We will know we are meeting the level of service if…)	**Current Performance** (as at end Yr 2 2013/14)	**Future Performance**			**Future Performance (targets) in Years 4 - 10**
				Year 1	**Year 2**	**Year 3**	
Community Outcome: Our communities are healthy, safe, inclusive and resilient.							
1	The aquatic centre is a safe environment for staff and the public to use.	H&S - target zero serious harm incidents per year	Reported monthly. During 2013/2014 year 3 incidents.	0 serious harm incidents	0	0	0
Community Outcome: Our communities have access to a range of social, educational and recreational facilities and activities.							
2	Swimming pools that meet the needs of users and provide opportunity for aquatic based recreation activities and learn to swim programmes.	Admissions to the Aquatic Centre per m^2 of swimming pool per annum is not lower than 10% below the peer group average, as measured by Yardstick (once every three years)	2013 results: 204 swims/m^2 of swimming pool (vs. 174 swims/m^2 in 2012). The 2013 peer group average was 177 swims/m^2.	*Not measured*	*Not measured*	205 swims/m^2	205 swims/m^2 (measured in 2020 and 2023)
3		At least 85% of respondents rate their satisfaction with Aquatic Centre facilities as fairly satisfied or better, in annual surveys of customers.	New measure	85%	85%	85%	90%
4		Operation cost/m^3 of water volume is within 10% of industry average, as measured by Yardstick (once every three years).	Operation cost/m3 of water volume is $1,560 which is within 10% of industry average	Not measured	Not measured	Operation cost/m^3 of water volume is within 10% of industry average.	Operation cost/m^3 of water volume is within 10% of industry average. Measured in 2020 and 2023
5		Increase admissions by 1000 per year	284,230	285,230	286,230	287,230	294,230 by 2024

R.3.2. Operational LOS

The operational levels of service and performance measures are used to ensure the service and facilities are able to achieve the customer-focused levels of service and Council's objectives.

Table R-2 details the outcomes that are required for certain areas of performance criteria. The operational levels of service have been developed to address one or more of these areas. The performance measures are linked to the following areas:

Table R-2: Operational Performance Criteria

	Performance Criteria Area	Description of Required Outcome
Asset based	Availability	To provide a reliable, regular service to meet the needs of stakeholders.
	Management Systems and Strategic Planning	Internal planning and systems to maintain current performance levels, and identify opportunities for improvement.
	Information Knowledge and Management	To provide reference for management and evidence of internal and external compliance and record keeping.
	Compliance	To at all times comply with internal policy and procedures and external legislation and regulations.
	Demand	To forecast and respond to stakeholder demand and risk.
	Design	To provide a visually appealing facility for end users. Design appropriate to allow the facility to function to required standards. Design should allow all activities to be undertaken in structurally adequate environment.
	Condition	Maintain conditions to an acceptable standard for stakeholders, and in accordance with best practice.
Service Based	Customer Service	To provide services to a level where most stakeholders are satisfied with the service.
	Operations	To operate the facility to provide end users with a safe environment and enjoyable experience.
	Education	To provide appropriate information to enable the community to effectively use the facilities.

Table R-3 identifies the operational levels of service linked with the criteria from Table R-3 and shows current performance against the performance measures.

Level of services need to be reviewed and upgraded on a continuous basis in line with legislative and regulatory changes and feedback from customers, consultation, internal assessments, audits and strategic objectives

R.3.3. Desired LOS

Further work is required to better define and understand the current LOS provided for users of Aquatic Centre facilities and services and how they meet or do not meet the current target levels of service.

To ensure user needs are being effectively addressed, an assessment of desired levels of service is also required. This encompasses where an asset is under or over delivering on the standard service criteria. Then the gaps between current and desired service can be identified and addressed using the "gap grid analysis".

The operational levels of service and performance measures are used to ensure the service and facilities are able to achieve the strategic levels of service and Council's objectives.

Level of services need to be reviewed and upgraded on a continuous basis in line with legislative and regulatory changes and feedback from customers, consultation, internal assessments, audit and strategic objectives.

The levels of service that the Council has adopted for this AMP have been developed from the levels of service prepared in previous AMP's. They take in account feedback from various parties, including Audit New Zealand, industry best practice and ease of measuring and reporting of performance measures.

R.4 What plans has the Council made to meet the Levels of Service?

In preparing the future financial forecasts, the Council has included specific initiatives to meet the current or intended future levels of service.

Council is making a capital works investment of $1.92 million over the next 20 year period to upgrade existing Aquatic Centre assets and improve levels of service. This includes the following projects:

- installation of photovoltaic cells
- installation of ultra violet treatment to remove chloramines
- Replacement of assets and building components
- minor improvements.

In addition to the capital works, Council has allocated a budget of $7.48 million over the 20 year period for the operation and maintenance of its current and future Aquatic Centre assets. This allocation includes for professional services for investigative work and studies such as:

- procurement of new maintenance contracts
- Scheduled maintenance programme
- Operations contract
- Reactive maintenance
- Supply of water and electricity.

The efficiency and effectiveness indicators used in Leisure Check are:

- Facility net cost per admittance
- Operation cost per cubic metre of water volume
- Admissions per square metre of water area *(we use this in the LTP currently)*
- Facility usage ratio for the primary catchment area (within 5km radius)
- Water usage per cubic metre of pool volume
- Leisure Centre energy cost per square metre of floor area
- Leisure Centre usage per square metre

Meets LoS standard	✓	Does not meet target LoS	x	Unknown or not measured	?

Table R-3: Operational LOS and Performance Measures

Performance criteria area	Criteria success factor detail	Current target LOS	Current Performance	Status	Performance Measure
Management systems and strategic planning	Activity Management Plan	100% compliance – building facilities and plant are encompassed in an AMP	The 2015 AMP is the first AMP to be prepared for the Aquatic Centre (it was previously incorporated into the Community Facilities AMP).	P	100% of buildings and plant are managed by an AMP, with the exception of any new buildings which will be added to the AMP in the following year.
Financial management	Operating expenses/income in accordance with funding policy and budgets	Costs vs budget on capital projects 100% of projects within budget	Costs vs budget on target 90% of projects within budget	P	Financial performance monitoring
Compliance	Compliance with Building Act requirements.	100% compliance: - All facilities have a Building Warrant of Fitness that require them. - All buildings comply with Building Act.	0 buildings without a current Building Warrant of Fitness (100% compliance). All buildings comply with Building Act	P	Number of buildings without current Building WoF. Number of buildings not complying with Building Act.
	Accident prevention, monitoring and management.	100% of site safety issues responded to within required timeframes.	100% compliance	P	Safety records audit
	Development and management of Fire Safety Processes.	Facility has a fire safety plan, including evacuation. Trial evacuation held six monthly.	Facility has a fire safety plan. Facility having six-monthly trial evacuations.	P ?	Fire safety process records
Customer Service	Customer satisfaction with facilities and services provided.	85% of customers satisfied with services provided by the facility (where measured)	Not measured in 2014.	?	Results from internal survey by management contractor. Follow up from correspondence / complaints tracking and individual surveys.
	Timeliness of response to customer enquiries / complaints / work requests.	80% of enquiries are responded to within prioritised timeframes. 80% of works are completed / resolved within prioritised timeframes.	Not measured in 2014? % of enquiries responded to within prioritised timeframes. % of works completed / resolved within prioritised timeframes.	?	Number of and record of correspondence / complaints tracking.
Built environment	Water spaces	Designed to provide for a range of aquatic recreation activities for organised and casual use within the affordability limits of the District.		P	FINA compliant pool dimensions for competitive swimming.
	Features and facilities	Facility includes a range of features to provide fun and convenience and cater for a range of users.	Several types of pools, spa, fitness gym, creche and cafe available for customers to use.	P	A range of good quality, well maintained facilities is provided on the site.
	Plant and equipment	Modern, efficient, environmentally sustainable plant and equipment.	Aquatic centre plant is ten years old, ageing and some due for replacement.	x	Water treatment and filtration systems designed to meet NZS 5826:2010.

			Water heating currently by electricity. Want to investigate switching photovoltaic supply. Fitness gym only a few years old, so in good condition.		Condition report and renewal programme.
	Swimming pool surfaces	Provide a safe, smooth surface for users.	Cracked and broken tiles in lane pool which will need replacing. Have filler put in the cracks as a temporary measure, but will need replacing.	x	100% of tiles are intact or made safe, in all pools.
	Safety	Facility is designed to provide a safe place for recreation.	Hold a current building WOF, comply with current fire service requirements for building evacuation. Trained staff on site (lifeguards etc).	P	Safety and emergency facilities installed to current Building Code requirement.
	Opening hours	Access is available when desired by most customers and a variety of opportunities and programmes are available.	<u>Aquatic Centre: Opening Hours</u> Monday - Thursday 5.30am - 9.00pm Friday 5.30am - 7.00pm Friday Wave Rave* 7.00pm - 9.00pm Saturday and Sunday 8.00am - 6.00pm Public Holidays 10.00am - 6.00pm *Wave Rave does not run on Public Holidays <u>Fitness Centre: Opening Hours</u> Monday - Friday 5.30am - 9.00pm Saturday - Sunday 8.00am - 5.00pm Public Holidays 10.00am - 5.00pm	P	Aquatic and fitness centre operate seven days per week, with a range opening hours available.
Service Delivery Standards	Water quality	Water looks and feels clean and clear with no smell and the facility is safe to use.	Meet water treatment and filtration standards, but smell is an issue (chloramines). Need to spend funds to remedy issue (install 3 UV treatement).	x	Water treatment and filtration systems designed to meet NZS 5826:2010.
	Water temperature	Water temperature is warm for leisure and children's pools, and is appropriate for lap pool activity.	Met in summer, but have occassional issues meeting the minimum temperature requirements during winter.	x	Water temperature is maintained between 26.5 -27.5C in lap pool, 27 - 30C in leisure pool and 34-39 in spa pools.
	Safety	Pool supervision and lifeguarding is provided to ensure no accidental drowning occurs and all users are safe and injury free. All facilities and equipment are maintained in a safe condition.	No drownings. No serious injuries. Staff are regularly trained for Health and Safety.	P	NZRA Pool Safe accreditation maintained at all times. Annual hazard and risk assessment undertaken.
	Programmes	Provide programmes that enable children to learn to swim. Other aquatic programmes that cater to the whole population provided. Fitness classes are offered. Holiday programmes offered for school children.	The minimum numbers are met or exceeded each week, however classes are not always held during school holidays.	P	ASB - A minimum of 120 individuals participate in learn to swim classes each week (classes run by qualified swim teachers). A target of 8 other aquatic programmes held per week
	Cleanliness	All facilities maintained in a clean and tidy condition.	Standards are being met	P	Cleaning of change rooms and public toilets undertaken once daily, with hourly staff checks.

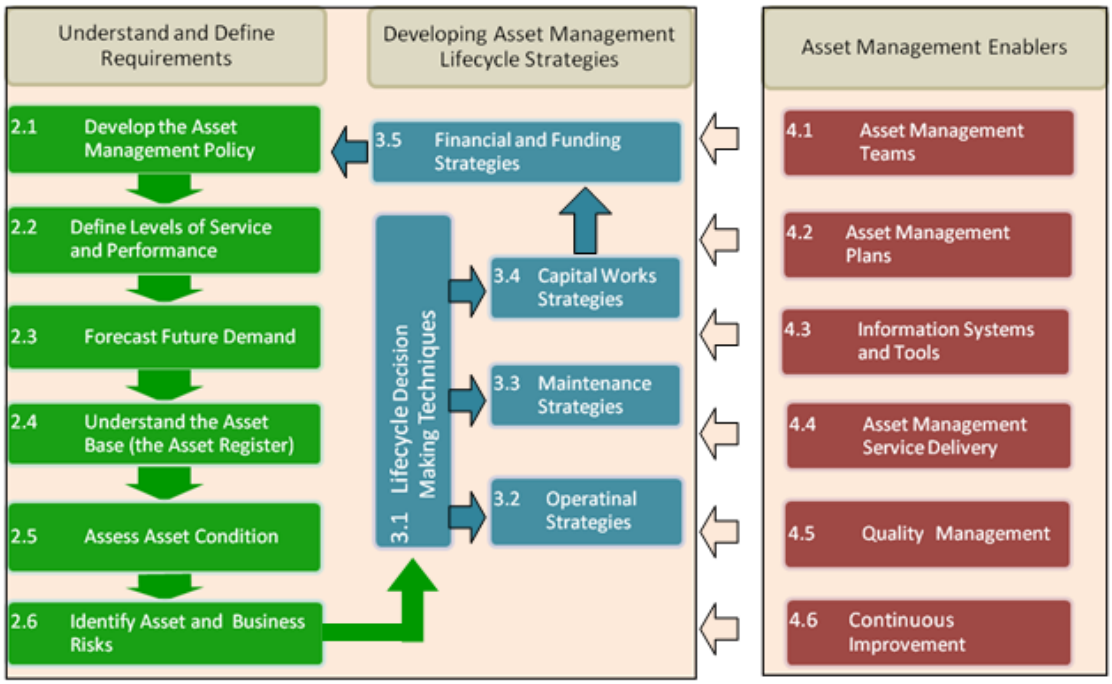
	Environment	Internal environment is comfortably warm, light and welcoming.	Chlorine sSmell only issue	P	Temperature range maintained between 25 - 27 degrees C and humidity between 50 - 65%.
	Service	Attentive, responsive customer focused approach by all staff.	Yes	P	All staff undertake Customer Service training. Respond to any formal complaint within two days.
	Affordability	Affordable for all.	The pool entry fees are at the top end of comparative charges. Meet requirement.	P	Pool admission and learn to swim charges no greater than 20% higher than industry average as measured by Yardstick.
	Presentation	Appearance of facility maintained to a good standard.	Condition reports indicate a lot of renewal work required over next few years.	x	Repair or isolate any breakage/damage within a maximum of 10 days and implement the scheduled building maintenance plan works.

APPENDIX S. COUNCIL'S DATA MANAGEMENT, ASSET MANAGEMENT PROCESSES AND SYSTEMS

S.1 Introduction

The Office of the Auditor General (OAG) uses the International Infrastructure Management Manual (IIMM) as the benchmark against which New Zealand councils measure their standards. The IIMM describes the Asset Management (AM) process as a step by step process applied to an activity or network level, to manage assets from planning to disposal or renewal. This process is shown in Figure S-1. Each of these processes is summarised in this Appendix.

Figure S-1: The Asset Management Process (taken from IIMM 2011)



S.2 Understand and Define Requirements

This phase determines what service levels are required and how future demand might change over time, as well as the current assets' capability to deliver on those requirements.

S2.1 Develop the Asset Management Policy

The Asset Management policy framework guides the organisation in terms of priorities and strategies, and sets out specific responsibilities, objectives, targets and plans. Council has approached this by determining the desired and actual levels of asset management practice, and identifying the gaps between them for future improvement.

S2.1.1 Determine the appropriate (desired) level of asset management practice

The level of Asset Management expected can differ between activities. The IIMM defines the standards of the Activity Management Plans (AMPs) on a scale as follows:

Minimum	Starting point
Core	Basic
Intermediate (core plus)	Transition between Core and Advanced
Advanced	Most thorough

Council reviewed these levels in September 2014 and advised on target levels. A range of parameters (including populations, issues affecting the district, costs and benefits to the community, legislative requirements, size, condition and complexity of assets, risk associated with failure, skills and resources available, and customer expectation) were assessed to determine the most suitable level of asset management. Council resolved that the Core level of asset management should be maintained for the Community Facilities AMP.

S2.2 Define Levels of Service and Performance

The Level of Service and Performance Management frameworks will ensure that agreed stakeholder requirements are met. Levels of Service, performance measures and relationship to Community Outcomes are detailed in Appendix R.

S2.3 Forecast Future Demand

Understanding how future demand for service will change enables Council to plan ahead to meet that demand. Demand and future new capital requirements are dealt with in Appendix F.

S2.4 Understand the Asset Base (the Asset Register)

A robust asset register is a core requirement for asset management. Data on Council assets is collected via as-built plans (supplied through capital works and subdivision), maintenance contract work and field studies. Two enterprise asset systems are used to record core data:

Most data sets are viewable on the corporate GIS browser, Explore Tasman. Reporting systems summarise data for management and performance reporting, and for providing links between AM systems and GIS / financial systems. Several other standalone applications exist for specific purposes.

The Asset Register and other Information Systems are described more comprehensively in section S4.3 Information Systems and Tools.

S2.5 Assess Asset Condition

Council needs to understand the current condition of its assets. Monitoring programmes should be tailored to consider how critical the asset is, how quickly it is likely to deteriorate, and the cost of data collection.

For the Aquatic Centre, the condition assessments will be updated during the first year of this plan and will subsequently be reviewed by the contractors when maintenance work is undertaken

Where condition rating is done, a 1-5 scale is used, as per the NZQQA Infrastructure Asset Grading Guidelines, as shown in Table S-4.

Table S-4: Asset Condition Rating Table

Condition Grade and Meaning	**General Meaning**	
1 **Very Good**	Life: Physical: Access: Security: Exposure:	10+ years. Fit for purpose. Robust and modern design. Easy; easy lift manhole lids, clear access roads. Sound structure with modern locks. Fully protected from elements or providing full protection.
2 **Good**	Life: Physical:	Review in 5 – 10 years. Fit for purpose. Early signs of corrosion/wear. Robust, but not

	latest design. Access: Awkward; heavy/corroded lids, overgrown with vegetation. Security: Sound structure with locks. Exposure: Adequate protection from elements or providing adequate protection.
3 **Moderate**	Life: Review in 5 years. Physical: Potentially impaired by corrosion/wear, old design or poor implementation. Access: Difficult: requires special tools or more than one person. Secure: Locked but structure not secure, or secure structure with no locks. Exposure: Showing signs of wear that could lead to exposure.
4 **Poor**	Life: Almost at failure, needs immediate expert review. Physical: Heavy corrosion impairing use. Obvious signs of potential failure. Access: Restricted, potentially dangerous. Secure: Locks and/or structure easily breeched. Exposure: Exposure to elements evident e.g. leaks, over heating.
5 **Very Poor**	Life: 0 years – broken. Physical: Obvious impairments to use. Heavy wear/corrosion. Outdated/flawed design/build. Access: Severely limited or dangerous. Security: No locks or easily breeched. Exposure: Exposed to elements when not specifically designed to be.

S2.6 Identify Asset and Business Risks

A key process is assessing critical assets and risks. This feeds into all lifecycle decision making processes.

S2.6.1 Asset Risks - Critical assets

Many Council-owned assets are graded for Criticality as shown in Table S-5. No Community Facilities assets are defined as critical assets.

2.6.2 Business Risks

Council have adopted an Integrated Risk Management framework to manage risks, both at corporate and activity level. This is detailed in Appendix Q, Significant assumptions, uncertainties and risk management.

S3 Developing Asset Management Lifecycle Strategies

S3.1 Lifecycle Decision Making Techniques

The lifecycle decision phase looks at how best to deliver on the requirements by applying various decision-making techniques, strategies and plans. Council has a number of strategies for ensuring that assets are well-utilised. These are discussed in separate appendices as listed below.

S3.2 Operational Strategies and Plans

Demand management strategies (reducing overall demand and/or reducing peak demands) are covered in Appendix N, Demand management. Emergency management processes are covered in Appendix Q, Significant assumptions, uncertainties and risk management.

S3.3 Maintenance Strategies and Plans

Optimised maintenance programmes are dealt with in Appendix E, Operations and maintenance.

S3.4 Capital Works Strategies

Forecast growth and demand and new asset investment programming are detailed in Appendix F, Demand and future new capital requirements. Optimised renewal programmes and Asset investment programmes are covered in Appendix I, Capital requirements for future renewals.

S3.5 Financial and Funding Strategies

A robust, long-term financial forecast is developed as the culmination of this phase, which identifies strategies to fund these programmes. This section covers how the resource demand of AM can be identified, disclosed and funded. The following appendices hold this information:
Appendix D – Asset valuations
Appendix G – Development contributions / financial contributions
Appendix K – Public debt and annual loan servicing costs
Appendix L – Summary of future overall financial requirements
Appendix M – Funding policy, fees and charges

S4 Asset Management Enablers

Underpinning Asset Management decision-making at each stage are the following:

S4.1 Asset Management Teams

Council has an organisational structure and capability that supports the AM planning process. Responsibility for asset planning across the lifecycle is delivered by teams within the Council as shown by Figure S-2 below.

Corporate and strategic planning is performed by the Strategic Policy team in the Community Development Department. The asset management function is managed by several AMP teams. Some professional services are supplied by Nelmac, Programme Maintenance and other consultants. Details are discussed in Section S4.4.

Figure S-2: Asset Management Team Roles (taken from IIMM 2011)

S4.2 Asset Management Plans

Asset Management plans need to be robust and set out clear future strategies and programmes. This document is a key part of the Asset Management process and will be updated on a regular basis in between AMP planning cycles.

S4.3 Information Systems and Tools

Council has a variety of systems and tools that support effective operation and maintenance, record asset data, and enable that data to be analysed to support optimal asset programmes. These are detailed below. There is a continual push to incorporate all asset data into the core AM systems where possible; where not possible, attempts are made to integrate or link systems so that they can be easily accessed. Figure S-3 shows how the various systems used in Council inter-relate.

Figure S-3: Systems used for Asset Management at Tasman District Council

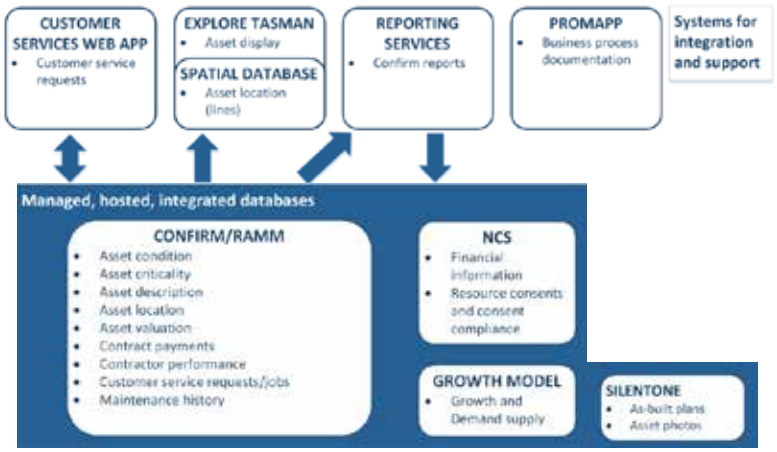


Table S- lists the various data types and systems they are held in, with a summary of how they are managed.

Table S-3 defines the Accuracy and Completeness grades applied to asset data in Table S-2

Table S-2: Data types and information systems they are held in

AM Activity	Current Practice	Best Practice	Improvement
Asset Register – Land	All land that is covered by maintenance contracts is recorded in AMS	All land to be recorded in AMS, including land not included in maintenance contracts All relevant management information to be recorded in AMS e.g. size, AM and or planning category, legal description, reserve classification, year acquired, ward area, maintenance contract that applies, etc	Ensure all land is categorised in line with planning categories and whether actively maintained or natural land to enable easy and consistent reporting.
Asset Register – Assets	Asset records are 98% complete for above ground assets Some (60%) underground assets have been recorded Systems in place for recording changes to assets	Full 'as-built' recording process in place to continually update data. Electronic asset register may be interrogated at all levels within organisation	Complete records for all above ground assets – particularly on Management committee reserves Complete collection of and record underground services Other Parks and Facilities staff to be fully trained in accessing and utilising Confirm software and its information
Mapping of Asset Information	Sites only have been collected with GPS location co-ordinates Confirm AMS is linked to GIS mapping system.	All assets can be accurately mapped using GPS location co-ordinates AMS is seamlessly linked to GIS mapping system Multilayer mapping can be achieved to analysis asset information. E.g. asset condition, asset age, maintenance type and grades, vegetation types, etc	Continue to develop and utilise GIS mapping capability Collect asset location by GPS

AM Activity	Current Practice	Best Practice	Improvement
Risk Management	Safety of critical assets monitored. E.g. annual survey of playgrounds Storm check of Rabbit Island trees as required Risk management is practised informally, based on the knowledge of experienced staff.	All critical assets monitored, and failure modes understood. Strategy in place to minimise the failure of critical assets All sites and assets monitored regularly to identify any hazards and eliminate or mitigate these risks.	Implement system to regularly assess all sites and assets for hazards Carry out playground survey annually Implement system to monitor critical assets
Condition and Performance Assessment	Asset condition survey now complete and up to date	Condition ranking and monitoring carried out on a regular basis (at least every 3 years for parks assets and 5 years for buildings) Maintenance feedback processes established	Ensure systems in place to regularly update parks asset condition information at least 3 yearly and building condition information 5 yearly Update renewal plan annually to reflect work achieved in the past year and any updated condition information
Contract Management	Good documentation of maintenance and development contracts. Operational activities contestably priced Management systems, are electronic processing with some paper use which is collected electronically Performance monitoring undertaken by separate contractor – currently manual – moving to electronic. Plus informal in house staff monitoring Contractor is electronically linked to confirm for contract instructions	Operational activities contestably priced or negotiated on benchmarked current industry rates Continuous performance monitoring and reporting by contractors in place For all significant operational activities and levels of service, specifications documented in contract documents or service manuals Contract management systems utilises a specialised integrated software solution that links to asset information AMS links maintenance details and costs to assets and enables tracking of work history.	Continue to assess the options for moving to electronic recording of reserve contract auditing

AM Activity	Current Practice	Best Practice	Improvement
Optimised Life Cycle Strategy	Renewals based on assessment by experienced staff. No plan in place.	Lifecycle costs optimised and a 10 year plus forward renewal programme based on a combination of economic life and regularly updated assessment of condition and remaining life.	Update renewal plan annually to reflect work achieved in the past year and any updated condition information – plan not yet done
Design/ Project Management	Use of Office project mgt on some larger projects Project management procedures not documented System in place to collect and record in AMS new asset creation	Documented quality assurance systems for design and project management to ensure optimum lifecycle costs Processes to ensure new assets are included in AM systems Designers required to consider lifecycle costs and carry out ODM and risk assessment for major projects(over $500K)	Develop quality assurance system for new project design and management Ensure Council staff project manage developments on reserves and halls operated by management committees Undertake full ODM processes for major projects over $500K
Valuation	Reserves Asset valuation information now loaded on Confirm and valuation report can now be produced directly from this system Building assets valued separately by property valuer	All assets surveyed to update condition information and remaining life, prior to valuation Asset replacement values and economic lives reviewed and updated by qualified and experienced AM personnel. Valuation information stored in AMS and reports updated and produced automatically from this system Valuation peer reviewed by independent AM professional experienced in the asset group.	Detailed asset register, asset values and lives has been undertaken but this information is not being used for the actual valuation.
AM Quality Assurance/ Continuous Improvement	Audit NZ audits performance measures and other requirements AM Team monitors AM systems	Continuous improvement 'culture' evident in all AM processes Appropriate quality checks and controls established All works based on benefits to organisation	Review and update AMP improvement plan on an annual basis to monitor progress Set annual internal performance targets to improve specific AM information and practices based on improvement programme in the AM plan

Table S-3: Asset Data Accuracy and Completeness Grades

Grade	Description	% Accuracy
1	Accurate	100
2	Minor inaccuracies	± 5
3	50% estimated	± 20
4	Significant data estimated	± 30
5	All data estimated	± 40

Grade	Description	% Completeness
1	Complete	100
2	Minor gaps	90 – 99
3	Major gaps	60 – 90
4	Significant gaps	20 – 60
5	Limited data available	0 – 20

S4.4 Asset Management Service Delivery

Council has opted to tender capital works and operations and maintenance of the aquatic centre facility externally to obtain more cost-effective service delivery.

S4.5 Quality Management

This section outlines quality management approaches that support Council's AM processes and systems.

Process documentation	This is being phased in across Council with the implementation of Promapp. Over time business units are capturing organisational knowledge in an area accessible to all staff, to ensure business continuity and consistency. Detailed documentation, forms and templates can be linked to each activity in a process. Processes are shown in flowchart or swim lane format, and can be shared with external parties.
Quality Management systems	TDC does not have a formal Quality Management system across Council; quality is ensured by audits and checks that are managed in individual teams. Quality checks are done at many stages throughout the Asset Management process.
Planning	A peer review was performed by Waugh Infrastructure Management Ltd on 2015 AMPs. From that a comprehensive Improvement Plan has been drawn up. Actions are discussed at regular meetings and progress noted. These will be incorporated into the following round of AMPs.
Programme Delivery	This follows strictly a gateway system with inbuilt checks and balances at every stage. Projects can't proceed until all criteria of a certain stage have been completely met and formally signed off.
Subdivision works	Subdivision sites are audited for accuracy against the plans submitted before reserves are vested in Council.
Asset creation	As-built plans are reviewed on receipt for completeness and adherence to the Engineering Standards and Policies. If anomalies are discovered during data entry, these are investigated and corrected. As-built information and accompanying documentation is required to accompany maintenance contract claims.
Asset data integrity	Monthly reports are run to ensure data accuracy and completeness. Aquatic Centre assets are shown on the corporate GIS browser, Explore Tasman, and viewers are encouraged to report anomalies to the Activity Planning Data Management team.
Asset performance	Audits of reticulation flows are done regularly to ensure that system performance is optimal.
Operations	Audits of a percentage of contract maintenance works are done every month to ensure that performance standards are maintained. Failure to comply with standards is linked to financial penalties for the contractor.
Levels of Service	KPIs are reported annually and audited by the OAG.

S4.6 Continuous Improvement

Processes are in place to monitor the adequacy, suitability and effectiveness of all AM planning activities to drive a continuous cycle of review, corrective action and improvement. These are covered by Appendix V, Improvement programme.

S.4.7 Asset Management Systems

The Council operates Confirm, which is a specialised Asset Management Application. This holds a database of all aquatic centre land, assets and building information. The asset information currently records base details relating to:

- Asset type
- Measurement information – (how many and size)
- Asset creation date
- Location description
- Maintenance contract and area, if any
- Customer responsible for asset
- Attribute detail about asset

It also may record the following additional information:

- Scanned as built plan links
- Asset notes and description

Confirm is used to undertake all ground maintenance contract management functions. Confirm has a customer service enquiry functionality that is used to log and manage customer calls (service requests).

Plans and as built information is contained within the “Silent One” system that Council operates. This is a scanned image repository system. It is not yet a complete record of all plans. Some documents and images are also stored on the network drive and linked to confirm direct e.g. plaques and signs photos and management plans.

All other plans and records are kept in hard copy form.

APPENDIX T. BYLAWS

The Tasman District Council Consolidated Bylaw was made in accordance with the requirements of the Local Government Act 2002, and contains the following bylaws:

- Introductory Bylaw 2013*
- Control of Liquor in Public Places 2012*
- Dog Control Bylaw 2009*
- Freedom Camping Bylaw 2011 (Amended December 2013)*
- Freedom Camping (Motueka Beach Reserve) Bylaw 2013
- Navigation Safety Bylaw 2006
- Speed Limits Bylaw 2013
- Stock Control and Droving Bylaw 2005
- Trade Waste Bylaw 2005*
- Trading in Public Places Bylaw 2010*
- Traffic Control Bylaw 2013*
- Details of the Traffic Control Bylaw 2013*
- Water Supply Bylaw 2009
- Tasman's Great Taste Trail Bylaw 2012

* Bylaws of relevance to the Aquatic Centre activity.

These bylaws will be reviewed no later than 10 years after they were last reviewed.

APPENDIX U. STAKEHOLDERS AND CONSULTATION

U.1 Stakeholders

There are many individuals and organisations that have an interest in the management and/or operation of Council's Aquatic Centre. The AMP recognises stakeholder interest in ensuring legislative requirements are met and sound management and operational practices are in place. Key stakeholders include:

- customers/users of the Aquatic Centre, including schools, sports clubs and associations
- lessees and tenants of the Aquatic Centre
- District residents and ratepayers
- CLM as the contractor managing the facility.

U.2 Consultation

U.2.1 Purpose of Consultation and Types of Consultation

Council consults with the public to gain an understanding of customer expectations and preferences. This enables Council to provide a level of service that better meets the community's needs.

Council's knowledge of customer expectations and preferences is based on:

- customer/user surveys, such as Yardstick Leisurecheck Visitor Measures
- feedback from staff/customer contact
- feedback from elected members, advisory groups and working parties
- consultation via the Annual Plan and Long Term Plan processes

U.2.2 Consultation Outcomes

Aquatic Centre Customer Survey

In 2009, 2010, 2011 and 2014 TDC participated in the Yardstick Leisurecheck Visitor Measures project. The Leisurecheck Visitor Measures project is designed specifically to collect and assess Aquatic Centre customer information. By using a benchmarking approach, it compares results between organisations to assess relative performance and identify strengths and areas for improvement.

Leisurecheck Visitor Measures is based around the establishment of a series of core questions developed centrally through a group of experienced facility managers. The questions are designed to identify the importance of specific services and amenities to customers and then measure the degree of satisfaction respondents had with these services and amenities.

The Aquatic Centre recorded the following results since 2009:

Table 1: Yardstick Leisurecheck Visitor satisfaction results

Year	Overall Facility Satisfaction	Industry Average
2009	88%	85%
2010	89%	85%
2011	93%	88%
2013	Not undertaken	92%

This indicates a high level of satisfaction for all categories surveyed.

APPENDIX V. IMPROVEMENT PROGRAMME

V.1 Process Overview

The AMPs have been developed as a tool to help Council manage their assets, deliver the levels of service and identify the expenditure and funding requirements of the activity. Continuous improvements are necessary to ensure Council continues to achieve the appropriate (and desired) level of activity management practice; delivering services in the most sustainable way while meeting the community's needs.

Establishment of a robust, continuous improvement process ensures Council is making the most effective use of resources to achieve an appropriate level of asset management practice. The continuous improvement process includes:

- identification of improvements
- prioritisation of improvements
- establishment of an improvement programme
- delivery of improvements
- ongoing review and monitoring of the programme.

The development of this AMP has been based on existing levels of service and asset management practices, the best available information and knowledge of Property and Community Development staff. The AMP is a living document that is relevant and integral to daily asset management practice. To ensure the plan remains useful and relevant, it will be subject to ongoing monitoring, review and updating to improve its quality and the accuracy of the asset information and financial projections.

V.2 Strategic Improvements

Council identified the key cross activity improvement actions for implementation prior to development of the AMPs for the 2015 to 2025 LTP period. These were:

- update the growth strategy for the changed economic climate
- review levels of service to ensure they adequately cover core customer values
- review and update Council's risk register for each activity

These actions were all completed and have fed into the development of the current AMP.

Ongoing improvement actions that apply to all AMPs include:

- operations and maintenance: an ongoing review of contracting and internal service agreement strategies will be carried out, to achieve the best balance of risk transfer, cost and performance based focus
- risk assessments will be periodically reviewed, to enhance optimised decision-making capability
- changes in Council direction, legislation and Government policy will be taken into account during AMP reviews
- recruitment, retention and development of sufficient and suitably qualified staff.

V.3 Training

Council does not have a formal schedule of required training, however Council staff participate in training on a regular basis to ensure that best practice is maintained. This also helps to maintain a good asset management culture.

Council is structured in a way that encompasses succession planning to prevent the loss of knowledge in the event of staff turnover. This AMP document also prevents loss of knowledge by documenting practices and process associated with this activity.

V.4 Peer Review

This AMP document was subject to a peer review in its draft format by Waugh Infrastructure Management Ltd in February 2015. The document was reviewed for compliance with the requirements of the LGA 2002. The findings from the review indicated a need to ....

The findings and suggestions were assessed and prioritised by the asset management team. Those items that proved to be of sufficiently high value and efficiency to address were included in the Draft for Consultation (Version x) of this document. The remainder were added to the Improvement Plan where necessary.

Version x of this document was then reviewed a final time by Waugh Infrastructure Management Ltd in ? 2015. The report produced has been included at the end of this Appendix.

V.5 Improvement Programme Status

The status of all improvement items related to this activity are shown in Table V-1 and V-2 below.

The Improvement Programme will be adopted in line with the adoption of the LTP and this AMP. It will be continuously monitored with a full review on an annual basis and the status of the improvement items assessed and reported.

The improvement tasks identified in the improvement programme below are considered to be the most important to improve the management of the assets. The main drivers of the improvements are to:

- Establish long term strategic planning for the Aquatic Centre
- Ensure building maintenance plans are in place and being implemented for all facilities.

V.6 Improvement Actions Completed

Improvement items completed for the period 2012-2015 (or requiring no future action) are shown in Table V-1 below:

Table V-1: Improvement Actions Complete

Improvement action	Further information	Status	Year that improvement action was identified
Building Maintenance Plan (BMP) for Aquatic Centre	Undertake a condition survey and preparation of building maintenance and renewal for the Aquatic Centre.	Complete	2011

V.7 Current Improvement Actions

Table V-2: Current Improvement Actions

Improvement Action	Further Information	Priority (High, Med, Low)	Status	Year that improvement action was identified	Forecast completion date	Procurement / delivery strategy	Staff member responsible for managing to close	Cost estimate for Years 1-3
Swimming Pool Strategy	Prepare a swimming pool strategy to determine the long term future needs and direction for the provision of aquatic facilities across the District. This should include a risk assessment and benefit/cost assessment to inform decision making on the future of the three existing outdoor community pools.	High	Not started	2011	December 2015	In-house	Jim Frater / Anna Gerraty	

APPENDIX W. DISPOSALS

Disposal of Council assets is managed at two levels:

1. Disposal of buildings and structures.
   Where demand analysis identifies that a building is surplus to Council and community requirements, disposal options may be explored. Disposal of built assets generally only occurs when they have reached the end of their useful life and/or are not considered safe for ongoing public use and/or the cost of restoring the community facility is not cost effective. Disposal options include:
   a. removal from site
   b. demolition
   c. revocation of reserve status and sale of land and building/s.

2. Disposal of building elements
   Where assets within buildings (i.e. appliances, fittings etc.) are identified as surplus to requirements or at end of life, the Council may explore the following disposal options:
   a. sale of asset
   b. reuse or recycling of asset component
   c. destruction of asset component.

The Council has a policy on significance and engagement pursuant to Section 76AA of the Local Government Act 2002. This policy establishes criteria which could be used to consider the level of significance of issues, proposals or decisions. The individual assets listed in this AMP are not defined as strategic assets, although a decision or proposal that affects the assets and activities within this AMP may be regarded as being highly significant if it meets certain criteria. In other cases a decision or proposal may be considered of low or moderate significance.

Council has no intention of disposing of any land or facilities at the Aquatic Centre during the term of this AMP.

APPENDIX X. GLOSSARY OF ASSET MANAGEMENT TERMS

The following acronyms and terms are used in this AMP:

Acronyms	Name
AMP	Activity Management Plan
AMS	Asset Management System
AR	Asset Register
BMP	Building Maintenance Plan
Confirm	Software programme on which Council holds its reserves and property asset information
DoC	Department of Conservation
DRV	Depreciated Replacement Value
TDC	Tasman District Council
LOS	Level of Service
LTP	Long Term Plan
LV/CV	Land Value / Capital Value
ODM	Optimised Decision Making
OSH	Occupational Safety and Health
PRAMS	Parks and Recreation Asset Management System
RMP	Reserve Management Plan
TRMP	Tasman Resource Management Plan

Building WoF	Building Warrant of Fitness

Term	Meaning
Activity	An activity is the work undertaken on an asset or group of assets to achieve a desired outcome.
Activity Management Plan (AMP)	Activity Management Plans are key strategic documents that describe all aspects of the management of assets and services for an activity. The documents feed information directly in the Council's LTP, and place an emphasis on long term financial planning, community consultation, and a clear definition of service levels and performance standards.
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.
Asset	A physical component of a facility which has value, enables services to be provided and has an economic life of greater than 12 months.
Asset Management (AM)	The combination of management, financial, economic, engineering and other practices applied to physical assets with the objective of providing the required level of service in the most cost effective manner.
Asset Management System (AMS)	A system (usually computerised) for collecting analysing and reporting data on the utilisation, performance, lifecycle management and funding of existing assets.
Asset Management 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 Register	A record of asset information considered worthy of separate identification including inventory, historical, financial, condition, construction, technical and financial information about each.
Basic Asset Management	Asset management which relies primarily on the use of an asset register, maintenance management systems, job/resource management, inventory control, condition assessment and defined levels of service, in order to establish alternative treatment options and long term cashflow predictions. Priorities are usually established on the basis of financial return gained by carrying out the work (rather than risk analysis and optimised renewal decision making).
Benefit Cost Ratio (B/C)	The sum of the present values of all benefits (including residual value, if any) over a specified period, or the life cycle of the asset or facility, divided by the sum of the present value of all costs.
Business Plan	A plan produced by an organisation (or business units within it) which translate the objectives contained in an Annual 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
Capital Expenditure (CAPEX)	Expenditure used to create new assets or to increase the capacity of existing assets beyond their original design capacity or service potential. CAPEX increases the value of an asset.
Condition Monitoring	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.

Critical Assets	Assets for which the financial, business or service level consequences of failure are sufficiently severe to justify proactive inspection and rehabilitation. Critical assets have a lower threshold for action than non-critical assets.
Current Replacement Cost	The cost of replacing the service potential of an existing asset, by reference to some measure of capacity, with an appropriate modern equivalent asset.
Deferred Maintenance	The shortfall in rehabilitation work required to maintain the service potential of an asset.
Demand Management	The active intervention in the market to influence demand for services and assets with forecast consequences, usually to avoid or defer CAPEX expenditure. Demand management is based on the notion that as needs are satisfied expectations rise automatically and 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 technological and market changes. It is accounted for by the allocation of the historical cost (or revalued amount) of the asset less its residual value over its useful life. Disposal Activities necessary to dispose of decommissioned assets.
Economic Life	The period from the acquisition of the asset to the time when the asset, while physically able to provide a service, ceases to be the lowest cost alternative to satisfy a particular level of service. The economic life is at the maximum when equal to the physical life however obsolescence will often ensure that the economic life is less than the physical life.
Facility	A complex comprising many assets (e.g. swimming pool complex, etc.) which represents a single management unit for financial, operational, maintenance or other purposes.
Geographic Information System (GIS)	Software which provides a means of spatially viewing, searching, manipulating, and analysing an electronic database.
Infrastructure Assets	Stationary systems forming a network and serving whole communities, where the system 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.
I.M.S.	Infrastructure Management System - Computer Database
Level of Service	The defined service quality for a particular activity (ie. water) or service area (i.e. water quality) against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability and cost.
Life	A measure of the anticipated life of an asset or component; such as time, number of cycles, distance intervals etc.
Life Cycle	Life cycle has two meanings: · the cycle of activities that an asset (or facility) goes through while it retains an identity as a particular asset ie. from planning and design to decommissioning or disposal · the period of time between a selected date and the last year over which the criteria (e.g. costs) relating to a decision or alternative under study will be assessed.
Life Cycle Cost	The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs.

Life Cycle Maintenance	All actions necessary for retaining an asset as near as practicable to its original condition, but excluding rehabilitation or renewal.
Long Term Plan	The Long Term Plan (LTP) is the primary strategic document through which Council communicates its intentions over the next 10 years for meeting the community service expectations and how it intends to fund this work. The LTP is a key output required of Local Authorities under the Local Government Act 2002.
Maintenance Plan	Collated information, policies and procedures for the optimum maintenance of an asset, or group of assets.
Net Present Value (NPV)	Net Present Value – Standard method for evaluating long-term projects in capital budgeting.
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.
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.
Decision Making (ORDM)	An optimisation process for considering and prioritising all options to rectify performance failures of assets. The process encompasses NPV analysis and risk assessment.
Performance Indicator (PI)	A qualitative or quantitative measure of a service or activity used to compare actual performance against a standard or other target. Performance indicators commonly relate to statutory limits, safety, responsiveness, cost, comfort, asset performance, reliability, efficiency, environmental protection and customer satisfaction.
Performance Monitoring	Continuous or periodic quantitative and qualitative assessments of the actual performance compared with specific objectives, targets or standards.
Planned Maintenance	Planned maintenance activities fall into three categories: · Periodic – necessary to ensure the reliability or sustain the design life of an asset. · Predictive – condition monitoring activities used to predict failure. · Preventive – maintenance that can be initiated without routine or continuous checking (e.g. using information contained in maintenance manuals or manufacturers' recommendations) and is not condition-based.
Recreation	Means voluntary non-work activities for the attainment of personal and social benefits, including restoration (recreation) and social cohesion.
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 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 AMP. 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, so as to provide a similar, or agreed alternative, level of service.
Remaining Economic Life	The time remaining until an asset ceases to provide service level or economic usefulness.
Risk Cost	The assessed annual cost or benefit relating to the consequence of an event. Risk cost equals the costs relating to the event multiplied by the probability of the event occurring.
Risk Management	The application of a formal process to the range of possible values relating to key factors associated with a risk in order to determine the resultant ranges of outcomes and their probability of occurrence.
Routine Maintenance	Day to day operational activities to keep the asset operating (replacement of light bulbs, cleaning of drains, repairing leaks, etc.) and which form part of the annual operating budget, including preventative maintenance.
Service Potential	The total future service capacity of an asset. It is normally determined by reference to the operating capacity and economic life of an asset.
Strategic Plan	Strategic planning involves making decisions about the long term goals and strategies of an organisation. Strategic plans have a strong external focus, cover major portions of the organisation and identify major targets, actions and resource allocations relating to the long term survival, value and growth of the organisation.
Unplanned Maintenance	Corrective work required in the short term to restore an asset to working condition so it can continue to deliver the required service or to maintain its level of security and integrity.
Upgrading	The replacement of an asset or addition/ replacement of an asset component which materially improves the original service potential of the asset.
Valuation	Estimated asset value that 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.

APPENDIX Y. LOCATION OF AQUATIC CENTRE

The Aquatic Centre is located on 3.47 ha of Council owned land at 141 Salisbury Road, Richmond.

APPENDIX Z. AMP STATUS AND DEVELOPMENT PROCESS – AQUATIC CENTRE

Z.1 Quality Assurance

Quality Assurance Statement		
Tasman District Council 189 Queen Street Private Bag 4 Richmond 7050 Telephone: (03) 543 8400 Fax: (03) 543 9524	**Version:**	V3 February 2014
	Status:	Draft
	Project Manager: James Frater	
	Prepared by: James Frater, Mike Tasman-Jones & Anna Gerraty **Asset Manager:** James Frater **AMP Author:** James Frater	
	Approved for issue by: **Community Development Manager** Susan Edwards	

Z.2 Quality Requirements and Issues

	Issues and Requirements	Description
1	Fitness for Purpose	The AMP has to be "fit for purpose". It has to comply with Audit NZ expectations of what an AMP should be to provide them the confidence that the Council is adequately managing the Council activities.
2	AMP Document Consistency	Council want a high level of consistency between AMPs so that a reader can comfortably switch between plans.
3	AMP Document Format	The documents need to be prepared to a consistent and robust format so that the electronic documents are not corrupted (as happens to large documents that have been put together with a lot of cutting and pasting) and can be made available digitally over the internet.
4	AMP Text Accuracy and Currency	The AMPs are large and include a lot of detail. Errors or outdated statements reduce confidence in the document. The AMPs need to be updated to current information and statistics.
5	AMP Readability	The AMPs in their current form have duplication – where text is repeated in the "front" section and the Appendices. This needs to be rationalised so that the front section is slim and readable and the Appendix contains the detail without unnecessary duplication.
6	Completeness of Required Upgrades/Expenditure Elements	The capital expenditure forecasts and the operations and maintenance forecasts need to be complete. All projects and cost elements need to be included.

	Issues and Requirements	Description
7	Accuracy of Cost Estimates	Cost estimates need to be as accurate as the data and present knowledge allows, consistently prepared and decisions made about timing of implementation, drivers for the project and level of accuracy the estimate is prepared to.
8	Correctness of Spreadsheet Templates	The templates prepared for use need to be correct and fit for purpose.
9	Assumptions and Uncertainties	Assumptions and uncertainties need to be explicitly stated on the estimates.
10	Changes Made After Submission to Financial Model	If Council makes decisions on expenditure after they have been submitted into the financial model, the implications of the decisions must be reflected in the financial information and other relevant places in the AMP – eg. Levels of service and performance measures, improvement plans etc.
11	Improvement Plan Adequate	Improvements identified, costed, planned and financially provided for in financial forecasts.