Property

DRAFT

Contents

1. Executive Summary 3
   1.1. What we provide 3
   1.2. What we will do 3
   1.3. Strategic issues and risks 3
   1.4. What will it cost? 4
   1.5. The next steps 4
2. Introduction 6
   2.1. Background 6
   2.2. Goals and objectives of asset management 6
   2.3. Plan framework 7
3. State of the Assets 8
   3.1. Network overview 8
   3.2. Asset condition, performance and capacity 9
4. Levels of Service 10
   4.1. Customer research/expectations 10
   4.2. Legislative requirements 10
   4.3. Current levels of service 11
   4.4. Desired levels of service 12
5. Future Demand 13
   5.1. Demand drivers 13
   5.2. Demand forecasts 13
      5.2.1. Population forecasts 13
      5.2.2. Changing purpose and strategic need for property 14
      5.2.3. Changing levels of use 14
      5.2.4. Earthquake prone buildings 14
   5.3. Demand management plan 15
   5.4. Key asset programmes to meet demand 16
6. Lifecycle Management Plan 17
   6.1. Roles and responsibilities 17
   6.2. Maintenance plan 17
   6.3. Renewal plan 19
   6.4. Consequence of deferring maintenance and renewal 21
   6.5. Acquisition/upgrade plan 22
   6.6. Disposal plan 23
7. Data and Information Systems 24
   7.1. Asset information 24
   7.2. Asset data collection responsibilities 24
   7.3. Data quality 24
8. Managing Risk and Resilience 25
   8.1. Risk management plan 25

DRAFT

8.2. Critical asset identification and management 26
8.3. Risk assessment framework 26
8.4. Approach to managing resilience 26
9. Financial Summary 28
9.1. Financial forecast summaries 28
9.1.1. Proposed operations budget 28
9.1.2. Proposed maintenance budget 29
9.1.3. Proposed renewal budget 29
9.1.4. Proposed acquisition/upgrade budget 30
9.2. Funding strategy 31
9.3. Asset value 31
9.4. Valuation forecasts 32
9.5. Key assumptions made in financial forecasts 32
9.6. Reliability and confidence estimates 32
10. Plan Improvement and Monitoring 34
10.1. Status of asset management practices 34
10.2. Maturity assessment results 34
10.3. Improvement plan 34
10.4. Monitoring and review procedures 35
11. Appendices 36
11.1. Asset information 36
11.2. Complete operational works programme 37
11.3. Complete renewal works programme 38
11.4. Complete acquisition/upgrade works programme 40

DRAFT

1. Executive Summary

This Asset Management Plan (AMP) sets out how Council will manage the assets within the Property activity over the 2027–37 planning period. It provides the framework for managing these assets throughout their lifecycle, balancing service requirements, risk, asset condition and affordability.

The Plan supports Council's Long-term Plan by identifying current and future asset requirements, levels of service, lifecycle management approaches, risks, financial forecasts and opportunities to improve asset management practices.

1.1. What we provide

The Property activity comprises a diverse portfolio of Council-owned land and buildings that support operational, community, commercial and strategic purposes across the District.

Assets are grouped into three broad categories: **Commercial Property, Community Property and General Property**. The portfolio includes Council operational facilities, community buildings, leased properties, commercial property, playcentre properties, carparks and land held for a range of current and future purposes.

The composition of the portfolio has changed since the previous Plan through acquisitions, disposals and transfers between Council activities. This includes Council's acquisition of **121–127 South Street, Feilding**, which accommodates the Coach House Museum and a separate commercial tenancy.

1.2. What we will do

Over the 2027–37 planning period, Council will continue to operate, maintain and renew Property assets to support their intended purpose and maintain safe, functional and fit-for-purpose facilities.

Key areas of focus include:

- continuing planned and reactive maintenance across the Property portfolio;
- delivering identified renewal works based on asset condition, criticality, risk and operational requirements;
- progressively increasing planned and preventative maintenance where appropriate;
- addressing safety, compliance and resilience requirements;
- improving asset and condition information to support lifecycle and financial planning; and
- continuing to review the strategic need, use and future of individual properties, including potential acquisition, disposal and changes in use.

Acquisition and upgrade expenditure is limited, with two projects identified at the Council Administration Building relating to increased data storage capacity and double glazing.

1.3. Strategic issues and risks

The Property activity faces a range of strategic issues that may influence the management and future composition of the portfolio. Key issues include:

- maintaining and renewing an ageing and diverse portfolio;
- increasing planned and preventative maintenance;
- maintaining compliance with relevant safety and regulatory requirements;
- managing earthquake-prone buildings and other building-related risks;
- responding to changing operational, community and strategic property requirements;
- reviewing assets that have limited use or no longer have a clear strategic purpose;
- managing the effects of natural hazards and emergency events; and
- improving asset, condition and valuation information to support decision-making.

The key risks for the Property activity are identified in the table below. These are risks with a post-treatment rating of **Extreme or High** when assessed against Council's Risk Framework.

DRAFT

Risk Description	Post Treatment Rating	Further Controls or Treatments Proposed
Asbestos-containing materials may be present within some Property assets and may not be fully identified or documented.	**High**	• Continue to progressively improve asbestos information and undertake targeted surveys/testing where required, particularly before planned maintenance, renewal or demolition works.
Seismic vulnerability of Council buildings	**Extreme**	• Determine the future of affected buildings and investigate appropriate Emergency Operations Centre arrangements.
Building safety and regulatory compliance	**High**	• Improve compliance information, monitoring and prioritisation of remedial works.
Loss of critical facilities and essential services	**High**	• Strengthen business continuity planning and prioritise critical building services.

1.4. What will it cost?

The forecast lifecycle costs for the Property activity include the operations, maintenance, renewal, acquisition and upgrade expenditure required to manage the portfolio and provide agreed levels of service over the 2027–37 planning period.

Council proposes to spend $16,925,995 over the next 10 years on the Property activity.

Forecast expenditure reflects the differing nature and condition of assets within the portfolio. Some properties are relatively simple and require limited intervention, while larger or more complex buildings require significant maintenance, renewal and compliance expenditure. Investment requirements therefore vary across the planning period according to asset condition, identified risks and the timing of planned works.

Detailed financial forecasts and the basis for these estimates are provided in Section 9 of this Plan.

1.5. The next steps

Over the 2027–37 planning period, Council will continue to progressively improve the information and practices used to manage its Property assets. The key asset management improvements identified through this Plan are:

- improve the completeness and accuracy of Property asset and component information held in Asset & Work Manager;
- continue periodic condition assessments and use the results to inform maintenance and renewal programmes;
- develop planned and preventative maintenance programmes using asset condition, criticality and risk information;
- improve lifecycle and renewal forecasting as asset and condition information improves;
- continue to review the strategic need, use and future of Property assets, including acquisition and disposal requirements; and

DRAFT

- continue implementing relevant actions from the Community Facilities Strategy and associated sub-plans.

These improvements will support more evidence-based investment decisions and progressively improve confidence in future Property asset and financial planning.

DRAFT

2. Introduction

2.1. Background

This Asset Management Plan (AMP) sets out how Manawatū District Council will manage its Property assets to support the sustainable delivery of services over the 2027–37 planning period. It brings together information on the assets Council owns, their condition and performance, levels of service, future demand, lifecycle requirements, risks and the funding required to manage them.

The Property activity encompasses the planning, administration, operation, maintenance, renewal, acquisition and disposal of Council-owned property and associated facilities across the Manawatū District.

The Property portfolio is diverse and includes assets held to support Council operations, community and social services, commercial activities and other strategic purposes. For asset management purposes, the portfolio is grouped into three broad categories:

Commercial Property – properties where commercial rent or lease rates are generally charged to the occupier and the primary use of the property is commercial in nature.

Community Property – properties that provide a public or community benefit or provide a location from which community or social services can operate. Council ownership supports the continued availability of these properties for community purposes.

General Property – properties held for purposes that do not fit within the commercial or community categories, including land held for potential future Council requirements or other strategic purposes.

The composition of the Property portfolio changes over time as Council acquires, disposes of or repurposes property and as responsibility for assets is reviewed between Council activities. The portfolio has therefore been reviewed as part of the 2027–37 AMP update to ensure assets are appropriately aligned with their current ownership, purpose and management responsibility.

This Plan should be read alongside Council's 2027–37 Long-term Plan, relevant strategic and financial policies, and the Community Facilities Strategy 2020**,** including the Social Service Facilities Sub-Plan**.**

2.2. Goals and objectives of asset management

The goal of asset management for the Property activity is to manage Council's property portfolio in a sustainable, cost-effective and risk-based manner that supports current and future service delivery.

Council seeks to achieve this by:

- providing safe, compliant and fit-for-purpose properties appropriate to their intended use;
- maintaining and renewing assets to support agreed levels of service and manage whole-of-life costs;
- prioritising investment based on asset condition, criticality, risk and service requirements;
- ensuring Council property supports operational, community, social and strategic needs;
- regularly considering whether continued ownership of individual properties remains appropriate;
- managing acquisition and disposal decisions in accordance with Council's strategic and financial objectives; and
- progressively improving asset information, condition data and lifecycle planning to support evidence-based decision-making.

The Property activity contributes to Council's wider strategic outcomes by providing and managing property required for Council operations and by enabling a range of community, social and commercial activities across the District.

DRAFT

The Community Facilities Strategy 2020 provides strategic direction for Council's community facilities. The Social Service Facilities Sub-Plan is particularly relevant to those Property assets that accommodate or support community and social service activities and informs decisions about their ongoing provision and management.

2.3. Plan framework

Asset Management Plans support Council's Long-term Plan by bringing together information about the assets required to deliver services, the levels of service expected, future demand, lifecycle requirements, risks and forecast expenditure.

This Plan provides the link between Council's strategic direction and the day-to-day management of Property assets. It informs long-term financial planning by identifying the investment required to operate, maintain, renew, acquire, upgrade or dispose of assets over the planning period.

The Property AMP is influenced by legislation, Council strategies and policies, financial planning documents and other relevant plans. The relationship between these documents and the Asset Management Plan is shown below.

Legislation	{	**Local Government Act 2002**		**Resource Management Act 1990**		**Building Act 2004**		**Reserves Act 1977**		**Building (Earthquake-Prone Buildings) Amendment Act 2016**
⇩										
Statutory	{	**Long Term Plan**		**District Plan**		**Annual Plan**		**Iwi Management Plans**		**Reserve Management Plans**
⇩										
Non-Statutory	{	**Economic Development Strategy**		**Urban and Regional Growth Strategies**		**Community Facilities Strategy**		**Community Development Strategy**		**Regional Sports Facilities Plan**
⇩										
Plans/Policies & Bylaws	{	**Asset Management Plans**		**Community Development Funding Policy**		**Community and Recreation Group Leases Policy**		**Makino Precinct Plan**		**Community Plans**

DRAFT

3. State of the Assets

3.1. Network overview

The Property activity comprises a diverse portfolio of Council-owned land and buildings that support operational, community, social, commercial and other strategic purposes.

A significant proportion of the portfolio is located within Feilding, with other properties distributed throughout the District. The nature, scale and use of the assets vary considerably, ranging from operational buildings and community facilities to leased properties, carparks and land held for other Council purposes.

As part of the 2027–37 AMP review, the Property portfolio has been reviewed to ensure assets are allocated to the activity that best reflects their current purpose, ownership and management responsibility. The review has also removed assets that have been sold or demolished and incorporated assets that have transferred into the Property activity.

The assets included within the Property activity for the 2027–37 planning period are shown below.

Commercial Property	**Community Property**	**General Property**
121-127 South Street, Feilding	Animal Control Building and Compound, Awa Street	Fergusson Street Carpark
Eyre Street Depot Buildings	Community House, Feilding	Halcombe Playcentre – Willoughby Street
Eyre Street Carparks	Council Administration Building	Kimbolton Playcentre – 4 Lind Street
Feilding Depot	County Fayre – Pohangina	Pohangina Depot
Feilding Playcentre – 10 Montgomery Street	Feilding Clock Tower	Residential Tenancy – 1269 Pohangina Road.
Various parcels of grazing land	Feilding Community Centre – Te Manawa	Sanson Playcentre Land
	Ohakea Hall	
	Palmerston North Surf Lifesaving Club	
	Rangiwahia Memorial Hall	
	Rongotea Community Centre	

The composition of the Property portfolio has changed since the 2024–34 AMP. South Street/Kawakawa Road commercial land and one of the Eyre Street Depot buildings have been removed following disposal, while Red Cross House has been removed following demolition. The Kawakawa Road Lease Block has transferred to the Infrastructure Group, and the Himatangi Beach and Tangimoana Beach campgrounds have transferred to the Parks activity. Ohakea Hall, the Feilding Playcentre property and the Old Tote Building have been incorporated into the Property activity.

Council also purchased 121–127 South Street, Feilding in April 2025. The property currently accommodates the Coach House Museum, together with a commercial tenancy accessed from Kawakawa Road.

These changes reflect acquisitions and disposals undertaken since the previous AMP and ensure assets are allocated to the activity that best reflects their current ownership, primary purpose and management responsibility.

DRAFT

The map below shows the location of the District's property assets:



3.2. Asset condition, performance and capacity

The condition and performance of assets within the Property portfolio varies due to differences in age, construction, use, maintenance history and the purpose for which individual properties are held.

Condition assessments have been undertaken on a number of buildings within the portfolio. These have identified a range of requirements, from minor maintenance and renewal works through to more significant interventions required to maintain asset performance, address deterioration and support continued service delivery.

Asset condition information, routine inspections, compliance requirements and identified defects are used to inform maintenance and renewal programmes. Where condition information is limited or outdated, investment decisions are based on the best available information and updated as further inspections and assessments are undertaken.

Improving the completeness and currency of condition information across the Property portfolio remains an important asset management improvement. More consistent condition assessment will support improved lifecycle planning, renewal forecasting and prioritisation of expenditure based on condition, risk and service requirements.

DRAFT

4. Levels of Service

Levels of service describe the outcomes Council seeks to provide through the management of its Property assets. They provide the link between community and organisational expectations, legislative requirements, asset management activities and the expenditure required to operate, maintain and renew the portfolio.

Levels of service for the Property activity are influenced by the purpose and use of individual properties, regulatory requirements, asset condition, risk and Council's strategic and financial priorities.

4.1. Customer research/expectations

Customer and stakeholder expectations for the Property activity vary according to the purpose and use of individual properties. Stakeholders include Council staff, tenants and lessees, community organisations, users of Council facilities and the wider community.

Expectations generally relate to properties being safe, compliant, appropriately maintained and fit for their intended purpose. For leased properties, expectations are also influenced by the respective responsibilities of Council as property owner and the tenant or lessee under individual lease arrangements.

Council receives information about property-related expectations through interactions with tenants and facility users, customer requests, operational staff, community engagement and Council's wider resident research. This information, together with asset condition, compliance and risk information, helps inform priorities for the management of the Property portfolio.

4.2. Legislative requirements

Council's management of Property assets is subject to a range of legislative and regulatory requirements. These establish requirements relating to matters including building safety and compliance, property ownership and leasing, accessibility, earthquake-prone buildings and the management and use of reserve land.

The key legislative and regulatory requirements specifically relevant to the Property activity are summarised below. Legislation applying more broadly across the Community Facilities activities is addressed through Council's wider asset management and organisational frameworks.

Legislation	Description	Impact for Service
Building Act 2004	Provides the legislative framework for building work, building safety and ongoing building-owner responsibilities. This includes requirements relating to compliance schedules, specified systems, Building Warrants of Fitness (BWoFs), accessibility and earthquake-prone buildings.	Council must ensure its buildings meet applicable Building Act and Building Code requirements. Where buildings contain specified systems, Council must ensure these are inspected and maintained in accordance with the compliance schedule and that a current BWoF is supplied and displayed. Earthquake-prone buildings must be managed in accordance with the requirements and timeframes applying under the Act.
Fire and Emergency New Zealand Act 2017 and associated regulations	Establishes requirements relating to fire safety, evacuation procedures and evacuation schemes for relevant buildings.	Council, as building owner, must ensure applicable buildings have compliant evacuation procedures and, where required, an approved and maintained evacuation scheme.
Property Law Act 2007	Establishes legal requirements applying to property transactions and leases, including rights and	Council's leasing and management of commercial and other leased properties must comply with applicable requirements of the Act and

DRAFT

	obligations of lessors and lessees.	the terms of individual lease agreements.
Reserves Act 1977	Provides for the classification, management and administration of reserve land, including controls over the use, leasing and licensing of reserves.	Where Property assets are located on land subject to the Act, the use, leasing, development and disposal of that land may be restricted and must be consistent with its reserve status and applicable statutory processes.
Public Bodies Leases Act 1969	Provides powers and requirements relating to the leasing of land by public bodies.	Applies where Council exercises leasing powers subject to the Act and may influence the form, terms and process used when leasing applicable Council land.

Central Government is introducing standardised groups of activities for local government planning and reporting. Council has considered these groupings when reviewing the allocation of assets across the 2027–37 Asset Management Plans.

The Property activity contains a particularly diverse range of assets, including operational and commercial properties, community facilities, carparks, residential property and land held for other purposes. As a result, assets managed within the Property AMP are allocated across several different standard reporting groups according to their primary purpose and use.

In some cases, different components of the same property may also be reported separately where they perform different functions. For example, the Eyre Street Depot building and associated carpark are allocated to different reporting groups.

These reporting classifications do not change how the assets are managed through this AMP. The Property AMP continues to provide the lifecycle, risk, financial and asset management framework for the overall Property portfolio, while individual assets are allocated to the appropriate standard group for statutory reporting purposes.

4.3. Current levels of service

The table below lists the current levels of service (as detailed in the 2024-34 Asset Management Plan) applicable to the assets under the Property Activity.

Level of Service Area	Description
Level of Service Statement	We manage, support and administer Council's wide range of property portfolio assets and services.
Level of Service	**Well maintained, safe Council-owned buildings and properties**
Performance Measure	100% of in-use Council-owned buildings and properties are compliant with the relevant safety regulations
Performance Measure Standard	Year 1: 100% Year 2: 100% Year 3: 100% Year 4-10: 100%

The table below shows the achievement against the levels of service within the previous Long-Term Plan.

Measure	Standard	Result
% of in-use Council-owned buildings and properties are compliant with the relevant safety regulations	2024/25 % of in-use Council-owned buildings and properties are compliant with the relevant safety regulations – target 100% complaint	**Target Not Met** **60% of properties compliant**
	2025/26	**Target Not Met**

DRAFT

	% of in-use Council-owned buildings and properties are compliant with the relevant safety regulations – target 100% compliant	**94% of properties compliant**

The target of 100% compliance with relevant safety regulations was not achieved in either reporting year. This was primarily due to outstanding non-compliances identified through Building Warrant of Fitness (BWoF) audits, which prevented BWoFs from being issued for some properties.

Compliance improved significantly from 60% in 2024/25 to 94% in 2025/26, reflecting progress in addressing the identified non-compliances. Council will continue to prioritise the resolution of outstanding compliance issues and work towards achieving and maintaining full compliance across all in-use properties.

4.4. Desired levels of service

The existing level of service remains appropriate for the Property activity and no significant change to the overall service outcome is proposed for the 2027–37 planning period.

Council will continue to focus on providing safe, compliant and appropriately maintained properties that support their intended use. The diversity of the portfolio means that the specific maintenance and management requirements of individual properties will vary according to their use, condition, risk, lease arrangements and regulatory requirements.

Performance will continue to be measured through the proportion of in-use Council-owned buildings and properties that comply with relevant safety regulations, with a target of 100% compliance**.**

Level of Service Area	**Description**
Level of Service Statement	We manage, support and administer Council's wide range of property portfolio assets and services.
Level of Service	**Well maintained, safe Council-owned buildings and properties**
Performance Measure	100% of in-use Council-owned buildings and properties are compliant with the relevant safety regulations
Performance Measure Standard	Year 1: 100% Year 2: 100% Year 3: 100% Year 4-10: 100%

Council will achieve these levels of service through ongoing building compliance monitoring, routine inspections, planned and reactive maintenance, condition assessments and delivery of prioritised renewal works. Maintenance and renewal requirements will be prioritised based on asset condition, risk, criticality, compliance requirements and the intended use of each property.

Council will also work with tenants, lessees, contractors and other facility users, where appropriate, to ensure responsibilities for the operation, maintenance and compliance of individual properties are clearly understood and managed. Asset condition, compliance performance and identified risks will be monitored to inform future work programmes and investment requirements.

DRAFT

5. Future Demand

Future demand for the Property activity is influenced by changes in population and growth, Council's operational requirements, community needs, property utilisation, legislative and compliance requirements, and the strategic purpose for which individual properties are held.

Unlike many infrastructure activities, increasing demand does not necessarily result in a need to expand the Property portfolio. Demand may instead result in changes to the use of existing properties, acquisition of property to support an identified Council need, or disposal of property that is no longer required.

Council will continue to review the Property portfolio to ensure that individual assets remain appropriate for their intended purpose and that investment is directed towards properties that support Council's current and future requirements.

5.1. Demand drivers

Demand drivers are factors that may influence the future use, provision and management of assets and the levels of service required from them. Understanding these drivers helps Council anticipate how requirements may change over the planning period and informs decisions about the operation, maintenance, renewal, acquisition, upgrade, repurposing and disposal of assets.

Demand for Property assets is influenced by a range of factors, including population and demographic change, economic conditions, Council's operational requirements, changes in the use and utilisation of properties, legislative and regulatory requirements, asset condition, technological change and climate change.

The key demand drivers expected to have the greatest influence on the Property activity over the 2027–37 planning period are discussed below.

- **Population and District growth** – growth may influence Council's operational requirements, demand for community facilities and the strategic value or potential alternative use of Council-owned land.
- **Council operational requirements** – changes in the way Council delivers services may alter the type, location and capacity of property required to support its operations.
- **Changing property use and utilisation** – some properties may experience changing or declining use, while opportunities may arise to repurpose existing assets for different Council or community requirements.
- **Strategic property requirements** – Council may acquire, retain or dispose of property in response to identified strategic, operational, community or financial objectives.
- **Legislative and compliance requirements** – changes in building, safety, accessibility, seismic and other regulatory requirements may influence whether properties remain suitable and the level of investment required.
- **Asset condition and functionality** – deteriorating condition or assets that are no longer fit for their intended purpose may result in renewal, upgrade, repurposing or disposal being considered.
- **Climate change and natural hazards** – changing exposure to natural hazards and climate-related events may influence the resilience, suitability and lifecycle requirements of individual properties.

5.2. Demand forecasts

5.2.1. Population forecasts

Population growth is not expected to result in a direct proportional increase in the number of assets required within the Property portfolio. However, growth may influence Council's operational accommodation requirements, demand for land and community facilities, and the strategic value of existing Council-owned property.

Demand will therefore be managed primarily through effective use of the existing portfolio, with acquisition or disposal considered where there is a demonstrated strategic or operational need.

DRAFT

5.2.2. Changing purpose and strategic need for property

The purpose for which Council owns individual properties can change over time as operational requirements, community needs and strategic priorities evolve.

Council has undertaken a number of changes to the Property portfolio since the previous AMP, including the disposal or demolition of assets no longer required, transfer of assets between Council activities and the acquisition of new property. This demonstrates that management of the Property portfolio is not solely focused on retaining existing assets, but on ensuring Council holds property that supports an identified current or future purpose.

During the 2027–37 planning period, Council will continue to consider the strategic rationale for retaining individual properties. Where an asset is no longer required for its existing purpose, options may include alternative use, leasing, transfer to another Council activity, disposal or removal, subject to any legal, strategic or land-status constraints.

5.2.3. Changing levels of use

Utilisation varies considerably across the Property portfolio. Some properties support daily Council operations or established tenants, while others have limited, changing or currently no active use.

Changes in utilisation may affect the level of maintenance and renewal appropriate for an asset and may prompt consideration of its future purpose. However, low utilisation does not necessarily mean that a property is surplus to requirements. Council must also consider factors such as future operational or strategic need, land status, legislative restrictions, lease arrangements, community value and the costs and benefits of retaining or disposing of the property.

Where a property no longer has a clearly identified ongoing requirement, Council will consider the available options through its property management and disposal processes.

5.2.4. Earthquake prone buildings

Seismic performance remains an important consideration for Council's Property portfolio, particularly where buildings support critical Council functions or have previously been identified as earthquake-prone.

Strengthening work has been undertaken on the Council Administration Building to achieve 100% of New Building Standard (NBS) for an Importance Level 2 (IL2) building. However, the building is used as Council's Emergency Operations Centre (EOC) for Civil Defence purposes, for which an Importance Level 4 (IL4) standard is required. Retrospective strengthening of the existing building to achieve IL4 has been assessed as difficult and cost-prohibitive. Council will therefore need to consider the longer-term requirements for providing an appropriately resilient EOC facility.

The remaining Eyre Street Depot building has not had a Detailed Seismic Assessment undertaken but has previously been identified as earthquake-prone due to its concrete masonry construction and location within the Feilding CBD. A decision on the future of the building will be required having regard to the applicable legislative requirements and Council's future operational needs.

In September 2026, Parliament passed significant reforms to the national earthquake-prone building system. The reforms introduce a more targeted, risk-based approach, focusing the regulatory system on higher-risk building types and seismic risk areas. They also change remediation requirements and provide greater flexibility around remediation timeframes. Most of the new provisions are expected to come into force from 1 July 2027, with supporting guidance being developed by MBIE.

The implications of these changes for Council's previously identified earthquake-prone buildings will be assessed as the new requirements and supporting guidance are implemented. Seismic risk will continue to be considered alongside building condition, operational requirements, criticality, cost and future property needs when determining investment in affected buildings.

DRAFT

5.3. Demand management plan

Demand within the Property activity will primarily be managed through effective use and management of the existing portfolio rather than through continued expansion of the asset base.

Demand management may include adapting or repurposing existing properties, reviewing utilisation, leasing property to external parties, transferring assets between Council activities, acquiring property where a demonstrated need exists, and disposing of assets that are no longer required.

Decisions will consider the strategic purpose of the property, current and forecast demand, asset condition, risk, legislative requirements, whole-of-life costs and the financial implications of continued ownership.

Demand Driver	Current Position	Projection	Impact on Services	Management Plan
Population and District growth	District population continues to grow.	Continued growth over the planning period.	May influence operational accommodation, community facility and land requirements.	Monitor growth and changing property requirements; maximise use of existing assets before considering acquisition.
Council operational requirements	Property portfolio supports a range of Council operational functions.	Requirements may change as service delivery and working practices evolve.	Existing properties may require adaptation, replacement or alternative use.	Regularly review operational property requirements and utilisation.
Changing property use and utilisation	Utilisation varies across the portfolio, with some properties having limited or no current use.	Use of individual properties will continue to change over time.	May result in under-utilised assets or changing maintenance and renewal requirements.	Consider repurposing, leasing, transfer, disposal or other appropriate options.
Strategic property requirements	Council both acquires and disposes of property in response to identified needs.	Further changes to the portfolio may occur over the planning period.	Acquisition or disposal may affect operating costs, revenue and future capital requirements.	Assess property requirements against strategic, operational and financial objectives.
Legislative and compliance requirements	Council-owned buildings are subject to building, fire, seismic and other safety requirements.	Requirements may change over time and additional works may be identified.	May result in additional maintenance, renewal or upgrade expenditure or affect continued use of a property.	Monitor compliance and incorporate required works into maintenance, renewal and capital programmes.
Asset condition and resilience	Condition and resilience vary across the portfolio.	Assets will continue to deteriorate with age and exposure.	May affect functionality, safety, service continuity and lifecycle costs.	Condition assessments, inspections and risk-based maintenance and renewal planning.

DRAFT

5.4. Key asset programmes to meet demand

The new assets required to meet demand may be acquired, donated, or constructed. There is limited demand for new or upgraded Property assets over the 2027–37 planning period. Unlike some Council activities, changes in population or community demand do not directly result in a need to expand the Property portfolio. Demand is generally managed through the effective use, adaptation and management of existing properties.

Two acquisition/upgrade projects are currently identified over the planning period, both relating to the Council Administration Building. These projects respond primarily to operational and asset requirements rather than increased community demand and do not represent an expansion of the Property portfolio.

Other changes in demand will primarily be managed through the ongoing review of property use and strategic need, including opportunities to repurpose, lease, transfer or dispose of assets where appropriate. Any future acquisition or significant upgrade would be considered where a demonstrated operational, strategic or service need is identified.

DRAFT

6. Lifecycle Management Plan

The Lifecycle Management Plan describes how Council will manage Property assets throughout their lifecycle to deliver the agreed levels of service in a sustainable and cost-effective manner.

Lifecycle management considers the activities required to operate, maintain, renew, upgrade, acquire and ultimately dispose of assets. Decisions are informed by asset condition, performance, criticality, risk, legislative and compliance requirements, utilisation, strategic need and whole-of-life costs.

The diverse nature of the Property portfolio means that the appropriate lifecycle approach may vary between individual assets. Some properties support core Council operations, while others are leased, provide community functions, generate commercial revenue or are retained for other strategic purposes. The level and timing of investment therefore needs to reflect the purpose and expected future use of each property.

This section outlines Council's approach to the day-to-day management of Property assets and the maintenance, renewal, acquisition, upgrade and disposal activities required over the 2027–37 planning period.

6.1. Roles and responsibilities

Day-to-day management of the Property activity is primarily undertaken by Council staff, with responsibilities varying according to the purpose and occupancy arrangements of individual properties.

The Community Assets Manager is responsible for the management of Council's property portfolio, including lease and tenancy arrangements and liaison with tenants and lessees. Asset management staff support longer-term planning, including asset information, condition, lifecycle planning, renewal forecasting and risk management.

Operational activities such as cleaning, routine inspections, grounds maintenance and minor maintenance may be undertaken by Council staff, contractors, tenants or lessees depending on the property and the responsibilities established through individual lease or occupancy arrangements.

Council retains responsibility for managing its obligations as asset owner, including relevant building compliance requirements and the planning of maintenance, renewals and capital works for which Council is responsible. Defects and maintenance requirements may be identified through inspections, condition assessments, compliance activities, Council staff, contractors, tenants, lessees or other facility users.

Where properties are leased or occupied by external organisations, the respective responsibilities of Council and the occupier are managed in accordance with the relevant lease or occupancy agreement.

6.2. Maintenance plan

Maintenance activities are the activities required to retain an asset as near as practicable to an appropriate service condition and include the regular and ongoing work necessary to keep an asset safe, functional and operational.

The Maintenance Plan identifies how Council will manage the maintenance needs of Property assets over the planning period to support agreed levels of service, protect asset condition and manage risk. Maintenance may be reactive, routine or planned/preventative, with requirements identified through condition assessments, inspections, compliance activities, reported defects and known operational needs.

The table below identifies the key planned maintenance projects currently anticipated for the Property activity over the 2027–37 planning period. Projects are prioritised based on available condition information, risk, criticality, compliance requirements and the operational needs of individual properties. The timing and priority of works may change as further condition information becomes available or new maintenance, compliance or operational requirements are identified.

DRAFT

Routine and reactive maintenance will continue to be undertaken as required and is not necessarily represented as individual projects within the programme.

Maintenance Aspect	Description
Reactive Maintenance	Repair of assets required to correct faults identified by lessees, staff inspections or notification from facility users. This has been the predominant maintenance approach with these facilities in the past.
Routine Maintenance	Routine maintenance predominantly relates to cleaning services and is organised by the leasee or Council staff.
Planned Maintenance	Also defined as preventative or programmed maintenance. Typical work includes repainting of external surfaces, repainting and redecoration of interiors, and minor repairs and replacement of 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. This is to monitor asset condition, identify emerging risks, and identify the need for maintenance and repair work, both current and predicted future failure.

Historically, maintenance within the Property activity has been predominantly reactive, with limited formal planned and preventative maintenance across parts of the portfolio. Council is progressively moving towards a more planned approach, supported by improved condition information, inspections and lifecycle planning.

Maintenance requirements are prioritised according to asset condition, criticality, risk, compliance requirements, operational need and the consequences of failure. The appropriate maintenance approach also considers the expected future use of the property, particularly where an asset may be subject to repurposing, disposal or other changes in use.

Improving planned and preventative maintenance will assist Council to identify emerging defects earlier, reduce avoidable asset deterioration and provide better information for future maintenance and renewal forecasting.

The table below details the maintenance projects required to achieve the agreed levels of service for the Property activity, including the identified criticality of the project and the level of consequence (or risk) of the project not being undertaken.

Asset	Project Description	Criticality	Consequence	Estimated Cost	Year
Commercial Property					
10 Montgomery Street	Condition Assessment	Med	Med	$5,212	2
Eyre Street Depot	DSA on MSS leased building / demolition of building	High	High	$27,220	4
Community Property					
Feilding Community Centre – Te Manawa	Exterior repaint	Med	Med	$35,630	1
Brassband Building	Operational grant for the purchase of the brassband building	High	High	$107,266	2

DRAFT

Palmerston North Surf Lifesaving Club	Corrosion treatment to corroding steel works	Med	Med	$26,061	2
Rongotea Community Centre	Maintenance as per condition assessment	Med	Med	$10,424	2
Council Administration Building	Repaint of office exteriors	Low	Med	$31,556	3
Rangiwahia Memorial Hall	Exterior repaint	Med	High	$31,961	3
Palmerston North Surf Lifesaving Club	Corrosion treatment to steel stairwell on beach front	Med	Med	$8,876	5
Feilding Clock Tower	Full exterior repaint and maintenance of the clock mechanism	Med	Med	$17,298	7
Palmerston North Surf Lifesaving Club	Corrosion treatment to corroding steel works	Med	Med	$28,830	7
Palmerston North Surf Lifesaving Club	Corrosion treatment to steel stairwell on beach front	Med	Med	$10,000	10
County Fayre - Pohangina	Exterior repaint	Med	High	$42,957	15
General Property					
Residential Tenancy - 1269 Pohangina Road	Remove house from site	Med	Med	$30,540	1
Sanson Playcentre – Land	Disposal	Med	Med	$15,636	2
Kimbolton Playcentre	Exterior repaint	Med	High	$18,510	4

6.3. Renewal plan

Renewals are capital works undertaken to restore or replace an existing asset, or asset component, to maintain its original service potential without significantly increasing the level of service or capacity provided.

The Renewal Plan identifies the works required to maintain the condition, functionality and performance of Property assets over the planning period. Renewal requirements are identified through condition assessments, inspections, maintenance history, asset performance, compliance requirements and known component replacement cycles.

Renewal works are prioritised to ensure available funding is directed towards the areas of greatest need and risk. Factors considered when prioritising renewals include:

- the criticality of the asset and consequence of failure;
- asset condition and remaining useful life;
- the level and nature of use;

DRAFT

- safety and compliance requirements;
- increasing operational or maintenance costs;
- impacts on service delivery, tenants, lessees and other users; and
- opportunities to reduce whole-of-life costs through replacement with an appropriate modern equivalent.

The expected future use and strategic purpose of a property are also considered before significant renewal investment is undertaken. Where the future of an asset is uncertain, or disposal or repurposing is being considered, the level of renewal investment may be limited to that necessary to manage safety, compliance, operational requirements and risk until a decision on the asset's future is made.

The ranking criteria used to determine the priority of identified renewal is detailed in the table below.

Criteria	**Weighting**
Critical Asset	50%
Rising operational/maintenance costs	20%
Potential to reduce operating/maintenance costs	30%
Total	100%

The table below identifies the key renewal projects currently anticipated for the Property activity over the 2027–37 planning period. The programme is based on the best available asset condition information, known replacement requirements and current priorities.

Renewal timing and priorities may change as further condition information becomes available, asset performance changes or the future use of individual properties is reviewed. An annual district-wide Property renewal provision also provides flexibility to respond to renewal requirements that arise during the planning period and are not identified as individual projects within the programme.

Asset	**Project Description**	**Remaining Life**	**Consequence**	**Estimated Cost**	**Year**
Commercial Property					
Eyre Street Depot	Reseal depot carpark	14	Med	$55,743	15
Eyre Street Carpark	Reseal northern carpark	15	Med	$36,859	16
Community Property					
Council Administration Building	Replace existing lights with LED	2	Med	$168,382	1
Council Administration Building	HVAC replacement programme – Year 10	4	High	$48,366	2
Council Administration Building	HVAC replacement programme – Year 9	5	High	$69,438	3
Rangiwahia Memorial Hall	Install new septic system on Hall property (currently on neighbours land)	6	High	$66,765	5
Council Administration Building	Replace bathroom extraction system	7	Med	$113,501	6

DRAFT

General Property					
Kimbolton Playcentre	Roof replacement	6	High	$46,818	2

6.4. Consequence of deferring maintenance and renewal

Deferring maintenance and renewal can be an appropriate short-term response where works can be postponed without creating unacceptable risk or affecting agreed levels of service. However, continued deferral can result in accelerated asset deterioration, increased reactive maintenance, higher future renewal costs and reduced asset life.

For Property assets, deferred works may also affect building functionality, presentation, safety and compliance, and may result in disruption to Council operations, tenants, lessees or other users. Failure of building components such as roofing, exterior cladding, services or weatherproofing can also lead to consequential damage to other parts of the asset, increasing the eventual cost of remediation.

Decisions to defer maintenance or renewal will consider asset condition, criticality, risk, compliance requirements, consequences of failure, available funding and the expected future use of the property. Works required to address immediate health and safety or legislative compliance requirements will generally receive a higher priority.

Where a property is being considered for disposal, repurposing or a significant change in use, Council may deliberately limit investment rather than undertake substantial renewal that may not provide long-term value. In these circumstances, sufficient maintenance will continue to be undertaken to manage safety, compliance, operational requirements and unacceptable risk until a decision on the future of the asset is made.

DRAFT

6.5. Acquisition/upgrade plan

Acquisition and upgrade works include the creation or purchase of new assets and improvements to existing assets that increase capacity, functionality or the level of service beyond that provided by the existing asset.

Acquisition and upgrade requirements may arise from growth, changing operational or service requirements, legislative or compliance requirements, environmental objectives or other identified strategic needs. Any proposed investment is considered alongside opportunities to make better use of existing assets and the ongoing lifecycle costs associated with the new or upgraded asset.

Acquisition and upgrade expenditure within the Property activity is limited over the 2027–37 planning period. Two projects are currently identified, both relating to the Council Administration Building. These projects respond primarily to operational and asset requirements rather than population growth or increased community demand.

The projects provide for an increase in data storage capacity to support Council's operational requirements and the replacement of existing windows with double glazing. The double-glazing project will improve the performance of the existing building rather than expand the Property portfolio.

The proposed acquisition and upgrade projects are shown in the table below.

Asset	Development Description	Increased LoS	Response to Growth	Proportion of Renewal	Estimated Cost	Year	External Funding
Community Property							
Council Administration Building	Upgrade windows to double glazing, as identified in Environmental Strategy	50%		50%	$217,974	4	Maybe

*Those projects marked with a ***** did not make it through Council's prioritisation process and will not be funded*

The projects identified above represent anticipated asset requirements based on the information available at the time this Plan was prepared. Inclusion of a project within this Asset Management Plan does not represent a commitment by Council to deliver the project within the identified timeframe. The scope, timing and delivery of projects remain subject to further investigation, prioritisation and funding through Council's Long-term Plan and Annual Plan processes. Projects and associated budgets may therefore change as priorities, project information and available funding are refined.

DRAFT

6.6. Disposal plan

Asset disposal is the process of permanently removing an asset from Council's Property portfolio and may include sale, demolition, transfer, relocation or other forms of divestment.

Disposal may be considered where a property is no longer required for its current purpose, is surplus to Council's operational or strategic requirements, has limited ongoing use, or where the cost of retaining and investing in the asset is no longer considered appropriate. Disposal may also occur where responsibility for an asset is more appropriately transferred to another Council activity or organisation.

Decisions to dispose of Property assets are not based on asset condition alone. Council considers the current and potential future use of the property, strategic and operational requirements, community implications, land status and legislative constraints, asset condition, ongoing operating and renewal costs, potential alternative uses and the financial implications of disposal.

Before disposal is progressed, Council will consider whether there is an ongoing Council requirement for the property or whether alternative options such as repurposing, leasing or transfer are appropriate. Any disposal will be undertaken in accordance with applicable legislative requirements, Council policies and the appropriate decision-making processes.

The table below identifies Property assets currently proposed or being considered for disposal during the 2027–37 planning period. The inclusion of an asset in the programme identifies that disposal is being considered and does not necessarily represent a final decision to dispose of the asset.

The timing and method of disposal will depend on further investigation, statutory and property requirements, Council decision-making processes and, where applicable, consideration of alternative uses. Disposal priorities may therefore change during the planning period as Council's property requirements and strategic priorities evolve.

Asset	Reason for Disposal	Indicative Timing	Estimated Costs	Estimated Annual O&M Saving
Feilding Depot	Surplus to requirements	Y1/Y2		$43,000
Sanson Playcentre Land	Surplus to requirements	Y1	$15,000	$0
Brass Band Building	Council-owned land required to expand Makino Precinct green space	Y2	$102,900	$0
Residential Tenancy: 1269 Pohangina Road	Removal of building - Surplus to requirements	Y1	$34,833	$0
Pohangina Depot	Removal of Buildings – Surplus to requirements	Unknown	Unknown	$0
23 Kowhai Street, Feilding	Surplus land	Unknown	Unknown	$0
54 Henderson Street, Kimbolton	Surplus land	Unknown	Unknown	$0
157 Terrace Road, Kimbolton	Surplus land	Unknown	Unknown	$0

DRAFT

7. Data and Information Systems

Reliable and complete asset information is important to support effective asset management decision-making. Asset information is used to inform condition monitoring, maintenance and renewal planning, risk management, financial forecasting and longer-term lifecycle planning.

Council will continue to progressively improve the completeness, accuracy and accessibility of information held for assets within the Property activity.

7.1. Asset information

Asset & Work Manager (formerly RAMM) is Council's primary asset management system for recording information about assets within the Property activity.

Property assets and their major components are recorded within Asset & Work Manager, although the level of detail and completeness varies across the portfolio. Information may include asset location, type, component details, installation or renewal dates, condition, useful lives and replacement information.

The diverse nature and age of the Property portfolio means that information is more complete for some assets than others. Recently constructed, acquired or renewed assets generally have more detailed information, while historical information for some older assets and components is limited.

Asset information will continue to be progressively improved through condition assessments, inspections, completed maintenance and renewal projects, contractor and staff information, and review of existing records. Priority will be given to information that supports lifecycle planning, risk management and financial decision-making.

7.2. Asset data collection responsibilities

The Asset Management and Compliance Officer is responsible for maintaining asset information within Asset & Work Manager, based on information provided by Council officers, contractors and other relevant sources.

Asset information arising from capital projects, renewals, condition assessments, inspections, acquisitions and disposals is progressively incorporated into the asset management system. This includes changes to asset components, condition, installation or renewal dates, useful lives and other information relevant to lifecycle planning.

Historical information is added where available and where it provides value to asset management decision-making. Condition assessments and inspections also provide an important source of information for progressively improving component-level asset data.

7.3. Data quality

The quality and completeness of Property asset information varies across the portfolio. Information relating to the existence and location of major assets is generally well understood; however, gaps remain in some component-level information, including installation dates, condition, useful lives and replacement information.

The available information is considered adequate to support current asset management activities; however, gaps in detailed asset information can create uncertainty when forecasting future maintenance and renewal requirements.

Data quality will continue to be progressively improved as condition assessments and inspections are undertaken, completed project information is captured and existing asset records are reviewed. Improvements will be prioritised based on asset criticality, risk and the information required to support effective lifecycle and financial decision-making.

DRAFT

8. Managing Risk and Resilience

Effective risk and resilience management supports Council's ability to provide safe, reliable and sustainable Property assets and services. The Property activity is exposed to a range of risks associated with asset condition, building compliance, natural hazards, changing operational requirements, contractual arrangements and the ongoing management of a diverse property portfolio.

Council manages these risks through its corporate risk management framework, asset management practices, building compliance processes, condition assessments, maintenance and renewal programmes, business continuity planning and ongoing review of the Property portfolio.

8.1. Risk management plan

Risk management is an important part of asset management and supports informed decision-making about the operation, maintenance, renewal and future management of Property assets.

Risks associated with the Property activity are identified and assessed using Council's risk management framework. The assessment considers the likelihood and consequence of an event occurring, existing controls or treatments, and whether further treatment is required.

The key risks identified for the Property activity are summarised in the following table. Risks and associated controls will continue to be reviewed as asset condition, legislative requirements, property use and other circumstances change.

Risk Description	Raw Score	Current Controls or Treatments	Post control or treatment rating	Post Treatment Score	Proposed Risk	Further Controls or Treatments Proposed
Asbestos-containing materials may be present within some Property assets and may not be fully identified or documented.	24	• Asbestos Management Plan and site-specific information where available • Asbestos surveys/testing undertaken where required • Asbestos considered before intrusive maintenance or building works • Appropriate contractor and health and safety controls	16	**High**	Mitigate	• Continue to progressively improve asbestos information and undertake targeted surveys/testing where required, particularly before planned maintenance, renewal or demolition works.
Deterioration or delayed maintenance and renewal of Property assets.	24	• Condition assessments and inspections • Maintenance and renewal programmes • Building compliance monitoring • Prioritisation based on condition, risk, criticality and operational need • Review of future use before significant investment	12	**Medium**	Mitigate	• Improve condition information and planned/preventative maintenance programmes and use this information to strengthen lifecycle and renewal forecasting.
Incomplete, outdated or unclear property lease and occupancy information.	12	• Lease and occupancy information progressively reviewed and updated • Higher-risk and higher-value arrangements prioritised • Strategic Community Property Advisor manages lease and tenancy arrangements	6	**Low**	Mitigate	• Continue to review and update lease and occupancy records, prioritising arrangements with the greatest financial, operational or legal risk.
Seismic vulnerability of Council buildings may result in injury, building damage, loss of essential services or disruption to emergency management functions.	32	• Seismic strengthening completed at the Administration Building to 100% NBS for IL2. • Known seismic vulnerabilities identified and considered in asset management and investment decisions. • Building safety and compliance requirements monitored. • Future options for affected buildings considered alongside operational requirements and available funding.	32	**Extreme**	Mitigate	• Determine the future of the Eyre Street Depot building, considering applicable seismic requirements. • Review seismic risks and compliance obligations as legislative changes are implemented. • Incorporate seismic resilience into future property investment and business continuity planning.
Failure to meet building safety and regulatory requirements may result in unsafe facilities, service disruption, enforcement action or unplanned expenditure.	24	• Building compliance monitoring and inspections. • Building Warrant of Fitness processes where applicable. • Maintenance and renewal programmes addressing identified deficiencies. • Specialist contractor inspections and servicing. • Compliance requirements considered when planning building works.	16	**High**	Mitigate	• Improve identification and recording of building compliance requirements. • Prioritise outstanding compliance works based on safety, risk and statutory obligations. • Continue periodic inspections and compliance monitoring. • Incorporate identified compliance requirements into maintenance and renewal programmes.
Damage, failure or loss of access to critical Council buildings or services may disrupt essential operations, emergency response capability and business continuity.	24	• Maintenance and renewal programmes for key building components and services. • Building inspections and compliance monitoring. • Prioritisation of works based on asset criticality, condition and operational requirements. • Council's existing organisational emergency management arrangements.	16	**High**	Mitigate	• Review business continuity arrangements for critical Property facilities. • Identify essential building services and potential single points of failure. • Investigate alternative accommodation and service delivery arrangements. • Prioritise maintenance and renewal of critical building components and services.

DRAFT

8.2. Critical asset identification and management

Critical assets are those where failure would have a significant consequence for Council's ability to provide essential services or undertake critical functions. Identifying critical assets allows Council to appropriately prioritise inspections, maintenance, renewals, risk treatments and business continuity planning.

The critical asset identified within the Property activity is shown below.

Critical Asset(s)	Failure Mode	Impact
Council Administration Building	Partial or complete loss of building functionality	Disruption to Council operations and face-to-face customer services; loss of the building's ability to function as Council's Emergency Operations Centre

The Council Administration Building supports a range of core Council functions and is also used as the Emergency Operations Centre during Civil Defence emergencies. Its criticality means that asset condition, building services, compliance, resilience and continuity arrangements require particular consideration when prioritising maintenance, renewals and other investment.

Business continuity arrangements provide for Council's response where access to, or use of, the building is disrupted.

8.3. Risk assessment framework

Council's risk assessment framework provides a consistent approach to identifying, assessing and managing risks across Council activities.

Risks are assessed by considering the likelihood of an event occurring and the potential consequences should it occur. Existing controls and treatments are considered when determining the residual or post-treatment risk rating. Where the remaining level of risk is considered unacceptable, further controls or treatments may be identified.

Risk assessment also considers Council's Risk Appetite Statement, which provides guidance on the level and nature of risk Council is prepared to accept in pursuing its objectives. Risk treatment decisions consider the potential consequences, effectiveness and cost of available controls and the level of residual risk.

Risk information is reviewed as new information becomes available and is used to inform maintenance, renewal, capital investment, compliance activities and other asset management decisions.

8.4. Approach to managing resilience

Resilience is the ability of assets and services to withstand, respond to and recover from disruptive events while maintaining or restoring essential functions. For the Property activity, resilience considerations vary depending on the purpose, location, construction and criticality of individual assets.

Council's approach to resilience includes identifying critical assets, maintaining business continuity arrangements, monitoring asset condition, undertaking appropriate maintenance and renewals, managing building compliance and considering natural hazard and climate-related risks when making asset management decisions.

The Council Administration Building is particularly important because it supports core Council operations and is used as Council's Emergency Operations Centre. Business continuity and longer-term planning therefore need to consider how essential Council functions can continue if the building is damaged, inaccessible or otherwise unable to be used.

Property assets may also be affected by severe weather and other natural hazards. Intense rainfall, flooding, storms and prolonged wet conditions can affect buildings, sites, access, drainage and building materials, while changing environmental conditions may influence

DRAFT

deterioration rates and maintenance requirements. Periodic condition assessments, inspections and planned maintenance provide opportunities to identify deterioration and address vulnerabilities before they result in significant asset failure.

Resilience considerations will continue to be incorporated into lifecycle planning, risk management and investment decisions, with priority reflecting the criticality, condition, location and intended future use of individual Property assets.

Council's Long-term Plan assumes that it will be able to respond to and initiate recovery from localised and moderate emergency events within its existing emergency management arrangements, insurance programme, reserve settings and borrowing headroom. For the Property activity, an emergency event could result in damage to buildings or sites, loss of access and temporary disruption to Council operations, leased premises or other property uses. The extent and cost of any impact will depend on the location, nature and severity of the event.

DRAFT

9. Financial Summary

This section summarises the financial requirements associated with managing the Property activity over the 2027–37 planning period. Forecast expenditure reflects the operations, maintenance, renewal and acquisition/upgrade requirements identified through the lifecycle planning process.

Financial forecasts are based on the best available information at the time this Plan was prepared and will continue to be refined as asset information, project scope, costs and priorities are updated.

9.1. Financial forecast summaries

Forecast expenditure has been developed to support the continued operation, maintenance and renewal of Property assets and identified acquisition and upgrade requirements over the planning period.

Expenditure varies between years depending on the timing and scale of individual projects. The following sections summarise forecast expenditure for each lifecycle category.

9.1.1. Proposed operations budget

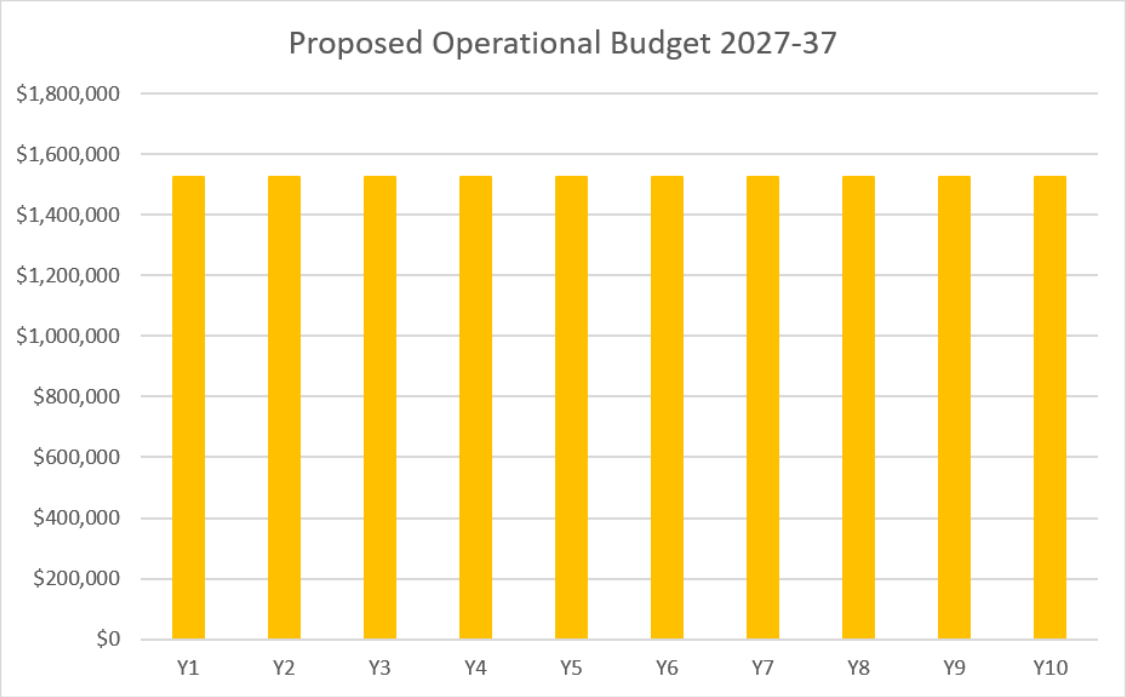
Operational expenditure includes the ongoing costs of delivering agreed levels of service, including routine and recurring maintenance funded through Council's operational General Ledger (GL) budgets. These maintenance activities support the day-to-day functionality, condition and performance of assets and are separate from the specific maintenance projects identified in Section 9.1.2.

Forecast expenditure is based on current costs, anticipated changes in service requirements and consequential operating costs associated with changes to the Property portfolio or completed capital works.

Council is proposing to spend **$15,241,897** on operations across the Property activity over the 2027–37 planning period.

The operational expenditure forecasts presented in this section are rounded, uninflated figures based on current budget estimates. These figures are indicative and may be subject to change as budgets are refined and finalised through Council's Long-term Plan and Annual Plan processes.

The figure below shows the forecast distribution of operational expenditure over the planning period.



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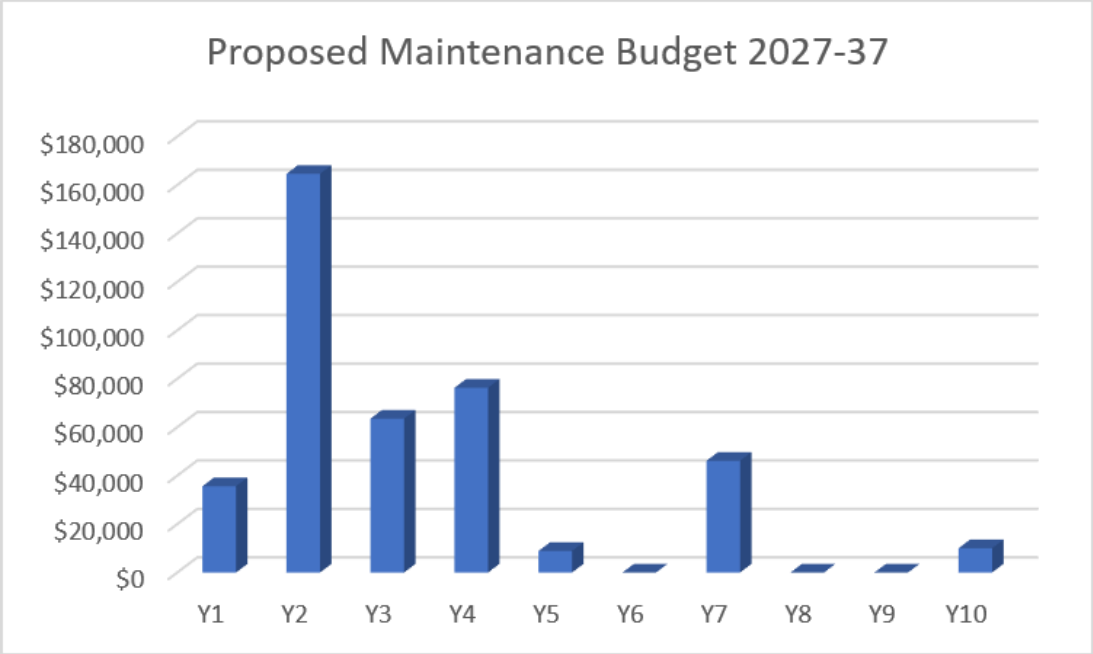
9.1.2. Proposed maintenance budget

In addition to routine and recurring maintenance funded through operational budgets, Council identifies and budgets for specific maintenance projects required to address asset condition, performance, safety and service requirements.

The maintenance expenditure presented in this section relates to these separately budgeted projects and does not represent the total cost of maintenance across the activity, as ongoing maintenance is also funded through operational General Ledger (GL) budgets.

Council is proposing to spend **$405.020** on separately identified maintenance projects over the 2027–37 planning period. This excludes routine maintenance funded through operational budgets and therefore does not represent the total maintenance cost of the Property activity.

The figure below shows the forecast distribution of maintenance project expenditure over the planning period. Expenditure varies according to the timing of identified works, including exterior painting, corrosion treatment and other condition-related maintenance. The programme also includes some one-off activities associated with the ongoing management and disposal of Property assets.



Council will continue to progressively increase planned and preventative maintenance where appropriate to reduce unplanned failures, manage risk and improve long-term asset performance.

Maintenance expenditure varies across the planning period according to the timing of identified works. Higher expenditure in some years reflects planned maintenance across a range of Property assets, including exterior painting, corrosion treatment and other condition-related works. The programme also includes some one-off activities associated with the ongoing management and disposal of Property assets.

9.1.3. Proposed renewal budget

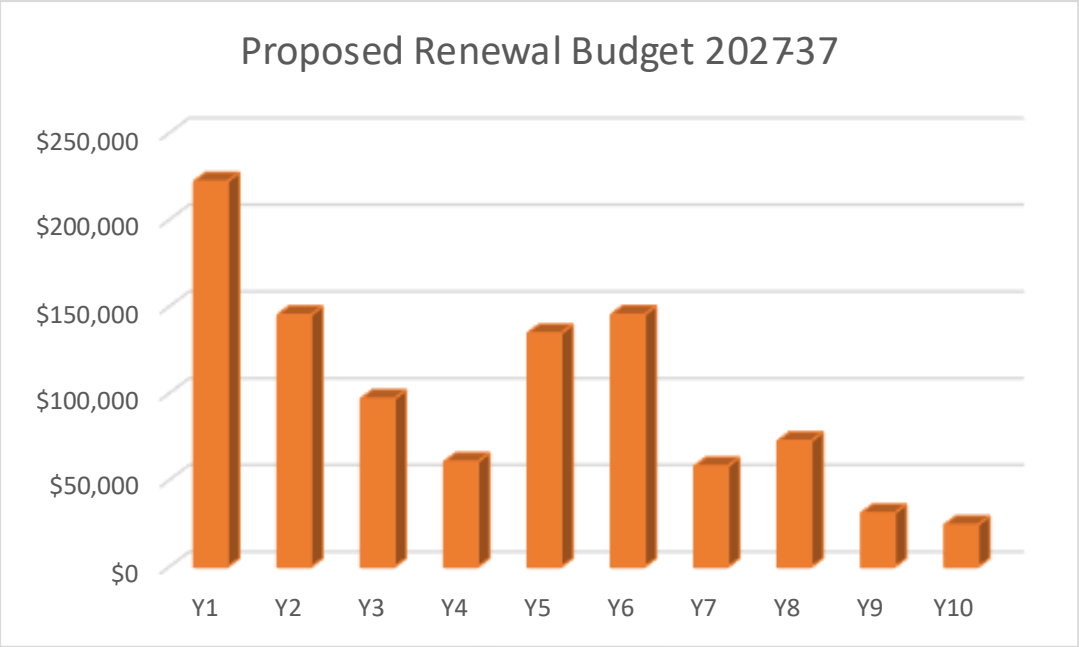
Renewal expenditure provides for the replacement or rehabilitation of existing Property assets and components to maintain their original service potential.

Renewal requirements are informed by condition assessments, inspections, known component replacement requirements, maintenance history and asset performance. Works are prioritised based on factors including asset condition, criticality, risk, compliance requirements and operational need.

Council is proposing to spend **$990,160** on renewals across the Property activity over the 2027–37 planning period. The figure below shows the forecast distribution of this expenditure.

Renewal expenditure varies across the planning period due to the timing and scale of individual projects. The diverse nature of the Property portfolio means that renewal requirements can vary significantly between assets and between years.

The figure below shows the spread of this spending.



Renewal expenditure varies across the planning period due to the timing and scale of individual projects. A significant proportion of the programme relates to component renewals at the Council Administration Building, alongside identified renewals at other properties. An annual district-wide renewal provision is also included to provide for emerging renewal requirements across the Property portfolio.

9.1.4. Proposed acquisition/upgrade budget

Acquisition and upgrade projects are identified through feedback from facility users, Acquisition and upgrade expenditure relates to new assets or improvements to existing assets that increase capacity, functionality or levels of service.

Acquisition and upgrade expenditure within the Property activity is limited over the 2027–37 planning period. The only project currently identified is for the replacement of the existing windows with double glazing in the Administration Building. This project responds primarily to operational and building performance requirements rather than growth in community demand.

Council is proposing to spend **$217,974** on acquisition and upgrade works across the Property activity over the 2027–37 planning period. The figure below shows the forecast distribution of this expenditure.

The figure below shows the spread of this spending.

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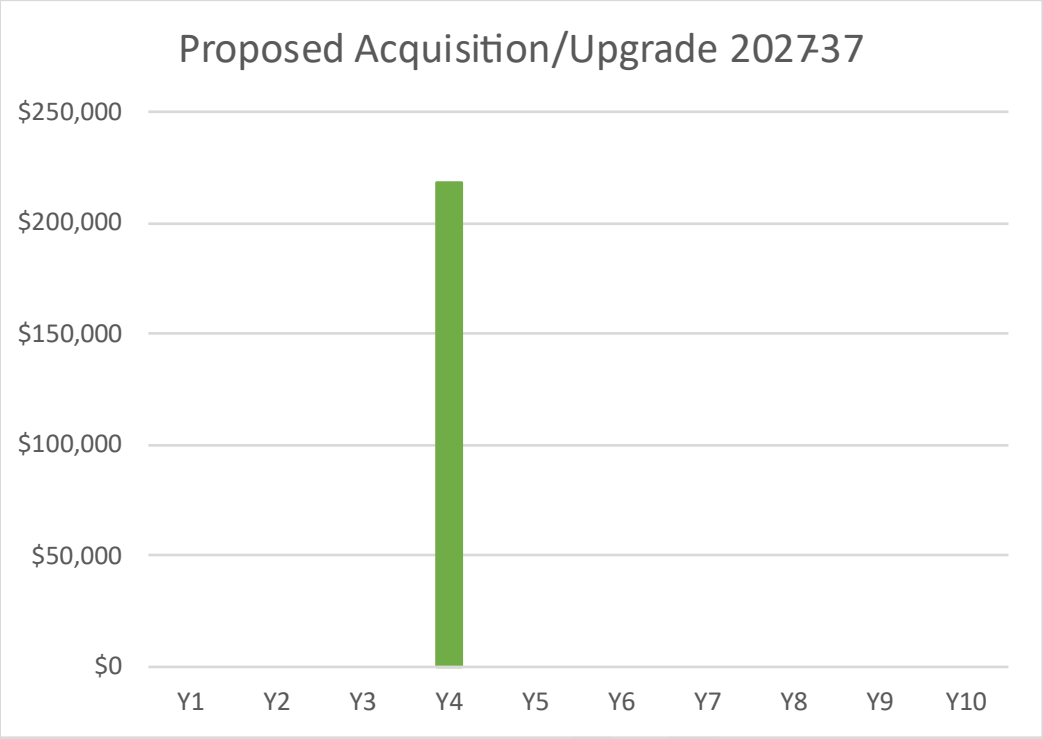

The acquisition and upgrade projects identified in this Plan represent anticipated asset needs and do not represent a commitment by Council to deliver the projects within the identified timeframe. Scope, timing and delivery remain subject to further investigation, prioritisation and funding through Council's Long-term Plan and Annual Plan processes. Projects and associated budgets may be amended as priorities, project information and available funding are refined.

9.2. Funding strategy

Funding for the operation, maintenance, renewal, acquisition and disposal of assets within the Property activity is determined in accordance with Council's Financial Strategy and Revenue and Financing Policy**,** which form part of the Long-term Plan.

These documents establish the framework for how Council funds its activities, including the use of rates, fees and charges, rental and lease income, reserves, debt and other available funding sources. The appropriate funding source varies depending on the nature and purpose of the expenditure and the property concerned.

Property activity budgets are reviewed through Council's Long-term Plan and Annual Plan processes to ensure forecast expenditure and available funding remain aligned.

9.3. Asset value

The value of assets within the Property activity is summarised in the table below. Values are based on Council's current asset records and represent the carrying value of land and assets associated with the activity at the time this Plan was prepared.

Asset values will change over time as assets are acquired, renewed, revalued, depreciated, disposed of or transferred between Council activities.

Valuation	Value
Property Assets	$17,090,107

The total carrying value of assets recorded within the Property activity is **$17,090,107**. This value includes buildings and, where applicable, the land associated with individual properties.

The carrying value does not represent the total value of all land and assets managed within the Property activity. No carrying value is currently recorded for the residential property at

DRAFT

1269 Pohangina Road, and the value of the various parcels of grazing land has not been included due to the difficulty in reliably determining a consolidated value for these properties.

The value presented should therefore be considered the recorded carrying value of the assets for which valuation information is currently available, rather than a complete valuation of the Property portfolio.

9.4. Valuation forecasts

Asset values are expected to change over the planning period as assets are acquired, renewed, disposed of, transferred, depreciated or revalued. Changes in construction costs, land values and other market factors may also affect the value of assets within the Property activity.

Changes to the composition of the Property portfolio may result in increases or decreases in the total carrying value over time. Asset values and associated depreciation will continue to be reviewed and updated through Council's asset valuation and financial planning processes.

As asset information improves, valuation information for assets where current carrying values are incomplete or unavailable will also be reviewed where appropriate.

9.5. Key assumptions made in financial forecasts

Financial forecasts within this Plan are based on the best available information at the time of preparation. A number of assumptions are required where future conditions, costs or asset requirements cannot be known with certainty.

The key assumptions that may influence the financial forecasts for the Property activity are summarised below.

Assumption	Potential Impact
Asset condition – Existing assets will generally deteriorate at rates consistent with their age, condition and expected useful lives.	Actual deterioration may occur faster or slower than anticipated, changing the timing and cost of maintenance and renewals.
Asset information – Available asset and condition information is sufficiently reliable to support current lifecycle and financial forecasts.	Improved information may identify additional or different maintenance and renewal requirements.
Property portfolio – The overall purpose and use of the Property portfolio will remain broadly consistent with current expectations, subject to identified acquisitions, disposals and transfers.	Changes in ownership, use or strategic requirements may alter operating, maintenance, renewal and capital expenditure.
Costs – Construction, materials, contractor and other costs will generally move in accordance with the assumptions used in Council's financial forecasts.	Actual cost movements may result in projects costing more or less than forecast.
Emergency events – Council will be able to respond to and initiate recovery from localised and moderate emergency events within its existing emergency management and financial arrangements.	Significant events may cause unplanned damage, service disruption and additional operating or capital expenditure.

9.6. Reliability and confidence estimates

The forecast costs, proposed budgets and valuation projections in this Plan are based on the best available information at the time of preparation. For effective asset and financial management, it is important that this information is current, accurate and appropriate for the decisions being made.

DRAFT

Information confidence is classified using an A–E scale, as shown in the table below.

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

The estimated confidence level for and reliability of data used in this Plan is shown in the table below.

Data	Confidence Assessment	Comment
Demand drivers	B	This information comes from Council's annual residents survey, data supplied by Infometrics, and industry identified trends.
Growth projections	B	This information is based on data supplied by Infometrics.
Acquisition forecast	B	This information is based on Council's annual residents survey, data supplied by Infometrics, feedback from Council's open spaces contractor and staff expertise.
Maintenance forecast	B	This information is based on feedback from Council's open spaces contractor and staff expertise.
Renewal forecast	B	This information is based on feedback from Council's open spaces contractor and staff expertise.
- Asset values	B	This information is based on feedback from Council's open spaces contractor and staff expertise.
- Asset useful lives	B	This information is based on feedback from Council's open spaces contractor and staff expertise.
- Condition modelling	C	This information is based on complaints received, feedback from Council's open spaces contractor and staff expertise.
Disposal forecast	N/A	There are no disposals identified for this Plan

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10. Plan Improvement and Monitoring

10.1. Status of asset management practices

Council uses a range of financial, asset management and operational systems to support the management of assets within the Property activity.

Asset & Work Manager (formerly RAMM) is used to record and manage asset information. The level of information held varies across the Property portfolio, with more detailed information available for some assets and components than others.

Council will continue to progressively improve the completeness and quality of asset information, condition data and lifecycle information to support maintenance and renewal planning, risk management and long-term financial forecasting.

10.2. Maturity assessment results

Asset management maturity describes the extent to which Council's asset management practices, processes and information support effective decision-making and the current and future needs of the community. Assessing maturity helps identify strengths, areas for improvement and realistic opportunities to progressively improve asset management practices.

The **International Infrastructure Management Manual (IIMM)** identifies four broad levels of asset management maturity:

- **Minimum** – the basic practices required to manage assets.
- **Core** – sound asset management practices appropriate to the organisation and assets being managed.
- **Intermediate** – more developed and integrated asset management practices.
- **Advanced** – highly developed asset management practices supported by comprehensive information and processes.

The Community Facilities activity has previously been assessed as operating at a **Core** level of asset management maturity. The improvement programme identified in this Plan focuses on progressively strengthening asset information, condition assessment, lifecycle planning and financial forecasting rather than seeking maturity improvements beyond what is appropriate for the activity.

10.3. Improvement plan

Continuous improvement is an important part of asset management planning. Improvements identified through the preparation of this Plan focus on strengthening the information and processes used to support asset management decisions, while recognising available resources and the relative scale and risk of the Property activity.

The key improvement actions for the 2027–37 planning period are outlined below.

Task		Responsibility	Resources Required	Timeline
1	Improve the completeness and accuracy of Property asset and component information held in Asset & Work Manager.	Asset Management & Compliance Coordinator	Staff time; existing budgets	Ongoing
2	Continue periodic condition assessments and use results to inform maintenance and renewal programmes.	Community Assets Manager	Staff time; external specialists where required	Ongoing
3	Develop planned and preventative maintenance programmes using asset condition, criticality and risk information.	Community Assets Manager / Asset Management &	Staff time; existing budgets	2027–30

DRAFT

		Compliance Coordinator		
4	Improve lifecycle and renewal forecasting as asset and condition information improves.	Asset Management & Compliance Coordinator	Staff time; existing budgets	Ongoing
5	Continue to review the strategic need, use and future of Property assets, including potential acquisition and disposal requirements.	Strategic Community Property Advisor	Staff time; external advice where required	Ongoing
6	Continue implementing relevant actions from the Community Facilities Strategy and associated sub-plans.	Community Assets Manager / Strategic Community Property Advisor	Staff time; external specialists where required	Ongoing

10.4. Monitoring and review procedures

This Asset Management Plan will be monitored and reviewed throughout the planning period to ensure that it continues to reflect current asset information, risks, service requirements and financial forecasts.

Asset information and improvement actions will be updated as new information becomes available, with more formal reviews undertaken through Council's annual and Long-term Plan processes.

Frequency	Monitoring/Review Task
Ongoing	Asset management plan data updated on a continual basis as operations, maintenance and renewals are carried out or new assets are created.
Annually	Internal review of the asset management plan including renewal projections and valuation. Customer satisfaction surveys carried out and customer complaints register analysed.
Three-yearly	Formal review of the asset management plan prior to the review of the Long-Term Plan, strategic plan, and funding and financial policies. External audit of the asset management plan.
Six-yearly	Formal level of service review carried out in line with the wider community outcomes consultation.
As Required	Review and update the Plan where significant changes occur, including changes to legislation, Council strategy or decisions, service requirements, asset ownership or use, or following significant asset failures or emergency events.

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11. Appendices

11.1. Asset information

Asset Category	Asset Name	Location
Commercial Property Commercial properties are those assets where commercial rent or lease rates are charged to the occupier. These are generally industrial depots on fee simple land. The primary activity on the land is generally commercial in nature and the retention of the properties is not critical to the ongoing delivery of Councils services.	121-127 South Street, Feilding	121-127 South Street, Feilding
	Eyre Street Depot Building	10 Eyre Street, Feilding
	Eyre Street Carparks	10 & 12 Eyre Street, Feilding
	Feilding Depot	139 South Street, Feilding
	Feilding Playcentre – 10 Montgomery Street, Feilding	10 Montgomery Street, Feilding
	Various parcels of grazing land	District-wide
Community Property Community properties as those assets that provide a public good or provide a place for community services to the public and community. The rationale for holding community property is that there is community benefit and value in Council retaining ownership of the property rather than disposing of the property for other purposes or leasing the property back.	Animal Control Building and Compound, Awa Street	16 Awa Street, Feilding
	Community House, Feilding	131 Manchester Street, Feilding
	Council Administration Building	135 Manchester Street, Feilding
	Country Fayre – Pohangina	976 Finnis Road, Pohangina
	Feilding Clock Tower	Manchester Square, Feilding
	Feilding Community Centre – Te Manawa	21 Stafford Street, Feilding
	Ohakea Hall	355 Speedy Road, Ohakea
	Palmerston North Surf Lifesaving Club	4 Koputara Road, Himatangi Beach
	Rangiwahia Memorial Hall	2522 Rangiwahia Road, Rangiwahia
	Rongotea Community Centre	11 Douglas Square, Rongotea
General Property General properties are those assets where the rationale for holding the property is land-banking for other future Council development opportunities, or the nature of the property is for purposes other than community or commercial purposes.	Fergusson Street Carpark	2 Warwick Street, Feilding
	Halcombe Playcentre	77 Willoughby Street, Halcombe
	Kimbolton Playcentre	4 Lind Street, Kimbolton
	Pohangina Depot	976 Finnis Road, Pohangina
	Red Cross House – 31 Grey Street	31 Grey Street, Feilding
	Residential Tenancy – 1269 Pohangina Road.	1269 Pohangina Road, Pohangina
	Sanson Playcentre	2A Phillips Street, Sanson

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11.2. Complete operational works programme

Property	Project Description	Criticality	Consequence	Estimated Cost	Year
Commercial					
10 Montgomery Street	Condition Assessment	Med	Med	$5,212	2
Eyre Street Depot	DSA on MSS leased building / demolition of building	High	High	$27,220	4
Community					
Feilding Community Centre – Te Manawa	Exterior repaint	Med	Med	$35,630	1
Brassband Building	Operational grant for the purchase of the brassband building	High	High	$107,266	2
Rongotea Community Centre	Maintenance as per condition assessment	Med	Med	$10,424	2
Palmerston North Surf Lifesaving Club	Corrosion treatment to corroding steel works	Med	Med	$26,061	2
Council Administration Building	Repaint of office exteriors	Low	Med	$31,556	3
Rangiwahia Memorial Hall	Exterior repaint	Med	High	$31,961	3
Palmerston North Surf Lifesaving Club	Corrosion treatment to steel stairwell on beach front	Med	Med	$8,876	5
Feilding Clock Tower	Full exterior repaint and maintenance of the clock mechanism	Med	Med	$17,298	7
Palmerston North Surf Lifesaving Club	Corrosion treatment to corroding steel works	Med	Med	$28,830	7
Palmerston North Surf Lifesaving Club	Corrosion treatment to steel stairwell on beach front	Med	Med	$10,000	10
County Fayre - Pohangina	Exterior repaint	Med	High	$42,957	15
General					
Sanson Playcentre – Land	Disposal	Med	Med	$15,636	2
Residential Tenancy - 1269 Pohangina Road	Remove house from site	Med	Med	$30,540	1
Kimbolton Playcentre	Exterior repaint	Med	High	$18,510	4

DRAFT

11.3. Complete renewal works programme

Property	Project Description	Remaining Life	Consequence	Estimated Cost	Year
District-Wide					
District-Wide property renewals	Annual Provision	0	High	$20,360	1
District-Wide property renewals	Annual Provision	0	High	$20,818	2
District-Wide property renewals	Annual Provision	0	High	$21,287	3
District-Wide property renewals	Annual Provision	0	High	$21,797	4
District-Wide property renewals	Annual Provision	0	High	$22,255	5
District-Wide property renewals	Annual Provision	0	High	$22,700	6
District-Wide property renewals	Annual Provision	0	High	$23,086	7
District-Wide property renewals	Annual Provision	0	High	$23,456	8
District-Wide property renewals	Annual Provision	0	High	$23,807	9
District-Wide property renewals	Annual Provision	0	High	$24,164	10
Commercial					
Eyre Street Depot	Reseal depot carpark	14	Med	$55,743	15
Eyre Street Carpark	Reseal northern carpark	15	Med	$36,859	16
Community					
Rongotea Community Centre	Repairs to downpipes, foundations, bathroom ventilation, floor finishes, driveways/pathways and fencing as per condition assessment	1	Med	$20,360	1
Council Administration Building	Renewal of battery's Uninterrupted power supply (UPS	2	High	$5,179	1
Animal Control Building and Compound, Awa Street	Replace resin wall and floor protection in kennel area	3	Low	$7,826	1

DRAFT

Council Administration Building	Replace existing lights with LED, as identified in Environmental Strategy	2	Med	$168,382	1
Council Administration Building	Replace window coverings	3	Med	$29,131	2
Council Administration Building	HVAC replacement programme – Year 10	4	High	$48,366	2
Council Administration Building	HVAC replacement programme – Year 9	5	High	$69,438	3
Council Administration Building	Renewal of battery's Uninterrupted power supply (UPS)	4	High	$6,123	3
Council Administration Building	Replace floor coverings in Corporate wing	5	Med	$29,426	4
Council Administration Building	Replacement of Autogate motors and electronics	4	High	$9,319	4
Rangiwahia Memorial Hall	Install new septic system on Hall property (currently on neighbours land)	6	High	$66,765	5
Council Administration Building	Renewal of battery's Uninterrupted power supply (UPS)	6	High	$6,668	5
Feilding Community Centre	Exterior repaint	6	High	$38,946	5
Council Administration Building	Replace bathroom extraction system	7	Med	$113,501	6
Animal Control Building and Compound, Awa Street	Replace resin wall and floor protection in kennel area	7	Low	$9,080	6
Council Administration Building	Renewal of battery's Uninterrupted power supply (UPS)	8	High	$7,188	7
Council Administration Building	HVAC replacement programme – Year 11	8	High	$13,886	8
Council Administration Building	Replace access control panels	9	High	$35,183	8
Council Administration Building	Renewal of battery's Uninterrupted power supply (UPS)	8	High	$7,142	9
General					
Kimbolton Playcentre	Roof replacement	3	High	$46,818	2
Halcombe Playcentre	Roof replacement	7	High	$27,703	7

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11.4. Complete acquisition/upgrade works programme

Property	Development Description	Increased LoS	Response to Growth	Proportion of Renewal	Estimated Cost	Year	External Funding
Community Property							
Council Administration Building	Upgrade windows to double glazing	50%		50%	$217,974	4	

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