

# *Asset Management* **Planning**





## ASSET MANAGEMENT PLAN



The Asset Management Plan sets out how Council delivers its asset-based services:

- To the standards expected by customers
- At the most competitive cost to customers
- Through management of assets in a way that is sustainable in the long term
- In compliance with legal requirements.

The Asset Management Plan comprises four key elements:

- The service standards which Council aims to achieve
- The asset system used to achieve the service standards
- The life cycle of asset management strategies (which set out how Council manages the assets)
- Quality assurance processes.

Service standards set out the services to be delivered and the targets Council aims to achieve in their delivery. Target service standards include:

- Customer service standards
- Legislative standards
- Technical standards
- Environmental standards.

Customer service standards look at services from a customer's perspective. Council customers have been consulted about some standards, major projects and issues such as the fluoridation of the Petone water supply, and the Trunk Wastewater System (which includes the Seaview Wastewater Treatment Plant and network operations).

Technical and environmental service standards are determined by legislation, industry and environmental best practice and in consultation with local community special interest groups, iwi and Central Government agencies.

The asset system describes the assets Council uses to deliver the services. It includes a high level summary of the asset condition, an assessment of the asset's service capabilities and a forecast of the future demand for the services.

Life cycle management covers the five key strategies necessary to deliver the required service standards.

Four strategies maintain the service capability of existing assets:

- Management/Monitoring Strategy
- Operations Strategy
- Maintenance Strategy
- Cyclic Renewal Strategy.

The fifth strategy, the Asset Development Strategy, aims to close gaps between the current service capability and target service standards.

Financial programmes associated with the five strategies are fed into Council's long term financial planning. For example, the Asset Renewal Strategy feeds into the "Maintaining Services" category of projects in the Community Plan, and the Asset Development Strategy feeds into the "Improving Services" category.

Quality assurance sets out how Council evaluates its asset management planning processes against industry best practice. This can be through evaluation of Council's asset management planning against accepted criteria, and/or through internal and external reviews. Recent evaluations have indicated that Council's asset management planning generally compares favourably with best practice elsewhere in New Zealand.

### Climate Change Considerations

Climate change considerations are unlikely to drive or initiate action by local government on their own. Rather, through the application of risk management processes in assessing and prioritising possible responses to the effects of climate change, they may modify an outcome. Council asset management planning processes already include risk assessment modelling, which will be expanded to specifically include climate change.